

POPULAR AUTO DEALERS PRIVATE LIMITED, KUTTUKARAN CENTRE, MAMANGALAM, KOCHI - 25
STATEMENT OF TOTAL INCOME FOR THE ASSESSMENT YEAR 2023-24
PAN: AACDP6984G, DCIT/ACIT CIR 4(1) KOCHI

INCOME FROM BUSINESS

Profit before tax as per Statement of Profit and Loss 10,23,96,670

Add: Inadmissibles

Depreciation considered separately (excluding depreciation on ROU asset) - Note 24	1,06,13,156	
Donation - Note 25	12,750	
Net Allowances for expected credit loss - Note 32	1,35,50,414	
CSR Expenditure :-Note 37	11,11,825	
Interest on shortfall in payment of advance tax - Note 23	1,83,822	
Income u/s 2(24)(x).w 36(1)(va)-Delayed remittance PF employee contribution	8,293	
Provision for leave encashment - Note 22	4,82,748	
Ind AS adjustment charged to Profit & Loss (Refer Note 2 below)	20,57,387	
	<u>2,80,20,395</u>	
		13,04,17,065

Less: Admissibles

Interest income from banks considered separately - Note 19	6,60,790	
Provision for gratuity written back	6,14,013	
Provision for doubtful advances written back-Note 19	1,00,000	
Gain on sale of property, plant and equipment (net)	1,89,065	
Depreciation as per IT Rules	79,78,487	
Deduction u/s 35D (being Fifth year) - 1/5th of Rs.15,000	3,000	
Contribution to LIC gratuity fund	29,38,288	
	<u>1,24,83,643</u>	
		11,79,33,422

INCOME FROM OTHER SOURCES

Interest from banks

	6,60,790	
Income from Other Sources		6,60,790
Taxable Income		<u><u>11,85,94,212</u></u>

Tax Due @ 22% (Refer Note 3 below)

Add: Surcharge @ 10%

Add: Health and Education Cess @ 4%

Total tax payable

Less: TDS

Less: TCS

Less: Advance tax paid

15.06.2022

15.09.2022

15.12.2022

15.03.2023

	2,60,90,727	
	26,09,073	
	2,86,99,800	
	11,47,992	
	2,98,47,792	
	10,35,959	
	1,66,018	
	2,86,45,815	
		<u>35,00,000</u>
		<u>87,00,000</u>
		<u>89,00,000</u>
		<u>41,00,000</u>
		2,52,00,000
		<u>34,45,815</u>

Add: Interest

u/s 234B

u/s 234C

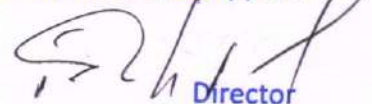
Tax Payable

	1,37,833	
	45,989	1,83,822
		<u>36,29,637</u>

For POPULAR AUTO DEALERS (P) LTD.

 Director

For POPULAR AUTO DEALERS (P) LTD.


 Director

NOTES

1 Bank Account Details

Bank Name
Account No.
Account Type
MICR
IFSC CODE

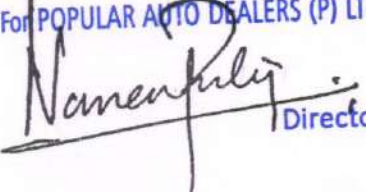
Kotak Mahindra Bank
05922080000052
Cash credit account
682485002
KKBK0000592

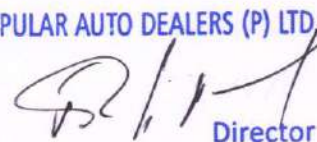
2 Ind AS adjustment charged to Profit & Loss

Item	Amount
Ind AS 109	
Depreciation on ROU Asset - Note 24	12,80,983
Less: Interest Income on rent deposit (included in Interest on rent deposits - Note no.19)	<u>12,27,259</u>
	53,724
(Gain)/Loss on accounting of mutual funds at Fair value (included in Other income - Note no.19)	84,287
Ind AS 116	
Interest Expense on lease liability - Note 23	1,03,89,497
Depreciation on ROU Asset - Note 24	2,95,79,105
Less: Accrued rent expense for the year	<u>(3,74,84,106)</u>
	24,84,496
Lease liability on vacated premises written back	(5,48,236)
Lease concession - being reduction in rent due to Covid. Claimed as deduction since gross expense written off under Interest / Depreciation as per Ind AS 116	(16,884)
Total	<u>20,57,387</u>

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

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

For POPULAR AUTO DEALERS (P) LTD.

Director

For POPULAR AUTO DEALERS (P) LTD.

Director

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

	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	2	54.21	46.77
Capital Work-in-progress	2	8.14	3.25
Intangible Assets	3	7.21	9.61
Right-of-Use Asset	17	114.50	77.89
Financial assets			
Investments	4	9.13	6.22
Other financial assets	5	26.41	21.82
Deferred tax assets (net)	26	7.46	3.49
Other non-current assets	6	6.67	2.49
Total non-current assets		233.73	171.54
Current assets			
Inventories	7	289.59	226.17
Financial assets			
Trade receivables	8	266.67	222.65
Cash and cash equivalents	9	24.09	23.96
Bank balances	10	12.96	12.03
Other current assets	6	5.17	5.64
Total current assets		598.48	490.45
Total assets		832.21	661.99
Equity and liabilities			
Equity			
Equity share capital	11	5.10	5.10
Other equity		332.92	256.74
Equity attributable to owners of company		338.02	261.84
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liability	17	100.13	63.42
Borrowings	12	32.51	25.98
Provisions	14	1.69	2.32
Income tax liability (net)	26	2.46	1.05
Total non-current liabilities		136.79	92.77
Current liabilities			
Financial liabilities			
Lease Liability	17	27.05	24.79
Borrowings	12	162.13	144.82
Trade payables	16		
- Total outstanding dues of micro and small enterprises		161.04	129.87
- Total outstanding dues of creditors other than micro and small enterprises			
Other financial liabilities	13	0.17	0.06
Provisions	14	0.69	0.58
Other current liabilities	15	6.32	7.26
Total current liabilities		357.40	307.38
Total equity and liabilities		832.21	661.99

Significant accounting policies

1

Notes forming part of financial statements

2-38

As per report of even date attached

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

Place : Kochi

Date : 23.5.2023

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

Naveen Philip
Director
DIN: 00018827

John K Paul
Director
DIN: 00016513



Popular Auto Dealers Private Limited, Ernakulam

Statement of Profit and Loss
(All amounts in INR millions)

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	18	2,534.17	1,754.60
Other income	19	5.09	10.41
Total income		2,539.26	1,765.01
Expenses			
Purchases of Stock in Trade	20	2,228.48	1,524.67
Changes in inventory of stock-in-trade	21	(53.39)	(24.20)
Employee benefits expense	22	110.52	84.54
Finance costs	23	29.62	22.51
Depreciation and amortisation expense	24	41.48	34.84
Other expenses	25	80.14	42.43
Total expenses		2,436.85	1,684.79
Profit before exceptional item and tax		102.41	80.22
Profit / (Loss) before tax		102.41	80.22
Income tax expense			
Current tax	26	29.40	21.64
Deferred tax charge /(benefit)	26	(3.78)	1.84
Profit / (Loss) for the year attributable to owners of the Company		76.79	56.74
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability/ (asset), net of tax		(0.81)	0.35
Income Tax relating to item that will not be reclassified to profit or loss		0.20	(0.09)
Total comprehensive income / (Loss) for the year attributable to owners of the Company		76.18	57.00
Profit per share (Equity share of face value of INR 100 each)			
Basic	28	1,492.73	1,116.90
Diluted	28	1,492.73	1,116.90
Significant accounting policies	1		

Notes forming part of financial statements

2-38

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

	As at 31 March 2023	As at 31 March 2022
Cash flows from operating activities		
Profit / (Loss) before tax	102.41	80.22
Adjustments for		
Finance costs	19.05	14.01
Interest on shortfall in payment of advance tax	0.18	0.57
Interest Expense on lease liability	10.39	7.93
Interest income (IND AS 109)	(1.23)	(0.99)
Lease Liability Written Back	(0.55)	(0.25)
Lease concession	(0.02)	(3.64)
Interest income	(0.66)	(0.60)
Provision for doubtful debts written back	-	(1.78)
Provision for doubtful advances written back	(0.10)	(0.10)
Gain on sale of property, plant and equipment (net)	(0.19)	(0.08)
Depreciation and amortisation expense	41.48	34.84
Operating profit before working capital changes	170.76	130.13
(Increase) / Decrease in Trade receivables	(44.02)	(38.61)
(Increase) / Decrease in Inventories	(63.42)	(29.92)
(Increase) / Decrease in Loans and Advances	(5.04)	1.11
Increase / (Decrease) in Long Term Provisions	(1.34)	1.27
Increase / (Decrease) in Other current liabilities	30.45	7.44
Cash generated from/ (used) in operations	87.39	71.42
Taxes paid, net of refund received	(28.13)	(18.31)
Net cash generated from/ (used) in operating activities (A)	59.26	53.11
Cash flows from investing activities		
Investments	(2.91)	(2.34)
Long term advance	(3.36)	(2.61)
Interest received	0.66	0.60
Purchase of property, plant and equipment(including change in cwip)	(20.60)	(25.38)
Proceeds from sale of property, plant and equipment	0.24	0.27
Net cash used in investing activities (B)	(25.97)	(29.46)
Cash flows from financing activities		
Interest paid	(19.05)	(14.01)
Secured loans availed, net	23.84	19.70
Payment of lease liabilities	(37.02)	(27.70)
Net cash generated from financing activities (C)	(32.23)	(22.01)
Net increase in cash and cash equivalents (A+B+C)	1.06	1.64
Cash and cash equivalents at the beginning of the year	35.99	34.35
Cash and cash equivalents at the end of the year	37.05	35.99

(refer to note 9 & 10- Cash and bank balances)

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

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for and on behalf of the Board of Directors of
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John K Paul

John K Paul
Director
DIN: 00016513

Place : Kochi
Date : 23.5.2023



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

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

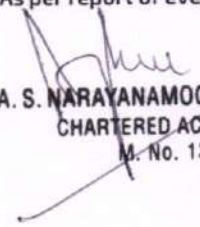
Particulars	As at 1 April 2022	Cash flows	Non cash changes		As at 31 March 2023
			Fair value changes	Others	
Non current borrowings *	34.77	10.81	-	-	45.58
Current borrowings	136.03	13.03	-	-	149.06
Lease liabilities (refer note 17)	88.21	(37.02)	-	75.99	127.18

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

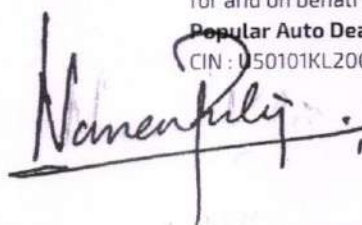
*includes current maturities of long -term borrowings

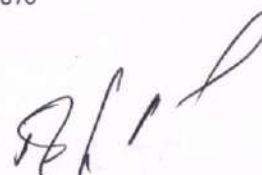
(Refer to note 9 & 10 - Cash and cash equivalents)

As per report of even date attached


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Place : Kochi

Date : 23.5.2023

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John K Paul
Director
DIN: 00016513



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

A. Equity Share capital	Amount
As at 31 March 2021	5.10
Changes in Equity share capital	-
As at 31 March 2022	5.10
Changes in Equity share capital	-
As at 31 March 2023	5.10

Particulars	Reserves and surplus		Items of other Comprehensive Income	Total other Equity attributable to Equity holders of the Company
	Securities premium	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 31 March 2021	37.45	162.14	0.15	199.74
Ind As Adjustment on account of lease				-
Total comprehensive income for the year				
Profit for the year		56.74		56.74
Other comprehensive income		-	0.26	0.26
Total comprehensive income	-	56.74	0.26	57.00
Balance as at 31 March 2022	37.45	218.88	0.41	256.74
Balance as at 31 March 2022	37.45	218.88	0.41	256.74
Ind As Adjustment on account of lease				-
Total comprehensive income for the year				
Profit for the year		76.79		76.79
Other comprehensive income		-	(0.61)	(0.61)
Total comprehensive income	-	76.79	(0.61)	76.18
Balance as at 31 March 2023	37.45	295.67	(0.20)	332.92

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

1 Securities Premium

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

2 Retained earnings

Represents accumulation of retained earnings of earlier years.

As per report of even date attached

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Place : Kochi
Date : 23-5-2023

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

1.1 Company overview

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

1.2 Basis of preparation

A. Statement of compliance

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

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

B. Functional and presentation currency

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

C. Basis of measurement

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

D. Use of estimates and judgements

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

Judgments

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

1.3 Significant accounting policies

1.3.1. Property, plant and equipment

i. Recognition and measurement

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



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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, road tax after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

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

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

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

1.3.2 Intangible assets:

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



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

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

Class of assets	Years
Software	3
Goodwill	5

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

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

1.3.3 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

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

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

Defined benefit plans

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

The calculation of defined benefit obligation is performed annually by a qualified actuary



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

using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in other comprehensive income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Other long term employee benefits

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

1.3.4 Provisions (other than for employee benefits)

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

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

1.3.5 Revenue

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

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

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

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



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

1.3.6 Inventories

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

Cost for this purpose is arrived at as follows:

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

1.3.7 Impairment

i) Impairment of financial instruments

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

ii) Impairment of non- financial assets

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

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

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

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its



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

estimated recoverable amount. Impairment losses are recognized in profit or loss.

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

1.3.8 Ind AS 116 - Leases

Ind AS 116 has replaced existing leases standard with effect from 01.04.2019, Ind AS 17 Leases (Ind AS 17) and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes present value of the lease payment (discounted using incremental borrowing rate) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

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

1.3.9 Recognition of interest income or interest expense

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

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

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

1.3.10 Income tax

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

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. 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



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

date.

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

ii. Deferred tax

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

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

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

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

1.3.11 Borrowing cost

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

1.3.12 Earnings/loss per share

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

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



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

1.3.13 Cash-flow statement

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

1.3.14 Cash and cash equivalents

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

1.3.15 Prior Period Items

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



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

2 Property, plant and equipment

Particulars	Buildings #	Furniture and fixtures	Plant and Equipment	Computer Equipment	Office equipment	Motor Vehicles	Tools and Equipments	Total (A)	Capital work in -progress (B)	Total (A+B)
Gross carrying value										
Balance at 1 April 2021	1.37	30.62	0.38	3.96	0.46	14.13	-	50.92		50.92
Additions/(transfers)	7.88	8.92	0.49	2.00	0.35	2.02	0.01	21.67	3.25	24.92
Disposals						0.79		0.79		0.79
Balance at 31 March 2022	9.25	39.54	0.87	5.96	0.81	15.36	0.01	71.80	3.25	75.05
Balance at 1 April 2022	9.25	39.54	0.87	5.96	0.81	15.36	0.01	71.80	3.25	75.05
Additions/(transfers)	-	11.91	0.57	2.35	0.74	-	0.01	15.58	4.89	20.47
Disposals						0.38		0.38		0.38
Balance at 31 March 2023	9.25	51.45	1.44	8.31	1.55	14.98	0.02	87.00	8.14	95.14
Accumulated Depreciation										
Balance at 1 April 2021	0.11	9.87	0.08	2.69	0.30	6.10	-	19.15		19.15
Depreciation for the year	0.04	3.53	0.04	0.94	0.08	1.85	-	6.48		6.48
Disposals						0.60		0.60		0.60
Balance at 31 March 2022	0.15	13.40	0.12	3.63	0.38	7.35	-	25.03	-	25.03
Balance at 1 April 2022	0.15	13.40	0.12	3.63	0.38	7.35	-	25.03		25.03
Depreciation for the year	0.16	4.37	0.09	1.32	0.21	1.94	0.00	8.09		8.09
Disposals						0.33		0.33		0.33
Balance at 31 March 2023	0.31	17.77	0.21	4.95	0.59	8.96	-	32.79	-	32.79
Carrying amounts (net)										
At 31 March 2023	8.94	33.68	1.23	3.36	0.96	6.02	0.02	54.21	8.14	62.35
At 31 March 2022	9.10	26.14	0.75	2.33	0.43	8.01	0.01	46.77	3.25	50.02

Include buildings constructed on leasehold land

Particulars	As at 31 March 2023		As at 31 March 2022	
	Gross block	Net block	Gross block	Net block
Leasehold improvements	9.25	8.94	9.25	9.10

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

2.i Capital Work in Progress Ageing Schedule

Capital Work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	7.98	0.16			8.14
Projects temporarily suspended					
Total	7.98	0.16	-	-	8.14



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

3 Intangible Assets

Particulars	Goodwill	Computer Software	Total
Gross carrying value			
Balance at 1 April 2021	11.80	-	11.80
Additions/(transfers)	-	0.46	0.46
Disposals	-	-	-
Balance at 31 March 2022	11.80	0.46	12.26
Gross carrying value			
Balance at 1 April 2022	11.80	0.46	12.26
Additions/(transfers)	-	0.13	0.13
Disposals	-	-	-
Balance at 31 March 2023	11.80	0.59	12.39
Accumulated Depreciation			
Balance at 1 April 2021	0.29	-	0.29
Depreciation for the year	2.35	0.01	2.36
Disposals	-	-	-
Balance at 31 March 2022	2.64	0.01	2.65
Balance at 1 April 2022	2.64	0.01	2.65
Depreciation for the year	2.36	0.17	2.53
Disposals	-	-	-
Balance at 31 March 2023	5.00	0.18	5.18
Carrying amounts (net)			
At 31 March 2023	6.80	0.41	7.21
At 31 March 2022	9.16	0.45	9.61

Notes:

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

A. Consideration transferred

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

Particulars	Amount
Total consideration	30.87

B. Identifiable assets acquired and liabilities assumed

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

C. Goodwill

Goodwill arising from acquisition has been determined as follows:

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



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

	As at 31 March 2023	As at 31 March 2022
4 Investments		
Non-current investments, unquoted		
<i>Investments in equity instruments of subsidiaries (at cost)</i>		
Investment in subsidiaries		
Kuttukaran Green Private Limited (Formerly Kuttukaran Pre Owned Cars Private Limited) (10,000 equity shares of Rs. 10 each)	-	0.10
Less: Provision for diminution in value of investment	-	(0.10)
Investment in Mutual Funds	9.13	6.22
	9.13	6.22

Note 1 : Details of Investments in mutual fund units

Particulars	As at 31 March 2023		As at 31 March 2022	
	Units	Amount	Units	Amount
Aditya Birla Sun life Mutual Fund -1038149498	2,709	1.56	2,205	1.42
Canara Robeco Mutual Fund-10814884323	11,241	1.74	9,348	1.48
DSP Mid Cap (G)-INF740K01128	10,438	0.86	-	-
ICICI Prudential mutual fund-12578573	26,685	1.80	22,171	1.45
Kotak Small Cap - RP (G) -INF174K01211	5,558	0.87	-	-
Nippon India Small Cap-408207774587	25,221	2.30	21,831	1.87
Total investments in Mutual Fund Units	81,852	9.13	55,555	6.22

5 Other financial assets

Non Current

Considered good - Unsecured

Rent and other deposits	26.41	21.82
	26.41	21.82

6 Other assets

Non-current

Considered good - Unsecured

Prepayments	4.88	2.44
Disputed Taxes	-	0.05
Balance with Gratuity Fund	1.79	-
	6.67	2.49

Current

Considered good - Unsecured

Prepayments	1.26	2.09
Advance to staff	0.14	0.09
Payment to vendors for supply of goods and services	3.77	3.46
	5.17	5.64

7 Inventories

(Valued at lower of cost and realisable value)

Spares and lubricants	247.15	195.79
Used Cars	8.65	6.49
Goods in Transit- Spare	41.89	31.86
	297.69	234.14
Less: Provision for obsolete inventory	8.10	7.97
	289.59	226.17



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

	As at 31 March 2023	As at 31 March 2022
8 Trade receivables		
Current		
Considered good - Secured	-	-
Considered good - Unsecured		
(a) Which have significant increase in Credit Risk	53.32	61.64
(b) Credit impaired	20.83	7.28
Less: Allowance for expected credit loss	(20.83)	(7.28)
(c) Others	213.35	161.01
Net trade receivables	266.67	222.65

Trade receivables ageing schedule

As at 31 March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	208.42		4.93			213.35
ii) Undisputed Trade Receivables - which have significant increase in credit risk	53.32			-	-	53.32
iii) Undisputed Trade Receivables - credit impaired	4.19	2.05	10.64	3.95	-	20.83
	265.93	2.05	15.57	3.95	-	287.50

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

For details of trade receivables from related parties, refer note 34.

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

9 Cash and cash equivalents

Balance with banks		
- in current accounts	21.85	21.73
- in deposit accounts	0.09	0.11
Cash on hand	2.15	2.12
Cash and cash equivalents in balance sheet	24.09	23.96

10 Bank balances

Balance in banks as margin money	12.96	12.03
	12.96	12.03



Popular Auto Dealers Private Limited, Ernakulam

Notes to the financial statements (continued)
(All amounts in INR millions)

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
11 Share capital				
Authorised				
Equity shares	60,000	6.00	60,000	6.00
Redeemable Preference Shares of Rs 100 each	5,000	0.50	5,000	0.50
	65,000	6.50	65,000	6.50
Issued, subscribed and paid-up				
Equity shares	51,034	5.10	51,034	5.10
Add: issued during the year	-	-	-	-
	51,034	5.10	51,034	5.10
a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
<i>Equity shares of INR.100 each fully paid-up</i>				
At the beginning of the year	51,034	5.10	51,034	5.10
Add: issued during the year	-	-	-	-
At the end of the year	51,034	5.10	51,034	5.10
b) Details of shareholders holding more than 5% shares of the Company				
	As at 31 March 2023		As at 31 March 2022	
Equity shares of Rs. 100 each fully paid up held by	Number	% holding	Number	% holding in
	of shares	in the class	of shares	the class
a) Popular Vehicles and Services Ltd	51,033	99.99%	51,033	99.99%
b) Naveen Philip (Nominee of Popular Vehicles & Services Ltd)	1	0.01%	1	0.01%
c) Shares held by promoters at the end of the year				
1 Change in Promoters holding during the year (%)	NIL		-	
2. Details of Promoters shareholding	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
a) Popular Vehicles and Services Ltd	51,033	99.99%	51,033	99.99%
b) Naveen Philip (Nominee of Popular Vehicles & Services Ltd)	1	0.01%	1	0.01%
Total	51,034	100.00%	51,034	100.00%



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

	As at 31 March 2023	As at 31 March 2022
12 Borrowings		
Non-current		
Secured loans		
Term loans from banks	31.98	24.62
Term loans from financial institutions	0.53	1.36
	<u>32.51</u>	<u>25.98</u>
Current		
Secured loans		
Cash credit and overdraft facilities from banks	133.16	119.83
Short term loan from financial institution	-	0.30
Current maturities of long-term borrowings	13.07	8.79
Unsecured loans		
Loan from Directors	15.90	15.90
	<u>162.13</u>	<u>144.82</u>
	<u>194.64</u>	<u>170.80</u>

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

Note 2: Working Capital Term Loan under ECLG scheme of National Credit Guarantee Trustee Company Limited from Kotak Mahindra Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments post moratorium period of 1 year from the date of first disbursement 10th September 2022.

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

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

Note 5: Cash Credit account from South Indian Bank is secured by paripassu charge over stock, book debts and all other available current assets of the company and the Term Loan from South Indian Bank is secured by hypothecation of assets acquired by utilising the Fund, equitable mortgage over immovable property of the Holding company, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company. The Term Loan is Repayable in 60 Monthly Instalments of Rs. 1,38,500.

Note 6: Aggregate amount of borrowings guaranteed by directors Rs. 146.77 Millions

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

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

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

Note 10: Cash Credit (e-DFS) from State Bank of India is secured by exclusive hypothecation, first charge on Stocks & Receivables created out of these funds. Equitable Mortgage of Immovable Properties of the firms in which promoters are interested and Personal Guarantee by Promoter, Naveen Philip and collateral security of Kuttukaran Trading Ventures. Corporate Guarantee by Kuttukaran Trading Ventures & Popular Vehicles and Services Ltd



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

12 Borrowings (continued)

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

Nature of borrowing	As at 31 March 2023	As at 31 March 2022	Security terms
Non-current, secured			
Term loans from banks	2.55	4.58	Term Loan and Cash Credit from Kotak Mahindra Bank Ltd is secured by first charge on all current assets paripassu with South Indian Bank excluding spares stock funded by Standard Chartered Bank, Tata Capital Financial Services Limited & Axis Bank Limited and paripassu charge on movable assets of the company with South Indian Bank, Equitable mortgage of the immovable properties of the firms in which promoters are interested held as common collateral for the group and personal guarantees of the promoter directors and their spouses, corporate guarantee of the firms in which promoters are interested. Term loan is to be repaid in 60 monthly installments
Term loans from banks	7.75	-	Term Loan from South Indian Bank is secured by assets of the company, mortgage over immovable property of the Holding company, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company
Term loans from banks - ECLGS	1.89	2.97	Working Capital Term Loan under ECLG scheme from Axis Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments of Rs.90,000 post moratorium period of 1 year from the date of first disbursement.
Term loans from banks - ECLGS	20.35	24.50	Working Capital Term Loan under ECLG scheme from Kotak Mahindra Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments Rs.7,70,570/- post moratorium period of 1 year from the date of first disbursement.
Vehicle loans from financial institutions	1.28	2.34	Vehicle loans are secured by hypothecation of the vehicle financed and personal guarantee of Director. Repayable in installment for 36 to 48 months
Vehicle loans from financial institutions	0.08	0.38	Vehicle loans are secured by hypothecation of the vehicle financed. Repayable in installment for 36 to 48 months
Current, Secured			
Cash credit and overdraft facilities from banks	2.96	11.41	Cash Credit from Kotak Mahindra Bank Ltd is secured by first charge on all current assets paripassu with South Indian Bank excluding spares stock funded by Standard Chartered Bank, Tata Capital Financial Services Limited & Axis Bank Limited and paripassu charge on movable assets of the company with South Indian Bank, Equitable mortgage of the immovable properties of the firms in which promoters are interested held as common collateral for the group and personal guarantees of the promoter directors and their spouses, corporate guarantee of the firms in which promoters are interested.
Cash credit and overdraft facilities from banks	107.05	81.81	Cash Credit account from South Indian Bank is secured by paripassu charge over stock, book debts and all other available current assets of the company, mortgage over immovable property of the Holding company, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company
Cash credit and overdraft facilities from banks	15.05	7.18	Inventory Funding from Axis Bank is secured by Hypothecation of current assets funded by Axis Bank both present and future and personal guarantees by all promoter Directors.
Cash credit and overdraft facilities from banks	8.10	19.43	Channel Finance from Standard chartered Bank is secured on all existing book debts, Inventory, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company. A credit period of 90 days provided for repayment.
Short term loan from financial institutions	-	0.30	Channel Finance from Tata Capital Financial Services Limited is secured by irrevocable and unconditional corporate guarantee of holding company and personal guarantees of all the promoter directors of the company. A credit period of 120 days provided for repayment.
Cash credit and overdraft facilities from banks	11.68	-	Cash Credit (e-DFS) from State Bank of India is secured by exclusive hypothecation, first charge on Stocks & Receivables created out of these funds. Equitable Mortgage of Immovable Properties of the firms in which promoters are interested and Personal Guarantee by Promoter, Naveen Philip and collateral security of Kuttakaran Trading Ventures. Corporate Guarantee by Kuttakaran Trading Ventures & Popular Vehicles and Services Ltd
Current, Unsecured			
Loans from directors	15.90	15.90	Loan from directors are Interest free
Total	194.64	170.80	

Note:

The balance includes current maturities of long-term borrowings

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



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

	As at 31 March 2023	As at 31 March 2022
13 Other financial liabilities		
Current		
Interest accrued but not due on borrowings	0.02	0.02
Dues to Banks - Credit Card	0.15	0.04
	<u>0.17</u>	<u>0.06</u>
14 Provisions		
Non-current		
Compensated absences	1.69	1.49
Provision for Gratuity	-	0.83
	<u>1.69</u>	<u>2.32</u>
Current		
Compensated absences	0.69	0.58
	<u>0.69</u>	<u>0.58</u>
15 Other liabilities		
Current		
Contract liabilities	1.55	1.59
Statutory dues payable	4.77	5.67
	<u>6.32</u>	<u>7.26</u>
16 Trade payables		
Dues to micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	161.04	129.87
	<u>161.04</u>	<u>129.87</u>

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

Trade payable ageing schedule

As at 31 st March 2023					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)MSME	-	-	-	-	-
ii)Others	156.44	4.60	-	-	161.04
iii)Disputed Dues-MSME	-	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-	-
v)Unbilled dues	-	-	-	-	-
	<u>156.44</u>	<u>4.60</u>	<u>-</u>	<u>-</u>	<u>161.04</u>

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

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

The principal amount remaining unpaid to any supplier as at the end of the year	-	-
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-



Popular Auto Dealers Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in INR millions)

17 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2018 for the limited purpose of compilation of Restated Financial Statements. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in the retained earnings at April 1, 2018.

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2023, March 31, 2022

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as of April 1	77.89	53.83
Additions	68.70	49.83
Less: Depreciation	29.62	24.99
Less : ROU Asset on terminated agreements	2.47	0.78
Closing Balance	114.50	77.89

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

The following is the breakup of current and non-current lease liabilities as at March 31 2023, March 31, 2022

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	27.05	24.79
Non-current lease liabilities	100.13	63.42
Total	127.18	88.21

The following is the movement in lease liabilities during the period ended March 31, 2023 and March 31, 2022

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as on April 1	88.21	62.83
Additions	69.05	49.83
Add: Finance Cost accrued during the period as per IND AS 116	10.44	7.93
Less: Lease liability for the period as per rent agreement	37.48	27.70
Less:-Lease Concession	0.02	3.64
Less : Lease Liability on terminated agreements	3.02	1.04
Closing Balance	127.18	88.21

Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	36.97	32.02
One to five years	92.02	73.19
More than five years	36.75	8.65
Total undiscounted lease liabilities	165.74	113.86



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

	Year ended 31 March 2023	Year ended 31 March 2022
18 Revenue from operations		
Sales spares and accessories	2,331.15	1,638.31
Income from schemes and incentives	161.69	109.57
Sales of Used Cars	40.33	6.53
Labour Income	1.00	0.19
	<u>2,534.17</u>	<u>1,754.60</u>

Reconciliation of revenue from sale of products and services

Gross revenue	2,541.91	1,773.32
Less: Discount allowed	7.74	18.72
	<u>2,534.17</u>	<u>1,754.60</u>

(A) Disaggregate of revenue information

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue by nature		
Used Passenger cars & Labour Income	41.33	6.72
Luxury vehicles	-	-
Commercial vehicles	-	-
Others	2,492.84	1,747.88
	<u>2,534.17</u>	<u>1,754.60</u>
Revenue by contract type		
Fixed price	2,534.17	1,754.60
	<u>2,534.17</u>	<u>1,754.60</u>

(B) Contract balances

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

	Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables	266.67	222.65
Contract liabilities	1.55	1.59

(C) Transaction price allocated to remaining performance obligations

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

	Year ended 31 March 2023	Year ended 31 March 2022
Within 1 year	1.55	1.59
1-3 years	-	-
More than 3 years	-	-
Closing balance	<u>1.55</u>	<u>1.59</u>

19 Other income

Interest on Fixed deposits with banks	0.66	0.60
Interest on Rent deposits	1.23	0.99
Provision for doubtful debts written back	-	1.78
Provision for doubtful advances written back	0.10	0.10
Gain on sale of property, plant and equipment (net)	0.19	0.08
Lease Liability Written Back	0.55	0.25
Lease concession	0.02	3.64
Provision for Gratuity	0.61	-
Other Non Operating Income	1.73	2.97
	<u>5.09</u>	<u>10.41</u>



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

	Year ended 31 March 2023	Year ended 31 March 2022
20 Purchases of stock-in-trade		
Spares and accessories	2,188.95	1,512.30
Used Cars	39.53	12.37
	2,228.48	1,524.67
21 Change in inventories of stock-in-trade		
Opening stock	194.31	170.11
Closing stock	247.70	194.31
	(53.39)	(24.20)
22 Employee benefits expense		
Salaries and allowances	98.57	74.24
Contribution to provident and other funds	6.95	5.77
Provision for Gratuity	-	1.31
Provision for leave encashment	0.48	0.40
Staff welfare expense	4.52	2.82
	110.52	84.54
23 Finance cost		
Interest on bank borrowings	16.28	11.65
Corporate Guarantee Commission	1.25	0.62
Interest on Shortfall in payment of advance tax	0.18	0.57
Other borrowing costs	1.52	1.74
Interest Expense on Lease Liability	10.39	7.93
	29.62	22.51
24 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	8.09	6.48
Depreciation on Intangible Assets	2.53	2.36
Depreciation on Right-of-use Asset	30.86	26.00
	41.48	34.84
25 Other expenses		
Rent	6.12	4.61
Transportation charges	21.88	12.17
Power, water and fuel	1.89	1.37
Insurance	1.33	1.43
Repairs and maintenance		
Building	3.41	2.53
Computer	1.86	0.94
Vehicle	4.65	2.75
Others	3.22	2.31
Communication	1.78	1.56
Advertising and sales promotion	2.86	0.54
Corporate social responsibility	1.11	0.77
Rates and taxes	0.52	0.49
Legal and professional	0.95	0.69
Travelling and conveyance	5.14	3.15
Housekeeping and security	2.62	1.53
Donation and charity	0.01	0.01
Office expenses	3.90	2.81
Bad Debts Written off	0.62	-
Allowances for expected credit loss, net	13.55	-
Bank charges	2.66	2.33
Share of loss from LLP	-	0.01
Miscellaneous expenses	0.06	0.43
	80.14	42.43



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

	As at 31 March 2023	As at 31 March 2022
26 Income taxes		
Income tax assets/(liability)		
Income tax assets (less provisions)	(2.46)	(1.05)
Net income tax assets/(liability) at the end	<u>(2.46)</u>	<u>(1.05)</u>
Deferred tax assets/(liabilities)		
Deferred income tax assets		
Trade receivables	5.24	1.83
Property, plant and equipment and computer software	(0.64)	(1.25)
Preliminary Expenses	0.004	0.003
Ind AS 116 adjustment	3.19	2.60
Ind AS 116 Adjustment : Recognised through retained earning		
Provision for leave encashment	0.12	0.10
Provision for Gratuity	(0.45)	0.21
Total deferred income tax assets	<u>7.46</u>	<u>3.49</u>
Deferred income tax assets after set off (Refer Note below)	7.46	3.49

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

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

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

	As at 31 March 2023	As at 31 March 2022
Income Tax expense recognised in Profit and Loss		
Current tax	29.40	21.64
Deferred tax	(3.78)	1.84
	<u>25.62</u>	<u>23.48</u>
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	102.41	80.22
Income tax expense		
Current tax	29.40	21.64
Deferred tax	(3.78)	1.84
Profit after tax	<u>76.79</u>	<u>56.74</u>
Income tax rates	25.168%	25.168%
Income Tax expense	25.32	20.18
Admissible Expenses	(2.98)	(1.66)
Inadmissible Expenses	6.53	3.00
Ind AS Adjustments	0.52	0.12
Income tax expense recognised in profit or loss	<u><u>29.40</u></u>	<u><u>21.64</u></u>



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

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

(iii) Movement in temporary differences

Movement during the year ended 31 March 2023	As at 1 April 2022	Recognised through retained earning	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2023
Allowance for expected credit loss	1.83	-	(3.41)	-	5.24
Provision for employee benefits	0.31	-	0.84	0.20	(0.33)
Lease liabilities, impact on account of Ind AS 116	2.60	-	(0.59)	-	3.19
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	(1.25)	-	(0.61)	-	(0.64)
Net deferred tax asset/ (liability) at the	3.49	-	(3.77)	0.20	7.46

Movement during the year ended 31 March 2021	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	2.28	-	0.45	-	1.83
Provision for employee benefits	(0.13)	-	(0.53)	(0.09)	0.31
Lease liabilities, impact on account of Ind AS 116	2.27	-	(0.33)	-	2.60
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	1.01	-	2.26	-	(1.25)
Net deferred tax asset/ (liability) at the	5.43	-	1.85	(0.09)	3.49

(iv) Tax losses carried forward

Particulars	As at 31 March 2023	Expiry date	As at 31 March 2022	Expiry date
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Unabsorbed depreciation- allowed to carry forward for infinite period	-	-	-	-



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

27 Contingent liabilities and commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Contingent liabilities		
Disputed Income Tax	-	0.04
Bank Guarantees	125.00	100.00
Corporate guarantees	20.00	10.00
Total	145.00	110.04
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-



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

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

A. Basic earnings/(loss) per share

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

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

Particulars	As at 31 March 2023	As at 31 March 2022
Profit for the year, attributable to the equity share holders	76.18	57.00
ii) Weighted average number of equity shares (basic)		
Opening balance	51,034	51,034
Effect of fresh issue of shares for consideration other than cash		
Weighted average number of equity shares of INR 100 each for the year	51,034	51,034
Earnings / (loss) per share, basic	1,492.73	1,116.90

B. Diluted earnings/(loss) per share

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

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

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit for the year, attributable to the equity share holders	76.18	57.00
Interest expense of compulsorily convertible preference share	-	-
Net Profit for the year, attributable to the equity share holders	76.18	57.00

ii) Weighted average number of equity shares (basic)

Weighted average number of equity shares of INR 100 each for the year (basic)	51,034	51,034
Weighted average number of equity shares of INR 100 each for the year (diluted)	51,034	51,034
Earnings / (loss) per share, diluted	1,492.73	1,116.90

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

Particulars	As at 31 March 2023	As at 31 March 2022
As Auditor		
Statutory audit	0.19	0.16
Tax audit	0.03	0.03
In other capacity		
Other matters	0.16	0.08
	0.38	0.27

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

31 Segment Reporting

The Company is engaged in the business of purchase and sale of automobile spare parts, used 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.



32 Financial Instruments- Fair values and risk management

A Accounting classifications and fair values

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

As at 31 March 2023

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	9	24.09	-	-	24.09	-	-	-	-
Bank balances other than cash and cash equivalents	10	12.96	-	-	12.96	-	-	-	-
Trade receivables	8	266.67	-	-	266.67	-	-	-	-
Other financial assets	5	0.80	-	-	0.80	-	-	-	-
Financial assets measured at fair value									
Rent Deposit (included in Other Financial Assets)	5	-	25.61	-	25.61	-	-	25.61	25.61
Investments	4	-	9.13	-	9.13	-	9.13	-	9.13
Total		304.52	34.74	-	339.26	-	9.13	25.61	34.74
Liabilities									
Financial liabilities measured at amortised cost									
Trade payables	16	-	-	161.04	161.04	-	-	-	-
Borrowings #	12	-	-	194.64	194.64	-	-	-	-
Lease liabilities	17	-	-	127.18	127.18	-	-	-	-
Other financial liabilities	13	-	-	0.17	0.17	-	-	-	-
Total		-	-	483.03	483.03	-	-	-	-

As at 31 March 2022

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	9	23.96	-	-	23.96	-	-	-	-
Bank balances other than cash and cash equivalents	10	12.03	-	-	12.03	-	-	-	-
Trade receivables	8	222.65	-	-	222.65	-	-	-	-
Other financial assets	5	0.78	-	-	0.78	-	-	-	-
Financial assets measured at fair value									
Rent Deposit (included in Other Financial Assets)	5	-	21.04	-	21.04	-	-	21.04	21.04
Investments	4	-	6.22	-	6.22	-	6.22	-	6.22
Total		259.42	27.26	-	286.68	-	6.22	21.04	27.26
Liabilities									
Financial liabilities measured at amortised cost									
Trade payables	16	-	-	129.87	129.87	-	-	-	-
Borrowings #	12	-	-	170.80	170.80	-	-	-	-
Lease liabilities	17	-	-	88.21	88.21	-	-	-	-
Other financial liabilities	13	-	-	0.06	0.06	-	-	-	-
Total		-	-	388.94	388.94	-	-	-	-

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

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

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 2023, 31 March 2022 has not been disclosed as it is not material to the Company.



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

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

B Financial risk management

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

i) Risk management framework

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

ii) Credit risk

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

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

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

	As at 31 March 2023	As at 31 March 2022
Particulars		
Trade receivables	287.50	229.93
	287.50	229.93

Impairment analysis

The ageing of trade receivables is as follows:

	As at 31 March 2023	As at 31 March 2022
Particulars		
Less than 1 year	267.98	223.19
1-2 years	15.57	6.74
2-3 years	3.95	
More than 3 years		
	287.50	229.93

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

	As at 31 March 2023	As at 31 March 2022
Allowance for credit loss		
Balance at the beginning	7.28	9.06
Provision created during the year	13.55	-1.78
Impairment loss recognised/ (reversed)	-	-
Balance at the end	20.83	7.28

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

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

iii) Liquidity risk

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

The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2023:



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

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Payable within 1 year	More than 1 year	Total
Trade payables	156.44	4.60	161.04
Borrowings #	162.13	32.51	194.64
Lease liabilities	27.05	100.13	127.18
Other financial liabilities	0.17	-	0.17

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

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

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

iv) Market risk

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

Foreign currency risk

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

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 2023	As at 31 March 2022
Variable rate long term borrowings including current maturities	44.21	32.05

Sensitivity

Particulars	Impact on profit or (loss)		Impact on other components of equity	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
1% increase in variable rate	(0.44)	(0.32)	(0.33)	(0.24)
1% decrease in variable rate	0.44	0.32	0.33	0.24

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



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

(All amounts in INR millions)

33 Employee benefits

A Defined contribution plan

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

B Defined Benefit Plan

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

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

Reconciliation of the projected Defined benefit plan

Particulars	As at 31 March 2023	As at 31 March 2022
Defined Benefit Plan	10.28	8.41
Plan Assets	10.07	7.54
Net Defined benefit liability/(Asset)	0.21	0.87
Liability for compensated absences	2.38	2.07
Total employee benefit liability	2.59	2.94
Non-current defined benefit liability	1.90	2.36
Current defined benefit liability	0.69	0.58
Other current assets (Balance with Life Insurance Corporation - Gratuity Fund (Net))	-	-

C Reconciliation of net defined benefit (assets)/liability

i) Reconciliation of present values of defined benefit obligation

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Defined benefit obligation as at the beginning of the year	8.41	9.15
Current service cost	1.43	1.33
Past service cost	-	-
Interest cost	0.45	0.43
Benefits paid	(0.97)	(2.16)
Liabilities assumed/(settled)	-	-
Re-measurements		
Actuarial Gain/(loss) recognised in other comprehensive income		
- changes in financial assumptions	(0.13)	(0.17)
- changes in Demographic assumptions	-	-
- changes in experience over the past period	1.09	(0.17)
Defined benefit obligation as at the end of the year	10.28	8.41

ii) Reconciliation of present value of plan assets

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Plan assets at the beginning of the year	7.55	9.03
Contributions paid into the plan	2.91	0.19
Benefits paid	(0.97)	(2.16)
Interest income	0.43	0.46
Assets acquired/(settled)		
Re-measurements		
- changes in demographic assumptions		
- return on plan asset	0.15	0.02
Balance at the end of the year	10.07	7.54
Net defined benefit liability	0.21	0.87



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

(All amounts in INR millions)

33 Employee benefits (continued)

D Expenses recognised in the standalone statement of profit and loss

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	1.43	1.31
Past service cost	-	-
Net interest on net defined liability	0.01	(0.03)
Employer Contribution	(2.91)	(0.19)
Net gratuity cost	(1.47)	1.09

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gain)/ loss on defined benefit obligation	0.81	(0.35)
Return on plan asset excluding interest income	-	-
Net gratuity cost	0.81	(0.35)

E Plan Asset

Plan asset comprises of the following:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Funds managed by Life Insurance Corporation of India	10.07	7.54

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 2023	Year ended 31 March 2022
Discount rate	7.30%	6.00%
Salary growth rate	7.00%	6.00%
Attrition rate	20% p.a withdrawal rate at all ages	20% p.a withdrawal rate at all ages
Weighted average duration of defined benefit obligation	4.15 Years	4.39 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 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(2.03)	2.12	(2.15)	2.24
Future salary growth (0.5% movement)	2.11	(2.05)	2.23	(2.16)



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

34 Related parties

I. Names of related parties and description of relationship:

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

upto 4th April 2022

II. Related party transactions:

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations		
Popular Vehicles and Services Limited	152.85	114.28
Popular Mega Motors (India) Private Limited	2.47	2.59
Vision Motors Private Limited	30.71	20.88
Keracon Equipments Private Limited	(0.12)	62.19
Popular Autoworks Private Limited	3.34	2.79
Rent expense		
Popular Vehicles and Services Limited	2.44	2.31
Popular Mega Motors (India) Private Limited	-	0.08
Repairs and maintenance		
Popular Vehicles and Services Limited	0.09	-
Popular Mega Motors (India) Private Limited	0.46	0.39
Vision Motors Private Limited	0.08	0.01
Expenses met by the Company		
Popular Vehicles and Services Limited	3.02	0.43
Popular Mega Motors (India) Private Limited	0.56	0.35
Vision Motors Private Limited	1.58	0.57
Keracon Equipments Private Limited	-	0.06
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	-	(0.03)
Expenses met on behalf of the Company		
Popular Vehicles and Services Limited	0.02	-
Popular Mega Motors (India) Private Limited	0.02	-
Vision Motors Private Limited	0.02	-
Prabal Motors Pvt Ltd	0.02	0.02
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	0.01	-
Purchase of goods		
Popular Vehicles and Services Limited	5.12	4.71
Popular Mega Motors (India) Private Limited	0.72	4.00
Vision Motors Private Limited	1.77	0.62
Purchase of fixed assets		
Popular Mega Motors (India) Private Limited	-	1.31
Kuttukaran Trading Ventures	-	0.01



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

II. Related party transactions: (continued)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Corporate Guarantee Commission Paid		
Popular Vehicles and Services Limited	1.25	0.62
Corporate Guarantee Commission Received		
Kuttukaran Green Private Limited	0.07	0.004
Share of Loss from LLP		
Avita Insurance Broking LLP	-	0.01
Investment settled by subsidiaries		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	0.10	-
Advances settled by subsidiaries		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	-	0.10

III. Related party Balances:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables		
Popular Vehicles and Services Limited	11.92	13.91
Popular Mega Motors (India) Private Limited	0.01	-
Vision Motors Private Limited	2.38	0.72
Popular Autoworks Private Limited	0.18	0.15
Keracon Equipments Private Limited	-	9.91
Kuttukaran Green Private Limited	0.03	0.005
Trade payable		
Popular Vehicles and Services Limited	1.08	-
Popular Mega Motors (India) Private Limited	-	1.51
Corporate Guarantee Commission payable		
Popular Vehicles and Services Limited	0.38	0.22
Investment in subsidiaries		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	-	0.10
Loan from Director		
Mr. Naveen Philip, Director	14.70	14.70
Mr. John K Paul, Director	1.20	1.20
Payable to LLP		
Avita Insurance Broking LLP	-	0.02
Rent Deposit Receivable		
Popular Vehicles and Services Limited	0.20	0.20
Popular Mega Motors (India) Private Limited	-	0.20

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

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



Popular Auto Dealers Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in INR millions)

35 Ratios as per the Schedule III requirements

1 Current Ratio = Current Assets divided by Current Liabilities

Particulars	March 31, 2023	March 31, 2022
Current Assets	598.48	490.45
Current Liabilities	357.40	307.38
Ratio	1.67	1.60
% Change from previous year	4.4%	

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

Particulars	March 31, 2023	March 31, 2022
Short Term Borrowings * (a)	162.13	144.82
Non Current Borrowings (b)	32.51	25.98
Total debt	194.64	170.80
Total equity	338.02	261.84
Ratio	0.58	0.65
% Change from previous year	-10.77%	

* Short Term Borrowings includes Current Maturities of Non Current Borrowings

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
EBITDA	173.51	137.57
Interest Cost	29.62	22.51
Long Term Borrowings	32.51	25.98
Short Term Borrowings*	162.13	144.82
Debt Service Coverage Ratio	0.77	0.71
% Change from previous year end	8%	

* Short Term Borrowings includes Current Maturities of Non Current Borrowings

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

Particulars	March 31, 2023	March 31, 2022
Net Profit after tax	76.79	56.74
Total equity	338.02	261.84
Ratio	0.23	0.22
% Change from previous year	5%	

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

Particulars	March 31, 2023	March 31, 2022
Net Profit after tax	76.79	56.74
Sales	2,534.17	1,754.60
Ratio	0.03	0.03
% Change from previous year	0%	

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

Particulars	March 31, 2023	March 31, 2022
Purchase of stock in trade (a)	2,228.48	1,524.67
Changes in inventories of stock-in-trade (b)	-53.39	-24.20
Cost of Material Consumed (a)+[b]	2,175.09	1,500.47
Closing Inventory	289.59	226.17
Ratio	7.51	6.63
% Change from previous year	13.3%	

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

Particulars	March 31, 2023	March 31, 2022
Total income	2,539.26	1,765.01
Current Asset (a)	598.48	490.45
Current Liability (b)	357.40	307.38
Net Working Capital (a)-[b]	241.08	183.07
Ratio	10.53	9.64
% Change from previous year	9.2%	

8 Trade Receivable Turnover Ratio (Total Income/Trade Receivable)

Particulars	March 31, 2023	March 31, 2022
Total Income	2,539.26	1,765.01
Trade Receivable	266.67	222.65
Trade Receivable Turnover Ratio	9.52	7.93
% Change from previous year end	20.1%	

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

Particulars	March 31, 2023	March 31, 2022
EBIT	132.03	102.73
Total Asset (a)	832.21	661.99
Current Liability (b)	357.40	307.38
Capital Employed (a)-[b]	474.81	354.61
Ratio	0.28	0.29
% Change from previous year	-3.4%	

10 Trade Payable Turnover Ratio (Purchase of stock in trade/Trade payable)

Particulars	March 31, 2023	March 31, 2022
Purchase of Stock in trade	2,228.48	1,524.67
Trade Payable	161.04	129.87
Trade Payable Turnover Ratio	13.84	11.74
% Change from previous year end	17.9%	



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

36 Capital Management

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

Particulars	As at 31 March 2023	As at 31 March 2022
Total equity attributable to the equity shareholders of the Company	338.02	261.84
As a percentage of total capital	63%	61%
Long-term borrowings	32.51	25.98
Short-term borrowings	162.13	144.82
Total borrowings	194.64	170.80
As a percentage of total capital	37%	39%
Total capital (equity and borrowings)	532.66	432.64

37 Details of Corporate social responsibility expenditure

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

	Year ended 31 March 2023	Year ended 31 March 2022
(i) Gross amount required to be spent during the year	1.11	0.77
(ii) Amount approved by the Board to be spent during the period/year	1.11	0.77
(iii) Amount spent during the year on ;		
Construction/ acquisition of asset	-	-
On purposes other than above	1.11	0.77
(iv) (Shortfall) / Excess at the end of the period/year		
Corporate Social Responsibility	-	-
(v) Total of previous years shortfall	-	-
(vi) Details of related party transactions	NA	NA
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	NA	NA
(viii) Reason for shortfall:	NA	NA
(ix) Nature of CSR activities:		
a) Payment to Prime minister national relief fund	-	-
b) Skill development	-	-
c) Education	1.11	-
d) Rural development	-	-
e) Payment to trust	-	0.77

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

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

As per our report of even date attached

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

Place : Kochi

Date : 23.5.2023

for and on behalf of the Board of Directors of

Popular Auto Dealers Private Limited

CIN : U50101KL2005PTC018670

Naveen Philip
Naveen Philip
Director
DIN: 00018827

John K Paul
John K Paul
Director
DIN: 00016513



POPULAR AUTO DEALERS PRIVATE LIMITED
COMPUTATION OF DEFERRED TAX FOR THE YEAR ENDED 31 MARCH 2023

DEPRECIATION

			DTA @ 25.168 %
WDV as per Companies Act	6,14,23,723		
WDV as per IT Rules	5,88,90,590	(25,33,133)	(6,37,539)
Lease Liabilities and RoU Asset		1,26,82,439	31,91,916
Provision for doubtful debts		2,08,33,493	52,43,374
35D Disallowance		15,000	3,775
Provision for leave encashment		4,82,748	1,21,498
Provision for Gratuity		(17,84,153)	(4,49,036)
		2,96,96,394	74,73,988

DTA @ 25.168%

74,73,988

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

Net DTA as on 31.03.2023	74,73,988
Opening DTA as on 01.04.2022	34,90,253
Provision for the year	39,83,735
Less: OCI Component of Defined Benefit Plan	2,04,617
	37,79,118



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

	Year ended 31.3.2023	Year ended 31.3.2022
Sales	2,33,11,49,729	1,63,83,11,866
Add: Closing Stock	23,89,82,305	18,78,94,915
	2,57,01,32,034	1,82,62,06,781
Less: Opening Stock	18,78,94,915	17,01,08,217
Less: Purchases	2,18,89,54,028	1,51,23,00,049
Gross Profit	19,32,83,091	14,37,98,515
Ratio of GP / Turnover	8.29%	8.78%

Used cars division

Sales	4,03,32,310	65,31,695
Add: Closing Stock	87,16,695	64,20,885
	4,90,49,005	1,29,52,580
Less: Opening Stock	64,20,885	-
Less: Purchases	3,95,27,510	1,23,67,748
Gross Profit	31,00,610	5,84,832
Ratio of GP / Turnover	7.69%	8.95%

B) NET PROFIT RATIO

Net Profit as per Profit and Loss	10,23,96,670	8,01,85,070
Sales Turnover	2,37,14,82,039	1,64,48,43,561
Ratio of NP / Turnover	4.32%	4.87%

C) STOCK IN TRADE / TURNOVER

Closing Stock	24,76,99,000	19,43,15,800
Sales Turnover	2,37,14,82,039	1,64,48,43,561
Ratio of Stock / Turnover	10.44%	11.81%



Details of Capital Work in Progress

Kartrenz Used Cars Sales Division

Branch	Asset	Particulars	Party Name	Cost
Perumbavoor outlet		Lease Registration	Sheriff Associates LLP - Perumbavoor Project	1,30,526
		drawing charge	Rasi - Sindhu	25,368
		Building construction	Clarins Designs Perumbavoor	70,56,103
		Building construction	Clarins Designs Perumbavoor	44,250
		Lift & car washer	Car Ax	3,52,672
		PCB Fee	Population control board	18,415
		Tools	Shakthi Industrial Tool	35,635
		Machinery Items	Technical Trading Co	18,356
		Genset	Power Best Engineering	4,57,627
		Total		8138952

