# Kuttukaran Green

**Kuttukaran Green Pvt. Ltd**
Door No.40/3397, 1st Floor
Kuttukaran Centre Mamangalam
Kochi, Kerala, India, 682025
t (0484) 2341134
e: cs@popularv.com
CIN U50400KL2017PTC049442
GST 32AAGCK6365F1ZL

## NOTICE

Notice is hereby given that the 7th Annual General Meeting of Members of Kuttukaran Green Private Limited (Name changed from Kuttukaran Pre Owned Cars Private Limited) ("Company") will be held at 04.00 P.M. on Saturday, 27th July, 2024, at the Registered Office of the Company at Door No.40/3397, Ist Floor, Kuttukaran Centre, Mamangalam, Ernakulam, Kochi, Kerala-682025, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2024.

2. To appoint a Director in place of Mr. Naveen Philip (DIN: 00018827), who retires by rotation and, being eligible, offers himself for re-appointment.

3. To fix remuneration of Statutory Auditors and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 142 (1) read with Section 102 (2) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder the Board of Directors of the company be and is hereby authorized to fix the remuneration of M/s R. G. N. Price & Co, (Firm Registration No.002785S), for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, who have been appointed by the Members in the 6th Annual General meeting as the Statutory Auditors of the Company for a period of 5 years, pursuant to the provisions of Section 139(1) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014."

KUTTUKARAN GREEN PRIVATE LIMITED
KUTTUKARAN CENTRE MAMANGALAM KOCHI-25

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## SPECIAL BUSINESS

4. <u>To Alter the Object Clause of Memorandum of Association of the Company</u>

To Alter the Object Clause of Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 13 (1) read with Sub Section (9) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder and subject to the approval of the Central Government (the Registrar of Companies), the consent of the members of the Company be and is hereby accorded to append following sub clause (38) after sub clause (37) of clause 3 (b) of the Memorandum of Association of Company:

(38) To act as facilitators for sale or distribution of any Life or General Insurance products or policies and for the purpose act as agents for commission or remuneration and engage sub-agents or employees and do the insurance business as provided under the Insurance Regulatory and Development Authority.

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"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as may be necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms."

By order of the Board
For Kuttukaran Green Private Limited

Naveen Philip
(Director)
(Din: 00018827)

Place: Ernakulam
Date: 15.05.2024

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NOTES:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxies to be effective should be lodged with the company at least 48 hours before the commencement of the meeting.

2. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. A corporate member intending to send its authorized representatives to attend the meeting in terms of section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the board resolution authorizing such representative to attend and vote on its behalf at the meeting.

4. Members/proxies/authorized representatives are requested to submit the attendance slips duly filled in for attending the meeting.

5. During the period beginning 6 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.

6. All documents referred to in the notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. To 1:00 p.m. up to the date of the general meeting and at the venue of the meeting for the duration of the meeting.

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7. Members are requested to kindly notify the Company of any changes in their addresses/e-mail address so as to enable the Company to address future communication to their correct addresses.

8. Pursuant to section 20(2) of the Companies Act, 2013 read with rule 35 of the Companies (Incorporation) Rules, 2014, as amended, Companies are permitted to send official documents to their shareholders electronically.

9. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the above resolutions is enclosed and forms a part of the notice.

10. Copies of the Memorandum and Articles of Association of the Company and other relevant records in respect of the ordinary business are available at the Registered Office of the Company and electronically for inspection of the members during business hours between 10 am and 5 pm on all working days, except Saturdays.

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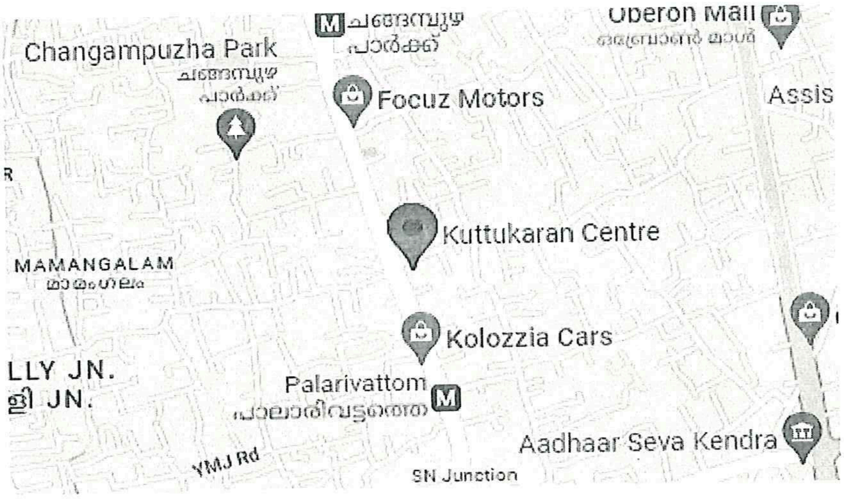
<u>Route Map</u>




By Order of the Board
For Kuttukaran Green Private Limited

Place: Ernakulam
Date: 15.05.2024

Naveen Philip
(Director)
(Din: 00018827)

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## EXPLANATORY STATEMENT PURSUANT SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

**Item No.4:**

The Memorandum of Association of the company at present does not empower the company to do the business of insurance under the Insurance Regulatory and Development Authority of India. Hence it is thought expedient to alter the Memorandum of Association of the company.

Accordingly, the Board of Directors at their meeting held on 15th May, 2024 decided to alter the object clause 3 (b) of the Company by including the new business viz. 'To act as facilitators for sale or distribution of any Life or General Insurance products or policies and for the purpose act as agents for commission or remuneration and engage sub-agents or employees and do the insurance business as provided under the Insurance Regulatory and Development Authority' in the object clause 3 (b) as sub clause (38) ,which can be conveniently and advantageously combined with the existing business of the Company.

In terms of Section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014, approval of members by way of special Resolution is sought for alteration of Object Clause 3 (b) of Memorandum of Association of the Company. Hence the Special Resolution as set out in the Notice vide Item No. (4).

The Directors recommend the resolution for approval of members.

None of the Promoters, Directors or other Key Managerial Personnel of the company or their relatives is interested or concerned, whether financial or otherwise, in respect of the resolution as set out vide item (4) in the notice.

There is no other information and facts to disclose that may enable members to understand the meaning, scope and implications of the said item of business and to take decision thereon.

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The special business vide item (4) to be transacted at the meeting of the Company does not relate to and affect any other company/entity.

By Order of the Board
For Kuttukaran Green Private Limited

Naveen Philip
(Director)
(Din: 00018827)

Place: Ernakulam
Date: 15.05.2024

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## ATTENDANCE SLIP

(Please complete this attendance slip and hand over at the entrance of the Meeting hall)

I, hereby record my presence at the 7th Annual General Meeting of Kuttukaran Green Private Limited (Name changed from Kuttukaran Pre Owned Cars Private Limited) held at 04.00 P.M. on Saturday, 27th July, 2024 at Door No.40/3397, Ist Floor, Kuttukaran Centre, Mamangalam, Ernakulam, Kochi, Kerala-682025.

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

| | |
|---|---|
| Name | |
| Address & email ID | |
| Folio no. | |
| No. of shares held | |

I certify that I am the registered shareholder / proxy for the registered shareholder of the Company.

Signature of member / proxy

KUTTUKARAN GREEN PRIVATE LIMITED
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Form No. MGT 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013, and rule 19(3) of Companies (Management and Administration) Rules, 2014]

| | |
|---|---|
| Name, address and email ID of the shareholder(s) | |
| Folio no. | |

I / we, being the member(s) of ____________________shares of the above named Company, hereby appoint:

name:____________________________________________________________

address:_________________________________________________________

signature:________________________________________ or failing him;

name:_______________________________________________________________

address: ________________________________________________

signature:_____________________________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 7th Annual General Meeting of the Company held on 04.00 P.M. on Saturday, 27th July, 2024 at Registered Office at Kuttukaran Centre, Mamangalam, Cochin-682025 or / and at any adjournment thereof, in respect of such Resolutions as indicated below:

| Sl. No. | Resolutions | Voted for | Voted against |
|---|---|---|---|
| 1 | To receive, consider and adopt the financial statements of the Company for the financial year ended March 31, 2024 | | |
| 2 | Re-appointment of Mr. Naveen Philip as a Director liable to retire by rotation. | | |
| 3 | To fix remuneration of Statutory Auditors | | |
| 4 | To Alter the Object Clause of Memorandum of Association of the Company | | |

Signed this ---------------- day of ------------------ 2024

Affix One Rupee Revenue Stamp

Signature of proxy holder(s)

Signature of shareholder

Notes: (1) The proxy, to be effective, should be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the meeting. (2) A proxy need not be a member of the Company. (3) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members. (4) The Form of proxy confers authority to demand or join in demanding a poll. (5) The submission by a member of this Form of proxy will not preclude such member from attending in person and voting at the meeting.

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# DIRECTORS' REPORT

To,

The Members,
Kuttukaran Green Private Limited

Your Directors are pleased to present the Company's 7th Annual Report together with the report of the statutory auditors and the audited financial statements of the Company for the financial year ended 31st March, 2024.

## GLOBAL ECONOMIC OVERVIEW

The current global economy is traversing through a perfect storm of geopolitical tensions, climate emergency, cost of living crisis, food and nutrition security concern as well as inadequate livelihood opportunities. Amidst these adversities, rapid technological advancements including AI are redefining the future.

In such a turbulent world, Indian economy has emerged as an inspiring lighthouse of growth. The standout performance as the world's fastest growing major economy with a consistent 7% plus GDP growth rate over the last few years. The synergy of India's large market, favourable demographics, rising disposable incomes, technological prowess and vibrant entrepreneurship will continue to power growth in the foreseeable future.

India has a large automotive market, comprising annual production of 26 million vehicles as of FY 2023 (excluding electric rickshaws). It is central to India's manufacturing sector and the overall economy, contributing 35% to the manufacturing GDP and 5 -6% to the overall GDP in FY 2023. Further, the Indian government envisions improving contribution of the automotive industry to reach 40% of the manufacturing GDP by FY 2026.

Despite having large two wheeler (2W) and four wheeler passenger vehicles (4W - Passenger Vehicle) markets, India sees limited penetration, indicating a solid backdrop for medium to long -term volume growth.

Last financial year also marked a milestone in our Groups journey. Our holding Company Popular Vehicles and Services Limited (PVSL) launched a successful IPO and became a listed Company in the month of March, 2024.

India's automotive market is undergoing a technology led transformation, which will unlock the next wave of growth in the sector. Innovation in cell technology & the

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subsequent rise of EVs, increased adoption of software & electronics in vehicles, and government's impetus to domestic manufacturing of technologically advanced vehicles, are the core tenets of this transformation. These advancements are likely to have a global impact, given India accounts for 15-20% of global production for 2W and is the 3rd largest 4W - Passenger Vehicle market in the world (in terms of sales volumes), with strong growth headroom in both segments.

Amidst rising environmental concerns, Electric Vehicles (EVs) are gaining traction globally, including in India. The Country is one of the signatories to the Paris Agreement under the United Nations Framework Convention on climate change. It is also part of the EV30@30 campaign, targeting a 30% sale share for EV by 2030.

All automotive vehicle segments are witnessing the electrification wave. Shared mobility segments (3Ws, commercial vehicles and taxis) are undergoing electrification to achieve better operating economics (than ICE). ecommerce and logistics players have adopted EV fleets as part of their decarbonization commitments. Central and state governments are boosting the electrification of public buses. 3Ws are getting electrified on the back of exemptions from registration and road taxes.

## Business Operational Review

Key highlights of financial performance of your Company for the financial year 2023-24 are provided below:

## 1. FINANCIAL RESULTS

During the year under review, the revenue from operation were at Rs. 244.59 million as against Rs. 158.89 million in the previous year, recording an increase of 53.94%.

### FINANCIAL SUMMARY & HIGHLIGHTS

(In INR millions, except earnings per share data)

| Particulars | FY 2024 | FY 2023 |
|---|---|---|
| Net Revenue from Operations | 244.59 | 158.89 |
| Other Income | 1.25 | 0.34 |
| **Total Revenue** | 245.84 | 159.23 |
| Employee benefit expenses | 19.16 | 12.04 |
| Finance costs | 6.27 | 3.15 |

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| | | |
|---|---|---|
| Depreciation and amortization expenses | 5.07 | 3.69 |
| All other expenses | 224.66 | 151.92 |
| **Total Expenses** | **255.16** | **170.80** |
| **Profit / (Loss) Before Tax** | **-9.32** | **-11.57** |
| Tax Expense:<br>Current Tax<br>Deferred Tax | 0<br><br>2.07 | <br><br>-2.97 |
| **Profit / (Loss) after Tax** | **-7.25** | **-8.60** |
| Earnings per equity share(in Rs)<br><br>Basic :<br>Diluted : | -41.15<br><br>-41.15<br>-41.15 | -870.63<br><br>-870.63<br>-870.63 |

2. **DEEMED PUBLIC COMPANY STATUS**

As per the Proviso to Section 2 (71) of the Companies Act, 2013 a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of the Companies Act even where such subsidiary company continues to be a private company in its articles.

Being a Subsidiary of Popular Vehicles and Services Limited, with effect from 04th April, 2022 our Company become a Deemed Public Company as per Proviso to Section 2 (71) of the Companies Act, 2013. However, our Company has continued to be a Private Limited Company as per the Articles of Association of the Company.

Certain provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 becomes applicable to the Company as a material subsidiary of Popular Vehicles and Services Limited which became listed on 19th March, 2024.

3. **TRANSFER TO RESERVES**

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

4. **DIVIDEND**

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

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5. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

The Company has proposed to alter its object clause in the Memorandum of Association of the Company in its meeting held on 15th May, 2024.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE END OF THE FINANCIAL YEAR

There have been no material changes and commitments which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report.

7. CAPITAL & DEBT STRUCTURE

During the year under report, there is no change in the Authorized share Capital of the Company.

As on 31st March, 2024, the Authorised Share Capital of your Company stood at Rs.3,01,00,000/-consisting of 10,10,000 Equity shares of Rs.10/- each and 20,000 0.1% Non-cumulative Compulsorily Convertible Preference shares of Rs.1000/- each.

During the year under review, the Company has made an allotment of 4,99,950 equity shares, of Rs. 10/- each on rights issue basis at the Board meeting held on 04th December, 2023.

The paid-up equity share capital of your Company stood at Rs. 2,00,99,500/- consisting of 5,09,950 Equity shares of Rs.10/- each and 15,000, 0.01% Non-cumulative compulsorily convertible preference shares of Rs. 1000/-each fully paid up respectively.

8. CREDIT RATING

The Company has not obtained Credit Ratings of outstanding for Debt Instruments / facilities.

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## 9. UNPAID DIVIDEND & IEPF

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF; established by the Government of India, after completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

However, your Company did not have any funds lying unpaid or unclaimed for a period of seven years in Unpaid Dividend Account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company.

## 10. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a) Board of Directors

The Board of Directors of the Company as on March 31, 2024 are as follows:

| Name of the Directors | Designation | DIN |
|---|---|---|
| Mr. Naveen Philip | Director | 00018827 |
| Mr. John K Paul | Director | 00016513 |
| Mr. Francis K Paul | Director | 00018825 |
| Mr. Lloyd Frankline Dsouza | Director | 09186036 |
| Mr. Puthiyaveetil John Shice | Director | 09186037 |

None of the directors of the Company are disqualified under the provisions of the Act.

i) Appointment

There was no appointment of Directors during the period under review.

ii) Resignation

There was no resignation of directors during the period under review.

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iii) Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Naveen Philip (DIN:00018827), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

b) Key Managerial Personnel

Provisions of section 203(1) of the Companies Act, 2013 does not apply to the Company.

c) Independent directors

As per Rule 4 sub rule 2 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company is not required to appoint Independent Directors.

d) Declaration by Independent Directors

As per Section 149(7) of the Companies Act, 2013 the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 is not applicable to the company.

## 11. NUMBER OF MEETINGS OF THE BOARD & ITS COMMITEES

a) Board meetings

The Board of Directors met 8 (Eight) times during the financial year ended March 31, 2024 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of the same are as mentioned under:-

| Date of Meeting | Attendance of Directors | | | | |
|---|---|---|---|---|---|
| | Mr. Naveen Philip | Mr. John K Paul | Mr. Francis K Paul | Mr. Puthiyaveetil John Shice | Mr. P.J.Shice |
| 23.05.2023 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 05.07.2023 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 27.09.2023 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 20.11.2023 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 04.12.2023 | ✓ | ✓ | ✓ | ✓ | ✓ |

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| | | | | | |
|---|---|---|---|---|---|
| 19.01.2024 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 30.01.2024 | ✓ | ✓ | ✓ | ✓ | ✓ |
| 16.03.2024 | ✓ | ✓ | ✓ | ✓ | ✓ |

b) Finance and Authorisation Committee

The Company also has a Finance and Authorisation Committee (sub-committee) which is constituted with Mr. Naveen Philip (Chairman), Mr. Puthiyaveetil John Shice, Director and Mr. Lloyd Frankline Dsouza, Director as members.

During the Financial Year 2023-24 the Company has held 5 (Five) meetings of the Finance and Authorisation Committee. The details of the same are as mentioned under:-

| Date of Meeting | Attendance of Directors | | |
|---|---|---|---|
| | Mr. Naveen Philip | Mr. Puthiyaveetil John Shice | Mr. P.J.Shice |
| 16.08.2023 | ✓ | ✓ | ✓ |
| 20.10.2023 | ✓ | ✓ | ✓ |
| 26.12.2023 | ✓ | ✓ | ✓ |
| 13.02.2024 | ✓ | ✓ | ✓ |
| 21.03.2024 | ✓ | ✓ | ✓ |

c) Committees

The Company is not mandatorily required under the provisions of the Companies Act, 2013 and rules made thereunder to constitute any committees under sections 177 and 178 of the Companies Act, 2013.

## 12. MANAGERIAL REMUNERATION

There are no Directors, key managerial personnel or other employees who are in receipt of remuneration exceeding the limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules,2016.

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## 13. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of clause(c) of sub-section (3) of Section 134 read with sub-section (5) of Section 134 of the Companies Act, 2013, the Directors hereby state and confirm that—

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) Such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2024 and of the loss of the company for that year;

c) Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The Annual Accounts of the Company have been prepared on a going concern basis.

e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board has adopted the procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting record, and the timely preparation of reliable financial disclosures.

KUTTUKARAN GREEN PRIVATE LIMITED
KUTTUKARAN CENTRE MAMANGALAM KOCHI-25

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## 15. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors has not reported to the Board under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its Officers or employees.

## 16. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the financial year under report the Company has not entered into or invested in any new Subsidiaries, Joint Ventures and Associates. The details of the Holding and Subsidiary Companies are given below:-

| Sl. No. | Name of the Company | Holding/ Subsidiary/ Associate | Applicable Section Companies Act,2013 |
|---|---|---|---|
| 1 | Popular Vehicles and Services Limited | Holding Company | 2 (46) |
| 2 | NIL | Subsidiary Company | 2 (87) |

## 17. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

## 18. DEPOSITS

Your Company has not accepted any public deposits and, as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Thus no particulars are reported as required under Rule 8(5)(v) of Companies (Accounts) Rules, 2014.

## 19. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES

During the financial year under review, the Company has not granted any loan, guarantee or made any investment coming within the purview of Section 186 of the Companies Act, 2013.

## 20. BORROWINGS AND GUARANTEES

The Company has an outstanding inter-corporate loan of Rs.20 million and 10 million carry an interest rate of 9.71% & 8.60% respectively with a tenure of 6 and 5 years. With

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regard to the second term loan the lender, Popular Vehicles and Services Limited has the option of conversion of outstanding loan and interest, wholly or partially into Equity.

## 21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The transactions with related parties are in compliance with the provisions contained in Section 188(1) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. Information on material transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure-A in Form AOC-2 and the same forms part of this report.

## 22. CORPORATE SOCIAL RESPONSIBILITY

The company does not require complying with CSR provisions since the company does not fall under the provisions of Section 135(1) of the Companies Act 2013.

## 23. CONSERVATION OF ENERGY/ TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The company uses power saving lighting equipment's for its office and workshop and saves power wherever there is scope for energy saving.

No technology absorption has taken place during the year under consideration.

There was no foreign exchange inflow or outflow during the year.

## 24. RISK MANAGEMENT

The Company has in place a mechanism to identify, access, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuous basis.

## 25. VIGIL MECHANISM

During financial under review the Company does not meet the criteria specified under section 177 (9) of the Companies Act 2013 so there is no requirement to form a vigil mechanism or whistle blower policy.

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## 26. MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS

During the financial year under review, there were no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## 27. STATUTORY AUDITORS

M/s. R. G. N. Price & Co., Chartered Accountants, Ernakulam, was re-appointed as the Statutory Auditors of the Company at the 6th Annual General Meeting of the Company held on 03rd August, 2023 for a period of 5 consecutive years till the conclusion of 11th Annual General Meeting of the Company.

## 28. STATUTORY AUDITOR'S REPORT

The Statutory Auditors' in their Report for the financial year ending 31st March, 2024 does not contain any qualification, reservation or adverse remarks.

## 29. SECRETARIAL AUDIT

The Provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder in respect of Secretarial Audit shall not apply to the Company for the financial year 2023-24.

The relevant secretarial standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meetings have been complied with.

## 30. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Meetings of Board of Directors and General Meetings and such systems were adequate and operating effectively.

## 31. ANNUAL RETURN

The Annual Return of the company is available at the website of the Company https://piaggio.ecomarq.com/.

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32. HUMAN RESOURCES MANAGEMENT

Human Resource Department plays a pivotal role in achieving organizational excellence. Your Company constantly strives to develop quality human resources, to meet the challenges of competitive business environment and to build critical capabilities in achieving the Company's objectives and goals. The Company is continuously renewing and updating the knowledge and skill of its employees at all levels through training and development.

As on 31st March, 2024, the Company had a total head count of 73 employees, an increase of 13 employees over the previous year. Your Company takes significant efforts on employee development by imparting training to employees at various levels.

33. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Committee as required under the said Act to take necessary preventive actions as may be possible and also to carry out redressal of complaints, if any, on sexual harassment and for matters connected therewith or incidental thereto. Summary of sexual harassment complaints received and disposed of during the financial year 2023-24 are as follows:

No of complaints received : 0
No of complaints disposed off : 0

The Committee has submitted the Annual Report on POSH for the calendar year 2023 to the Company and the Board of Directors took note of the same at their meeting dated 16.03.2024. The report has also been submitted to the District Officer, pursuant to Section 21 of the POSH Act, 2013.

34. INDUSTRIAL RELATIONS

During the year under review, the company enjoyed cordial relationship with workers and employees at all levels and the Directors thank all the employees for their continued support, co-operation and valuable contributions.

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35. DISCLOSURE ABOUT THE APPLICATION AS MADE OR ANY PROCEEDING IS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE (IBC), 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

Not applicable

36. DISCLOSURE ABOUT THE DIFFERENCE BETWEEN THE AMOUNTS OF THE VALUATION EXECUTED AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THERE OF.

Not applicable

37. ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation to the shareholders and other stakeholders for their continued faith in the company and also for their valuable support.

For and on Behalf of Board of Directors of
Kuttukaran Green Private Limited

KUTTUKARAN GREEN PRIVATE LIMITED
KUTTUKARAN CENTRE MAMANGALAM KOCHI-25

| | |
|---|---|
| Naveen Philip | John K. Paul |
| (Director) | (Director) |
| DIN:00018827 | DIN:00016513 |

Place: Kochi-25
Date: 15.05.2024

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## FORM NO. AOC -2
## ANNEXURE A TO THE DIRECTORS' REPORT

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm'ss length transaction under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at Arm's length basis –**

| SL. No. | Particulars | Details |
|---|---|---|
| A | Name (s) of the related party & nature of relationship | NOT APPLICABLE |
| B | Nature of contracts/arrangements/transaction | |
| C | Duration of the contracts/arrangements/transaction | |
| D | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| E | Justification for entering into such contracts or arrangements or transactions' | |
| F | Date (s) of approval by the Board | |
| G | Amount paid as advances, if any | |
| H | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | |

2. ***Details of material contracts or arrangements or transactions at Arm's length basis.**

| SL. No. | Particulars | Details |
|---|---|---|
| A | Name (s) of the related party & nature of relationship | NOT APPLICABLE |
| B | Nature of material contracts/arrangements/transaction | |
| C | Duration of the material contracts/arrangements/transaction | |
| D | Salient terms of the material contracts or arrangements or transaction including the value, if any | |
| E | Date (s) of approval by the Board | |
| F | Amount paid as advances, if any | |

**Refer Note no: 27 of the financial statements*

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3. **Details of contracts or arrangements or transactions not in the ordinary course of business:**

| SL. No. | Particulars | Details |
|---|---|---|
| A | Name (s) of the related party & nature of relationship | NOT APPLICABLE |
| B | Nature of contracts/arrangements/transaction | |
| C | Duration of the contracts/arrangements/transaction | |
| D | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| E | Justification for entering into such contracts or arrangements or transactions' | |
| F | Date (s) of approval by the Board | |
| G | Amount paid as advances, if any | |
| H | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | |

For and on Behalf of Board of Directors
Kuttukaran Green Private Limited
(Former Kuttukaran Pre Owned Cars Private Limited)

KUTTUKARAN GREEN PRIVATE LTD KUTTUKARAN CENTRE MAMANGALAM KOCHI-25

Naveen Philip
(Director)
DIN:00018827

John K. Paul
(Director)
DIN:00016513

Place: Kochi-25
Date: 15.05.2024

R. G. N. PRICE & CO.
CHARTERED ACCOUNTANTS

PHONE : OFFICE : 2316538, 2312960
E-mail : priceco@rgnprice.com
website : www.rgnprice.com

G-234, PRICE CHAMBERS
PANAMPILLY NAGAR
COCHIN - 682 036

Offices at :
CHENNAI, MUMBAI, BANGALORE, QUILON, CALICUT

Our Ref : **17/2024** **15.05.2024**
**UDIN: 24023933BKCMZY1046**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KUTTUKARAN GREEN PRIVATE LIMITED (FORMERLY KUTTUKARAN PRE OWNED CARS PRIVATE LIMITED)

### Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of **Kuttukaran Green Private Limited (formerly Kuttukaran Pre Owned Cars Private Limited) ("*the Company*")** which comprises the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and **LOSS,** Changes in Equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

R. G. N. Price & Co. Chartered Accountants

**Information other than the Financial Statements and Auditors Report thereon**

The Company's Board of Directors is responsible for the Information other than the financial statements and auditors report thereon. The said information comprises the information included in the Directors Report (Other information), but does not include the financial statements and our audit report thereon. The Other Information is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, otherwise appear to be materially misstated

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

R.G.N. Price & Co. Chartered Accountants

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

R. G. N. Price & Co. Chartered Accountants

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(f) below on reporting under Rule 11(g).

c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate Report in Annexure A.

g. No managerial remuneration was paid during the year and hence reporting on compliance with the provisions of section 197 read with schedule V to the act is not applicable.

h. The remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(f) below on reporting under Rule 11(g).

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

R. G. N. Price & Co. Chartered Accountants

a. The Company has does not have any pending litigations as on the date of Balance Sheet

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. (i) The management, as explained in Note No. 35(a) of the financial statements, has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) The management, as explained in Note No. 35(b) of the financial statements, has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), 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 in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (iii) Based on such audit procedures, that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e. The Company has not declared or paid any dividend during the year and hence reporting under this clause is not applicable.

f. Based on our examination which included test checks, the company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except in respect of payroll records wherein the software did not have the audit trail feature enabled throughout the year. The audit trail facility has been operating in all other accounting software throughout the year for all relevant transactions recorded in such software. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

**ANNEXURE**

i) Fixed Assets

(a) (A) The Company has maintained records showing particulars of Property, Plant and Equipment including quantitative details and situation

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) These Properties, Plant and Equipments have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification.

(c) The Company does not own any immovable properties other than improvements to leasehold buildings.

(d) The company has not revalued its Property, Plant and Equipment during the year.

(e) As per the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) Inventories

(a) The inventories have been physically verified by the management during the year at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of stock were not material having regard to the size of the operation of the company.

(b) The company has been sanctioned /renewed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. In our opinion and according to the information and explanations furnished to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii) Investments/Loans/Advances and Guarantees

During the year, the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties other than those given in the normal course of business. Accordingly, none of the subclauses under this heading are applicable.

iv) Compliance with Sec 185 and Sec 186

In our opinion and according to the information and explanations given to us, the company had not granted any loans to parties to whom provisions of Sec 185 applies and consequently clauses relating

R.G.N. Price & Co. Chartered Accountants

to terms and conditions of loan, payment of interest and repayment of principal and status of overdue are not applicable.

In our opinion and according to the information and explanations given to us, the company has not made any investments, guarantees during the year to which the provisions of Section 185 and 186 of the Companies Act 2013 applies.

v) Fixed Deposits

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or amounts deemed to be deposits to which the provisions of Section 73 to 76 of the Companies Act, 2013 and rules made there under applies.

vi) Cost Records

In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the company.

vii) Statutory Dues

(a) The company was generally regular in depositing with appropriate authorities undisputed statutory dues towards Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, duty of customs, cess and other statutory dues, wherever applicable. There were no arrears of undisputed statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the records of the company, there were no disputed statutory dues outstanding as on the date of balance sheet.

viii) Undisclosed Income

In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) Repayment of Loans

(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of interest and principal to any lender.

(b) Based on the information and explanations given to us, the company is not declared wilful defaulter by any bank or financial institution or any other lender;

R. G. N. Price & Co. Chartered Accountants

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) Application of funds raised through public offer / private placement / preferential allotment

(a) The company has not raised any funds through public offer during the year.

(b) The company has raised funds during the year by way of right issue of Equity Shares. In our opinion and according to the information and explanations given to us, the Company has utilised the funds raised by way of rights issue for the purposes for which they were raised.

xi) Frauds

(a) According to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year.

(b) As no fraud, on or by the company, has been noticed or reported during the year, reporting under this clause as per section 143(12) is not applicable.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii) Nidhi Company

In our opinion and according to the information and explanations given to us, the company is not a nidhi company and hence this clause in not applicable to the company.

xiii) Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 wherever applicable

R.G.N. Price & Co. Chartered Accountants

and the details have been disclosed in the financial statements as required by the applicable accounting standards.

Being a wholly owned subsidiary, the company is not required to constitute an Audit Committee as per section 177 of the Companies Act, 2013 read with Rule 4(2) of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended

xiv) Internal Audit

(a) In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013

(b) Since the company is not required to have an internal audit system as per provisions of Companies Act 2013, reporting under this clause on whether the internal audit report was considered by the statutory auditor is not applicable.

xv) Non Cash Transactions

As explained to us, the company has not entered into any non-cash transactions with directors or other persons during the year

xvi) Registration with RBI

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence this clause is not applicable to the Company.

xvii) Cash Losses

The company has incurred cash losses in the financial year and in the immediately preceding financial year amounting to Rs.2.19 Million and Rs 5.03 Million respectively.

xviii) Resignation of Auditor

There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

xix) Going Concern

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans explained in detail vide Note No 34 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future

R.G.N. Price & Co. Chartered Accountants

viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) Corporate Social Responsibility

The company was not required to spend any amount towards CSR and hence reporting under this clause is not applicable.

xxi) Observations by component auditors

The Company does not have any subsidiary companies and hence reporting under this clause regarding qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order reports of subsidiary companies is not applicable.

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KUTTUKARAN GREEN PRIVATE LIMITED (FORMERLY KUTTUKARAN PRE OWNED CARS PRIVATE LIMITED)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Kuttukaran Green Private Limited (Formerly Kuttukaran Pre Owned Cars Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

R. G. N. Price & Co. Chartered Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

KUTTUKARAN GREEN PRIVATE LIMITED(FORMERLY KUTTUKARAN PRE OWNED CARS PRIVATE LIMITED), KOCHI 25.

ESTIMATED STATEMENT OF TOTAL INCOME FOR THE ASSESSMENT YEAR 2024-25

YEAR ENDED 31.03.2024 PAN :AAGCK6365F

STATUS-COMPANY

**INCOME FROM BUSINESS**

| | | |
|---|---|---|
| Loss as per Statement of Profit and Loss | | (93,10,903) |
| Add: Inadmissibles | | |
| Disallowance - ROC Fee for increasing Authorised Capital | 75,000 | |
| Interest on Income Tax refund | 10,732 | |
| Depreciation considered separately (excluding depreciation on RoU | 12,24,306 | |
| Provision for gratuity | 12,46,531 | |
| Ind AS adjustment charged to Profit & Loss | 11,37,217 | 36,93,786 |
| | | (56,17,117) |
| Less: Admissibles | | |
| Provision for leave encashment written back | 28,199 | |
| Depreciation as per IT Rules | 22,48,074 | |
| Deduction under section 35D - Year 3 - ROC Fee | 59,090 | |
| Deduction under section 35D - Year 1 - ROC Fee | 15,000 | 23,50,363 |

**INCOME FROM OTHER SOURCES**

| | | |
|---|---|---|
| Interest on Income Tax refund | | 10,732 |
| **Loss** | | **(79,67,480)** |
| Tax Due | Nil | |
| Less: TDS/TCS | 3,44,276 | |
| **Refund Due** | **3,44,276** | |

KUTTU... LTD.

NOTES

1) **Bank account details**

| | |
|---|---|
| Account No. | 7246809244 |
| Bank Name | Kotak Mahindra Bank Limited |
| Account Type | Current |
| IFSC | KKBK0000592 |

2) **Ind AS adjustment charged to Profit & Loss**

| Item | Amount | |
|---|---|---|
| **Ind AS 109** | | |
| Depreciation on ROU Asset - Note 22 | 1,32,577 | |
| Interest Expense on Compulsorily Convertible Preference Shares | 2,61,954 | |
| Less: Interest Income on rent deposit (included in Interest on rent deposits - Note no.17) | 1,20,698 | 2,73,833 |
| **Ind AS 116** | | |
| Interest Expense on lease liability - Note 21 | 15,85,917 | |
| Depreciation on ROU Asset - Note 22 | 37,10,377 | |
| Less: Accrued rent expense for the year | 44,32,910 | 8,63,384 |
| TOTAL | | 11,37,217 |

3) **The following loss may be carried forward**

| | | |
|---|---|---|
| AY 2018-19 | Business Loss | 81,961 |
| AY 2019-20 | Business Loss | 44,843 |
| AY 2020-21 | Business Loss | 1,13,700 |
| AY 2021-22 | Business Loss | 41,553 |
| AY 2022-23 | Business Loss | 51,44,363 |
| AY 2022-23 | Unabsorbed Depreciation | 7,34,046 |
| AY 2023-24 | Business Loss | 93,44,751 |
| AY 2023-24 | Unabsorbed Depreciation | 15,55,732 |
| AY 2024-25 | Business Loss | 57,19,406 |
| AY 2024-25 | Unabsorbed Depreciation | 22,48,074 |

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

| Assessment Year | Particulars | Amount | Deduction u/s 35D | Balance to be claimed in later years | Year |
|---|---|---|---|---|---|
| 2022-23 | ROC Filing Fees | 2,95,450 | 59,090 | 2,36,360 | Year 1 |
| 2023-24 | Balance Amount | 2,36,360 | 59,090 | 1,77,270 | Year 2 |
| 2024-25 | Balance Amount | 1,77,270 | 59,090 | 1,18,180 | Year 3 |

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

| Assessment Year | Particulars | Amount | Deduction u/s 35D | Balance to be claimed in later years | Year |
|---|---|---|---|---|---|
| 2024-25 | ROC Filing Fees for Enhancement of Authorised share capital | 75,000 | 15,000 | 60,000 | Year 1 |

KUTTUKARAN GREEN PVT. LTD.

*for* and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited**
Formerly Kuttukaran Pre Owned Cars Private Limited
**CIN : U50400KL2017PTC049442**

| | |
|---|---|
| **John K Paul** | **Naveen Philip** |
| Director | Director |
| DIN: 00016513 | DIN: 00018827 |

**Place: Kochi**
**Date:**

Kuttu an Green Private Limited
(Formerly Kuttukaran Pre Owned Cars Private Limited)
**Balance sheet**
(All amounts in INR millions)

| PARTICULARS | Note | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non Current Assets** | | | |
| Property, plant and equipment | 2 | 16.98 | 12.92 |
| Right of Use ( ROU) Asset | 24 | 16.08 | 13.82 |
| Intangible asset | 3 | 0.02 | 0.07 |
| Financial assets | | | |
| Other financial assets | 8 | 6.96 | 6.10 |
| Deferred tax assets | 26 | 6.70 | 4.62 |
| Other non-current assets | 4 | 0.44 | 0.92 |
| **Total non-current assets** | | **47.18** | **38.45** |
| **Current assets** | | | |
| Inventories | 5 | 13.50 | 50.49 |
| Financial assets | | | |
| Trade Receivable | 6 | 7.11 | 3.62 |
| Cash and cash equivalents | 7 | 11.26 | 2.22 |
| Income tax assets (net) | 26 | 0.96 | 0.88 |
| Other current assets | 4 | 2.38 | 1.19 |
| **Total current assets** | | **35.21** | **58.40** |
| **Total assets** | | **82.39** | **96.85** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity share capital | 9 | 5.10 | 0.10 |
| Other equity | | (8.12) | (0.86) |
| **Equity attributable to owners of company** | | **(3.02)** | **(0.76)** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 10 | 33.31 | 13.02 |
| Lease Liability | 24 | 14.82 | 12.95 |
| Provisions | 11 | 0.36 | 0.11 |
| **Total non-current liabilities** | | **48.49** | **26.08** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 10 | 0.88 | 10.87 |
| Lease Liability | 24 | 3.37 | 2.23 |
| Trade Payable | 13 | | |
| - Total outstanding dues of micro and small enterprises | | 0.28 | - |
| - Total outstanding dues of creditors other than micro and small enterprises | | 6.54 | 32.04 |
| Provisions | 11 | 0.05 | 0.06 |
| Other current liabilities | 12 | 25.80 | 26.33 |
| **Total current liabilities** | | **36.92** | **71.53** |
| **Total equity and liabilities** | | **82.39** | **96.85** |
| **Material accounting policies** | 1 | | |

The accompanying notes 2 to 36 form an integral part of the Financial Statements
As per our report of even date attached

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

**Place:** Kochi
**Date:** 15.5.2024

*for* and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited**
Formerly Kuttukaran Pre Owned Cars Private Limited
CIN : U50400KL2017PTC049442

KUTTUKARAN GREEN PVT. LTD.

**John K Paul**
Director
DIN: 00016513

**Naveen Philip**
Director
DIN: 00018827

**K[illegible]tukaran Green Private Limited**
(Formerly Kuttukaran Pre Owned Cars Private Limited)

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024**

(All amounts in INR millions)

| PARTICULARS | Note | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 14 | 244.59 | 158.89 |
| Other income | 15 | 1.25 | 0.34 |
| **Total income** | | **245.84** | **159.23** |
| **Expenses** | | | |
| Purchases of Stock in Trade | 16 | 206.23 | 158.38 |
| Changes in inventory of stock-in-trade | 17 | 8.19 | (14.46) |
| Employee benefits expense | 18 | 19.16 | 12.04 |
| Finance costs | 19 | 6.27 | 3.15 |
| Depreciation and amortisation expense | 20 | 5.07 | 3.69 |
| Other expenses | 21 | 10.24 | 7.99 |
| **Total expenses** | | **255.16** | **170.80** |
| **(Loss)/profit before tax** | | **(9.32)** | **(11.57)** |
| Tax expense | | - | - |
| Deferred tax | | 2.07 | 2.97 |
| **(Loss)/profit for the year** | | **(7.25)** | **(8.60)** |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | |
| Remeasurement of net defined benefit liability/ (asset) | | 0.02 | 0.14 |
| Income Tax relating to Item that will not be reclassified to profit or loss | | 0.01 | 0.03 |
| **Total comprehensive income for the year** | | **(7.26)** | **(8.71)** |
| (Loss)/ profit per share (equity share of face value of INR 10 each) | 22 | | |
| Basic in Rupees | | (41.15) | (870.63) |
| Diluted in Rupees | | (41.15) | (870.63) |

**Material accounting policies** 1

The accompanying notes 2 to 36 form an integral part of the Financial Statements

As per our report of even date attached

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

Place: Kochi
Date: 15.5.2024

for and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited , Kochi- 25**
Formerly Kuttukaran Pre Owned Cars Private Limited
**CIN : U50400KL2017PTC049442**

KUTTUKARAN GREEN PVT. LTD.

**John K Paul**
Director
DIN: 00016513

**Naveen Philip**
Director
DIN: 00018827

**Kuttukaran Green Private Limited**
(Formerly Kuttukaran Pre Owned Cars Private Limited)
**Cash flow statement**
(All amounts in INR millions)

| PARTICULARS | For the Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit/(Loss) before tax | (9.32) | (11.57) |
| Finance charges | 6.27 | 3.15 |
| Depreciation | 5.07 | 3.69 |
| Miscellaneous Income | (1.17) | (0.34) |
| Provision for bonus | 0.75 | 0.51 |
| Gain on disposal of lease | 0.11 | - |
| Provision for doubtful debts | 0.00 | - |
| Provision for Gratuity | 1.25 | 0.07 |
| Provision for leave encashment | - | 0.09 |
| Provision for leave encashment written back | (0.03) | - |
| **Operating Profit before working capital changes** | **2.98** | **(4.40)** |
| (Increase)/decrease in inventories | 36.98 | (42.32) |
| (Increase)/decrease in trade receivables | (3.49) | (3.12) |
| (Increase)/decrease in other current assets | (1.84) | (0.49) |
| Increase /(decrease )in trade payable | (25.50) | 30.21 |
| Increase /(decrease )in other current liabilities | (1.15) | 19.36 |
| **Cash generated from/ (used) in operations** | **7.98** | **(0.76)** |
| Taxes paid, net of refund received | (0.08) | (0.81) |
| **Net cash generated from/ (used) in operating activities (A)** | **7.91** | **(1.57)** |
| **Cash flows from investing activities** | | |
| Purchase of Property, Plant & Equipment | (5.23) | (5.13) |
| Other non current assets | (1.21) | (0.04) |
| Security deposit | (0.86) | (1.25) |
| **Net cash used in investing activities (B)** | **(7.29)** | **(6.42)** |
| **Cash flows from financing activities** | | |
| Proceeds from issue of Equity shares | 5.00 | - |
| Proceeds from issue of Compulsorily Convertible Preference Shares | - | 15.00 |
| Change in Borrowings ( Non Current & Current) | (19.44) | 17.19 |
| Increase /(decrease )in other financial liabilities | 2.12 | - |
| Intercorporate Loan | 29.74 | - |
| Loan from directors | - | (20.28) |
| Lease & Rent payments during the year | (4.54) | (3.28) |
| Interest Paid | (4.45) | (1.66) |
| **Net cash generated from financing activities ( C )** | **8.43** | **6.97** |
| **Net increase in cash and cash equivalents (A+B+C)** | **9.05** | **(1.02)** |
| **Cash and cash equivalents at the beginning of the year** | **2.22** | **3.24** |
| **Cash and cash equivalents at the end of the year** | **11.26** | **2.22** |

(Refer to note 7 - Cash and Cash Equivalents)
The notes referred to above form an integral part of the standalone cash flow statement
As per our report of even date attached

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

**Place:** Kochi
**Date:** 15.5.2024

*for* and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited**
Formerly Kuttukaran Pre Owned Cars Private Limited
CIN : U50400KL2017PTC049442

**John K Paul**
Director
DIN: 00016513

**Naveen Philip**
Director
DIN: 00018827

KUTTUKARAN GR... PVT. LTD.

**Kuttukaran Green Private Limited**
(Formerly Kuttukaran Pre Owned Cars Private Limited)

**Cash Flow Statement (Continued...)**
(All amounts in INR in millions)

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

| Particulars | As at 1 April 2023 | Cash Flows | Non Cash Changes | | As at 31 March 2024 |
|---|---|---|---|---|---|
| | | | Fair Value Changes | Others | |
| Non - Current Borrowings* | 13.36 | 18.08 | - | - | 31.45 |
| Current Borrowings | 8.02 | (8.02) | - | - | - |
| Lease Liabilities (refer note 24) | 15.18 | (4.44) | - | 7.45 | 18.19 |

| Particulars | As at 1 April 2022 | Cash Flows | Non Cash Changes | | As at 31 March 2023 |
|---|---|---|---|---|---|
| | | | Fair Value Changes | Others | |
| Non - Current Borrowings* | 21.86 | (8.49) | - | - | 13.36 |
| Current Borrowings | 2.19 | 5.83 | - | - | 8.02 |
| Lease Liabilities (refer note 24) | 17.09 | (3.17) | - | 1.25 | 15.18 |

** includes current maturities of long term borrowings*

As per our report of even date attached

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

*for* and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited**
( Formerly Kuttukaran Pre Owned Cars Private Limited)
CIN : U50400KL2017PTC049442

**John K Paul**
Director
DIN: 00016513

**Naveen Philip**
Director
DIN: 00018827

**Place: Kochi**
**Date:** 15. 5. 2024

KUTTUKARAN GREEN PVT. LTD.

Kuttukaran Green Private Limited
(Formerly Kuttukaran Pre Owned Cars Private Limited)
**Statement of Changes in Equity**
(All amounts in INR millions)

**A. Equity share capital**

| Particulars | Note | No of Equity shares | Amount |
|---|---|---|---|
| **Balance as at 1 April 2022** | | **10,000** | **0.10** |
| Changes in equity share capital | 9 | - | - |
| **Balance as at 31 March 2023** | | **10,000** | **0.10** |
| **Balance as at 1 April 2023** | | **10,000** | **0.10** |
| Changes in equity share capital | 9 | 4,99,500 | 5.00 |
| **Balance as at 31 March 2024** | | **5,09,500** | **5.10** |

**B Other equity**

| Particulars | Equity Component of Compound Financial Instrument | Reserves and surplus | | Items of other Comprehensive Income | Total other equity attributable to equity holders of the Company |
|---|---|---|---|---|---|
| | | Capital Reserve | Retained earnings | Remeasurement of net defined benefit liability/ (asset),net of tax | |
| **Balance as at 1 April 2022** | - | - | **(4.88)** | - | **(4.88)** |
| Recognition of Equity Component of Financial Instrument | 12.73 | - | - | - | 12.73 |
| Loss for the year | - | - | (8.60) | - | (8.60) |
| Other comprehensive income, net of tax | - | - | - | (0.10) | (0.10) |
| Total Comprehensive Income | - | - | (8.60) | (0.10) | (8.71) |
| **Balance as at 31 March 2023** | **12.73** | | **(13.49)** | **(0.10)** | **(0.86)** |
| **Balance as at 1 April 2023** | **12.73** | - | **(13.49)** | **(0.10)** | **(0.86)** |
| Loss for the year | - | - | (7.25) | - | (7.25) |
| Other comprehensive income, net of tax | - | - | - | (0.02) | (0.02) |
| Total Comprehensive Income | - | - | - | - | (7.26) |
| **Balance as at 31 March 2024** | **12.73** | | **(20.74)** | **(0.12)** | **(8.12)** |

Compulsorily Convertible Preference Shares has been separated into equity and liability component, being a Compound Financial Instrument under Ind AS 109, based on the terms of the agreement. The fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on redemption. The remaining proceeds is recognised and included in other equity. The carrying amount of the equity portion is not remeasured in subsequent years.

The Board vide Resolution dated 20/11/2023 made an offer to existing equity shareholders to purchase additional equity shares of the company at Rs. 10/- each in the ratio of 1 equity share for every 50 equity shares held . Consequent to exercise of the option by shareholders, 4,99,950 equity shares were issued by the company for Rs. 10/- each on 04/12/2023.

As per our report of even date attached

For R.G.N. PRICE & CO.
Chartered Accountants

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 002785S

for and on behalf of the Board of Directors of
**Private Limited**
**( Formerly Kuttukaran Pre Owned Cars Private Limited)**
CIN : U50400KL2017PTC049442

**John K Paul**
Director
DIN: 00016513

**Naveen Philip**
Director
DIN: 00018827

**Place:** Kochi
**Date:** 15.5.2024

KUTTUKARAN GREEN PVT. LTD.

# Notes to the financial statements
(All amounts in Indian rupees millions)

## 1. Company overview

Kuttukaran Green Private Limited (formerly Kuttukaran Pre Owned Cars Private Limited) was incorporated in 2017 as a Private Limited Company. The Company is carrying on business as authorized dealers for sales and service of Piaggio electric vehicles.

## 2. Basis of preparation

### A. Statement of compliance

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

### C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for cases where ever 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.

**Judgements**

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

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## 3. Material accounting policies

### 3.1 Property, plant and equipment

### A. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs,

less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, road taxes 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 labor, 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.

Expenditure on construction, renovation, interior decoration of leased building is capitalized in the year in which construction or renovation is completed.

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.

### B. Subsequent expenditure

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

### C. Depreciation

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

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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 Equipment's | 10 | 10 |
| Office Equipment's | 5 | 5 |
| Computer and Accessories | 3 | 3 |
| Motor Car | 5 | 5 |
| Motor Cycle | 5 | 5 |
| Furniture and Fittings | 10 | 10 |
| Tools & Equipment's | 15 | 15 |

## 3.2 Intangible assets:

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

| Class of assets | Years |
|---|---|
| Software | 3 |

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.

## 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.

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

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

*Defined benefit plans*

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

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

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

*Other long term employee benefits*

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

**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.

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## 3.4 Revenue

Revenue on sale of vehicles is recognized when the risk and rewards are transferred to the customer and is accounted net of sales tax, fame II incentive and trade discounts, if any.

Charges collected towards Annual Maintenance Contract (AMC) at the time of sale is recognised as revenue over the period of AMC contract on time proportion basis.

## 3.5 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:

a) Vehicles on Specific Identification Basis
b) Spares and Accessories on FIFO method
c) Accessories and Batteries on FIFO method
d) Goods in transit in respect of vehicles and spares are accounted in the books, upon billing and dispatch of the same by the principal from their factory/ warehouse and are shown under the heads inventories.

## 3.6 Financial instruments

### *3.6.1 Recognition and initial measurement*

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

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

### *3.6.2 Classification and subsequent measurement*

*Financial assets*

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

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

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

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

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

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

*Financial assets: Business model assessment*

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

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

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

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

*Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest*

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

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

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

*Financial assets: Subsequent measurement and gains and losses*

| | |
|---|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss. |

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| | |
|---|---|
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. |

*Financial liabilities: Classification, subsequent measurement and gains and losses*

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

### *3.6.3 De recognition*

*Financial assets*

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

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

*Financial liabilities*

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

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

### *3.6.4 Off setting*

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

### 3.6.5 *Derivative financial instruments*

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

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## 3.7 Impairment

### 3.7.1 *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.

### 3.7.2 *Impairment of non-financial assets*

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

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

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

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

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

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**3.8 Earnings/loss per share**

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

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

**3.9 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 cashflows from regular revenue generating, investing and financing activities of the Company are segregated.

**3.10 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand which are subject to insignificant risk of changes in value

**3.11 Preliminary Expenses**

Preliminary Expenses are written off in the year of commencement of business.

**3.12 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.

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### 3.13 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.

### 3.14 Income Tax

**Deferred Tax**

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

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

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

### 3.15. Prior Period Items

Expenses/income less than Rs. 5,00,000, 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.

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

## 2 Property, Plant and Equipment

| Particulars | Buildings (#) | Furniture and fixtures | Electrical Equipment | Plant and Equipment | Office Equipment | Motor Vehicle | Computer & Accessories | Tools and Equipment | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | |
| **Balance at 1 April 2022** | **6.53** | **0.05** | **0.11** | - | **0.03** | **1.59** | **0.39** | **0.09** | **8.78** |
| Additions | 3.31 | 0.28 | 0.17 | - | 0.01 | 0.58 | 0.59 | 0.18 | 5.13 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance at 31 March 2023** | **9.84** | **0.33** | **0.29** | - | **0.04** | **2.17** | **0.98** | **0.28** | **13.92** |
| **Balance at 1 April 2023** | **9.84** | **0.33** | **0.29** | - | **0.04** | **2.17** | **0.98** | **0.28** | **13.92** |
| Additions | 3.16 | 0.57 | - | - | 0.01 | 1.30 | 0.17 | 0.02 | **5.23** |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance at 31st March 2024** | **13.00** | **0.90** | **0.29** | - | **0.05** | **3.47** | **1.15** | **0.30** | **19.15** |
| **Accumulated Depreciation** | | | | | | | | | |
| **Balance at 1 April 2022** | **0.03** | **0.01** | **0.01** | - | **0.01** | **0.10** | **0.05** | **0.02** | **0.22** |
| Depreciation for the year | 0.14 | 0.02 | 0.01 | - | 0.02 | 0.36 | 0.20 | 0.02 | 0.78 |
| Disposals | - | - | - | - | - | - | - | - | |
| **Balance at 31 March 2023** | **0.17** | **0.03** | **0.02** | - | **0.02** | **0.46** | **0.25** | **0.03** | **0.99** |
| **Balance at 1 April 2023** | **0.17** | **0.03** | **0.02** | - | **0.02** | **0.46** | **0.25** | **0.03** | **0.99** |
| Depreciation for the period | 0.21 | 0.05 | 0.03 | - | 0.01 | 0.50 | 0.35 | 0.04 | 1.18 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance at 31st March 2024** | **0.38** | **0.08** | **0.05** | - | **0.03** | **0.96** | **0.60** | **0.07** | **2.17** |
| **Carrying amounts (net)** | | | | | | | | | |
| **As at 31st Mar 2024** | **12.62** | **0.82** | **0.24** | - | **0.03** | **2.51** | **0.55** | **0.23** | **16.98** |
| **As at 31st Mar 2023** | **9.66** | **0.30** | **0.27** | - | **0.02** | **1.70** | **0.72** | **0.24** | **12.92** |

**(#) Represents improvements on lease hold buildings**

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Gross block | Net Block | Gross block | Net Block |
| Building | 13.00 | 12.62 | 9.84 | 9.66 |

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**Notes to the financial statements (continued)**

(All amounts in INR in millions)

## 3 Intangible assets

| Particulars | Software | Total |
|---|---|---|
| **Reconciliation of carrying amount** | | |
| **Gross Block** | | |
| **Balance at 1 April 2022** | **0.14** | **0.14** |
| Additions | 0.00 | 0.00 |
| Disposals | - | - |
| **Balance at 31 March 2023** | **0.14** | **0.14** |
| **Balance at 1 April 2023** | **0.14** | **0.14** |
| Additions | - | - |
| Disposals | - | - |
| **Balance as at 31 March 2024** | **0.14** | **0.14** |
| **Accumulated amortisation** | | |
| **Balance at 1 April 2022** | **0.02** | **0.02** |
| Amortisation for the year | 0.05 | 0.05 |
| **Balance at 31 March 2023** | **0.07** | **0.07** |
| **Balance at 1 April 2023** | 0.07 | 0.07 |
| Amortisation for the period | 0.05 | 0.05 |
| **Balance as at 31 March 2024** | **0.12** | **0.12** |
| **Carrying amounts (net)** | | |
| **As at 31st Mar 2024** | **0.02** | **0.02** |
| **As at 31st Mar 2023** | **0.07** | **0.07** |

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

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **4 Other assets** | | |
| **Non-current** | | |
| Prepayments_Non Current | 0.19 | 0.42 |
| Earnest Money Deposit | 0.25 | 0.25 |
| Net Defined Benefit Asset - Gratuity | - | 0.25 |
| | **0.44** | **0.92** |
| **Current** | | |
| Prepayments | 0.61 | 0.22 |
| Balance with Govt Authorities | 0.07 | 0.76 |
| Advance to suppliers and others | 1.67 | 0.19 |
| Other receivable | 0.03 | 0.02 |
| | **2.38** | **1.19** |
| **5 Inventories** | | |
| *(Valued at lower of cost and realisable value)* | | |
| New vehicles | 5.69 | 15.10 |
| Goods in Transit- Vehicle | 4.94 | 33.74 |
| Spares | 2.88 | 1.65 |
| | **13.51** | **50.49** |
| Less: Provision for obsolete inventory | 0.01 | - |
| | **13.50** | **50.49** |
| **6 Trade Receivable** | | |
| **Current** | | |
| Considered good -Unsecured | | |
| (a) Which have significant increase in credit risk | - | - |
| (b) Credit impaired | - | - |
| Less : Allowance for expected credit loss | - | - |
| (c ) Others | 7.11 | 3.62 |
| **Net Trade receivables** | **7.11** | **3.62** |
| Note: Refer Note no 31 for ageing schedule | | |
| **7 Cash and cash equivalents** | | |
| Balance with banks | | |
| - in current accounts | 1.12 | 1.76 |
| - in deposit accounts | 8.77 | - |
| - in Cash Credit accounts | 1.21 | 0.43 |
| Cash on hand | 0.16 | 0.03 |
| **Cash and cash equivalents in balance sheet** | **11.26** | **2.22** |
| **8 Other financial assets** | | |
| Rent and other deposits | 6.96 | 6.10 |
| | **6.96** | **6.10** |

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| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| **9 Share capital** | **Number of shares** | **Amount** | **Number of shares** | **Amount** |
| **Authorised** | | | | |
| Equity shares of INR10 each | 10,10,000 | 10.1 | 10,000 | 0.10 |
| Preference Shares INR 1000 each | 20,000 | 20.0 | 20,000 | 20.00 |
| | **10,30,000** | **30.10** | **30,000** | **20.10** |
| **Issued, subscribed and paid-up** | | | | |
| Equity shares of INR 10/- each ,fully paid-up | 5,09,950 | 5.10 | 10,000 | 0.10 |
| Preference Shares INR 1,000/- each | 15,000 | 15.00 | 15,000 | 15.00 |
| | **5,24,950** | **20.10** | **25,000** | **15.10** |

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

| | | | | |
|---|---|---|---|---|
| *Equity shares of INR.10 each fully paid-up* | | | | |
| At the beginning of the year | 10,000 | 0.10 | 10,000 | 0.10 |
| Add: issued during the year | 4,99,950 | 5.00 | - | - |
| **At the end of the year** | **5,09,950** | **5.10** | **10,000** | **0.10** |
| *Preference shares of INR.1,000 each fully paid-up* | | | | |
| At the beginning of the year | 15,000 | 15.00 | - | - |
| Add: issued during the year | - | - | 15,000 | 15.00 |
| **At the end of the year** | **15,000** | **15.00** | **15,000** | **15.00** |

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

| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | **Number of shares (in millions)** | **% holding in the class** | **Number of shares (in millions)** | **% holding in the class** |
| *Equity shares of INR.10 each fully paid-up* | | | | |
| a) Popular Vehicles and Services Limited | 0.5 | 100% | 0.01 | 100% |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Change in Promoter Shareholding during the year | NIL | 100% |

| Equity Shares held by Promoters at the end of the year | | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|---|
| **SL No** | **Promotors Name** | **No of Shares** | **% of total Shares** | **No of Shares** | **% of total Shares** |
| 1 | Popular Vehicles and Services Limited | 5,09,949 | 100 | 9,999 | 100 |
| 2 | Mr. Naveen Philip ( Nominee of Popular Vehicles and Services Limited) | 1 | | 1 | |
| | Total | **5,09,950** | **100** | **10,000** | **100** |

**Preference Shares held by Promoters at the end of the year**

| SL No | Promotors Name | No of Shares | % of total Shares | No of Shares | % of total Shares |
|---|---|---|---|---|---|
| 1 | Popular Vehicles and Services Limited | 15,000 | 100 | 15,000 | 100 |
| | Total | **15,000** | **100** | **15,000** | **100** |

The company is a 100% subsidiary of Popular Vehicles and Services Limited

The company increased its Authorised Share Capital comprising of 10,000 Equity Shares of Rs. 10/- to 10,10,000 equity shares of Rs. 10/- each vide Resolution of Shareholders in Annual General Meeting dated 03/08/2023. There is no change in authorised capital of preference shares during the year.

The Board vide Resolution dated 20/11/2023 made an offer to existing equity shareholders to purchase additional equity shares of the company at Rs. 10/- each in the ratio of 1 equity share for every 50 equity shares held . Consequent to exercise of the option by shareholders, 4,99,950 equity shares were issued by the company for Rs. 10/- each on 04/12/2023.

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Kuttukaran Green Private Limited
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**Notes to the financial statements (continued)**
(All amounts in INR millions)

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **10 Borrowings** | | |
| **Non-current** | | |
| ***Secured loans*** | | |
| Compulsorily Convertible Preference Shares | 2.74 | 2.50 |
| Term loan from financial institutions | 0.83 | 10.52 |
| **Unsecured loans** | | |
| Inter-Corporate Loan | 29.74 | - |
| | **33.31** | **13.02** |
| **Current** | | |
| ***Secured*** | | |
| Cash credit and overdraft facilities from banks | - | 8.02 |
| **Short term loan from financial institution** | - | - |
| Current maturities of Long Term Debt | 0.88 | 2.85 |
| | **0.88** | **10.87** |
| ***Total Borrowings*** | **34.19** | **23.89** |

**A Secured Bank loans**

i) Cash Credit facility from Kotak Mahindra Bank Limited is secured by First and exclusive hypothecation charge on all existing and future current assets of the Borrower except stock funded by IF banker and Extension of equitable mortgage over properties situated at Edappally owned by M/S Kuttukaran Trading Ventures and at Thiruvananthapuram owned by M/S Kuttukaran Homes LLP

ii) Overdraft facilities from Banks are secured by 'Exclusive first charge by way of hypothecation over all present and future stock and receivables financed through the e-DFS limit with the State Bank of India including advance remittances made to M/s Piaggio Vehicles Private Limited out of the facility and equitable mortgage over property situated at Calicut in the name of M/S Kuttukaran Trading Ventures

iii) Term loan from Kotak Mahindra Bank is secured by Extension of equitable mortgage over properties situated at Edappally owned by M/S Kuttukaran Trading Ventures and at Thiruvananthapuram owned by M/S Kuttukaran Homes LLP. This loan was closed during the year

iv) The Vehicle loans are secured by (a) hypothecation of the Vehicle financed ; and (b) personal guarantee by director of the company. The loan is repayable in 24 instalments. Out of 8 loans availed 6 loans have been closed during the year

v) The preference shares are compulsorily convertible into such no : of Equity Shares of the company at any time between three months and nineteen years from the date of issue at the company's option based on the valuation of equity shares at the time of conversion. Management has estimated time of conversion at the end of the nineteenth year. Accordingly, the fair value of borrowings has been estimated by discounting the Face Value using a discount rate of return for similar period and the remaining portion is allocated as equity component and disclosed in statement of changes in equity.

vi) Unsecured loans from Holding company Popular Vehicles & Services Limited carrying interest rate of 8.60% and 9.71% are repayable within 6 and 5 years respectively

| | | |
|---|---|---|
| **Reconciliation of Compulsorily Convertible Preference Shares** | | |
| Face Value of Compulsorily Convertible Preference Shares | 15.00 | 15.00 |
| Equity Component of Financial Instrument | (12.73) | (12.73) |
| Accumulated Finance Cost on liability component | 0.47 | 0.24 |
| | **2.74** | **2.51** |
| Interest Expense for the year recognised in Statement of Profit or Loss | 0.23 | 0.24 |

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(All amounts in INR millions)

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **11 Provisions** | | |
| **Non Current** | | |
| Compensated absences | 0.10 | 0.11 |
| Provision for Gratuity | 0.26 | - |
| | **0.36** | **0.11** |
| **Current** | | |
| Compensated absences | 0.05 | 0.06 |
| | **0.05** | **0.06** |
| **12 Current** | | |
| Statutory dues payables | 0.19 | 0.24 |
| Contract liabilities | 4.75 | 13.72 |
| Other Liabilities | 20.86 | 12.37 |
| | **25.80** | **26.33** |

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.

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **13 Trade Payable** | | |
| Dues to Micro, Small and Medium Enterprises | 0.28 | - |
| Others- Trade Payable | 6.54 | 32.04 |
| | **6.82** | **32.04** |

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 33

Note: Refer note 31 for ageing schedule

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

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| The principal amount remaining unpaid to any supplier as at the end of the year | 0.28 | - |
| 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 | - | - |

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(All amounts in millions )

10 Borrowings (continued)

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

| Nature of borrowing | Name of the lender | As at 31 March 2024 | As at 31 March 2023 | Security terms |
|---|---|---|---|---|
| **Non-current, secured** | | | | |
| Compulsorily Convertible Preference Shares | Popular Vehicles and Services Limited | 2.74 | 2.50 | The preference shares are compulsorily convertible into such no : of Equity Shares of the company at any time between three months and nineteen years from the date of issue at the company's option based on the valuation of equity shares at the time of conversion. Management has estimated time of conversion at the end of the ninteenth year. Accordingly, the fair value of borrowings has been estimated by discounting the Face Value using a discount rate of return for similar period and the remaining portion is allocated as equity component and disclosed in statement of changes in equity. |
| Term loan | Kotak Mahindra Bank | - | 12.12 | Extension of equitable mortgage over properties situated at Edappally owned by M/S Kuttukaran Trading Ventures and at Thiruvananthapuram owned by M/S Kuttukaran Homes LLP. |
| Vehicle loans from financial institutions | Sundaram Finance Limited | 1.45 | 1.24 | Secured by: (a) hypothecation of the Vehicle financed ; and (b) personal guarantee by director of the company. The loan is repayable in 24 instalments. |
| Inter-Corporate loan | Popular Vehicles and Services Limited | 30.00 | - | The Term loans of Rs. 20 Mn amd 10 Mn carry an interest rate of 9.71% and 8.6% respectively with a tenure of 6 and 5 years. With regard to the second term loan, Lender has the option of conversion of outstanding loan and interest, wholly or partially into Equity |
| | | **34.19** | **15.87** | |
| **Current, secured** | | | | |
| Inventory Funding | State Bank of India | - | 8.02 | Exclusive first charge by way of hypothecation over all present and future stock and receivables financed through the e-DFS limit with the State Bank of India including advance remittances made to M/s Piaggio Vehicles Private Limited out of the facility and equitable mortgage over property situated at Calicut in the name of M/s Kuttukaran Trading Ventures |
| | | - | **8.02** | |

**Note:**

*The balance includes current maturities of long -term borrowings*

*The borrowings from banks / financial institutions carry interest rates from 8.6% to 13% per annum*

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(All amounts in INR millions)

| | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| **14** | **Revenue from operations** | | |
| | **Sale of Products** | | |
| | Sales of New Vehicles | 222.56 | 151.95 |
| | Sales of Spares And Accessories | 11.65 | 2.38 |
| | | | |
| | **Other Operating Revenues** | | |
| | Finance and Insurance Commission | 1.77 | 0.60 |
| | Labour Income | 1.91 | 0.44 |
| | Discounts and Incentives | 2.52 | 0.20 |
| | Other Operating Revenue | 4.18 | 3.32 |
| | | **244.59** | **158.89** |

**Reconciliation of revenue from sale of products and services**

| | | |
|---|---|---|
| Gross revenue | 244.94 | 159.01 |
| Less: Discount allowed | 0.35 | 0.12 |
| | **244.59** | **158.89** |

**(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

| **Particulars** | **Year ended 31 March 2024** | **Year ended 31 March 2023** |
|---|---|---|
| Sales of New Vehicles | 222.56 | 151.95 |
| Others | 22.03 | 6.95 |
| | **244.59** | **158.90** |
| **Revenue by contract type** | | |
| Fixed price | 244.59 | 158.90 |
| | **244.59** | **158.90** |

**(B) Contract balances**

***The following table provides information about trade receivables and contract liabilities from***

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| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Trade receivables | 7.11 | 3.62 |
| Contract liabilities | 4.75 | 13.72 |

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

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Within 1 year | 7.11 | 13.72 |
| 1-3 years | - | - |
| More than 3 years | - | - |
| **Closing balance** | **7.11** | **13.72** |

| | | | |
|---|---|---|---|
| **15** | **Other income** | | |
| | Interest Income on Rent Deposits (Notional) | 0.12 | 0.10 |
| | Miscellaneous Income | 1.09 | 0.24 |
| | Provision for doubtful debts written back | - | - |
| | Provision for leave encashment written back | 0.03 | - |
| | Interest on IT Refund | 0.01 | - |
| | | **1.25** | **0.34** |
| **16** | **Purchases of stock-in-trade** | | |
| | Vehicle | 196.49 | 153.79 |
| | Spares and accessories | 9.74 | 4.60 |
| | | **206.23** | **158.38** |
| **17** | **Change in inventories of stock-in-trade** | | |
| | Opening stock | 16.75 | 2.29 |
| | Closing stock | 8.56 | 16.75 |
| | | **8.19** | **(14.46)** |
| **18** | **Employee benefits expense** | | |
| | Salaries and allowances | 16.28 | 11.02 |
| | Contribution to Provident & Other Fund | 1.34 | 0.84 |
| | Provision for Leave encashment | - | 0.09 |
| | Provision for Gratuity | 1.25 | 0.07 |
| | Staff welfare expenses | 0.29 | 0.03 |
| | | **19.16** | **12.04** |

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| | | | |
|---|---|---|---|
| 19 | **Finance cost** | | |
| | Interest on Lease Liability | 1.59 | 1.25 |
| | Interest on Compulsorily Convertible Preference Shares | 0.23 | 0.24 |
| | Interest on Loan | 4.45 | 1.66 |
| | | **6.27** | **3.15** |

| | | | |
|---|---|---|---|
| 20 | **Depreciation and amortisation expense** | | |
| | Depreciation on property, plant and equipment | 1.18 | 0.78 |
| | Amortisation on intangible assets | 0.05 | 0.05 |
| | Amortisation on Right of Use ( ROU) Asset | 3.84 | 2.86 |
| | | **5.07** | **3.69** |

| | | | |
|---|---|---|---|
| 21 | **Other expenses** | | |
| | Transportation charges | 0.37 | 0.34 |
| | Power, water and fuel | 1.10 | 0.76 |
| | Insurance Charges | 0.18 | 0.21 |
| | Rates and taxes | 0.60 | 0.10 |
| | Legal, professional and other consultancy | 0.67 | 0.70 |
| | Travelling and conveyance | 1.23 | 0.88 |
| | Rent | 2.88 | 2.15 |
| | Printing and stationery | 0.20 | 0.13 |
| | Bank Charges | 0.19 | 0.37 |
| | Works Charges | 1.02 | 0.43 |
| | Communication | 0.26 | 0.26 |
| | Sales Promotion Expenses | 0.53 | 0.75 |
| | Miscellaneous expenses | 1.01 | 0.91 |
| | Provision for doubtful debts | 0.00 | - |
| | | **10.24** | **7.99** |

(All amounts in INR millions)

## 22 Earnings/(loss) per share

### A. Basic earnings/(loss) per share

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

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

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Net profit/(loss) for the year, attributable to the equity share holders (A) | (7.26) | (8.71) |

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

| | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Number of equity shares at the beginning of the period.(Refer note 9) | 10,000 | 10,000 |
| Weighted average number of equity shares of INR 10 each during the period (B) | 1,76,500 | 10,000 |
| Earnings / (loss) per share - Basic (A/B) (Rupee per share basis) | (41.15) | (870.63) |

### B. Diluted earnings/(loss) per share

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

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Net profit/(loss) for the period, attributable to the equity share holders(A) | (7.26) | (8.71) |

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Weighted average number of equity shares of INR 10 each for the period (basic) | 10,000 | 10,000 |
| Weighted average number of equity shares of INR 10 each for the period (diluted)(B) | 1,76,500 | 10,000 |
| Earnings / (loss) per share, diluted(A/B) (Rupee per share basis) | (41.15) | (870.63) |

Diluted Earnings Per Share is not computed since the number of Equity shares to be issued on conversion of Preference Shares would be determined only at a future date based on valuation to be taken once the option is exercised.

## 23 Auditors' remuneration included in Legal Professional and Other Consultancy Expenses (Net of Goods and Services Tax)

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Statutory audit | 0.06 | 0.05 |
| Other Services | 0.04 | 0.04 |
| **Total** | **0.10** | **0.09** |

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**Notes to the financial statements (continued)**

**24 Leases**

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1,2021. Ind AS replaces Ind AS 19 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 with initial application is recognised in the [illegible]

Following are the changes in the carrying value of right of use assets

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Opening balance for the period | 13.82 | 16.57 |
| Add: Additions | 6.69 | - |
| Less: Reversal of ROU asset due to cancellation of lease agreement | 0.72 | - |
| Less: Amortisation | 3.71 | 2.75 |
| **Closing Balance** | **16.08** | **13.82** |

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Current lease liabilities | 3.37 | 2.23 |
| Non-current lease liabilities | 14.82 | 12.95 |
| **Total** | **18.19** | **15.18** |

The following is the movement in lease liabilities

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Opening balance for the period | 15.18 | 17.09 |
| Add: Additions | 6.69 | - |
| Add: Finance Cost accrued during the period as per IND AS 116 | 1.59 | 1.26 |
| Less: Reversal of liability due to cancellation of lease agreement | 0.83 | - |
| Less: Lease liability for the period as per rent agreement | 4.44 | 3.17 |
| **Closing Balance** | **18.19** | **15.18** |

Maturity Analysis - Contractual undiscounted cash flows

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Less than one year | 4.78 | 3.32 |
| One to Five years | 15.71 | 14.36 |
| More than five years | 2.08 | 3.45 |
| **Total undiscounted lease liabilities** | **22.57** | **21.13** |

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

**25 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 2024 | As at 31 March 2023 |
|---|---|---|
| Defined Benefit Plan | 0.26 | 0.09 |
| Plan Assets | 0.86 | 0.47 |
| **Net Defined benefit liability/(Asset)** | **(0.60)** | **(0.37)** |
| Liability for compensated absences | 0.14 | 0.17 |
| **Total employee benefit liability / (Asset)** | **(0.45)** | **(0.20)** |
| Non-current defined benefit liability | 0.10 | 0.11 |
| Current defined benefit liability | 0.05 | 0.06 |

**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 | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Defined benefit obligation as at the beginning of the year** | 0.09 | - |
| Current service cost | 0.14 | 0.07 |
| Past service cost | - | - |
| Interest cost | 0.01 | (0.00) |
| Benefits paid | - | - |
| **Re-measurements** | - | - |
| Actuarial Gain/(loss) recognised in other comprehensive income | - | - |
| -changes in financial assumptions | (0.01) | - |
| -changes in experience over the past period | 0.03 | 0.02 |
| **Defined benefit obligation as at the end of the year** | **0.26** | **0.09** |

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Plan assets at the beginning of the year** | 0.47 | 0.06 |
| Contributions paid into the plan | 0.35 | 0.40 |
| Benefits paid | - | - |
| Interest income | 0.04 | 0.00 |
| ***Re-measurements*** | - | - |
| - changes in demographic assumptions | - | - |
| - return on plan asset | 0.01 | 0.01 |
| **Balance at the end of the year** | **0.86** | **0.47** |
| **Movement in Asset Ceiling** | | |
| - Opening Value of Asset Ceiling | 0.13 | |
| Interest on opening balance of asset ceiling | 0.01 | |
| - Change in Asset Ceiling | 0.07 | 0.13 |
| **Balance at the end of the year** | **0.20** | **0.13** |

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**Employee benefits (continued)**

*ii) Reconciliation of present value of plan assets*

**D Expenses recognised in the standalone statement of profit and loss**

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Current service cost | 0.14 | 0.07 |
| Past service cost | - | - |
| Net interest on net defined liability | (0.02) | (0.00) |
| Employer contribution | - | - |
| **Net gratuity cost** | **0.12** | **0.07** |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **OCI at the beginning of the year** | 0.14 | - |
| Actuarial (gain)/ loss on defined benefit obligation | - | - |
| Changes in financial assumptions | (0.01) | (0.00) |
| Changes in demographic assumptions | - | - |
| Experience adjustment | 0.03 | 0.02 |
| Return on plan asset excluding interest income | - | (0.01) |
| Adjustment to recognize the effect of asset ceiling | - | 0.13 |
| **Closing amount recognized in OCI** | **0.16** | **0.14** |

**E Plan Asset**

Plan asset comprises of the following:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Funds managed by Life Insurance Corporation of India | 0.86 | 0.47 |

**F Defined Benefit Obligation**

**(i) Actuarial Assumptions**

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Discount rate | 7.15% | 7.30% |
| Salary growth rate | 6.00% | 7.00% |
| Attrition rate | 25% p.a withdrawal rate at all ages | 25% p.a withdrawal rate at all ages |
| Weighted average duration of defined benefit obligation | - | - |

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

a) 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 .

b) Gratuity is applicable only to employees who have completed five years of service and 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 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (0.5% movement) | -2.80% | 2.91% | -3.17% | 3.31% |
| Future salary growth (0.5% movement) | 2.93% | -2.84% | 3.31% | -3.20% |

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| | Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 26 | **Taxes** | | |
| | **Income tax assets/(liability)** | | |
| | Income tax assets (net) | 0.96 | 0.88 |
| | **Net income tax assets/(liability) at the end** | **0.96** | **0.88** |
| | **Deferred tax assets/(liabilities)** | | |
| | **Deferred income tax assets** | | |
| | Leave Encashment | 0.04 | 0.04 |
| | Impact of IndAS 116 | 0.53 | 0.35 |
| | Carry forward losses | 6.30 | 4.36 |
| | Provision for gratuity | 0.07 | - |
| | Remeasurement of Net Defined Benefit Asset | 0.04 | 0.03 |
| | 35D Disallowance | 0.06 | - |
| | Provision for employee benefits | 0.23 | 0.15 |
| | **Total deferred income tax assets** | 7.26 | 4.95 |
| | **Deferred income tax liabilities** | | |
| | Property, plant and equipment and computer software | 0.57 | 0.32 |
| | **Total deferred income tax liabilities** | 0.57 | 0.32 |
| | Deferred income tax assets after set off | **6.70** | **4.62** |
| | **Income tax expense / ( benefits )** | | |
| | Deferred tax | **6.70** | **4.62** |

**(iii) Movement in temporary differences**

| Movement during the year ended 31 March 2024 | As at 1 April 2023 | Recognised through retained earning | Charge/ (credit) in the statement of profit and loss | Charge/ (credit) in other comprehensive income | As at 31 March 2024 |
|---|---|---|---|---|---|
| Provision for employee benefits | 0.15 | - | 0.07 | - | 0.23 |
| Remeasurement of Net Defined Benefit Asset | 0.03 | - | - | 0.01 | 0.04 |
| 35D Disallowance | - | - | 0.06 | - | 0.06 |
| Provision for gratuity | - | - | 0.07 | - | 0.07 |
| Leave Encashment | 0.04 | - | -0.01 | - | 0.04 |
| Lease liabilities, impact on account of Ind AS 116 | 0.35 | - | 0.18 | - | 0.53 |
| Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013 | (0.32) | - | -0.25 | - | (0.57) |
| Carry forward of Losses | 4.36 | - | 1.94 | - | 6.30 |
| **Net deferred tax asset/ (liability) at the end of the year** | **4.62** | - | **2.06** | **0.01** | **6.69** |

| 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 |
|---|---|---|---|---|---|
| Provision for employee benefits | 0.05 | - | 0.11 | - | 0.15 |
| Remeasurement of Net Defined Benefit Asset | - | - | - | 0.03 | 0.03 |
| Leave Encashment | 0.02 | - | 0.02 | - | 0.04 |
| Lease liabilities, impact on account of Ind AS 116 | 0.13 | - | 0.22 | - | 0.35 |
| Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013 | (0.12) | - | (0.20) | - | (0.32) |
| Carry forward of Losses | 1.55 | - | 2.81 | - | 4.36 |
| **Net deferred tax asset/ (liability) at the end of the year** | **1.62** | - | **2.97** | **0.03** | **4.62** |

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**Notes to the financial statements (continued)**
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**27 Related parties**

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

*(a) Holding Company (From 04.04.2022)*

Popular Vehicles and Services Limited

(b) Erstwhile Holding Company (Till 04.04.2022)

Popular Auto Dealers Private Limited

(b) Associates

Popular Auto Works Private Limited
Popular Auto Dealers Private Limited
Popular Mega Motors (India) Private Limited, India
Kuttukaran Cars Private Limited
Vision Motors Private Limited, Ernakulam

(c) Key management personnel and their relatives (KMP)

Mr. Naveen Philip, Director
Mr. Francis K Paul, Director
Mr. John K Paul, Director
Mr. Llyod Franklin Dsouza, Director
Mr. P.J Shice, Director

*II. Related party transactions:*

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Revenue from Operations** | | |
| Popular Auto Dealers Private Limited | 1.71 | - |
| | | |
| **Expenses met on behalf of the company** | | |
| Popular Auto Dealers Private Limited | 0.06 | - |
| | | |
| **Loan Received** | - | |
| Popular Vehicles and Services Limited | 30.00 | - |
| | | |
| **Loan Repaid** | | |
| Naveen Philip | - | 20.18 |
| | | |
| **Issue of Preference Shares** | | |
| Popular Vehicles and Services Limited | - | 15.00 |
| | | |
| **Issue of Equity Shares** | | |
| Popular Vehicles and Services Limited | 5.00 | - |

| | | |
|---|---|---|
| **Purchase of Asset** | | |
| Popular Mega Motors (India) Private Limited | - | - |
| Popular Vehicles and Services Limited | 0.76 | - |
| | | |
| **Purchase of Inventory** | | |
| Popular Vehicles and Services Limited | 0.00 | - |
| Popular Mega Motors (India) Private Limited | 0.40 | |
| | | |
| **Repair and Maintenance expenses** | | |
| Vision Motors Private Limited | 0.02 | 0.01 |
| | | |
| **Corporate Guarantee Commission expenses** | | |
| Popular Auto Dealers Private Limited | 0.03 | 0.07 |
| Popular Vehicles and Services Limited | 0.14 | - |
| | | |
| **Interest and Commission Expense** | | |
| Popular Vehicles and Services Limited | 0.19 | - |
| | | |
| **Expenses met by the company** | | |
| Popular Auto Dealers Private Limited | 0.22 | 0.01 |
| Kuttukaran Cars Private Limited | 0.14 | - |
| Popular Vehicles and Services Limited | 0.26 | 0.25 |
| Popular Mega Motors (India) Private Limited | 0.15 | 0.12 |

***III. Balance receivable from/ (payable) to related parties as at the***

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Receivable** | | |
| Popular Auto Dealers Private Limited | 1.81 | - |
| | | |
| **Payable** | | |
| Popular Auto Dealers Private Limited | - | 0.03 |
| Popular Mega Motors (India) Private Limited | - | - |
| Popular Vehicles and Services Limited Inter-corporate loan | 30.00 | - |
| Popular Vehicles and Services Limited | 0.02 | - |

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(All amounts in Indian rupees million)

## 28 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 2024 | As at 31 March 2023 |
|---|---|---|
| Total equity attributable to the equity shareholders of the company | (3.02) | (0.76) |
| **As a percentage of total capital** | 0% | 0% |
| Long - term borrowings | 33.31 | 13.02 |
| Short - term borrowings | 0.88 | 10.87 |
| Total Borrowings | 34.19 | 23.89 |
| **As a percentage of total capital** | 100% | 100% |
| Total capital (Equity and borrowings) | 31.16 | 23.13 |

## 29 Segment Reporting

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

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**Notes to the financial statements (continued)**
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## 30 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 2024**

| 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 | 7 | 11.26 | - | - | 11.26 | 11.26 | - | - | 11.26 |
| Trade receivables | 6 | 7.11 | - | - | 7.11 | 7.11 | - | - | 7.11 |
| Other financial assets | 8 | 1.56 | - | - | 1.56 | 1.56 | - | - | 1.56 |
| **Financial assets measured at fair value** | | | | | | | | | |
| **Rent Deposit (Included in other financial Assets)** | 8 | - | 5.39 | - | 5.39 | - | - | 5.39 | 5.39 |
| **Total** | | **19.93** | **5.39** | - | **25.32** | **19.93** | - | **5.39** | **25.32** |
| **Liabilities** | | | | | | | | | |
| **Financial liabilities measured at amortised cost** | | | | | | | | | |
| Trade payables | 13 | - | - | 6.82 | **6.82** | 6.82 | - | - | **6.82** |
| Borrowings # | 10 | - | 2.74 | 31.45 | **34.19** | 31.45 | - | 2.74 | **34.19** |
| Lease liabilities | 24 | - | - | 18.19 | **18.19** | - | - | 18.19 | **18.19** |
| **Total** | | - | **2.74** | **56.46** | **59.20** | **38.27** | - | **20.93** | **59.20** |

### 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 | 7 | 2.22 | - | - | 2.22 | 2.22 | - | - | 2.22 |
| Trade receivables | 6 | 3.62 | - | - | 3.62 | 3.62 | - | - | 3.62 |
| Other financial assets | 8 | 3.23 | - | - | 3.23 | 3.23 | - | - | 3.23 |
| **Financial assets measured at fair value** | | | | | | | | | |
| **Rent Deposit (Included in other financial Assets)** | 8 | - | 2.87 | - | 2.87 | - | - | 2.87 | 2.87 |
| **Total** | | **9.08** | **2.87** | - | **11.95** | **9.08** | - | **2.87** | **11.95** |
| **Liabilities** | | | | | | | | | |
| **Financial liabilities measured at amortised cost** | | | | | | | | | |
| Trade payables | 13 | - | - | 32.04 | **32.04** | 32.04 | - | - | **32.04** |
| Borrowings # | 10 | - | 2.50 | 21.38 | **23.89** | 21.38 | - | 2.50 | **23.89** |
| Lease liabilities | 24 | - | - | 15.18 | **15.18** | - | - | 15.18 | **15.18** |
| **Total** | | - | **2.50** | **68.60** | **71.11** | **53.42** | - | **17.68** | **71.11** |

**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.

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

**31 A**

| Trade receivables ageing schedule | | | | | | |
|---|---|---|---|---|---|---|
| **As at 31 March 2024** | | | | | | |
| **Particulars** | **Less than 6 months** | **6 months - 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| i)Undisputed Trade receivables – considered good | 7.11 | 0.00 | - | - | - | **7.11** |
| ii)Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| iii)Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| | **7.11** | **0.00** | - | - | - | **7.11** |

| **As at 31 March 2023** | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **Less than 6 months** | **6 months - 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| i)Undisputed Trade receivables – considered good | 3.62 | - | - | - | - | **3.62** |
| ii)Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| iii)Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| | **3.62** | - | - | - | - | **3.62** |

**31 B**

| **Trade payables ageing schedule**<br>**As at March 31, 2024** | **Outstanding for the following periods from the due date of payment** | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **Not due** | **Less than 1 Year** | **1-2 Years** | **2-3 Years** | **More than 3 Years** | **Total** |
| MSME | - | - | 0.28 | - | - | **0.28** |
| Others | - | 6.54 | - | - | - | **6.54** |
| Disputed Dues- MSME | - | - | - | - | - | |
| Disputed Dues- others | - | - | - | - | - | |
| Total | - | **6.54** | **0.28** | - | - | **6.82** |

| **As at March 31, 2023** | | | | | | |
|---|---|---|---|---|---|---|
| **Particulars** | **Outstanding for the following periods from the due date of payment** | | | | | |
| | **Not due** | **Less than 1 Year** | **1-2 Years** | **2-3 Years** | **More than 3 Years** | **Total** |
| MSME | - | - | - | - | - | - |
| Others | - | 32.04 | - | - | - | **32.04** |
| Disputed Dues- MSME | - | - | - | - | - | |
| Disputed Dues- others | - | - | - | - | - | |
| Total | - | **32.04** | - | - | - | **32.04** |

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

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

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

| Particulars | March 31, 2024 | March 31 ,2023 |
|---|---|---|
| Current Assets | 35.21 | 58.40 |
| Current Liabilities | 36.92 | 71.53 |
| Ratio | 0.95 | 0.82 |
| % Change from previous year | 17% | |

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Total debt | 34.19 | 23.89 |
| Total equity | (3.02) | (0.76) |
| Ratio | (11.31) | (31.43) |
| % Change from previous year | -64% | |

**Reason for variance more than 25%**
The accumulated losses causes for the deterioration of the ratio.

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| EBITDA | 2.02 | (4.73) |
| Interest Cost | 6.27 | 3.15 |
| Borrowings | 34.19 | 23.89 |
| **Debt Service Coverage Ratio** | **0.05** | **(0.17)** |
| % Change from previous year | -129% | |

**Reason for variance more than 25%**
Increase in borrowings due to infusion of intercorporate loan

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Net Profit after tax | (7.26) | (8.71) |
| Total equity | (3.02) | (0.76) |
| Ratio | 2.40 | 11.46 |
| % Change from previous year | -79% | |

**Reason for variance more than 25%**
The accumulated losses causes for the deterioration of the ratio

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Net Profit after tax | (7.26) | (8.71) |
| Sales | 244.59 | 158.89 |
| Ratio | (0.03) | (0.05) |
| % Change from previous year | -46% | |

**Reason for variance more than 25%**
The increase in revenue was offset by the increase in expenditure.

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Purchase of stock in trade [a] | 206.23 | 158.4 |
| Changes in inventories of stock-in-trade [b] | 8.19 | (14.5) |
| **Cost of Material Consumed [a]+[b]** | 214.41 | 143.9 |
| Closing Inventory | 13.50 | 50.49 |
| Ratio | 15.88 | 2.85 |
| % Change from previous year | 457% | |

**Reason for variance more than 25%**

Better inventory management implemented resulting highly controlled inventory levels, so better ratios

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Total income | 245.84 | 159.23 |
| Current Asset [a] | 35.21 | 58.40 |
| Current Liability [b] | 36.92 | 71.53 |
| **Net Working Capital [a]-[b]** | (1.71) | (13.13) |
| Ratio | (143.93) | (12.13) |
| % Change from previous year | 1087% | |

**Reason for variance more than 25%**

Better inventory management implemented resulting better payable management.

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Total Income | 245.84 | 159.23 |
| Trade Receivable | 7.11 | 3.62 |
| **Trade Receivable Turnover Ratio** | 34.56 | 43.97 |
| % Change from previous year end | -21.40% | |

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| EBIT | (3.05) | (8.42) |
| Total Asset [a] | 82.39 | 96.85 |
| Current Liability [b] | 36.92 | 71.53 |
| **Capital Employed [a]-[b]** | 45.47 | 25.32 |
| Ratio | (0.07) | -0.33 |
| **% Change from previous year** | -79.84% | |

**Reason for variance more than 25%**

Increase in capital employed to fund the losses brought down the ratio.

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

| Particulars | March 31, 2024 | March 31,2023 |
|---|---|---|
| Purchase of Stock in trade | 206.23 | 158.38 |
| Trade Payable | 6.82 | 32.04 |
| Trade Payable Turnover Ratio | 30.23 | 4.94 |
| **% Change from previous year** | 511% | |

**Reason for variance more than 25%**

Better inventory management implemented resulted in better payable management

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

**B Financial risk management**

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

i) **Risk management framework**

The Group'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 Group. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

ii) **Credit risk**

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

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

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Trade receivables | 7.11 | 3.62 |
| | **7.11** | **3.62** |

**Impairment analysis**

The ageing of trade receivables is as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Less than 1 year | 7.11 | 3.62 |
| 1-2 years | - | - |
| 2-3 years | - | - |
| More than 3 years | - | - |
| | **7.11** | **3.62** |

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

| Allowance for credit loss | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance at the beginning | - | - |
| Provision created during the year | - | - |
| Impairment loss recognised/ (reversed) | - | - |
| **Balance at the end** | **-** | **-** |

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 Group generally transacts with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

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(All amounts in INR in millions)

iii) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.
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 2024:

| Particulars | Payable within 1 year | More than 1 year | Total |
|---|---|---|---|
| Trade payables | 6.54 | 0.28 | 6.82 |
| Borrowings # | 0.88 | 30.57 | 31.45 |
| Lease liabilities | 3.37 | 14.82 | 18.19 |
| Other financial liabilities | - | - | - |

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 | 32.04 | - | 32.04 |
| Borrowings # | 10.87 | 10.52 | 21.38 |
| Lease liabilities | 3.32 | 17.81 | 21.13 |
| Other financial liabilities | - | - | - |



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

iv) **Market risk**

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

**Foreign currency risk**

The Group 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 Group. The functional currency of the Group is INR and the Group does not have any material foreign currency transactions during the years ended 31 March 2024 & 31 March 2023

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

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

**(a) Interest rate risk exposure**

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

| Financial liabilities (bank borrowings) | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Variable rate long term borrowings including current maturities | 1.71 | 13.36 |
| Variable rate short term borrowings | - | 8.02 |
| **Total variable rate borrowings** | **1.71** | **21.38** |

**Sensitivity**

| Particulars | Impact on profit or (loss) | | Impact on other components of | |
|---|---|---|---|---|
| | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| 1% increase in variable rate | (0.02) | (0.13) | - | - |
| 1% decrease in variable rate | 0.02 | 0.13 | - | - |

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

**Kuttukaran Green Private Limited ( Formely Kuttukaran Pre Owned Cars Private Limited)**
**Depreciation Statement for Income Tax Purposes For the Year Ended 31.03.2024**

| PARTICULARS | WDV AS ON 01.04.2023 | ADDITIONS | | DELETIONS | TOTAL | RATE | DEPRECIATION | WDV AS ON 31.03.2024 |
|---|---|---|---|---|---|---|---|---|
| | | More than 180 days | Less than 180 days | | | | | |
| Building | 85,73,472.00 | - | 31,59,778.33 | - | 1,17,33,250.33 | 0.10 | 10,15,336.12 | 1,07,17,914.21 |
| Furniture& Fittings | 3,02,379.00 | - | 5,71,036.20 | - | 8,73,415.20 | 0.10 | 58,789.71 | 8,14,625.49 |
| Computer | 6,26,409.00 | 61,600.00 | 1,11,569.50 | - | 7,99,578.50 | 0.40 | 2,97,517.50 | 5,02,061.00 |
| Office Equipments | 32,794.00 | - | 7,288.19 | - | 40,082.19 | 0.15 | 5,465.71 | 34,616.48 |
| Vehicles | - | - | 13,01,051.98 | - | 13,01,051.98 | 0.15 | 97,578.90 | 12,03,473.08 |
| Electric Vehicles* | 17,51,406.00 | - | - | | 17,51,406.00 | 0.40 | 7,00,562.40 | 10,50,843.60 |
| Air Conditioner | 2,41,046.00 | - | - | - | 2,41,046.00 | 0.15 | 36,156.90 | 2,04,889.10 |
| Plant & Machinery | 2,34,480.00 | - | 19,925.00 | - | 2,54,405.00 | 0.15 | 36,666.38 | 2,17,738.63 |
| **Total** | **1,17,61,986.00** | **61,600.00** | **51,70,649.20** | **-** | **1,69,94,235.20** | | **22,48,073.61** | **1,47,46,161.59** |

(*) Note:- Represents electrically operated vehicles under the head renewable energy devices as per clause (xiii) (o) of New Appendix I of Income Tax Rules.

R.G.N. Price & Co. Chartered Accountants

KUTTUKARAN GREEN PVT. LTD.

**Kuttukaran Green Private Limited**

(Formerly Kuttukaran Pre Owned Cars Private Limited)

**Notes to the financial statements (continued)**

(All amounts in millions )

**34** The paid up Equity Share Capital and accumulated losses of the Company as at 31st March 2024 was Rs. 5.10 (amount in millions) and Rs. 8.12 (amount in millions) respectively. The accumulated losses exceeds the net worth of the Company as at 31st March 2024. As per review of operations by the management, the market for electric vehicles is expected to grow based on several factors such as new Govt. policies for supporting use of electric vehicles, introduction of new marketing policies for increase in sales by hiring new personal exclusively for catering to needs of corporate sales, digital marketing personal, introduction of new test drive zones. The Company also focuses on improvisation of services by setting up service studio pockets, service camps, home service polishing to build loyalty with customers. The group is enthusiastically embracing the growth opportunity in the EV segment business in India. To accelerate the momentum a COO has been appointed effective May 1st. KGPL is expected to take significant strides forward, anticipating a substantial boost in market share starting September 2024, with the introduction of the few new models from the OEM.During the year, the holding company, Popular Vehicles and Services Ltd has brought in additional funds into the tune of Rs 3.5 Cr.Even though the net worth is negative, the company has been able to improve its sales volume and service in FY 2023-24 when compared to FY 2022-23. Further, the Cost of Goods sold has decreased during the current year on account of improved support from principal OEM in the form of incentives and discounts. The finance cost is expected to come down in the coming years, since a certain portion of the funding made by the holding company is expected to be converted to Equity. The improvement in the inventory management system which occurred during the later part of the year will ensure better working capital management throughout the coming years so as to ensure savings in interest cost.

Based on the above operations plans, the management believes that the Company will be able to continue its operations on a going concern basis and meet all its liabilities as they fall due for payment based on the financial strategies and operating plans which the management believes will enable the Company to generate operating cash flows in the future especially in view of new dealership. The financial statements have accordingly been prepared on a going concern basis.

**35** (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.

**36** Previous Year figures are regrouped wherever found necessary.

*for* and on behalf of the Board of Directors of
**Kuttukaran Green Private Limited**
Formerly Kuttukaran Pre Owned Cars Private Limited
**CIN : U50400KL2017PTC049442**

| | |
|---|---|
| **John K Paul** | **Naveen Philip** |
| Director | Director |
| DIN: 00016513 | DIN: 00018827 |

KUTTUKARAN GREEN PVT. LTD.

R.G.N. Price & Co. Chartered Accountants