

Date: 12th February, 2025

To,
BSE Limited (“BSE”),
Corporate Relationship Department,
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Scrip Code: 544144
ISIN: INE772T01024

To,
National Stock Exchange of India Limited
(“NSE”),
“Exchange Plaza”,
Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (East), Mumbai
– 400 051.

NSE Code: PVSL
ISIN: INE772T01024

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended December 31, 2024

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, enclosed herewith the Monitoring Agency Report with respect to the utilization of issue proceeds for the quarter ended December 31, 2024, issued by CARE Ratings Limited.

Kindly be informed that the enclosed monitoring agency report was placed before the Audit Committee for review and before the Board of Directors of the Company.

We request you to kindly take the above information on record.

Thanking you,
Yours faithfully,

For Popular Vehicles and Services Limited

Varun T.V.
Company Secretary & Compliance Officer
Membership No: A22044
Place: Kochi

No. CARE/CRO/GEN/2024-25/1006

The Board of Directors
Popular Vehicles and Services Limited
Kuttukaran Centre
Mamangalam, Kochi - 682025

February 10, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the IPO of Popular Vehicles and Services Limited ("the Company")

We write in our capacity of Monitoring Agency for the fresh Issue of 8,476,753 shares for the amount aggregating to Rs. 250 crore of the Company and refer to our duties cast under Regulation 41(2) of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended December 31, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated March 4, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Ratheesh Kumar

Associate Director

ratheesh.kumar@careedge.in

Report of the Monitoring Agency

Name of the issuer:

For quarter ended: December 31, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:



Name and designation of the Authorized Signatory: Ratheesh Kumar

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Popular Vehicles and Services Limited
Name of the promoter : John K Paul, Francis K Paul & Naveen Philip
Industry/sector to which it belongs : Automobile

2) Issue Details

Issue Period : March 12, 2024 to March 14, 2024
Type of issue (public/rights) : Public
Type of specified securities : Equity Shares
IPO Grading, if any : NA
Issue size (in crore) : Rs. 250 crore (Note 1)

Note 1:

The company had offered 8,478,130 Equity Shares under fresh issue, at Rs. 295 per share (including share premium of Rs. 293 per share) aggregating to ₹250 crore. The issue was oversubscribed by 1.26 times and the company has allotted 8,476,753 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of IPO	8,476,753
Total subscriptions towards IPO (in Rs. crore)	250.00*
Details of expenses incurred related to issue (in Rs. crore)	19.50#
Net Proceeds of IPO (Rs. crore)	230.50

*Amount received in monitoring account was Rs. 278.69 crores. The excess Rs. 28.69 crores received over, and above gross proceeds comprises of

- i) Rs. 16.97 crore pertaining to taxes and stamp duty remitted on behalf of selling shareholder "BanyanTree Growth Capital LLC" under offer for sale route.
- ii) Rs. 11.72 crore pertaining to issue expenses relating to offer for sale

The offer document initially estimated net proceeds and issue expenses at Rs. 228.99 crores and Rs. 21.01 crores, respectively. Following the finalization of offer expenses, actual issue expenses reduced from Rs 21.01 crores to Rs. 19.50 crores. Surplus of Rs. 1.51 crores have been added back to the net proceeds and is utilized under GCP.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Chartered Accountant certificate*, Bank Statement	Not applicable	No comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Management undertaking, Chartered Accountant certificate*	Not applicable	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Monitoring agency report dated November 12, 2024	No, there are no major deviations observed from last monitoring agency report	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	No comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not applicable	Not applicable	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	No comments

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

*Chartered accountant certificate from M/s. RGN Price & Co dated February 4, 2025

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Repayment and/or pre-payment, in full or part, of certain borrowings, availed by our Company and certain of our Subsidiaries, namely, PAWL, PMMIL, KGPL, KCPL and PMPL	Offer Document	192.00	-	Not applicable	No comments	No comments	No comments
2	General corporate purposes	Offer Document, Management Undertaking, CA Certificate	36.99	38.50#	Offer expenses were lower than what was originally envisaged and surplus amount of Rs. 1.51 crores have been added back to net proceeds and utilised under general corporate purpose	No comments	No comments	No comments
3	Issue expenses	Offer Document, Management Undertaking, CA Certificate	21.01	19.50#		No comments	No comments	No comments
Total			250.00					

Following the finalization of offer expenses, actual issue expenses reduced from Rs 21.01 crores to Rs. 19.50 crores. Surplus of Rs. 1.51 crores have been added back to the net proceeds and has been utilized under GCP.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment and/or pre-payment, in full or part, of certain borrowings, availed by our Company and certain of our Subsidiaries, namely, PAWL, PMMIL, KGPL, KCPL and PMPL	Chartered Accountant certificate*, Bank statements, closure letters, offer document	192.00	192.00	-	192.00	-	The funds received from issue proceeds were utilized towards repayment of some debt as per the objects of the issue.	No comments	No comments
2	General corporate purposes	Chartered Accountant certificate*, Management Undertaking, Bank statements, offer document	36.99	36.99	1.51	38.50#	-	Offer expenses were lower than what was originally envisaged and surplus amount of Rs. 1.51 crores have been added back to net proceeds and utilised under general corporate purpose.	No comments	No comments
3.	Issue expenses	Management Undertaking, offer document	21.01	18.94	0.56	19.50#	-		No comments	No comments
Total			250.00	247.93	2.07	250.00	-			

*Chartered accountant certificate from M/s. RGN Price & Co dated February 4, 2025

Following the finalization of offer expenses, actual issue expenses reduced from Rs21.01 crores to Rs. 19.50 crores. Surplus of Rs. 1.51 crores have been added back to the net proceeds and has been utilized under GCP.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (in Rs. crores)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
NOT APPLICABLE						

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment and/or pre-payment, in full or part, of certain borrowings, availed by our Company and certain of our Subsidiaries, namely, PAWL, PMMIL, KGPL, KCPL and PMPL	FY24	FY24	Nil	No comments	
General corporate purposes	FY24-FY25	FY24-FY25	Nil		

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1.	Partial debt repayment of WC limits.	38.50	Chartered Accountant certificate*, Bank statement	Not applicable	No comments
	Total	38.50			

*Chartered accountant certificate from M/s. RGN Price & Co dated February 4, 2025

^ Section from the offer document related to GCP:

"Our Company proposes to deploy the balance Net Proceeds aggregating to ₹369.90 million*, towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include meeting expenses incurred towards any strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, long term or short term working capital requirements, meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilise such unutilised amount in the next Financial Year

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as “**Monitoring Agency/MA**”). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

