

Vision Motors Private Limited, Ernakulam

Balance sheet

(All amounts in millions)

	Note	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	257.06	247.22
Capital work-in-progress	4	-	5.13
Right of Use (ROU) Asset	31	142.61	176.00
Other Intangible assets	5	0.09	0.18
Financial assets			
Other financial assets	6	28.89	26.62
Deferred tax assets	26	5.92	25.53
Income tax assets (net)	26	9.97	11.07
Other non-current assets	7	5.26	16.18
Total non-current assets		449.80	507.93
Current assets			
Inventories	8	169.08	103.42
Financial assets			
Trade receivables	9	51.29	55.51
Cash and cash equivalents	10	19.96	34.00
Other bank balances	11	0.52	0.31
Other current assets	7	14.58	9.14
Total current assets		255.43	202.38
Total assets		705.23	710.31
Equity and liabilities			
Equity			
Equity share capital	12	146.77	146.77
Other Equity		124.36	27.93
Equity attributable to owners of company		271.13	174.70
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	59.91	54.03
Lease Liability	31	150.90	188.66
Provisions	15	6.89	3.31
Total non-current liabilities		217.70	246.00
Current liabilities			
Financial liabilities			
Borrowings	13	59.68	118.00
Lease Liability	31	46.92	45.36
Trade payables	17		
- Total outstanding dues of micro and small enterprises		1.18	1.01
- Total outstanding dues of creditors other than micro and small enterprises		41.08	38.27
Other financial liabilities	14	13.51	10.88
Provisions	15	1.38	1.07
Other current liabilities	16	52.65	75.02
Total current liabilities		216.40	289.61
Total equity and liabilities		705.23	710.31
Significant accounting policies	1-3		

The accompanying notes 4 to 39 form an integral part of the financial statements
As per our report of even date attached

For PSDY & Associates
Chartered Accountants (FRN 010625S)

Sreenivasan P. (M.No.:213413)
Managing Partner

UDIN - 22213413AKVBIZ6058

Kochi

Date: 25-05-2022

for and on behalf of the Board of Directors of
Vision Motors Private Limited, Ernakulam
CIN : U34100KL2008PTC022049

Naveen Philip
Managing Director
DIN: 00018827

Maheepan
Director
DIN:02051164

Harisha K
Chief Financial Officer

Surya Jacob
Company Secretary

Vision Motors Private Limited, Ernakulam
Statement of profit and loss
(All amounts in millions)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	18	3,177.48	2,386.25
Other income	19	14.91	14.62
Total income		3,192.39	2,400.87
Expenses			
Purchases of stock-in-trade	20	2,635.21	1,889.15
Change in inventories	21	(49.94)	46.70
Employee benefits expense	22	220.18	174.35
Finance costs	23	47.86	47.95
Depreciation and amortisation expense	24	72.04	62.56
Other expenses	25	139.70	110.92
Total expenses		3,065.05	2,331.63
(Loss)/profit before tax		127.34	69.24
Tax expense			
Current tax :	26	10.80	-
Deferred tax	26	19.74	27.28
(Loss)/profit for the year		96.80	41.96
Other comprehensive income			
Remeasurement of net defined benefit liability/ (asset)		(0.49)	0.13
Income tax relating to item that will not be reclassified to profit or loss		0.12	(0.03)
Total comprehensive income for the year		96.43	42.06
(Loss)/profit per share (Equity share of face value of INR 10 each)	28		
Basic		6.57	2.87
Diluted		6.57	2.87


Significant accounting policies

1-3


The accompanying notes 4 to 39 form an integral part of the financial statements


As per our report of even date attached

for and on behalf of the Board of Directors of
Vision Motors Private Limited, Ernakulam
CIN : U34100KL2008PTC022049



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Managing Director
DIN: 00018827


Malini Eapen
Director
DIN:02051164


Harisha K
Chief Financial Officer


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Company Secretary

For PSDY & Associates
Chartered Accountants (FRN 010625S)


Sreenivasan PR (M No.:213413)
Managing Partner

UDIN - 22213413 AKVBIZ 6058

Kochi
Date: 25/5/2022



Vision Motors Private Limited, Ernakulam

Cash flow statement

(All amounts in millions)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit/Loss before tax	127.34	69.24
Adjustments for		
Finance charges	26.87	27.16
Credit Balance Written Back	(2.73)	(2.86)
Notional interest on rent deposit	(1.50)	(1.09)
Interest Income	(0.09)	(0.06)
Interest on Shortfall of Advance Tax	0.04	-
Interest Paid- Others	0.02	(0.09)
Reversal of Provision for bad and doubtful debts	(0.18)	(0.11)
Bad debts written off	1.49	1.25
Provision for gratuity	2.55	2.41
Gratuity premium paid	(0.13)	(0.16)
Provision for leave encashment	1.58	0.49
Leave encashment paid	(0.61)	(0.35)
Profit(+)/Loss (-) on sale of fixed assets	(1.20)	0.05
Interest on lease liability	20.93	20.79
Lease cancellation adjustment	-	(3.16)
Lease Rent Concession	(7.03)	(3.06)
Depreciation and Amortisation	72.04	62.55
Operating profit before working capital changes	239.38	173.00
Decrease/(Increase) in trade receivables	2.91	(12.81)
Decrease / (increase) in inventories	(65.66)	53.56
Decrease/ (Increase) in loans and advances	(5.44)	17.41
(Decrease)/ Increase in other current liabilities	(14.05)	26.82
Cash generated from/ (used) in operations	157.14	257.98
Taxes paid, net of refund received	(9.74)	17.96
Net cash generated from/ (used) in operating activities (A)	147.40	275.94
Cash flows from investing activities		
Non current loans and advances	8.63	(16.21)
Interest received	0.09	0.06
Purchase of fixed assets	(39.99)	(16.80)
Proceeds from disposal of fixed assets	11.82	16.36
Net cash used in investing activities (B)	(19.45)	(16.59)
Cash flows from financing activities		
Interest paid	(26.87)	(27.16)
Secured loans availed, net	(52.44)	(192.88)
Lease payments during the year	(62.47)	(47.08)
Net cash generated from financing activities (C)	(141.78)	(267.12)
Net increase in cash and cash equivalents (A+B+C)	(13.83)	(7.77)
Cash and cash equivalents at the beginning of the year	34.31	42.08
Cash and cash equivalents at the end of the year	20.48	34.31

(refer to note 10- Cash and bank equivalents & note 11 - Other bank balances)

The accompanying notes 4 to 39 form an integral part of the financial statements

For **PSDY & Associates**
Chartered Accountants (FRN 010625S)

Sreenivasan P.R. (M.No.:213413)
Managing Partner

UDIN - 22213413AKUB126058

Kochi

Date: 25/05/2022

for and on behalf of the Board of Directors of
Vision Motors Private Limited, Ernakulam
CIN : U34100KL2008PTC022049

Navden Philip
Managing Director
DIN: 00018827

Malini Eapen
Director
DIN:02051164

Harisha K
Chief Financial Officer

Surya Jacob
Company Secretary

Vision Motors Private Limited, Ernakulam
Annexure IV - Consolidated statement of cash flows
(All amounts in 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 *	92.02	(0.66)	-	-	91.36
Current borrowings	(37.99)	66.22	-	-	28.23
Lease liabilities (refer note 31)	234.02	(62.47)	-	26.27	197.82

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Fair value changes	Others	
Non current borrowings *	109.21	(17.19)	-	-	92.02
Current borrowings	269.89	(307.88)	-	-	(37.99)
Lease liabilities (refer note 31)	221.94	(47.08)	-	59.16	234.02

*includes current maturities of long-term borrowings

(Refer to note 10 - Cash and cash equivalents)

As per our report of even date attached

for and on behalf of the Board of Directors of
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CIN : U34100KL2008PTC022049

Naveen Philip
Managing Director
DIN: 00018827

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Company Secretary

or PSDY & Associates
Chartered Accountants (FRN 010625S)

reenivasan P R (M. No.:213413)
Managing Partner

DIN - 22213413AKVB126058

Kochi
Date: 25-05-2022



Vision Motors Private Limited, Ernakulam
Statement of Changes in Equity
(All amounts in millions)

A. Equity share capital

	Note	Equity shares	Amount
Balance as at 1 April 2020		1,46,76,666.00	146.77
Changes in equity share capital during 2020-21	12	-	-
As at 31 March 2021		1,46,76,666.00	146.77
Balance as at 1 April 2021		1,46,76,666.00	146.77
Changes in equity share capital during 2021-22	12	-	-
As at 31 March 2022		1,46,76,666.00	146.77

B Other equity

Particulars	Reserves and surplus		Items of other Comprehensive Income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2020	102.43	(116.47)	(0.09)	(14.13)
Total comprehensive income for the period ended 31 March 2021				
Profit for the year	-	41.96	-	41.96
Other comprehensive income, net of tax	-	-	0.10	0.10
Total comprehensive income	-	41.96	0.10	42.06
Balance as at 31 March 2021	102.43	(74.51)	0.01	27.93
Balance as at 1 April 2021	102.43	(74.51)	0.01	27.93
Total comprehensive income for the period ended 31 March 2022				
Profit for the year	-	96.80	-	96.80
Other comprehensive income, net of tax	-	-	(0.37)	(0.37)
Total comprehensive income	-	96.80	(0.37)	96.43
Balance as at 31 March 2022	102.43	22.29	(0.36)	124.36

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 29,26,666 Equity shares of Rs.10/- each at a premium of Rs. 35 during the FY 2019-20.

2 Retained earnings

Represents accumulation of retained earnings of earlier years.

The accompanying notes 4 to 39 form an integral part of the financial statements

As per our report of even date attached

For PSDY & Associates
Chartered Accountants (FRN 010625S)

Sreenivasan P (M. No.: 213413)
Managing Partner

UDIN - 22213413 AKUB126058

Kochi
Date: 25/05/2022

for and on behalf of the Board of Directors of
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CIN: U34100KL2008PTC022049

Naveen Philip
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DIN: 00018827

Harisha K
Chief Financial Officer

Malina Eapen
Director
DIN: 02051164

Surya Jacob
Company Secretary

Vision Motors Private Limited, Ernakulam

Notes to the financial statements

(All amounts in Indian rupees millions)

1. Company overview

Vision Motors Private Limited ('the Company') was incorporated in 2008 as a Private Limited Company. The Company is engaged in the business of sale and service of automobiles, sale of spare parts and accessories, and as intermediaries for finance and insurance companies. The Company is headquartered in Kochi, India and has operations in Kerala.

2. Basis of preparation

A. Statement of compliance

The Company is a wholly owned subsidiary of Popular Mega Motors (India) Private Limited which in turn is a wholly owned 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.

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, except share data, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis.

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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.



3. Significant accounting policies

3.1 Property, plant and equipment

A. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, road tax, after deducting trade discounts and 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 loans and advances. 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.

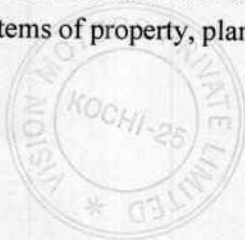
B. Subsequent expenditure

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

C. 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 recognised in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

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



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
 (All amounts in Indian rupees millions)

Class of assets	Previous life	Revised life
Building Leased	60	60
Building owned	60	60
Motor cars	8	8
Motor cycles and trucks	10	10
Office Equipments	5	5
Plant and machinery	15	15
Tools and Equipments	15	5
Electrical fittings	10	10
Furniture and fittings	10	10
Computer equipment	3	3

* For the above mentioned classes of assets, the Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice, where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation for the period is provided on proportionate basis.

3.2 Intangible assets:

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

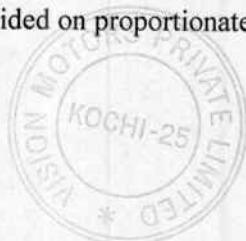
The estimated useful lives are as follows:

Class of assets	Years
Software	3
Good Will	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.

Amortization for the period is provided on proportionate basis.



3.3 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

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

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

Defined benefit plans

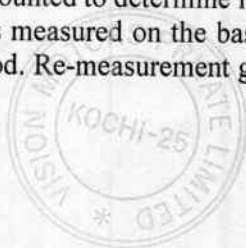
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

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

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



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.

3.5 Revenue

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

Revenue from services is recognised on rendering of services to customers.

Discounts and incentive income is recognised when the services are rendered and as per the relevant scheme/ arrangement provided by the manufacturer. In respect of other heads of income, the Company follows the practice of recognising income on an accrual basis.

Insurance claims accounted on accrual; accrual being reckoned based on subsequent receipts towards claims and provisional liability determined by surveyors.

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

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:

In the case of vehicles, valuation is done on a specific identification basis and in the case of spares and accessories and consumables on weighted average basis.



3.7 Financial instruments

3.7.1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.7.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at either at amortized cost, FVTPL or fair value in other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



3.7 Financial instruments (continued)

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.



3.7 Financial instruments (continued)

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de recognition is also recognized in profit or loss.

iii) De recognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv) Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v) Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

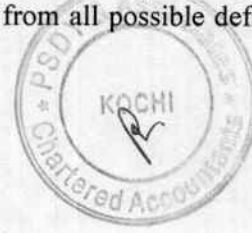
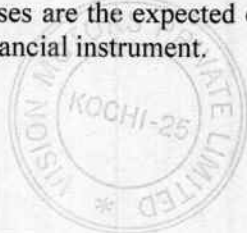
3.8 Impairment

- 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.



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)

(All amounts in Indian rupees millions)

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 at higher of actual provision or 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

- Impairment of non- financial assets

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

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

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

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

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



3.9 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.

3.10 Recognition of interest income or interest expense

Interest income or expense is recognized using the effective interest method.

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.

3.11 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.



3.11 Income tax (Continued)

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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

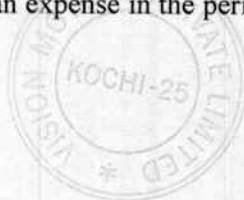
Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the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

3.12 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.



3.13 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.

3.14 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.

3.15 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.

3.16 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.



Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in millions)

4 Property, plant and equipment and capital work-in-progress

Particulars	Buildings #	Furniture and fixtures	Electrical equipment	Plant and machinery	Motor car	Computer Equipment	Office equipment	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross Block										
Balance at 1 April 2020	139.84	56.59	7.14	66.39	69.57	11.53	3.54	354.60	-	354.60
Additions/(transfers)	-	0.74	0.02	1.29	7.96	1.04	0.43	11.48	5.13	16.61
Disposals /capitalisation	-	-	-	-	25.57	0.02	-	25.59	-	25.59
Balance at 31 March 2021	139.84	57.33	7.16	67.68	51.96	12.55	3.97	340.49	5.13	345.62
Balance at 1 April 2021	139.84	57.33	7.16	67.68	51.96	12.55	3.97	340.49	5.13	345.62
Additions/(transfers)	2.29	22.12	1.02	14.89	0.79	2.16	1.85	45.12	-	45.12
Disposals /capitalisation	-	-	0.54	-	17.27	-	-	17.81	5.13	22.94
Balance at 31 March 2022	142.13	79.45	7.64	82.57	35.48	14.71	5.82	367.80	-	367.80
Accumulated Depreciation										
Balance at 1 April 2020	8.75	17.14	3.08	19.42	20.99	7.50	1.53	78.41	-	78.41
Depreciation for the year	2.39	5.91	0.52	5.18	7.23	2.20	0.61	24.04	-	24.04
Disposals	-	-	-	-	9.16	0.02	-	9.18	-	9.18
Balance at 31 March 2021	11.14	23.05	3.60	24.60	19.06	9.68	2.14	93.27	-	93.27
Balance at 1 April 2021	11.14	23.05	3.60	24.60	19.06	9.68	2.14	93.27	-	93.27
Depreciation for the year	2.41	7.14	0.56	6.19	5.32	2.29	0.76	24.67	-	24.67
Disposals	-	-	0.51	-	6.69	-	-	7.20	-	7.20
Balance at 31 March 2022	13.55	30.19	3.65	30.79	17.69	11.97	2.90	110.74	-	110.74
Carrying amounts (net)										
At 31 March 2022	128.58	49.26	3.99	51.78	17.79	2.74	2.92	257.06	-	257.06
At 31 March 2021	128.70	34.28	3.56	43.08	32.90	2.87	1.83	247.22	5.13	252.35

Include buildings constructed on leasehold land

Particulars	At 31 March 2022		At 31 March 2021	
	Gross block	Net block	Gross block	Net block
Building	142.13	128.58	139.84	128.70



a) Title deeds of Immovable Properties not held in name of the Company:

Description	March 31, 2022	March 31, 2021
Title deeds held in the name of	Vision Motors Private Limited	
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA	NA
Reason for not being held in the name of the Company	NA	NA

b) Capital work-in-progress represents expenditure towards construction of new workshops/ service centres.

Capital Work in Progress Ageing Schedule:
As at March 31, 2022

Description	Amount in CWIP for a period of		
	Less than 1 Year	2-3 Years	More Than 3 Years
Projects in progress	-		
Projects temporarily suspended			

As at March 31, 2021

Description	Amount in CWIP for a period of		
	Less than 1 Year	2-3 Years	More Than 3 Years
Projects in progress	5.13		
Projects temporarily suspended			



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

5 Intangibles assets

	Computer software	Goodwill	Total
Gross Block			
Balance at 1 April 2020	0.26	44.70	44.96
Additions	0.19		0.19
Disposals	-		-
Balance at 31 March 2021	0.45	44.70	45.15
Balance at 1 April 2021	0.45	44.70	45.15
Additions			-
Disposals	-		-
Balance at 31 March 2022	0.45	44.70	45.15
Accumulated amortisation			
Balance at 1 April 2020	0.17	43.24	43.41
Amortisation for the year	0.10	1.46	1.56
Balance at 31 March 2021	0.27	44.70	44.97
Balance at 1 April 2021	0.27	44.70	44.97
Amortisation for the year	0.09		0.09
Balance at 31 March 2022	0.36	44.70	45.06
Carrying amounts (net)			
At 31 March 2022	0.09	-	0.09
At 31 March 2021	0.18	-	0.18



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

	As at 31 March 2022	As at 31 March 2021
6 Other financial assets		
Non - Current		
Considered good - Unsecured		
Rent and other deposits	28.89	26.62
	<u>28.89</u>	<u>26.62</u>
7 Other assets		
Non-current		
Prepaid expenses- non current	5.26	6.81
Advances for capital goods	-	9.37
	<u>5.26</u>	<u>16.18</u>
Current		
Advances for capital goods	2.51	-
Prepaid expenses	3.04	5.25
Balance with statutory / government authorities	0.06	0.06
Advance to staff	0.03	0.02
Advance to suppliers and others	1.76	0.32
Disputed taxes	0.22	0.22
Other receivables	6.96	3.27
	<u>14.58</u>	<u>9.14</u>
8 Inventories		
(Valued at lower of cost and realisable value)		
New vehicles	101.27	58.59
Goods in Transit- Vehicle	16.87	0.83
Used cars	10.72	8.57
Spares and lubricants	33.17	28.68
Goods in Transit- Spare	5.29	5.59
Accessories	3.99	2.31
	<u>171.31</u>	<u>104.57</u>
Less: Provision for obsolete inventory	2.23	1.15
	<u>169.08</u>	<u>103.42</u>
9 Trade receivables **		
Current		
Considered good - Unsecured		
Which have significant Increase in Credit Risk	2.44	2.26
Credit Impaired	2.08	2.26
	<u>4.52</u>	<u>4.52</u>
Less: Allowance for expected credit loss	2.08	2.26
Others	48.85	53.25
Net trade receivables	<u>51.29</u>	<u>55.51</u>



**For details of trade receivables offered as primary security for working capital limits, refer note 13
Trade receivables ageing schedule

As at 31st March 2022		Outstanding for following periods from due date of payment				
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i)Undisputed Trade receivables - considered good	48.85		-			48.85
ii)Undisputed Trade Receivables - which have significant increase in credit risk		1.54	0.90			2.44
iii)Undisputed Trade Receivables - credit impaired	0.76	0.42	0.90	-	-	2.08
	49.61	1.96	1.80	-	-	53.37

As at 31st March 2021		Outstanding for following periods from due date of payment				
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i)Undisputed Trade receivables - considered good	49.70	3.55		-	-	53.25
ii)Undisputed Trade Receivables - which have significant increase in credit risk		0.83	1.43	-	-	2.26
iii)Undisputed Trade Receivables - credit impaired		0.83	1.43	-	-	2.26
	49.70	5.21	2.86	-	-	57.77

10 Cash and cash equivalents

Balance with banks
- in current accounts
- in Cash Credit Accounts
Cash on hand
Cheques in hand
Cash and cash equivalents in balance sheet

12.27	26.79
6.13	3.51
1.49	1.31
0.07	2.39
19.96	34.00



11 Bank balances

Balance in banks for margin money

0.52	0.31
0.52	0.31



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

12 Share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised Equity shares	1,55,00,000	155.00	1,55,00,000	155.00
	1,55,00,000	155.00	1,55,00,000	155.00
Issued, subscribed and paid-up Equity shares	1,46,76,666	146.77	1,46,76,666	146.77
Add: Issued during the year				
	1,46,76,666	146.77	1,46,76,666	146.77
	1,46,76,666	146.77	1,46,76,666	146.77
	1,46,76,666	146.77	1,46,76,666	146.77
	1,46,76,666	146.77	1,46,76,666	146.77

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares of INR.10 each fully paid-up
At the beginning of the year
At the end of the year

(b) Details of shareholders holding more than 5% shares of the Company

Popular Mega Motors (India) Private Ltd

(c) Shares held by promoters at the end of the year

1) Change in Promoters Holding during the Year (%)

2) Details of Promoter's Shareholding:

NIL

Promoters Name

Naveen Philip
(held as Nominee of Popular Mega Motors (India) Private Limited)

Total

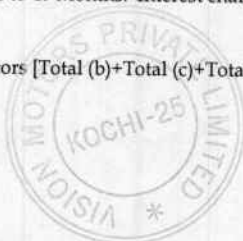
	As at 31 March 2022		As at 31 March 2021	
Promoters Name	Number of shares	% of Total Shares	Number of shares	% of Total Shares
Naveen Philip	1	0%	1	0%
Total	1	0%	1	0%



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

	As at 31 March 2022	As at 31 March 2021
13 Borrowings		
Non-current		
<i>Secured loans</i>		
Term loans from banks - Secured	47.92	25.49
Term loans from financial institution	11.99	28.54
	59.91	54.03
Current		
<i>Secured loans</i>		
Cash credit and overdraft facilities from banks	26.52	61.04
Short term loan from financial institution	1.71	18.97
Current maturities of long-term borrowings *	31.45	37.99
	59.68	118.00
Less: Amount included under 'other financial liabilities'	31.45	37.99
	28.23	80.01
Total borrowings	119.59	172.03

- (a) Emergency Credit Line Loans Availed
- 1) ICICI Bank Ltd
The facility shall rank second charge with the Existing facility in terms of cash flows (including repayment) and shall be secured by (i) extension of second ranking charge over all the existing securities (including mortgage) created in favour of the ICICI Bank for the Existing Facility and (ii) charge on the assets created under the Facility and is guaranteed by National Credit Guarantee Trustee Company. Principal outstanding amount to be repaid in 36 equal monthly instalments after the expiry of the Moratorium period of 12 months. The interest on the loan is 9.25% p.a.
- 2) Axis Bank Ltd
The facility is secured by extension of charge on primary securities available for existing facilities on a second ranking basis. All terms as per the National Credit Guarantee Trustee Company guidelines shall apply. Principal to be repaid in 36 equal monthly principal instalments post moratorium period of 12 months from the date of disbursement (35 instalments @ Rs 0.15million and final one month @ Rs 0.15million). The interest on loan is 3M MCLR+1.25% , presently 8.60% pa payable at monthly intervals.
- 3) Kotak Mahindra Bank Ltd
The facility is secured by extension of charge on primary securities available for existing facilities on a second ranking basis. All terms as per the National Credit Guarantee Trustee Company guidelines shall apply. Principal to be repaid in 36 equal monthly instalments post moratorium period of 12 months from the date of disbursement. The interest on loan is 1Y MCLR+1% , presently 8.25% pa payable at monthly intervals.
- (b) The term loan from Kotak Mahindra Bank Limited is secured by first and pari-passu charge with Kotak Mahindra Prime Limited on all existing and future Current Assets/Movable fixed assets, excluding the current assets of the dealership for Pathanamthitta , Calicut & Muvattupuzha locations., collateral security of personal properties of directors as common collateral for the group and the personal guarantee of directors. Term loans are repayable in monthly installments ranging from 18 months to 21 months. Interest charged on the Term Loan is 6Months MCLR + 1.2%
- (c) Term loan from Kotak Mahindra Prime Limited is secured by first charge on entire Current Assets/ Movable assets of the dealership excluding the current assets of the dealership for Pathanamthitta, Calicut & Muvattupuzha locations , personal guarantee of the Directors and equitable mortgage of the personal properties held as common collateral for the group, ranking pari-passu with Kotak Mahindra Bank Limited. Term loans are repayable in monthly installments ranging from 13 months to 46 months. The finance facility for new cars would be charged at 8.25% p.a. & spares would be charged at 9.5% p.a. Interest on the Term Loan is 9.45%
- (d) Vehicle loans are secured by hypothecation of the Vehicle financed and personal guarantee of the directors of the company. Vehicle Loans are repayable in monthly installments ranging from 24 months to 49 Months. Interest charged on Vehicle Loan ranges from 8.75% to 9.25%
- (e) Aggregate amount of long term loans guaranteed by directors [Total (b)+Total (c)+Total (d)] Rs millions 51.70(Rs 28.54 millions)



- (f) Short term loan from Kotak Mahindra Bank Limited is secured by first and pari-passu charge with Kotak Mahindra Prime Limited on all existing and future Current Assets/Movable fixed assets excluding the current assets of the dealership for Pathanamthitta, Calicut & Muvattupuzha locations, collateral security of personal properties of directors as common collateral for the group and the personal guarantee of directors.
- (g) Short term loans from Kotak Mahindra Prime Limited is secured by first charge on all existing and future Current Assets/ Movable fixed assets of the Company excluding the current assets of the dealership for Pathanamthitta, Calicut & Muvattupuzha locations and equitable mortgage of the personal properties held as common collateral for the group, ranking pari-passu with Kotak Mahindra Bank Limited.
- (h) The inventory funding from ICICI bank Ltd (contract no. 6923, 6924, 6925) is secured by exclusive charge on current assets of locations funded and personal guarantee of directors and holding company.
The inventory funding from ICICI bank Ltd (contract no. 6922) is secured by charge on vehicles and book debts funded by ICICI and personal guarantee of directors and holding company.
- (i) The inventory funding from Axis bank Ltd is secured by exclusive charge on current assets of locations funded and personal guarantee of directors.
- (j) The inventory funding from State Bank of India is secured by exclusive charge by way of Hypothecation over all the present and future stocks and receivables financed including the advance remittances made to Honda Cars India Ltd (HCIL) and Honda Cars India Ltd Spare Parts Division (HCIL - SPD) funded by State Bank of India and personal guarantee of Directors. The facility was sanctioned during the year but disbursed by the bank subsequent to the date of Balance sheet date.
- (k) Aggregate amount of short term borrowings guaranteed by directors Rs 59.47 millions (Rs 118.0 millions)

14 Other financial liabilities

Interest accrued and not due on borrowings	0.24	0.70
Accrued salaries and benefits	13.27	10.18
	13.51	10.88

15 Provisions

Non-current

Compensated absences	3.16	2.51
Gratuity	3.73	0.80
	6.89	3.31

Current

Compensated absences- Current	1.38	1.07
	1.38	1.07

16 Other Liabilities

Current

Contract liabilities	24.94	20.76
Advance from vendors for rebates- current	13.41	28.39
	4.47	4.47
Vat on Warranty	9.83	21.40
Statutory dues payables	52.65	75.02

The contract liabilities primarily relate to the advance received from the customers for the sale of vehicles. This will be recognised as revenue as and when the company meet the performance obligation by delivering the vehicles.

17 Trade payables

Dues to Micro, Small and Medium Enterprises	1.18	1.01
Dues to creditors other than Micro, Small and Medium Enterprises	41.08	38.27
	42.26	39.28

Trade payable ageing schedule

As at 31st March 2022				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i)MSME	1.18	-	-	-
ii)Others	41.08	-	-	-
iii)Disputed Dues-MSME	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-
v)Unbilled dues	-	-	-	-
	42.26	-	-	-



As at 31st March 2021				
Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i)MSME	1.01	-	-	-
ii)Others	38.27	-	-	-
iii)Disputed Dues-MSME	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-
v)Unbilled dues	-	-	-	-
	39.28	-	-	-

All Trade Payables are 'current'

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

The principal amount remaining unpaid to any supplier as at the end of the year	1.18	1.01
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	-	-



Vision Motors Private Limited
Notes to the financial statements (continued)
(All amounts in millions)

13 Borrowings (continued)

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

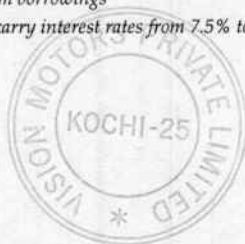
Nature of borrowing	As at 31 March 2022	As at 31 March 2021
Non-current, secured		
Term loans from banks	64.47	30.55
Term loans from financial institutions	24.03	40.91
Vehicle loans from financial institutions	2.85	20.56
Current, secured		
Cash credit and overdraft facilities from banks	26.52	61.04
Short term loan from financial institutions	1.71	18.97
Current, unsecured		
Short term loans from financial institutions	-	-
	119.58	172.03

Note:

For Security terms of above borrowings, please refer Note 13

The balance includes current maturities of long-term borrowings

The borrowings from banks / financial institutions carry interest rates from 7.5% to 16% per annum



	Year ended 31 March 2022	Year ended 31 March 2021
18 Revenue from operations		
Sales - New Vehicles	2,184.24	1,616.00
Sales - Spares and Accessories	358.67	277.96
Sales - Used Vehicles	209.73	159.07
Discounts and incentives	58.91	54.49
Finance and insurance commission	49.55	39.58
Labour income	309.16	234.68
Other operating revenue	7.22	4.47
	<u>3,177.48</u>	<u>2,386.25</u>
Reconciliation of revenue from sale of products and services		
Gross revenue	3,095.36	2,314.12
Less: Trade Discount allowed	26.34	21.94
	<u>3,069.02</u>	<u>2,292.18</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 Group 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
Revenue by nature		
Passenger cars	2,393.97	1,775.07
Others	783.51	611.18
	<u>3,177.48</u>	<u>2,386.25</u>
Revenue by contract type		
Fixed price	3,177.48	2,386.25
	<u>3,177.48</u>	<u>2,386.25</u>

(B) Contract balances

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	51.29	55.51
Contract liabilities	24.94	20.76

(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.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Within 1 year	24.94	20.76
1-3 years	-	-
More than 3 years	-	-
Closing balance	<u>24.94</u>	<u>20.76</u>

19 Other income

Notional interest on rent deposit	1.50	1.09
Interest Income - Others	0.05	0.04
Interest from fixed deposit with bank	0.04	0.02
Interest on income tax refund	0.64	2.15
Interest Income on Actuarial Valuation	-	0.09
Credit balance written back	2.73	2.86
Gain on sale of Property, Plant & Equipment	1.20	-
Reversal of Provision for bad and doubtful debts	0.18	0.11
Lease concession	7.03	4.05
Lease Liability written Back	-	3.16
Miscellaneous income	1.54	1.05
	<u>14.91</u>	<u>14.62</u>



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	Year ended 31 March 2022	Year ended 31 March 2021
20 Purchases of stock-in-trade		
Purchase - New Vehicles	2,136.36	1,509.18
Purchase - Used Vehicles	204.40	156.25
Purchase - Spares and Accessories	294.45	223.72
	<u>2,635.21</u>	<u>1,889.15</u>
21 Change in inventories of stock-in-trade		
Opening stock	96.99	143.69
Closing stock	146.93	96.99
	<u>(49.94)</u>	<u>46.70</u>
22 Employee benefits expense		
Salaries and allowances	193.78	153.86
Contribution to provident and other funds	11.31	10.05
Provision for Gratuity	2.55	2.41
Provision for Leave Encashment	1.58	0.49
Staff welfare expense	9.96	6.79
Remuneration to Directors	1.00	0.75
	<u>220.18</u>	<u>174.35</u>
23 Finance cost		
Interest on borrowings	25.54	26.80
Corporate Guarantee Commission	1.33	0.36
Interest on Lease Liability	20.93	20.79
Interest expense on Actuarial Valuation	0.02	-
Interest on Shortfall of Advance Tax	0.04	-
	<u>47.86</u>	<u>47.95</u>
24 Depreciation and amortisation		
Depreciation on property, plant and equipment	24.67	24.04
Amortisation on intangible assets	0.09	1.56
Amortisation on Right of Use (ROU) Asset	47.28	36.96
	<u>72.04</u>	<u>62.56</u>
25 Other expenses		
Transportation charges	1.84	1.20
Commission	0.01	0.04
Power, water and fuel	9.81	8.59
Consumables	35.89	28.19
Pre delivery inspection charges	14.23	10.34
Insurance	3.06	5.32
Repairs and maintenance - others	14.78	10.66
Communication	3.32	2.48
Advertising and promotional	7.52	6.57
Discount Others	6.63	6.05
Loss on sale of property, plant and equipment	-	0.05
Rates and taxes	1.75	1.22
Legal, professional and other consultancy	1.77	1.52
Travelling and conveyance	8.82	6.67
Housekeeping and security	10.04	8.69
Rent	2.74	1.34
Corporate Social Responsibility	0.38	-
Office expenses	5.58	2.81
Printing and Stationery	2.39	2.31
Bad debts written off	1.49	1.25
Bank Charges	7.45	3.78
Miscellaneous expenses	0.20	1.84
	<u>139.70</u>	<u>110.92</u>



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

26 Taxes

Income tax assets/(liability)

Income tax assets

Net income tax assets/(liability) at the end

As at
31 March 2022

As at
31 March 2021

9.97	11.07
9.97	11.07

Deferred tax assets/(liabilities)

Deferred income tax assets

Trade receivables

Gratuity Payable

Deduction under section 35 D

Leave Encashment

Impact of IndAS 116

Unabsorbed depreciation and business loss

Total deferred income tax assets

0.52	0.57
0.94	0.20
0.05	0.09
1.14	0.90
13.90	14.60
-	18.65
16.55	35.01

Deferred income tax liabilities

Property, plant and equipment and computer software

Total deferred income tax liabilities

Deferred income tax assets after set off

10.63	9.48
10.63	9.48
5.92	25.53

As at
31 March 2022

As at
31 March 2021

Income tax expense / (benefits)

Current tax

Deferred tax relating to item that will not be reclassified to P&L

Deferred tax

10.80	-
0.12	(0.03)
19.61	27.31
30.53	27.28

Income tax expense for the year reconciled to the accounting profit

Particulars

Profit before Tax

Income Tax expense

Current tax

Deferred Tax

Profit after Tax

127.34	69.24
10.80	-
19.74	27.28
96.80	96.52

Income Tax rate on normal Income

Income tax expense

Admissible expenses

Inadmissible expenses

Ind AS adjustments

Unabsorbed depreciation

Income Tax expense recognised in Profit or Loss

25.168%	25.168%
32.05	17.43
(7.50)	(8.32)
7.39	7.17
(2.48)	0.08
(18.66)	(16.36)
10.80	-



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

26 Taxes (continued)

B Deferred tax asset/ (liabilities) (continued)

Recognised deferred tax assets and (liabilities)

(iii) Movement in temporary differences

Movement during the year ended 31 March 2022	As at 1 April 2021	Recognised through retained earning	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2022
Allowance for expected credit loss	0.57	-	0.05	-	0.52
Provision for employee benefits	1.10	-	(0.86)	0.12	2.08
Other timing differences	18.74	-	18.69	-	0.05
Lease liabilities, impact on account of Ind AS 116	14.60	-	0.70	-	13.90
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	(9.48)	-	1.15	-	(10.63)
Net deferred tax asset/ (liability) at the end of the year	25.53	-	19.74	0.12	5.92

Movement during the year ended 31 March 2021	As at 1 April 2020	Recognised through retained earning	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2021
MAT credit entitlement	-	-	-	-	-
Allowance for expected credit loss	0.74	-	0.17	-	0.57
Provision for employee benefits	1.07	-	(0.06)	(0.03)	1.10
Other timing differences	43.56	-	24.82	-	18.74
Lease liabilities, impact on account of Ind AS 116	17.06	-	2.46	-	14.60
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	(9.59)	-	(0.11)	-	(9.48)
Net deferred tax asset/ (liability) at the end of the year	52.84	-	27.28	(0.03)	25.53

(iv) Tax losses carried forward				
Particulars	Expiry date	As at 31 March 2022	Expiry date	As at 31 March 2021
Business loss - allowed to carry forward for specific period	-	-	-	-
Business loss - allowed to carry forward for specific period	-	-	-	-
Unabsorbed depreciation- allowed to carry forward for infinite period	-	-	-	74.10



27 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities		
Claims against the Company not acknowledged as debts		
- KVAT related matters	0.25	0.25
- Service Tax	2.22	2.22
Bank guarantees	2.00	2.00
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	0.42	4.86

Note 5 : The group has given bank guarantee in respect of certain contingent liabilities listed above.

28 Earnings/(loss) per share

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/(loss) attributable to equity share holders (basic)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(Loss)/profit for the year, attributable to the equity share holders	96.43	42.06

ii) Weighted average number of equity shares (basic)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance (Refer note 12)	1,46,76,666	1,46,76,666
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares of INR 10 each for the year	1,46,76,666	1,46,76,666
Earnings / (loss) per share, basic	6.57	2.87

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	Year ended 31 March 2022	Year ended 31 March 2021
Net profit/(loss) for the year, attributable to the equity share holders	96.43	42.06

ii) Weighted average number of equity shares (diluted)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average number of equity shares of INR 10 each for the year (basic)	1,46,76,666	1,46,76,666
Weighted average number of equity shares of INR 10 each for the year (diluted)	1,46,76,666	1,46,76,666
Earnings / (loss) per share, diluted	6.57	2.87

29 Auditors' remuneration (included under legal and professional charges, net of gst)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Statutory audit	0.25	0.25
Other matters	-	-
	0.25	0.25



Vision Motors Private Limited, Ernakulam**Notes to the financial statements (continued)**

(All amounts in millions)

30 Segment reporting

The Company is engaged in the business of purchase and sale of vehicles and related services. The entire operations are organised and managed as one organisational unit with the same set of risks and returns, hence the same has been considered as representing a single primary segment. The Company renders its services in India only and does not have any operations in economic environments with different risks and returns; hence it is considered operating in a single geographic segment. Accordingly, no segment disclosure has been made in these financial statements.

31 IndAS 116

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

The company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019 for measuring the lease liability.

During the period ended March, 2022, the company has recognised interest expense on lease liabilities amounting to Rs. 20.93 millions and depreciation on right-of-use assets amounting to Rs. 45.77 millions

Following are the changes in the carrying value of right of use assets for the year ended 31.03.2022

Particulars	31-Mar-22	31-Mar-21
Balance as of 1st April 2021	176.00	167.27
Add: Additions during the year	12.37	54.45
Less: Reversal of ROU asset due to cancellation of lease agreement	-	9.87
Less: Depreciation	45.76	35.85
Closing Balance	142.61	176.00

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

Particulars	31-Mar-22	31-Mar-21
Current lease liabilities	46.92	45.36
Non-current lease liabilities	150.90	188.66
Total	197.82	234.02

The following is the movement in lease liabilities during the year ended 31st March 2022

Particulars	31-Mar-22	31-Mar-21
Balance as of 1st April 2021	234.01	221.94
Add: Additions during the year	12.37	54.45
Add: Finance Cost accrued during the period as per IND AS 116	20.93	20.79
Less: Reversal of liability due to cancellation of lease agreement	-	13.03
Less: Lease liabilities for the period as per rent agreement	69.50	50.14
Closing Balance	197.81	234.01

The table below provides details regarding the contractual maturities of lease liabilities as at Mar 31 2022, on an undiscounted basis.

Particulars	31-Mar-22	31-Mar-21
Less than one year	63.59	45.36
One to five years	150.47	117.18
More than five years	65.40	71.48
Total	279.46	234.02



Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in INR millions)

32 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

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	13.75	11.47
Plan Assets	10.02	10.67
Net Defined benefit liability/(Asset)	3.73	0.80
Liability for compensated absences	4.54	3.58
Total employee benefit liability	8.27	4.38
Non-current defined benefit liability	6.89	3.31
Current defined benefit liability	1.38	1.07
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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Defined benefit obligation as at the beginning of the year	11.47	9.47
Current service cost	2.55	2.41
Past service cost	-	-
Interest cost	0.51	0.46
Benefits paid	(1.35)	(0.78)
Re-measurements	-	-
Actuarial Gain/(loss) recognised in other comprehensive income	-	-
- changes in financial assumptions	(0.32)	0.60
- changes in experience over the past period	0.88	(0.69)
Defined benefit obligation as at the end of the year	13.75	11.47

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Plan assets at the beginning of the year	10.68	10.70
Contributions paid into the plan	0.13	0.16
Benefits paid	(1.35)	(0.78)
Interest income	0.50	0.56
Re-measurements	-	-
- changes in demographic assumptions	-	-
- return on plan asset	0.07	0.04
Balance at the end of the year	10.02	10.68
Net defined benefit liability	3.73	0.79



32 Employee benefits (continued)

ii) Reconciliation of present value of plan assets

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	2.55	2.41
Past service cost	-	-
Net interest on net defined liability	0.02	(0.09)
Employer contribution	(0.13)	(0.16)
Net gratuity cost	2.44	2.16

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
OCI at the beginning of the year	(0.04)	0.09
Actuarial (gain)/ loss on defined	0.56	(0.09)
Return on plan asset excluding interest income	(0.07)	(0.04)
Net gratuity cost	0.45	(0.04)

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	10.02	10.67

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	5.65%	5.05%
Salary growth rate	6.00%	6.00%
Attrition rate	25% p.a withdrawal rate at all ages	25% p.a withdrawal rate at all ages
Weighted average duration of defined benefit obligation	3.76 years	3.91 years

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

- Assumptions regarding future mortality experience are set in accordance with the standard table - IALM 2012-14 (Ultimate). The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on prevailing market yields of government securities.
- Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

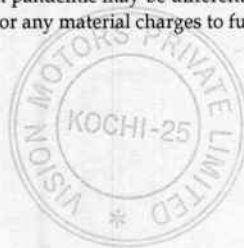
(ii) Sensitivity analysis

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(11.25)	11.69	(11.25)	11.69
Future salary growth (0.5% movement)	11.70	(11.25)	11.70	(11.25)

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

- In assessing the recoverability / impairment of receivables, intangible assets, 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.



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

34 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	Total
Assets						
Financial assets not measured at fair value						
Cash and cash equivalents	10	19.96	-	-	19.96	-
Bank balances other than cash and cash equivalents	11	0.52	-	-	0.52	-
Trade receivables	9	51.29	-	-	51.29	-
Other financial assets	6	2.17	-	-	2.17	-
Financial assets measured at fair value						
Rent Deposit (Included in other financial Assets)		-	26.72	-	26.72	26.72
Total		73.94	26.72	-	100.66	-
Liabilities						
Financial liabilities measured at amortised cost						
Trade payables	17	-	-	42.26	42.26	-
Borrowings #	13	-	-	119.59	119.59	-
Lease liabilities	31	-	-	197.82	197.82	-
Other financial liabilities	14	-	-	13.51	13.51	-
Total		-	-	373.18	373.18	-

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 2021

Particulars	Note	Carrying amount		Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Total
Assets						
Financial assets not measured at fair value						
Cash and cash equivalents	10	34.00	-	-	34.00	-
Bank balances other than cash and cash equivalents	11	0.31	-	-	0.31	-
Trade receivables	9	55.51	-	-	55.51	-
Other financial assets	6	6.02	-	-	6.02	-
Financial assets measured at fair value						
Rent Deposit (Included in other financial Assets)		-	20.60	-	20.60	20.60
Total		95.84	20.60	-	116.44	-



Liabilities				
Financial liabilities measured at amortised cost				
Trade payables	17	-	39.28	39.28
Borrowings #	31	-	172.03	172.03
Lease liabilities	13	-	234.02	234.02
Other financial liabilities	14	-	10.88	10.88
Total		-	456.21	456.21

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

The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

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

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 and 31 March 2021 has not been disclosed as it is not material to the Group.



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in millions)

34 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;

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	53.37	57.77
	53.37	57.77

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	51.57	54.91
1-2 years	1.80	2.86
2-3 years	-	-
More than 3 years	-	-
	53.37	57.77

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

Allowance for credit loss	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	2.26	2.37
Provision created during the year	-	-
Impairment loss recognised/ (reversed)	(0.18)	(0.11)
Balance at the end	2.08	2.26

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.



Vision Motors Private Limited, Ernakulam
Notes to the financial statements (continued)

(All amounts in millions)

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 2021:

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	42.26	-	42.26
Borrowings #	59.68	59.91	119.59
Lease liabilities	46.92	150.90	197.82
Other financial liabilities	13.51	-	13.51

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	39.28	-	39.28
Borrowings #	118.00	54.03	172.03
Lease liabilities	45.36	188.66	234.02
Other financial liabilities	10.88	-	10.88

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

34 Financial Instruments- Fair values and risk management (continued)

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 during the years ended 31 March 2022 and 31 March 2021.

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	43.35	51.47

Sensitivity

Particulars	Impact on profit or (loss)		Impact on other components of	
	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	(0.43)	(0.51)	(0.32)	(0.38)
1% decrease in variable rate	0.43	0.51	0.32	0.38

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



Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in millions)

35 Related parties

I. Names of related parties and description of relationship:

- (a) Ultimate Holding Company
Popular Vehicles and Services Limited
- (b) Holding company
Popular Mega Motors (India) Private Limited, India
- (c) Associates
Popular Auto Dealers Private Limited
Popular Auto Works Private Limited
Kuttukaran Greens Private Limited
- (d) Other related parties with whom the company had transactions during the year
- Key management personnel and their relatives (KMP)
Mr. Naveen Philip, Managing Director
Mrs. Malini Eapen, Director
Mr. Francis K Paul, Relative of Director
Mr. Maniyara Abraham Sajjan, Director
Mr. Lloyd Frankline Dsouza, Director

II. Related party transactions:

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

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from operations		
Popular Vehicles & Services Limited	25.35	33.79
Popular Mega Motors (India) Private Limited	1.17	0.93
Popular Auto Dealers Private Limited	0.62	0.03
Malini Eapen		-
Sale of Fixed Asset		
Popular Vehicles & Services Limited		0.01
Popular Auto Works Private Limited	2.37	
Rent Expense		
Mr. Naveen Philip	1.89	1.74
Mr. Francis K Paul	3.43	3.11
Other Income		
Popular Vehicles & Services Limited	0.23	0.29
Popular Mega Motors (India) Private Limited	0.20	
Popular Auto Dealers Private Limited	0.59	0.39
Repairs and maintenance		
Popular Mega Motors (India) Private Limited	0.04	0.15
Advance Received		
Kuttukaran Greens Private Limited	0.01	
Purchase of goods		
Popular Vehicles & Services Limited		0.16
Popular Mega Motors (India) Private Limited		0.35
Popular Auto Dealers Private Limited	20.83	12.52
Commission Expense		
Popular Vehicles & Services Limited	0.58	0.18
Popular Mega Motors (India) Private Limited	0.75	0.18
Popular Auto Dealers Private Limited	0.05	0.05
Other Expenses		
Popular Vehicles & Services Limited	2.23	1.10
Popular Auto Dealers Private Limited	0.02	
Remuneration		
Mr. Naveen Philip		1.00



Balance receivable from/(payable) to related parties as at Balance Sheet date.

Corporate Guarantee Commission Payable			
Popular Vehicles & Services Limited		0.03	0.21
Popular Mega Motors (India) Private Limited		0.06	0.20
Trade Payable			
Popular Vehicles & Services Limited		-	
Popular Mega Motors (India) Private Limited			0.15
Popular Auto Dealers Private Limited		0.72	2.27
Kuttukaran Greens Private Limited		0.01	-
Naveen Philip		0.18	0.93
Francis K Paul		0.33	0.33
Trade Receivable			
Popular Vehicles & Services Limited		1.73	1.14
Popular Mega Motors (India) Private Limited		0.05	

- (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



Vision Motors Private Limited, Ernakulam

Annexure VI - Notes to Financial Information

(All amounts in millions)

36 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	255.43	202.38
Current Liabilities	216.40	289.61
Ratio	1.18	0.70
% Change from previous year	68.6%	12.9%

Reason for change more than 25%:

a) The ratio increased to 1.18 in FY 2021-22 by more funding to Short term borrowing .

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

Particulars	March 31,2022	March 31,2021
Short Term Borrowings * [a]	59.68	118.00
Non Current Borrowings [b]	59.91	54.03
Total debt	119.59	172.03
Total equity	271.13	174.70
Ratio	0.44	0.98
% Change from previous year	-55.10%	-65.73%

** Short Term Borrowings includes Current Maturities of Non Current Borrowings*

Reason for change more than 25%

a) The ratio decreased to 0.98 in FY 2020-21 due to drastic reduction in utilisation of WC TL because of pandemic Lockdown

b) The ratio increased to 0.44 in FY 2021-22 due to addition of ECLGS Loan

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

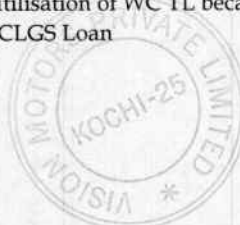
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
EBITDA	247.24	179.75
Interest Cost	47.86	47.95
Long Term Borrowings	59.91	54.03
Short Term Borrowings*	59.68	118.00
Debt Service Coverage Ratio	1.48	0.82
% Change from previous year end	80%	193%

** Short Term Borrowings includes Current Maturities of Non Current Borrowings*

Reason for change more than 25%

a) The ratio increased to 0.82 in FY 2020-21 due to reduction in utilisation of WC TL because of pandemic Lockdown

b) The ratio decreased to 1.48 in FY 2021-22 due to addition of ECLGS Loan



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	96.80	41.96
Total equity	271.13	174.70
Ratio	0.36	0.24
% Change from previous year	50.00%	-366.67%

Reason for change more than 25%

- a) The ratio increased to 0.24 in FY 2020-21 due to increase in PAT ,due to expense reduction
b) The ratio decreased to 0.36 in FY 2021-22 due to increase in PAT

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

Particulars	March 31,2022	March 31,2021
Net Profit after tax	96.80	41.96
Sales	3,177.48	2,386.25
Ratio	0.03	0.02
% Change from previous year	50.00%	-600.00%

Reason for change more than 25%

- a) The ratio decreased to 0.02 in FY 2020-21 due to improvement in PAT through expense reduction
b) The ratio increased to 0.03 in FY 2021-22 due to improvement in PAT through hike in gross margin and cost control

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

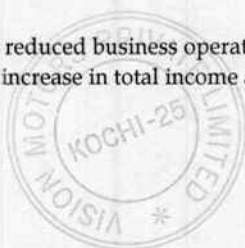
Particulars	March 31,2022	March 31,2021
Purchase of stock in trade [a]	2,635.21	1,889.15
Changes in inventories of stock-in-trade [b]	(49.94)	46.70
Cost of Material Consumed [a]+[b]	2,585.27	1,935.85
Closing Inventory	169.08	103.42
Ratio	15.29	18.72
% Change from previous year	-18.3%	21.4%

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

Particulars	March 31,2022	March 31,2021
Total income	3,192.39	2,400.87
Current Asset [a]	255.43	202.38
Current Liability [b]	216.40	289.61
Net Working Capital [a]-[b]	39.03	(87.23)
Ratio	81.79	(27.52)
% Change from previous year	-397.2%	59.1%

Reason for change more than 25%

- a) The ratio decreased to 27.52 in FY 2020-21 due to reduced business operation, due covid 19 first wave
b) The ratio increased to 87.79 in F.Y 2021-22 due to increase in total income and more funding to short term borrowings



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

Particulars	March 31,2022	March 31,2021
Total Income	3,192.39	2,400.87
Trade Receivable	51.29	55.51
Trade Receivable Turnover Ratio	62.24	43.25
% Change from previous year end	43.9%	-34.8%

Reason for change more than 25%

- a) The ratio decreased to 43.25 in FY 2020-21 due to less Income, because business drop.
b) The ratio increased to 62.24 in FY 2021-22 by decrease in trade receivables and increase in turnover.

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

Particulars	March 31,2022	March 31,2021
EBIT	175.20	117.19
Total Asset [a]	705.23	710.31
Current Liability [b]	216.40	289.61
Capital Employed [a]-[b]	488.83	420.7
Ratio	0.36	0.28
% Change from previous year	28.6%	86.7%

Reason for change more than 25%

- a) The ratio increased to 0.28 in FY 2020-21 because positive impact in EBIT by expenses reduction
b) The ratio increased to 0.36 in FY 2021-22 because positive impact in EBIT by increase in turnover.

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

Particulars	March 31,2022	March 31,2021
Purchase of Stock in trade	2,635.21	1,889.15
Trade Payable	42.26	39.28
Trade Payable Turnover Ratio	62.36	48.09
% Change from previous year end	29.7%	-13.1%

Reason for change more than 25%

- a)The ratio increased in FY 2021-22 to 62.36 by reduction in trade payable.



37 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	Year ended 31 March 2022	Year ended 31 March 2021
Total equity attributable to the equity shareholders of the Company	271.13	174.70
As a percentage of total capital	69%	50%
Long-term borrowings	59.91	54.03
Short-term borrowings	59.68	118.00
Total borrowings	119.59	172.03
As a percentage of total capital	31%	50%
Total capital (equity and borrowings)	390.72	346.73

38 Details of Corporate social responsibility expenditure

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Gross amount required to be spent during the year	0.38	-
(ii) Amount approved by the Board to be spent during the period/year	0.38	-
(iii) Amount spent during the year on ; Construction/ acquisition of asset On purposes other than above	0.38	-
(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 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
(vii) 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	0.38	-

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

As per our report of even date attached

for and on behalf of the Board of Directors of
Vision Motors Private Limited, Ernakulam
CIN : U34100KL2008PTC022049

Naveen Philip
Managing Director
DIN: 00018827

Malini Eapen
Director
DIN:02051164

Harisha K
Chief Financial Officer

Surya Jacob
Company Secretary

For PSDY & Associates
Chartered Accountants (FRN 010625)

Sreenivasan PR (M. No.:213413)
Managing Partner

UDIN - 22213413AKVB126058

Kochi
Date: 25/05/2022

