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POPULAR VEHICLES AND SERVICES LIMITED
CORPORATE IDENTITY NUMBER: U50102KL1983PLC003741

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India	Varun T.V., Company Secretary and Compliance Officer	Email: cs@popularv.com Tel: +91 484 2341 134	www.popularmaruti.com

THE PROMOTERS OF OUR COMPANY ARE JOHN K. PAUL, FRANCIS K. PAUL AND NAVEEN PHILIP

DETAILS OF THE OFFER

TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIB, NIB, RIB AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	8,478,130 Equity Shares* of face value of ₹ 2 each aggregating up to ₹2,500.00 million*	11,917,075 Equity Shares of face value of ₹ 2 each aggregating up to ₹3,515.54 million*	20,395,205 Equity Shares* of face value of ₹ 2 each aggregating up to ₹6,015.54 million*	The Offer was made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) as our Company fulfils the requirements under Regulation 6(1) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 393. For details in relation to share reservation among QIBs, NIBs, RIBs and Eligible Employees, see “Offer Structure” on page 411.

* Subject to finalisation of Basis of Allotment

DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)^
BanyanTree Growth Capital II, LLC	Selling Shareholder	11,917,075 Equity Shares of face value of ₹ 2 each aggregating to ₹3,515.54 million*	27.28

^As certified by R.G.N. Price & Co., Chartered Accountants, by way of their certificate dated March 14, 2024.

* Subject to finalisation of Basis of Allotment

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹2 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the Book Running Lead Managers (“BRLMs”), in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 119 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 26.

COMPANY’S AND SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any

material respect. The Selling Shareholder accepts responsibility for and confirms only the statements made by it in this Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE” together with BSE, the “Stock Exchanges”). For the purposes of the Offer, NSE shall be the Designated Stock Exchange.

DETAILS OF BOOK RUNNING LEAD MANAGERS

NAMES AND LOGOS OF THE BRLMS	CONTACT PERSON	TELEPHONE AND E-MAIL
 ICICI Securities Limited	Harsh Thakkar / Shekher Asnani	Tel: +91 22 6807 7100 E-mail: popular.ipo@icicisecurities.com
 Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	Lokesh Shah	Tel: +91 22 4009 4400 E-mail: Popular.ipo@nuvama.com
 Centrum Capital Limited	Sooraj Bhatia/ Pooja Sanghvi	Tel: +91 22 4215 9000 E-mail: popular.ipo@centrum.co.in

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalakrishnan	E-mail: popularvehicles.ipo@linkintime.co.in Tel: +91 22 810 811 4949

BID/OFFER PERIOD

ANCHOR INVESTOR OFFER PERIOD	Monday, March 11, 2024
BID/OFFER OPENED ON	Tuesday, March 12, 2024
BID/OFFER CLOSED ON	Thursday, March 14, 2024



POPULAR VEHICLES AND SERVICES LIMITED

Our Company was originally incorporated as Popular Vehicles and Services Limited on July 5, 1983 at Kochi, Ernakulam, Kerala, India as a public limited company under the Companies Act, 1956 and received its certificate for commencement of business on July 14, 1983. Our Company was converted to a private limited company pursuant to a special resolution passed by our Shareholders at the Extraordinary General Meeting ("EGM") held on December 29, 2014 and the name of our Company was changed to Popular Vehicles and Services Private Limited. A fresh certificate of incorporation consequent upon conversion of our Company to a private limited company was issued on March 24, 2015 by the Registrar of Companies, Kerala at Ernakulam ("RoC"). Our Company was subsequently converted into a public limited company pursuant to a special resolution passed by our Shareholders at the EGM held on June 11, 2018 and the name of our Company was changed to Popular Vehicles and Services Limited. A fresh certificate of incorporation consequent upon conversion of our Company to a public limited company was issued on July 10, 2018 by the RoC. For details of change in name and Registered and Corporate Office of our Company, see "History and Certain Corporate Matters" on page 219.

Registered and Corporate Office: Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India; **Tel:** +91 484 2341 134
Website: www.popularmaruti.com; **Contact Person:** Varun T.V., Company Secretary and Compliance Officer; **E-mail:** cs@popularv.com
Corporate Identity Number: U50102KL1983PLC003741

THE PROMOTERS OF OUR COMPANY ARE JOHN K. PAUL, FRANCIS K. PAUL AND NAVEEN PHILIP

INITIAL PUBLIC OFFER OF 20,395,205 EQUITY SHARES* OF FACE VALUE OF ₹2 EACH ("EQUITY SHARES") OF POPULAR VEHICLES AND SERVICES LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹295 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹293 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹6,015.54 MILLION* COMPRISING A FRESH ISSUE OF 84,78,130 EQUITY SHARES* AGGREGATING TO ₹2,500.00 MILLION* BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF 11,917,075 EQUITY SHARES* AGGREGATING TO ₹3,515.54 MILLION* BY BANYANTREE GROWTH CAPITAL II, LLC (THE "SELLING SHAREHOLDER") AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDER ("OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER").

THE OFFER INCLUDED A RESERVATION OF 37,453 EQUITY SHARES*, AGGREGATING UP TO ₹10.00 MILLION (CONSTITUTING 9.49% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BRLMS OFFERED A DISCOUNT OF 9.49% OF THE OFFER PRICE (EQUIVALENT TO ₹28 PER EQUITY SHARE) TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTED 28.65% AND 28.59%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹2 EACH. THE OFFER PRICE IS 147.50 TIMES THE FACE VALUE OF THE EQUITY SHARES.

* Subject to finalisation of Basis of Allotment.

This Offer was made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer was made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Net Offer has been made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", and such portion, the "QIB Portion"). Our Company, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which at least one-third shall be available for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion were added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer was made available for allocation to Non-Institutional Bidders out of which (a) one-third of such portion was reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-third of such portion was reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares were allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) (as defined hereinafter) in which the Bid amount were blocked by the SCSBs or the Sponsor Banks, as applicable, to participate in the Offer. Anchor Investors were not permitted to participate in the Anchor Investor Portion of the Offer through the ASBA process. For details, see "Offer Procedure" on page 415.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹2 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "Basis for Offer Price" on page 119 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the Bidders is invited to "Risk Factors" on page 26.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholder accepts responsibility for and confirms only the statements made by it in this Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares that have been offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters, each dated November 8, 2023. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A copy of the Red Herring Prospectus was and this Prospectus shall be filed with the RoC in accordance with Sections 32 and 26(4) of the Companies Act, 2013, respectively. For details of the material contracts and documents which were made available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 441.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER



ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: popular.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor Grievance E-mail:
customercare@icicisecurities.com
Contact Person: Harsh Thakkar / Shekher Asnani
SEBI Registration No.: INM000011179

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)
801— 804, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4009 4400
E-mail: Popular.ipo@nuvama.com
Website: www.nuvama.com
Investor Grievance E-mail:
customerservice.mb@nuvama.com
Contact person: Lokesh Shah
SEBI registration no.: INM000013004

Centrum Capital Limited
Level 9, Centrum House
C.S.T. Road, Vidyannagari Marg
Kalina, Santacruz (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 4215 9000
E-mail: popular.ipo@centrum.co.in
Website: www.centrum.co.in
Investor Grievance E-mail: igmbd@centrum.co.in
Contact Person: Sooraj Bhatia/ Pooja Sanghvi
SEBI Registration No.: INM000010445

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: +91 810 811 4949
E-mail: popularvehicles.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance E-mail:
popularvehicles.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

BID/ OFFER OPENED ON

BID/ OFFER PERIOD

Tuesday, March 12, 2024

BID/ OFFER CLOSED ON

Thursday, March 14, 2024

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, guidelines, circulars, notifications, clarifications, directions, or policies shall be to such legislations, acts, regulations, rules, guidelines, circulars, notifications, clarifications, directions, or policies, as amended, supplemented or re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SEBI Listing Regulations, the SCRA, the SCRR, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms used in “Basis for Offer Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “History and Certain Corporate Matters”, “Restated Financial Information”, “Pro Forma Financial Information”, “Financial Indebtedness”, “Outstanding Litigation and Material Developments”, “Other Regulatory and Statutory Disclosures”, “Offer Procedure”, “Description of Equity Shares and Terms of Articles of Association” on pages 119, 128, 133, 214, 219, 255, 323, 369, 373, 392, 415 and 435, respectively, shall have the meaning ascribed to such terms in the relevant sections.

General terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Popular Vehicles and Services Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company, together with our Subsidiaries, on a consolidated basis

Company related terms

Term	Description
“Articles of Association” or “Articles” or “AoA”	Articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “Our Management – Committees of the Board – Audit Committee” on page 238
“Auditors” or “Statutory Auditors”	B S R & Associates LLP, Chartered Accountants, current independent statutory auditors of our Company
“Board” or “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof
Chairman and Non-Executive Independent Director	Chairman of the Board, namely Jacob Kurian, as described in “Our Management – Board of Directors” on page 230
“Chief Financial Officer” or “CFO”	Chief Financial Officer of the Company, namely John Verghese, as described in “Our Management – Key Managerial Personnel” on page 246
Committee(s)	Duly constituted committee(s) of our Board
“Company Secretary and Compliance Officer” or “CS”	Company Secretary and Compliance Officer of the Company, namely Varun T.V., as described in “Our Management – Key Managerial Personnel” on page 246
Corporate Social Responsibility Committee or “CSR Committee”	The corporate social responsibility committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “Our Management– Committees of the Board – Corporate Social Responsibility Committee” on page 241
Director(s)	The directors on the Board of our Company, as described in “Our Management – Board of Directors” on page 230
Equity Shares	Equity shares of our Company of face value of ₹2 each
Executive Director(s)	Executive directors of our Company, namely John K. Paul, Francis K. Paul and Naveen Philip, as described in “Our Management – Board of Directors” on page 230
Independent Chartered Accountant	R.G.N. Price & Co., Chartered Accountants
“Independent Director(s)” or “Non-Executive Independent Director(s)”	Independent directors on the Board, as disclosed in “Our Management– Board of Directors” on page 230
IPO Committee	The IPO committee of our Board as described in “Our Management– Committees of the Board– IPO Committee” on page 242

Term	Description
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in accordance with Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in “ <i>Our Management – Key Managerial Personnel</i> ” on page 246
KCPL	Kuttukaran Cars Private Limited
KEPL	Keracon Equipments Private Limited
KGPL	Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited)
“Managing Director” or “MD”	Managing Director of our Company, namely Naveen Philip, as described in “ <i>Our Management – Board of Directors</i> ” on page 230
Material Subsidiary(ies)	Together, Popular Mega Motors (India) Private Limited, Vision Motors Private Limited and Popular Auto Dealers Private Limited
“Memorandum of Association” or “MoA”	Memorandum of association of our Company, as amended from time to time
“Nomination and Remuneration Committee” or “NRC Committee”	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Our Management– Committees of the Board – Nomination and Remuneration Committee</i> ” on page 240
Non-Executive Director(s)	A director being non-executive and non-independent director on our Board, as described in “ <i>Our Management– Board of Directors</i> ” on page 230
Non- Executive Nominee Director	Rakesh Kumar Bhutoria, the nominee Director of the Company. For details, see “ <i>Our Management – Board of Directors</i> ” on page 230
PADL	Popular Auto Dealers Private Limited
PAWL	Popular Autoworks Private Limited
PMMIL	Popular Mega Motors (India) Private Limited
PMPL	Prabal Motors Private Limited
Promoters	Our promoters, namely, John K. Paul, Francis K. Paul and Naveen Philip
Promoter Group	Individuals and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group – Our Promoter Group</i> ” on page 252
Pro Forma Financial Information	The pro forma consolidated financial information of our Company, comprising of pro forma consolidated balance sheet as at March 31, 2023 and pro forma consolidated statement of profit and loss for the years ended March 31, 2023 read with selected explanatory notes thereon. The Pro Forma Financial Information has been prepared by our Company to illustrate the impact of acquisition of KEPL made during the year ended March 31, 2023 and its financial performance for the years ended March 31, 2023 as if the acquisition had taken place at the beginning of the earliest reported year presented
Registered and Corporate Office	Registered and corporate office of our Company located at Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Kerala at Ernakulam
Restated Financial Information	The restated consolidated financial information of our Company, comprising of the restated consolidated balance sheet as at September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows as at and for the six months period ended September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI, as amended
Risk Management Committee	The risk management committee of our Board, described in “ <i>Our Management – Committees of the Board – Risk Management Committee</i> ” on page 241
“Selling Shareholder” or “BanyanTree”	BanyanTree Growth Capital II, LLC, having its principal office at 48A, Royal Road, Second Floor, Adjacent to Computer Gate, Belle Rose, Mauritius
“Senior Management Personnel” or “SMP”	Senior management of our Company in accordance with Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations, as described in “ <i>Our Management – Senior Management Personnel</i> ” on page 246
Shareholder(s)	Shareholders of our Company, from time to time
Shareholders’ Agreement	Shareholders’ agreement dated October 13, 2015 entered into amongst our Company, Promoters and BanyanTree as amended by the (i) deed of amendment executed on November 30, 2015; (ii) letter dated September 5, 2018; and (iii) Waiver Cum Termination Agreement dated September 15, 2023, between our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree and further amended by the Second Waiver Cum Termination Agreement dated February 3, 2024

Term	Description
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "Our Management – Committees of the Board – Stakeholders' Relationship Committee" on page 241
"Subsidiary" or "Subsidiaries"	The direct and wholly-owned subsidiaries of our Company, namely (i) Keracon Equipments Private Limited; (ii) Kuttukaran Cars Private Limited; (iii) Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited); (iv) Popular Auto Dealers Private Limited; (v) Popular Autoworks Private Limited; and (vi) Popular Mega Motors (India) Private Limited; and the step-down subsidiaries of our Company, namely (i) Vision Motors Private Limited; and (ii) Prabal Motors Private Limited
VMPL	Vision Motors Private Limited
Whole-time Director(s)	Whole-time Director of our Company, namely Francis K. Paul and John K. Paul, as described in "Our Management – Board of Directors" on page 230

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who had Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	₹295 per Equity Share being the price at which Equity Shares were allocated to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which was decided by our Company, in consultation with the BRLMs, during the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	Application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the Book Running Lead Managers did not accept any Bids from Anchor Investors, and allocation to Anchor Investors was completed
Anchor Investor Offer Price	₹295 per Equity Share being the price at which the Equity Shares were Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus. The Anchor Investor Offer Price was decided by our Company in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period
Anchor Investor Portion	60% of the QIB Portion, constituting to 61,07,325 Equity Shares, which has been allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion were reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorise an SCSB to block the Bid Amount in the ASBA Account and included applications made by UPI Bidders where the Bid Amount was blocked by the SCSB upon acceptance of the UPI Mandate Request by UPI Bidders
ASBA Account	The bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and included the account of UPI Bidders which was blocked upon acceptance of a UPI Mandate Request in relation to a Bid made by the UPI Bidders
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Bankers to the Offer	Collectively, Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be

Term	Description
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in “Offer Structure” on page 411
Bid(s)	Indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid. However, RIBs could apply at the Cut-off Price and the Bid amount was the Cap Price, multiplied by the number of Equity Shares Bid for by such RIBs mentioned in the Bid cum Application Form. Eligible Employees who applied in the Employee Reservation Portion could apply at the Cut Off Price and the Bid Amount was the Cap Price, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion did not exceed ₹0.20 million.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	50 Equity Shares and in multiples of 50 Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, having been Thursday, March 14, 2024
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, having been Tuesday, March 12, 2024
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
“Bidder” or “Applicant”	An investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which included an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer, namely, ICICI Securities Limited, Nuvama Wealth Management Limited (<i>formerly known as Edelweiss Securities Limited</i>) and Centrum Capital Limited
Broker Centres	Centres notified by the Stock Exchanges where ASBA Bidders could submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	Higher end of the Price Band
Cash Escrow and Sponsor Banks Agreement	The cash escrow and sponsor banks agreement dated March 4, 2024 entered into by and amongst our Company, the Selling Shareholder, the BRLMs, the Bankers to the Offer, the Syndicate Member(s) and Registrar to the Offer for, <i>inter alia</i> , collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refund of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars
Centrum	Centrum Capital Limited
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who was eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and other applicable circulars issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time

Term	Description
CRISIL	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
CRISIL Report	The report titled “An assessment of the automobile dealership industry in India” dated January, 2024 prepared by CRISIL, which has been commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL dated December 29, 2023, exclusively for the purposes of the Offer. The CRISIL Report is available on the website of our Company at www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/
Cut-off Price	Offer Price, being ₹295 per Equity Share finalised by our Company, in consultation with the BRLMs. Only RIBs Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders including the Bidders’ address, name of the Bidders’ father/husband, investor status, occupation, bank account details, PAN and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which collected the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where relevant ASBA Bidders could submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who were authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, Eligible Employees Bidding in the Employee Reservation Portion by authorising an SCSB to block the Bid Amount in the ASBA Account and HNIs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries meant SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders, Designated Intermediaries meant Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries meant Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders could submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
“Draft Red Herring Prospectus” or “DRHP”	The draft red herring prospectus dated September 28, 2023 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee(s)	All or any of the following: (a) a permanent employee of our Company and/or Subsidiary (excluding such employees who are not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continued to be a permanent employee of our Company and/or Subsidiary, until the submission of the Bid cum Application Form; and (b) a Director of our Company, whether whole time or not, who was eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continued to be a Director of our Company until the submission of the Bid cum Application Form, but not including Promoters, Promoter Group and Directors who either themselves or through their

Term	Description
	relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹0.20 million.
Eligible FPI(s)	FPI(s) that were eligible to participate in the Offer in terms of the applicable law and from such jurisdictions outside India where it was not unlawful to make an offer/invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to subscribe to the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) who were eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it was not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to subscribe to or to purchase the Equity Shares
Employee Discount	Our Company, in consultation with the BRLMs, offered a discount of up to 9.49% to the Offer Price (equivalent of ₹28 per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding ASBA Bidders) will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which were clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) have been opened, in this case being Axis Bank Limited
Employee Reservation Portion	The portion of the Offer being 37,453 Equity Shares* aggregating ₹10.00 million which did not exceed 9.49% of the post-Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis <i>* Subject to finalisation of Basis of Allotment</i>
"First Bidder" or "Sole Bidder"	Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appeared as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, having been ₹280 per Equity Share
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Fresh Issue	Fresh issue of up to 84,78,130 Equity Shares* aggregating up to ₹2,500.00 million* by our Company <i>* Subject to finalisation of Basis of Allotment</i>
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"GID" or "General Information Document"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was made available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
"ICICI" or "I-Sec"	ICICI Securities Limited
Materiality Policy	The policy adopted by our Board in its meetings dated August 14, 2023 and September 28, 2023 for determining identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Maximum RIB Allottees	Maximum number of RIBs who could be allotted the minimum Bid Lot. This was computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids having been received at or above the Offer Price
Monitoring Agency	CARE Rating Limited, being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement dated March 4, 2024 entered into between and amongst our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion or 203,578 Equity Shares which shall be available for allocation only to Mutual Funds on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer, less the Employee Reservation Portion
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For details regarding the use of the Net Proceeds and the Offer expenses, see " <i>Objects of the Offer – Net Proceeds</i> " on page 106
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors

Term	Description
Non-Institutional Bidders	All Bidders that were not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who has Bid for Equity Shares for an amount of more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer comprising of 3,053,663 Equity Shares* which was made available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price, in the following manner: (a) One-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) Two-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders <i>* Subject to finalisation of Basis of Allotment</i>
“Non-Resident Indians” or “NRI(s)”	A non-resident Indian as defined under the FEMA Non-debt Instruments Rules
Nuvama	Nuvama Wealth Management Limited (<i>formerly known as Edelweiss Securities Limited</i>)
Offer	The initial public offer of 20,395,205 Equity Shares* for cash at a price of ₹295 each (including a share premium of ₹293 per Equity Share*) aggregating up to ₹ 6,015.54 million comprising of the Fresh Issue and the Offer for Sale, comprising of Net Offer and Employee Reservation Portion <i>* Subject to finalisation of Basis of Allotment</i>
Offer Agreement	The offer agreement dated September 28, 2023 read with the amendment agreement to the Offer Agreement dated February 6, 2024, entered into amongst our Company, the Selling Shareholder and the BRLMs, pursuant to which certain arrangements have been agreed upon in relation to the Offer
Offer for Sale	The offer for sale of up to 11,917,075 Equity Shares aggregating up to ₹3,515.54 million* by BanyanTree Growth Capital II, LLC <i>* Subject to finalisation of Basis of Allotment</i>
Offer Price	The final price being ₹295 per Equity Share at which Equity Shares will be Allotted to successful ASBA Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and this Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and the Red Herring Prospectus. A discount of 9.49% on the Offer Price (equivalent of ₹ 28 per Equity Share) was offered to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as were required. The Employee Discount was decided by our Company in consultation with the BRLMs
Offer Proceeds	The proceeds of the Fresh Issue which was made available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 106
Offered Shares	11,917,075 Equity Shares aggregating up to ₹3,515.54 million* offered by the Selling Shareholder in the Offer for Sale <i>* Subject to finalisation of Basis of Allotment</i>
Price Band	Price band of a minimum price of ₹280 per Equity Share (i.e., the Floor Price) and the maximum price of ₹295 per Equity Share (i.e., the Cap Price)
Pricing Date	Date on which our Company, in consultation with the BRLMs, finalised the Offer Price
Prospectus	This prospectus dated March 14, 2024, filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The ‘no-lien’ and ‘non-interest bearing’ account opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts maintained with the SCSBs on the Designated Date

Term	Description
Public Offer Account Bank(s)	A bank which is a clearing member and which is registered with SEBI as a banker to an issue and with which the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts have opened, in this case being ICICI Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of 10,178,875 Equity Shares* which were made available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation was done on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids having been received at or above the Offer Price or Anchor Investor Offer Price * Subject to finalisation of Basis of Allotment
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
“Red Herring Prospectus” or “RHP”	The red herring prospectus dated March 4, 2024, issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the Offer Price and the size of the Offer. The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid/Offer Opening Date and has become this Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank(s)	Banker(s) to the Offer and with whom the Refund Account has been opened, in this case being Axis Bank Limited
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The registrar agreement dated September 28, 2023 read with the amendment agreement to the Registrar Agreement dated February 5, 2024 entered amongst our Company, the Selling Shareholder and the Registrar to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	The registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the websites of NSE at www.nseindia.com and BSE at www.bseindia.com
“Registrar to the Offer” or “Registrar”	Link Intime India Private Limited
“Retail Individual Bidder(s)” or “RIB(s)”	Individual Bidders, who has Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Resident Indian	A person resident in India, as defined under FEMA
Retail Portion	Portion of the Offer being not less than 35% of the Net Offer consisting of 7,125,214 Equity Shares* which shall be available for allocation to Retail Individual Bidders (subject to valid Bids having been received at or above the Offer Price) * Subject to finalisation of Basis of Allocation
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, which offered the facility (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appeared on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No.

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	The share escrow agreement dated February 15, 2024 entered into amongst our Company, the Selling Shareholder, and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate accepted ASBA Forms from Bidders
Sponsor Banks	Axis Bank Limited and ICICI Bank Limited, being the Bankers to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/or payment instructions of the UPI Bidders and carry out other responsibilities, in terms of the UPI Circulars
Sub Syndicate	The sub syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
"Syndicate" or "Members of the Syndicate"	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	The syndicate agreement dated March 4, 2024, entered into amongst our Company, the Selling Shareholder, the BRLMs, the Syndicate Members and the Registrar, in relation to collection of Bids by the Syndicate
Syndicate Member(s)	Intermediaries (other than BRLMs) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, Nuvama Wealth Management Limited (<i>formerly known as Edelweiss Securities Limited</i>) and Centrum Broking Limited
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	The Book Running Lead Managers and the Syndicate Members
Underwriting Agreement	The underwriting agreement entered into amongst our Company, the Selling Shareholder, and the Underwriters dated March 14, 2024
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Bidders Bidding in the Retail Portion, (ii) Eligible Employees Bidding in Employee Reservation Portion; and (iii) Non-Institutional Bidders with an application size of up to ₹0.50 million, who Bid in the Non-Institutional Portion, and who Bid under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI Mechanism and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent that these circulars are not rescinded by the SEBI RTA Master Circular), SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI RTA Master Circular (to the extent that such circulars pertain to the UPI Mechanism, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI

Term	Description
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Banks to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an UPI Bidders in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI

Technical/industry related terms/abbreviations

Term	Description
Ather	Ather Energy Private Limited
AEV	All Electric Vehicles
AMC	Annual Maintenance Contract
ARDs	Authorised representative of the dealer
BEV	Battery operated electric vehicles
BharatBenz	Commercial vehicles manufactured by Daimler India Commercial Vehicles Private Limited
CAFÉ	Corporate Average Fuel Efficiency/Economy
CV	Commercial vehicle
DFC	Dedicated Freight Corridors
ECLGS	Emergency Credit Line Guarantee Scheme
EV	Electric Vehicle
FAME	Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles
FAME-II	Phase II of Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles
GDP	Gross Domestic Product
GNPA	Gross non- performing assets
GVW	Gross Vehicle Weight
GW	Giga watt
Honda	Honda Cars India Limited
ICE	Internal combustion engines
ICV	Intermediate commercial vehicle
IMF	International Monetary Fund
JLR	Jaguar Land Rover India Limited
KWh	Kilowatt-hour
LCV	Light commercial vehicle
Maruti Suzuki/ MSIL	Maruti Suzuki India Limited
MSME	Micro-small and medium enterprise
Moody's	Moody's Investors Service
M&HCV/ MHCV	Medium and heavy commercial vehicle
NBFC	Non-banking financial company
NEMMP 2020	The National Electric Mobility Mission Plan 2020
NSO	National Statistics Office
OEM	Original Equipment Manufacturer
PHEV	Plug-in hybrid electric vehicles
Piaggio	Piaggio Vehicles Private Limited
PMP	Phased Manufacturing Plan
PV	Passenger vehicle
SCV	Small Commercial Vehicle
Tata Motors (Commercial)	Tata Motors Limited
ULCV	Upper-end light commercial vehicle
3S	Sales-service-spares
1S	Only sales

Conventional and general terms or abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIFs	Alternative Investments Funds, as defined in, and registered under the SEBI AIF Regulations

Term	Description
AGM	Annual general meeting
API	Application Programming Interface
BSE	BSE Limited
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBS	Core Banking Solution
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	The erstwhile Companies Act, 1956, along with the relevant rules, regulations, clarifications and modifications made thereunder
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications and modifications made thereunder
COGS	Cost of Goods Sold
CrPC	Code of Criminal Procedure, 1973, as amended
Debt to Equity	Debt to Equity is calculated as Total Borrowings divided by Total Equity, where Total Borrowings include both non-current and current borrowings
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DP ID	Depository Participant Identification
DP/ Depository Participant	Depository participant as defined under the Depositories Act
EBIT	EBIT means earnings before interest and Tax. It is calculated by adding the Profit before tax plus finance costs
EBITDA	Profit before tax plus finance costs plus depreciation and amortisation. It is calculated by adding the restated profit for the period/year, finance costs plus tax expense/(benefit) and depreciation and amortisation expense
EBITDA Margin	EBITDA Margin is calculated as EBITDA divided by Total Income
ECLGS	Emergency Credit Line Guarantee Scheme
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020
FEMA Act	Foreign Exchange Management Act, 1999, as amended, read with rules and regulations thereunder
FEMA Non-debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
Financial Year/ Fiscal/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First Information Report
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
“GoI” or “Government” or “Central Government”	Government of India
Gross Profit	Gross Profit is calculated as revenue from operations minus (purchase of stock in trade plus changes in inventories of stock-in-trade)
Gross Margin	Gross Margin is calculated as Gross Profit divided by Revenue from Operations
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961, as amended
Kuttakaran Group	The group of entities and business operated by our Promoters and their immediate family members
MCA	Ministry of Corporate Affairs
“Mn” or “mn”	Million
Mutual Fund (s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N/A	Not applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
Net asset value per share	Net asset value per share is calculated by dividing Net worth by number of equity shares outstanding as on the respective date post share split

Term	Description
Net debt/(net cash)	Net debt/(net cash) is calculated as Total Borrowings minus (cash and cash equivalents plus bank balances other than cash and cash equivalents)
Net worth	The total equity or total share capital of the Company and other equity as per the Restated Financial Information. The Net worth of the Company, as restated and consolidated, has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NI Act	Negotiable Instruments Act, 1881, as amended
NPCI	National Payments Corporation of India
NRE	Non Resident External
NRI	Individual resident outside India, who is a citizen of India
NRO	Non Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax/ profit for the period/year
PAT Margin	PAT Margin is calculated as profit for the period/year divided by Total Income
PBT	Profit before tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoE	Return on equity
Return on Net worth	Return on Net worth
“Return on Capital employed” or “RoCE”	RoCE is calculated as EBIT divided by sum of Total Equity and Total Borrowings, where EBIT is Profit before tax plus finance costs and Total Equity includes Equity Share capital and Other Equity and Total Borrowings includes both non-current and current borrowings
Restated profit for the period/ year	Profit for the period/ year
RoCE	Return on Capital employed
ROU	Right of Use
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
SEBI SBEB & SE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations, as amended
State Government	The government of a state in India
Stock Exchanges	Together, BSE and NSE
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
USD/US\$	United States Dollars
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures included in this Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Prospectus, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Pro Forma Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Description of Equity Shares and Terms of Articles of Association” on pages 26, 60, 77, 106, 133, 170, 250, 255, 323, 338, 373, 415 and 435, respectively.

Summary of the primary business of our Company

We are a diversified automobile dealership in India in terms of revenue for Fiscal 2023, (Source: CRISIL Report), having a fully integrated business model. We cater to the complete life cycle of vehicle ownership, right from the sale of new vehicles, servicing and repairing vehicles, distributing spare parts and accessories, to facilitating sale and exchange of pre-owned vehicles, operating driving schools and facilitating the sale of third-party financial and insurance products. Below are details of the income generated from our sales of vehicles and services provided:

Particulars	For six months period ended, September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income
Sales								
Sale of new vehicle	19,411.07	68.15%	33,305.06	68.07%	23,222.61	66.65%	19,395.41	66.44%
Sale of Accessories	439.42	1.54%	771.22	1.58%	433.59	1.24%	336.69	1.15%
Insurance commission & Finance Commission	237.07	0.83%	395.15	0.81%	286.02	0.82%	272.04	0.93%
Income from schemes and incentives	701.34	2.46%	1,049.48	2.15%	956.26	2.74%	803.52	2.75%
Others	192.81	0.68%	340.94	0.70%	193.50	0.56%	138.20	0.47%
Services								
Labour Income	1,605.17	5.64%	2,871.91	5.87%	2,367.73	6.80%	1,818.50	6.23%
Sale of spare parts	2,406.52	8.45%	3,879.05	7.93%	2,577.39	7.40%	2,144.98	7.35%
Insurance commission	110.32	0.39%	192.52	0.39%	167.59	0.48%	172.11	0.59%
Income from schemes and incentives	60.88	0.21%	114.04	0.23%	91.46	0.26%	72.97	0.25%
Others	41.88	0.15%	84.20	0.17%	121.51	0.35%	117.87	0.40%

Summary of the industry in which our Company operates (Source: CRISIL Report)

The automobile industry is one of the primary contributors to the Indian economy. Its contribution to India’s GDP has increased from 2.80% in fiscal 1993 to approximately 7.10% currently. India is one of the largest auto markets in the world, with annual domestic sales of over 20 million vehicles. Currently, there are only a handful of very large dealerships in India with more than 100 outlets and a presence across 4-5 states. Compared with global dealership giants, Indian dealerships are still in the development stages with significant room for expansion.

Name of our Promoters

John K. Paul, Francis K. Paul and Naveen Philip are the Promoters of our Company. For further details, see “Our Promoters and Promoter Group” on page 250.

Offer size

The details of the Offer are set out below:

Offer ⁽¹⁾⁽²⁾⁽³⁾	20,395,205 Equity Shares* aggregating up to ₹6,015.54 million*
of which:	
(i) Fresh Issue ⁽¹⁾	8,478,130 Equity Shares* aggregating up to ₹2,500.00 million*
(ii) Offer for Sale ⁽¹⁾⁽²⁾	11,917,075 Equity Shares* aggregating up to ₹3,515.54 million*
The Offer comprises:	
Employee Reservation Portion ⁽³⁾	37,453 Equity Shares* aggregating up to ₹10.00 million*

Net Offer	20,357,752 Equity Shares* aggregating up to ₹6,005.54 million*

* Subject to finalisation of Basis of Allotment

- (1) The Offer including the Fresh Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on August 14, 2023 and August 31, 2023 and by our Shareholders pursuant to a special resolution passed at their meetings held on August 21, 2023 and September 8, 2023. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to its resolutions dated August 14, 2023, September 28, 2023 and February 5, 2024.
- (2) The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirm that the Offered Shares had been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorisation and consent of the Selling Shareholder in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 60 and 392, respectively.
- (3) The Employee Reservation Portion was 0.05% of our post-Offer paid-up Equity Share capital. For further details, see "Offer Structure" on page 411. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹0.50 million), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not treated as multiple Bids subject to applicable limits. Our Company, in consultation with the BRLMs, offered a discount of 9.49% to the Offer Price (equivalent of ₹28 per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which had been announced at least two Working Days prior to the Bid / Offer Opening Date.

The Offer and Net Offer constitute 28.65% and 28.59% of the post-Offer paid-up Equity Share capital of our Company.

Objects of the Offer

The objects for which the Net Proceeds from the Offer shall be utilized are as follows:

Particulars	Amount ⁽¹⁾ (₹ in million)
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	1,920.00
General corporate purposes ^{(1)(2)#}	369.90
Total	2,289.90

(1) The amount utilised for general corporate purposes does not exceed 25% of the Net Proceeds.

(2) Excluding expenses incurred from the Offer for Sale.

Subject to finalisation of the Basis of Allotment.

For further details, see "Objects of the Offer" on page 106.

Aggregate pre-Offer and post-Offer shareholding of our Promoters, members of our Promoter Group, and Selling Shareholder as a percentage of our paid-up Equity Share capital

- (a) The aggregate pre-Offer and post-Offer shareholding of our Promoters as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of our Company, respectively, is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares pre-Offer	Percentage of the pre-Offer paid-up Equity Share capital (%)	Number of Equity Shares post-Offer	Percentage of the post-Offer paid-up Equity Share capital (%)
1.	John K. Paul	14,519,362	23.15	14,519,362	20.39
2.	Francis K. Paul	14,519,362	23.15	14,519,362	20.39
3.	Naveen Philip	14,519,362	23.15	14,519,362	20.39
Total		43,558,086	69.45	43,558,086	61.17

Except as disclosed above, none of the members of our Promoter Group hold any Equity Shares in our Company.

- (b) The aggregate pre-Offer and post-Offer shareholding of the Selling Shareholder as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of the Company, respectively, is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares pre-Offer	Percentage of the pre-Offer paid-up Equity Share capital (%)	Number of Equity Shares post-Offer	Percentage of the post-Offer paid-up Equity Share capital (%)
1.	BanyanTree	19,042,119	30.36	71,25,044	10.01
Total		19,042,119	30.36	71,25,044	10.01

For further details, see "Capital Structure" on page 77.

Summary of Selected Financial Information

The details of our Equity Share capital, Net worth, revenue from operations, profit for the period/year, earnings per Equity Share (basic and diluted), Net asset value per share and total borrowings (current and non-current) for the six months period ended September 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021 derived from the Restated Financial Information are as follows:

(₹ in million, unless otherwise stated)

Particulars	As at and for six months period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	125.44	125.44	125.44	125.44
Revenue from operations	28,349.97	48,750.02	34,658.79	28,935.25
Profit for the period/ year	400.44	640.74	336.69	324.55
Earnings per Equity Share				
- Basic (₹)	6.38*	10.22	5.37	5.17
- Diluted (₹)	6.38*	10.22	5.37	5.17
Total borrowings (current and non-current)	7,646.13	5,050.06	3,719.10	3,530.42
Net asset value per share (₹)	61.26	54.69	44.62	39.22
Net worth	3,842.11	3,430.44	2,798.86	2,460.02

* Not annualized.

For further details, see “Restated Financial Information” and “Other Financial Information” on pages 255 and 333, respectively.

Auditor’s qualifications which have not been given effect to in the Restated Financial Information

There are no qualifications of Statutory Auditor which has not been given effect to in the Restated Financial Information.

Summary table of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Promoters and Directors, as applicable, as disclosed in the section titled “Outstanding Litigation and Other Material Developments” on page 373 in terms of the SEBI ICDR Regulations and the Materiality Policy as of the date of this Prospectus is provided below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (₹ in million)(1)
Company						
By the Company	22*	NA	NA	NA	1	18.77
Against the Company	7	72	23 [#]	NA	1	305.93
Subsidiaries						
By the Subsidiary	27*	NA	1	NA	2	6.79
Against the Subsidiary	1	66**	7 [#]	NA	7	2,628.37
Directors (other than Promoters)						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	Nil	Nil	1	NA	Nil	Nil
Promoters						
By Promoters	Nil	NA	NA	NA	Nil	Nil
Against Promoters	4	Nil	9 [#]	Nil	2	21.70

(1) To the extent ascertainable and quantifiable

* Includes cases filed for alleged violation of Section 138 of NI Act

** Includes eight material cases involving PMMIL where writ petition has been filed and pending before the concerned High Court

[#] Includes notices issued by statutory and regulatory authorities

As on the date of this Prospectus, our Company does not have any group company. Further, there are outstanding litigations including criminal litigations against our Promoters that entail the risk of prosecution or arrest or criminal proceeding against our Promoters.

For further details, see “Outstanding Litigation and Material Developments” on page 373.

Risk Factors

For details of the risks applicable to us, see “Risk Factors” on page 26.

Summary table of contingent liabilities

The following is a summary table of our contingent liabilities as at September 30, 2023 as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

Particulars	(₹ in million)
As at September 30, 2023	
Service tax related matters	22.82
Excise related matters	3.03
KVAT related matters	111.99
Income tax matters	46.87

Particulars	As at September 30, 2023
Employees state insurance/provident fund demand	7.98
Customer claims	108.19
GST related matters	6.61

For further details of our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see “Restated Financial Information – Annexure VI – Note 25: Contingent liabilities and commitments” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 302 and 338, respectively.

Summary of related party transactions and balances

The details of related party transactions and balance receivable from/(payable) of our Company for the six months period ended September 30, 2023 and for the Fiscal ended March 31, 2023, March 31, 2022 and March 31, 2021, as per Ind AS 24 – Related Party Disclosures as per Restated Financial Information are set forth in the table below:

(₹ in million)

Particulars	Nature of transactions/balances	For six months period ended September 30, 2023	% of revenue from operations	For the Financial Year ended					
				March 31, 2023	% of revenue from operations	March 31, 2022	% of revenue from operations	March 31, 2021	% of revenue from operations
Kuttukaran Institute for Human Resource Development	Revenue from operations	0.07	0.00%	0.03	0.00%	-	0.00%	0.04	0.00%
Keracon Equipments Private Limited	Revenue from operations	-	0.00%	-	0.00%	62.19	0.18%	36.83	0.13%
Prabal Motors Private Limited	Revenue from operations	-	0.00%	3.06	0.01%	1.90	0.01%	1.37	0.00%
Kuttukaran Trading Ventures	Revenue from operations	0.11	0.00%	0.17	0.00%	-	0.00%	-	0.00%
Keracon Equipments Private Limited	Expense reimbursed by the Company	-	0.00%	-	0.00%	0.06	0.00%	0.06	0.00%
Kuttukaran Trading Ventures	Expense reimbursed by the Company	0.42	0.00%	0.86	0.00%	-	0.00%	-	0.00%
Kuttukaran Institute for Human Resource Development	Expense reimbursed by the Company	0.07	0.00%	-	0.00%	-	0.00%	0.04	0.00%
Prabal Motors Private Limited	Expense reimbursed by the Company	-	0.00%	0.14	0.00%	-	0.00%	-	0.00%
Kuttukaran Institute for Human Resource Development	Expense reimbursed on behalf of the Company	0.44	0.00%	0.58	0.00%	0.08	0.00%	0.10	0.00%
Kuttukaran Homes LLP	Expense reimbursed on behalf of the Company	-	0.00%	0.41	0.00%	0.24	0.00%	0.16	0.00%
Prabal Motors Private Limited	Expense reimbursed on behalf of the Company	-	0.00%	2.36	0.00%	1.46	0.00%	0.68	0.00%
Kuttukaran Trading Ventures	Expense reimbursed on behalf of the Company	-	0.00%	0.49	0.00%	-	0.00%	-	0.00%
Kuttukaran Trading Ventures	Repairs and maintenance	0.38	0.00%	0.79	0.00%	-	0.00%	-	0.00%
Francis K. Paul	Rent paid	2.95	0.01%	9.03	0.02%	5.78	0.02%	5.03	0.02%
John K. Paul	Rent paid	0.47	0.00%	0.92	0.00%	0.79	0.00%	0.69	0.00%
Naveen Philip	Rent paid	1.49	0.01%	3.48	0.01%	2.87	0.01%	2.66	0.01%
Kuttukaran Trading Ventures	Rent paid	5.84	0.02%	12.31	0.03%	-	0.00%	-	0.00%
Leela Philip	Rent paid	-	0.00%	-	0.00%	-	0.00%	0.05	0.00%
Kuttukaran Homes LLP	Rent paid	11.90	0.04%	20.69	0.04%	19.98	0.06%	15.26	0.05%
Rushil John	Rent paid	0.42	0.00%	0.79	0.00%	0.75	0.00%	0.45	0.00%
Kuttukaran Institute for Human Resource Development	Rent paid	0.03	0.00%	-	0.00%	-	0.00%	-	0.00%
Prabal Motors Private Limited	Purchase of assets	-	0.00%	-	0.00%	-	0.00%	0.12	0.00%
Prabal Motors Private Limited	Sale of asset	-	0.00%	-	0.00%	0.08	0.00%	-	0.00%
Kuttukaran Homes LLP	Sale of asset	-	0.00%	-	0.00%	-	0.00%	41.32	0.14%

Particulars	Nature of transactions/balances	For six months period ended September 30, 2023	% of revenue from operations	For the Financial Year ended					
				March 31, 2023	% of revenue from operations	March 31, 2022	% of revenue from operations	March 31, 2021	% of revenue from operations
Francis K. Paul	Loan (availed)/ repaid from directors	-	0.00%	(3.12)	0.01%	-	0.00%	-	0.00%
John K. Paul	Loan (availed)/ repaid from directors	-	0.00%	(6.12)	0.01%	(1.20)	0.00%	(0.10)	0.00%
Naveen Philip	Loan (availed)/ repaid from directors	5.00	0.02%	(22.04)	0.05%	(35.90)	0.10%	28.82	0.10%
Francis K. Paul	Commission and incentive to KMP	1.83	0.01%	3.00	0.01%	1.50	0.00%	1.50	0.01%
John K. Paul	Commission and incentive to KMP	1.83	0.01%	3.00	0.01%	1.50	0.00%	1.50	0.01%
Naveen Philip	Commission and incentive to KMP	1.83	0.01%	3.00	0.01%	1.00	0.00%	-	0.00%
Others	Commission and incentive to KMP	1.61	0.01%	3.90	0.01%	1.10	0.00%	-	0.00%
Francis K. Paul	Remuneration to KMP	4.83	0.02%	10.75	0.02%	7.38	0.02%	5.67	0.02%
John K. Paul	Remuneration to KMP	4.83	0.02%	8.78	0.02%	7.38	0.02%	5.67	0.02%
Naveen Philip	Remuneration to KMP	4.83	0.02%	8.78	0.02%	7.41	0.02%	7.17	0.02%
Philip Chacko Mundanilkunnathil	Remuneration to KMP	-	0.00%	-	0.00%	10.00	0.03%	10.61	0.04%
Raj Narayan	Remuneration to KMP	7.31	0.03%	5.60	0.01%	-	0.00%	-	0.00%
Others	Remuneration to KMP	5.41	0.02%	13.35	0.03%	9.53	0.03%	7.51	0.03%
Independent Directors	Sitting fees to independent directors	1.50	0.01%	4.00	0.01%	3.38	0.01%	0.95	0.00%
Prabal Motors Private Limited	Trade receivables	-	0.00%	-	0.00%	0.12	0.00%	-	0.00%
Kuttukaran Institute for Human Resource Development	Trade receivables	0.51	0.00%	0.19	0.00%	-	0.00%	0.01	0.00%
Keracon Equipments Private Limited	Trade receivables	-	0.00%	-	0.00%	9.91	0.03%	2.96	0.01%
Kuttukaran Trading Ventures	Trade receivables	-	0.00%	-	0.00%	-	0.00%	0.09	0.00%
Kuttukaran Homes LLP	Dues to creditors for expenses and others	(2.00)	0.01%	(1.06)	0.00%	(1.55)	0.00%	(1.59)	0.01%
Kuttukaran Trading Ventures	Dues to creditors for expenses and others	(1.25)	0.00%	(0.39)	0.00%	-	0.00%	-	0.00%
Naveen Philip	Payable to KMP	(2.14)	0.01%	(0.04)	0.00%	(0.27)	0.00%	(1.77)	0.01%
Rushil John	Payable to KMP	(0.06)	0.00%	(0.06)	0.00%	(0.06)	0.00%	(0.05)	0.00%
John K. Paul	Payable to KMP	(1.90)	0.01%	(3.00)	0.01%	(1.50)	0.00%	(1.56)	0.01%
Francis K. Paul	Payable to KMP	(2.42)	0.01%	(3.37)	0.01%	(1.83)	0.01%	(2.05)	0.01%
Others	Payable to KMP	(1.61)	0.01%	(3.90)	0.01%	(1.10)	0.00%	-	0.00%
John K. Paul	Loan from director	(36.02)	0.13%	(36.12)	0.07%	(18.25)	0.05%	(17.05)	0.06%
Francis K. Paul	Loan from director	(35.52)	0.13%	(35.43)	0.07%	(17.55)	0.05%	(17.65)	0.06%
Naveen Philip	Loan from director	(22.30)	0.08%	(27.30)	0.06%	(37.38)	0.11%	(1.48)	0.01%

For further details, see “Restated Financial Information – Annexure VI – Note 33: Related Parties” on page 313.

Financing Arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Weighted average price at which the specified securities were acquired by our Promoters and Selling Shareholder in the one year preceding the date of this Prospectus

The weighted average price of Equity Shares acquired by our Promoters and the Selling Shareholder as on the date of this Prospectus is as follows:

Name of Promoter/Selling Shareholder	Number of Equity Shares acquired in last one year	Weighted average price of Equity Shares acquired in last one year (in ₹)*
Promoters		
John K. Paul	763,737	57
Francis K. Paul	763,737	57

Name of Promoter/Selling Shareholder	Number of Equity Shares acquired in last one year	Weighted average price of Equity Shares acquired in last one year (in ₹)*
Naveen Philip	763,737	57
Selling Shareholder		
BanyanTree	Nil	Nil

* As certified by R.G.N. Price & Co., Chartered Accountants, by way of certificate dated March 14, 2024.

Average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholder

The average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholder as on the date of this Prospectus is as follows:

Sr. No.	Name of Promoters/ Selling Shareholder	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹)
Promoters			
1.	John K. Paul	14,519,362	3.17
2.	Francis K. Paul	14,519,362	3.17
3.	Naveen Philip	14,519,362	3.50
Selling Shareholder			
1.	BanyanTree	19,042,119	27.28

* As certified by R.G.N. Price & Co., Chartered Accountants, by way of certificate dated March 14, 2024.

Details of price at which Equity Shares were acquired by the Promoters, members of our Promoter Group, Selling Shareholder and Shareholders with special rights in the last three years preceding the date of this Prospectus

Except as stated below, there are no Equity Shares that were acquired in the last three years preceding the date of this Prospectus, by the Promoters, members of our Promoter Group, Selling Shareholder and Shareholders with special rights in the Company.

The details of the price at which the acquisition of Equity Shares were undertaken in the last three years preceding the date of this Prospectus are stated below:

Sr. No.	Name of Promoter/ Selling Shareholder	Category	Date of acquisition of the Equity Shares	Number of equity shares acquired	Face value [^]	Acquisition price per Equity Share* (in ₹)
1.	John K. Paul	Promoter	February 21, 2024	763,737	2	57
2.	Francis K. Paul	Promoter	February 21, 2024	763,737	2	57
3.	Naveen Philip	Promoter	February 21, 2024	763,737	2	57
4.	BanyanTree	Selling Shareholder	N.A.	Nil	2	N.A.

* As certified by R.G.N. Price & Co., Chartered Accountants, by way of certificate dated March 14, 2024.

[^] Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹ 10 each has been sub-divided into 5 Equity Shares. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹ 10 each to 75,000,000 Equity Shares. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹ 10 each to 62,721,445 Equity Shares.

Weighted average cost of acquisition of specified securities transacted in one year, eighteen months and three years preceding the date of this Prospectus:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Upper end pf price band is 'x' times the weighted average cost of acquisition	Range of acquisition price per Equity Share: lowest price – highest price*
Last one year preceding the date of this Prospectus	57	5.18	Lowest price – ₹57 Highest price – ₹57
Last 18 months preceding the date of this Prospectus	57	5.18	Lowest price – ₹57 Highest price – ₹57
Last three years preceding the date of this Prospectus	57	5.18	Lowest Price – ₹57 Highest Price – ₹57

* As certified by R.G.N. Price & Co., Chartered Accountants by way of their certificate dated March 14, 2024.

Details of the pre-IPO placement

Our Company has not undertaken a pre-IPO placement.

Issuance of Equity Shares in the last one year for consideration other than cash

Our Company has not issued any Equity Shares for consideration other than cash in the last one year preceding the date of this Prospectus.

Any split/consolidation of Equity Shares in the last one year

Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹10

each to 75,000,000 Equity Shares of face value of ₹2 each. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹10 each to 62,721,445 Equity Shares of face value of ₹2 each. For details, see “*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*” on page 77.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Prospectus, our Company has not obtained any exemption from the SEBI from strict compliance with any provisions of securities laws including the SEBI ICDR Regulations.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” in this Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references to the “US”, “U.S.” “USA” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in IST. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Unless stated otherwise, all references in this Prospectus to the terms Fiscal or Financial Year or FY unless stated otherwise, are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated otherwise or where the context otherwise requires, the financial information and financial ratios in this Prospectus is derived from the Restated Financial Information and Pro Forma Financial Information.

The restated consolidated financial information of our Company, comprising of the restated consolidated balance sheet as at September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the six months period ended September 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI, as amended.

We have also included in this Prospectus, the Pro Forma Financial Information comprising of pro forma consolidated balance sheet as at March 31, 2023 and pro forma consolidated statement of profit and loss for the years ended March 31, 2023 read with selected explanatory notes thereon. The Pro Forma Financial Information has been prepared by our Company to illustrate the impact of acquisition of KEPL (effective as of February 1, 2023) made during the year ended March 31, 2023 and its financial performance for the years ended March 31, 2023 as if the acquisition had taken place at the beginning of the earliest reported year presented. For further details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*” and “*Risk Factors – The Pro Forma Financial Information included in this Prospectus has been prepared by our Independent Chartered Accountant and is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results*” on pages 222 and 33, respectively.

For further information, see “*Restated Financial Information*” and “*Pro Forma Financial Information*” on pages 255 and 325, respectively.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded-off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, or ratios (excluding certain operational metrics), relating to the financial information of our Company as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Other Financial Information*” on pages 26, 170, 338 and 333, respectively, and elsewhere in this Prospectus have been calculated on the basis of amounts derived from our Restated Financial Information.

Non-GAAP Financial Measures

Certain Non-GAAP financial measures relating to our financial performance such as, EBIT, EBITDA, EBITDA Margin, PAT Margin and other financial parameters such as Net debt/ (net cash), Net worth, Return on Net worth, Return on Capital employed/RoCE, Net asset value per share and Debt to Equity (together, “**Non-GAAP Measures**”), and certain other industry metrics and financial parameters have been included in this Prospectus. We compute and disclose such financial measures

relating to our financial performance as we consider such information to be useful measures of our business and financial performance for investors and other users. These Non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS. Such supplemental financial and operational information should not be considered in isolation or as a substitute for an analysis of our Restated Financial Information disclosed elsewhere in this Prospectus. For further details see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 338 and “*Other Financial Information*” on page 333.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other currencies:

(Amount in ₹, unless otherwise specified)

Currency	As at			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	82.22	75.81	73.50

Source: Foreign exchange reference rates as available on www.fbi.org.in

Note: Exchange rate is rounded off to two decimal point

Please note that the above exchange rates have been provided for indicative purposes only and the amounts reflected in our Restated Financial Information or Pro Forma Financial Information may not have been converted using any of the above-mentioned exchange rates.

Industry and Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in and market data used in this Prospectus has been obtained or derived from the CRISIL Report and publicly available information as well as other industry publications and sources.

CRISIL is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, KMPs, SMPs or the Book Running Lead Managers. The CRISIL Report has been commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL dated December 29, 2023, exclusively for the purposes of confirming our understanding of the industry in which the Company operates, in connection with the Offer. The CRISIL Report is available on the website of our Company at www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/ until the Bid/ Offer Closing Date.

Unless otherwise indicated, industry and market data used throughout this Prospectus has been obtained or derived from the CRISIL Report has been commissioned by our Company for an agreed fee, and which is subject to the following disclaimer:

“CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide

any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Popular Vehicles and Services Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. Although we believe that the industry and market data used in this Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors – This Prospectus contains information from industry sources including the industry report commissioned from CRISIL exclusively for the Offer and paid for by the Company. Investors are advised not to place undue reliance on such information.", on page 50.

In accordance with the SEBI ICDR Regulations, "Basis for Offer Price" on page 119 includes information relating to our peer group companies. Such information has been obtained from publicly available sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. All statements contained in this Prospectus that are not statements of historical fact constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are “forward-looking statements”.

These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “objective”, “plan”, “project”, “propose”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our expected financial condition, results of operations, business, prospects, strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which we have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate, incidence of natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- The automotive industry is sensitive to changing economic conditions and various other factors. Any decline in demand for vehicles by individuals or entities may adversely impact our business prospects and results of operations.
- We are subject to the significant influence of our OEMs. Our top two OEMs account for more than 80% of our Company’s consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.
- Non-renewal or termination or any adverse material modifications made by our OEMs to the dealership agreements, will have a material and adverse impact on our business prospects and results of operations.
- Our Company has not received the required approval from the Central Government for appointment of John K. Paul as a Whole-time Director of our Company. We cannot assure you that such approval will be received in a timely manner.
- We have had negative cash flows in the past including negative cash flows from operating activities in the six months period ended September 30, 2023, and it is possible that we may experience negative cash flows in the future which could adversely affect our cash flow requirements, our ability to operate our business and implement our growth plans, thereby affecting our financial performance.
- A large portion of our business operations are concentrated in the states of Kerala, Tamil Nadu and Karnataka. Any adverse developments (including any natural calamities) in these states could have an adverse effect on our business, results of operations and financial condition.
- A large portion of our business revenue, approximately 77.03%, is derived from our dealership with certain OEMs. Any adverse developments in the growth, demand or sales for these OEMs could have an adverse effect on our business, results of operations and financial condition.
- Increasing competition among automotive dealerships through online and offline marketing reduces our profit margins on vehicle sales and related businesses.
- Our success depends on the value, perception, marketing and overall competitiveness of our brand and our OEMs in India. Any damage to ours or our OEMs’ brands or our failure to compete effectively in India could materially and adversely affect our business, results of operations and financial condition.
- The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.

Certain information in “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 133, 170 and 338, respectively, of this Prospectus have been obtained from the CRISIL Report. The CRISIL Report is available on the website of our Company at www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 170 and 338, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoters, our Directors, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the requirements of the SEBI ICDR Regulations, our Company shall ensure that Bidders in India are informed of material developments from the date of the Red Herring Prospectus and this Prospectus in relation to the statements and undertakings made by them in the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, the Selling Shareholder shall ensure that Bidders in India are informed of material developments from the date of this Prospectus in relation to the statements and undertakings specifically made or confirmed by the Selling Shareholder in the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In order to obtain a complete understanding about us, investors should read this section together with "Industry Overview", "Our Business", "Key Regulations and Policies" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 133, 170, 214 and 338, respectively, as well as the Restated Financial Information, and other financial information included elsewhere in this Prospectus. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face or are relevant to us, our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also materially and adversely affect our business, prospects, financial condition and results of operations and cash flows. If any or some combination of the following risks, or other risks that we do not currently know about or believe to be material, actually occur, our business, financial condition and results of operations and cash flows could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Offer, including the merits and risks involved.

Unless specified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless otherwise indicated, industry and market information included in this section is derived from the report titled "An assessment of the automobile dealership industry in India" dated January 2024, prepared by CRISIL and commissioned and paid for by our Company exclusively in connection with the Offer. Also see "Risk Factors - This Prospectus contains information from industry sources including the industry report commissioned from CRISIL exclusively for the Offer and paid for by the Company. Investors are advised not to place undue reliance on such information" on page 50.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this document. For details, see "Forward Looking Statements" on page 24.

Unless otherwise indicated or the context requires otherwise, the financial information included herein are based on our Restated Financial Information, included in this Prospectus. For further information, see "Financial Information" on page 255.

INTERNAL RISK FACTORS

1. *The automotive industry is sensitive to changing economic conditions and various other factors. Any decline in demand for vehicles by individuals or entities may adversely impact our business prospects and results of operations.*

There are several factors which affect the sales of new and pre-owned vehicles in India which are difficult to predict, including but not limited to the state of the economy, fuel prices, credit availability, interest rates, consumer preferences, the level of personal discretionary spending, unemployment rates, vehicle production levels and capacity, auto emission and fuel economy standards, the rate of inflation, currency exchange rates, tariffs, incentives, intensity of industry competition, product quality, the rise of ride-sharing platforms, improvement in public transport infrastructure, technological innovations, restrictions under environmental laws etc. As a result, the overall demand for our new and pre-owned vehicles may decline, which could adversely affect our business. Further, the rise in demand for electric vehicles and the growth in electric vehicles segment may adversely affect the demand for other passenger and commercial vehicles sold by us. As on date of this Prospectus, most of our OEMs have not started producing electric vehicles to cater to the increasing demand for such vehicles in the market. This may lead to decline in demand for our OEMs resulting in a decrease in demand for our car dealerships. Furthermore, since our sale of new and pre-owned vehicles is closely integrated with our authorised service centres, any decline in demand for new and pre-owned vehicles will also affect demand for our services provided in our authorized service centres. While we have been able to achieve significant growth in our revenue and profits in the last Fiscal, we may not be able to maintain the same level of growth in the coming fiscals.

Demand for certain types of pre-owned vehicles may suddenly decline due to the introduction of innovative technologies for new vehicles, such as autonomous driving systems or change in laws pertaining to carbon emission by cars and creation of new legal norms such as ban of diesel cars in major cities in India, and the mandatory adoption of Bharat Stage (BS) VI Emission Standards. For details in relation to BS IV Emission Standards, see "Key Regulations and Policies – Bharat Stage (BS) VI Emission Standards ("**BS-VI Standards**")" on page 218. The pre-owned vehicles procured by us may not offer such innovative features or cater to the change in laws of India. There can be no assurance that our entire pre-owned vehicle inventory will be sold in the future.

Our vehicle sales, service and spares businesses could also be adversely affected by changes in the automotive industry driven by new technologies, including autonomous and electric vehicles, and accident-avoidance technology. If new

vehicle production exceeds the new vehicle industry selling rate, our new vehicle gross profit per vehicle sold could be adversely impacted by excess supply and any resulting changes in incentive, marketing, and other programs of OEMs.

Any tightening of the credit markets and credit conditions in India may decrease the availability of automotive loans and adversely impact our new and pre-owned vehicle sales and margins. In particular, if banks and NBFCs apply higher credit standards in respect of loans provided by them generally or in respect of vehicle loans or if there is a decline in the overall availability of credit in the lending market, the ability of consumers to purchase vehicles could be adversely impacted, which could have a material adverse effect on our business and results of operations.

The imposition of new tariffs, duties, withdrawal of incentive schemes or any increase in prices for vehicles and vehicle components imported into India can adversely impact demand for such vehicles. For instance, the GoI has announced the withdrawal of the faster adoption and manufacturing of electric vehicles II scheme (“**FAME II**”) from March 2024. FAME II provided subsidies to manufacturers and buyers of electric vehicles and also provided incentives for setting up charging infrastructure for such electric vehicles. Withdrawal of incentives provided under FAME II has led to the increase in prices of certain electric vehicles, including electric three-wheeler and privately registered electric two-wheelers, and has therefore reduced its demand, affecting our sales of electric two-wheeler and three-wheeler vehicles. Further, the Ministry of Road Transport and Highways recently amended the Automotive Industry Standards (AIS) 156 and AIS -038 (Rev 2) norms, a stringent testing and certification standard, to ensure better safety following reports of several fire related incidents involving electric vehicles, in the summer. The amended AIS156 norms requires certification of certain electric vehicles which has affected the short term sales of such electric vehicles. Further, Corporate Average Fuel Economy (“**CAFÉ**”) norms issued under notification no. S.O. 1072(E) dated April 23, 2015 under the Energy Conservation Act, 2001, applicable to manufacturers of passenger vehicles and importers of passenger vehicles for sale in India, regulate the corporate average fuel consumption i.e. the average of the standards fuel consumption of all vehicles sold by the manufacturers in a fiscal year. Any regulatory changes in CAFÉ norms might have an impact on the demand of passenger vehicles that may lead to an impact on our sales of passenger vehicles. Any such decline in demand for our electric two wheeler and three wheeler vehicles may have an adverse impact on our business, prospects and results of operation.

2. ***We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company’s consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.***

We operate the passenger vehicle dealerships of Maruti Suzuki, Honda and JLR, commercial vehicle dealership of Tata Motors (Commercial) and BharatBenz and electric two-wheeler and three-wheeler vehicle dealership of Ather and Piaggio, respectively.

The table below indicates the total number of vehicles sold, percentage contribution of each OEM towards the total number of vehicles sold by us and the percentage contribution of such sales to our consolidated revenue, in the six months ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

Particulars	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023	Total number of vehicles sold in Fiscal 2023	% of total number of vehicles sold in Fiscal 2023	% of consolidated revenue in Fiscal 2023	Total number of vehicles sold in Fiscal 2022	% of total number of vehicles sold in Fiscal 2022	% of consolidated revenue in Fiscal 2022	Total number of vehicles sold in Fiscal 2021	% of total number of vehicles sold in Fiscal 2021	% of consolidated revenue in Fiscal 2021
Maruti Suzuki	15,405	64.21	48.15	30,948	64.72	51.32	26,142	69.03	53.57	26,123	74.41	58.06
Honda	934	3.89	4.75	2,595	5.43	6.59	2,939	7.76	9.09	2,314	6.59	8.15
JLR	137	0.57	6.58	138	0.29	3.81	148	0.39	4.65	164	0.47	5.08
Tata Motors (Commercial)	4,557	18.99	24.13	10,367	21.68	29.35	8,390	22.15	27.52	6,504	18.53	23.87
BharatBenz	793	3.31	9.75	391	0.82	2.64	-	-	-	-	-	-
Piaggio	396	1.65	0.59	495	1.04	0.32	89	0.24	0.08	-	-	-
Ather	1,771	7.38	0.99	2,886	6.04	0.81	163	0.43	0.06	-	-	-

We have entered into dealership agreements with various OEMs in order to operate our dealerships and spare parts and accessories distributions business. Pursuant to the terms of the dealership agreements, the OEMs are able to exert influence over the day-to-day operations of our dealerships. For instance, the OEMs may unilaterally discontinue associations with vendors where we might have entered into long term contracts and made advance payments to such vendors for services. The OEMs are also entitled from time to time to prescribe the minimum requirements and specifications that each of our showrooms and service centres are required to adhere to which may require significant capital expenditure from time to time. For instance, we are subject to numerous operational requirements and restrictions relating to inventory levels, working capital levels, the sales process, marketing and branding, showroom and service facilities, signage, personnel, changes in management, technology implemented and monthly financial reporting, obtaining accreditation from the respective OEMs for the operation of service centres in the names of the OEMs, among other things. We are also required to adhere to certain service and customer satisfaction levels prescribed by the OEMs in operating our dealerships and our failure to do so may lead to the termination of the dealership agreement. Further, some of the OEMs have also specified certain prices of the vehicles under their respective agreements pursuant to which our Company cannot sell such vehicles at a price more than the price specified by such OEMs.

Our dealership agreements have a list of vehicles or car models which are included within the scope of our dealership. Such list is updated upon renewal of the dealership agreements for some of our OEMs and some of our OEMs enter into specific letters of intent to enable us to sell vehicles which are not included in such list. For instance, the JLR dealership agreement excludes vehicles powered by sources other than or in addition to a petrol or diesel internal combustion engine. There can be no assurance that all the vehicles and models sold at our dealerships will be covered under the OEM dealership agreement. Further, we may have to enter into separate arrangements with our OEMs to sell such excluded vehicles at our dealerships. Such arrangements can carry additional restriction which can further impact sales of vehicles at our dealerships.

The terms and conditions of our dealership arrangements and the OEMs' interests and objectives may, in certain circumstances, conflict with our interests and objectives. Further, though the license is non-exclusive, there are certain restrictions. For instance, we are precluded under these agreements from acquiring additional dealerships with other OEMs and expand our network of outlets, unless we obtain prior consent from the OEMs. Our OEMs' also have the right to terminate our dealership agreements with them upon breach of any of the terms of the agreement by us and can unilaterally change the price of their vehicles being sold in our showrooms and sales outlets.

Further, we are not entitled to an exclusive right to any given geographic area. The OEMs are also entitled to establish new dealerships in the same geographical area or relocate existing dealerships. The establishment of or relocation of dealerships in our markets could have a material adverse effect on the business, financial condition and results of operations of our dealerships in the market in which the action is taken. Sale of vehicles for use as taxis, car rentals or as a reward in any competition is subject to the prior consent of the OEMs. Further, any reduction in margins or capping of service fees by the OEMs may impact our revenues and profitability. For further details, see "*Risk factors - Margins earned from our services and repair vertical and our spare parts and accessories distribution vertical may be impacted by pricing guidelines set by our OEMs which may adversely affect our financial condition and results of operations*" on page 39. The significant influence of and restrictions imposed by OEMs could impact our business financial condition, results of operations, cash flows, and prospects.

3. *Non-renewal, termination or any adverse material modifications made by our OEMs to the dealership agreements, will have a material and adverse impact on our business prospects and results of operations.*

We operate the passenger vehicle dealerships of Maruti Suzuki, Honda and JLR, commercial vehicle dealership of Tata Motors (Commercial), BharatBenz and electric two-wheeler and three-wheeler vehicles dealerships of Ather and Piaggio.

For further details of the tenure of the dealership agreements entered with our OEMs, conditions for termination of dealership agreements with our OEMs, total number of vehicles sold, percentage contribution of each OEM towards the total number of vehicles sold by us and the percentage contribution of such sales to our consolidated revenue, in the six months period ended September 30, 2023, please see "*Our Business – Our business operations – Summary of our dealership agreements*" on page 199.

Further, we have also entered into dealership agreements for spare parts and accessories distribution with various OEMs. Pursuant to the dealership agreements entered into with the OEMs, we have been authorized as a dealer of such OEMs, on a non-exclusive and non-transferable basis, in identified geographies. Most of the aforesaid dealership agreements have been entered into for fixed periods of time and any renewal is subject to the mutual consent of both parties. There can be no assurance that we will be able to successfully obtain a renewal of such dealership agreements on similar or more favourable terms, as and when necessary, in a timely manner or at all. Additionally, there can be no assurance that the OEMs will not impose any additional onerous restrictions or conditions in the dealership agreements.

Further, in accordance with the terms of such dealership agreements as mentioned above, the respective OEMs are entitled to unilaterally terminate such dealership agreements without cause by providing written notice ranging from

30 days to 12 months. Furthermore, in certain instances, forthwith, the agreement can be terminated with immediate effect, upon breach of terms of the agreement or upon the occurrence of certain events, including, *inter alia*, bankruptcy, change in control or ownership without prior intimation to the OEM, failure to honour repayment terms under our loan agreements, conduct of our business not being satisfactory to the relevant OEMs etc.

Although we have been successful in obtaining renewals for our dealership agreements in the past, there can be no assurance that we may be able to continue to do so in the future. In the event that one or more OEMs are unwilling to renew such agreements or impose terms and conditions at the time of renewal that are less favourable to us than existing terms and conditions, or in the event one or more OEMs exercise their right to unilaterally terminate their dealership agreements, whether upon the occurrence of any of the events described hereinabove or otherwise, or in the event that there are any disputes initiated between us and the OEMs, it may materially and adversely impact our ability to carry on our business operations and also impact our future financial performance.

4. *Our Company has not received the required approval from the Central Government for appointment of John K. Paul as a Whole-time Director of our Company. We cannot assure you that such approval will be received in a timely manner.*

Pursuant to the Shareholders' resolution dated September 28, 2021, John K. Paul was re-appointed as a Managing Director of our Company for a period of April 1, 2022 to March 31, 2024 ("**Appointment 1**"), and was subsequently redesignated as a Whole-time Director pursuant to a Shareholders' resolution dated July 14, 2022 for the period from June 15, 2022 till March 31, 2024 ("**Appointment 2**").

Previously, John K. Paul was one of the directors of Kerala Chamber of Commerce and Industries ("**KCCI**") for the financial years 2012-13, 2013-14 and 2014-15 during which KCCI was found in violation of Sections 209(1) and 217(3) of the Companies Act, 1956 pursuant to which he pleaded guilty and remitted a fine of ₹10,000 in ST 43/19 and ₹5,000 in ST 42/19 before the Chief Judicial Magistrate (Economic Offences) Court at Ernakulam, Kerala for the aforesaid violations.

Subsequently, in terms of the clause (a)(vi), Part I, Schedule V read with Section 201 of the Companies Act, 2013, our Company is required to file Form MR 2 for aforesaid Appointment 1 and Appointment 2, which has been filed on September 26, 2022, and is currently pending for approval. Our Company has also filed an application dated September 15, 2022 for condonation of delay in relation to the delayed filing of the Form MR 2 for Appointment 2. We cannot assure you that our Company will receive the central government approval in a timely manner, any delay or non-receipt of such approval may have an adverse impact on capacity of John K. Paul for acting as a Whole-time Director on our Board.

5. *We have had negative cash flows in the past including negative cash flows from operating activities in the six months period ended September 30, 2023, and it is possible that we may experience negative cash flows in the future which could adversely affect our cash flow requirements, our ability to operate our business and implement our growth plans, thereby affecting our financial performance.*

We have had negative cash flows in the six months period ended September 30, 2023 and Fiscal 2022, including negative cash flows from operating activities in the six months period ended September 30, 2023. The table below sets forth selected information from our statements of cash flows in the six months period ended September 30, 2023 and Fiscal 2022 indicated below:

(₹ in million)

Particulars	Six months period ended September 30, 2023	Fiscal 2022
Net cash generated from/(used in) operating activities	(1,611.02)	696.92
Net cash generated from/(used in) investing activities	(296.70)	(413.84)
Net cash (used in)/generated from financing activities	1,971.67	(652.53)
Net increase/(decrease) in cash and cash equivalents	63.95	(369.45)
Cash and cash equivalents at the beginning of the period/ year	238.25	553.41
Cash and cash equivalents at the end of the period/ year	302.20	183.96

For further details, see "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*" on pages 255 and 362, respectively. We cannot assure you that we will not experience negative cash flows in the future.

6. *A large portion of our business operations, which is approximately 96.91% our Company's consolidated revenue for the six months period ended September 30, 2023, are concentrated in the states of Kerala, Tamil Nadu and Karnataka. Any adverse developments (including any natural calamities) in these states could have an adverse effect on our business, results of operations and financial condition.*

The table below indicates concentration of our business operations in the states of Kerala, Tamil Nadu and Karnataka:

State	Total consolidated revenue in %			
	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021

Kerala	70.31	71.45	73.38	73.83
Tamil Nadu	18.08	22.41	20.56	19.61
Karnataka	8.52	5.49	6.06	6.55
Total	96.91	99.35	100.00	100.00

Further, we expanded our business operations and entered Maharashtra in Fiscal 2023. The concentration of a large portion of our operations in Kerala, Tamil Nadu and Karnataka heightens our exposure to adverse developments in these states.

In the event of a slowdown in the economic activities in these states/cities, or any other developments including natural disasters, political unrest, disruption or sustained economic downturn, we may experience an adverse impact on our financial condition and results of operations, which are largely dependent on the performance and other prevailing conditions affecting the economies of these states. For example, the increase in fuel prices in these states and the increase of cess tax in Kerala has affected our vehicle sales in the recent past. Further, there have been instances of unprecedented monsoons and high alerts due to various climatic changes in the states and cities in which we have a business presence such as various districts of Kerala and in Chennai, Chengalpet, Chithod, Coimbatore, Dharmapuri, Hosur, Karur, Mettupalayam, Nagercoil, Namakkal, Palladam, Salem and Thiruvallur cities in Tamil Nadu. There have been instances of damage to our property as well as our inventory of new and pre-owned vehicles at our showrooms, yards, warehouses and service centres in the past on account of such natural disasters. There can be no assurance that the sales of vehicles will grow or will not decrease in the future in these states and that there will not be any significant disruptions in our operations in the future. Any such significant disruption or adverse developments in these states could have an adverse effect on our business, results of operations and financial condition.

7. *A large portion of our business revenue, approximately 77.03%, is derived from our dealership of Maruti, Tata Motors (Commercial) and Honda. Any adverse developments in the growth, demand or sales for these OEMs could have an adverse effect on our business, results of operations and financial condition.*

Our Company's growth is highly dependent on the growth of our OEMs like Maruti, Tata Motors (Commercial) and Honda. The table below indicates concentration of our business revenue derived from Maruti, Tata Motors (Commercial) and Honda:

OEM	Total consolidated revenue from vehicle sales in %			
	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Maruti	48.15	51.32	53.57	58.06
Tata Motors (Commercial)	24.13	29.35	27.52	23.87
Honda	4.75	6.59	9.09	8.15
Total	77.03	87.26	90.18	90.08

We are subject to concentration risk in the event of any adverse events or financial distress, including bankruptcy, impacting Maruti, Tata Motors (Commercial) or Honda. Our OEMs are entitled to unilaterally terminate and could attempt to terminate all or certain of their dealership arrangements with us in the event of breach of any of the terms and conditions agreed upon under the dealership agreements. If our OEMs become insolvent or bankrupt we can terminate the dealership agreement with them but we may be unable to collect some or all of the receivables due from such OEM(s). For details, see “- Non-renewal, termination or any adverse material modifications made by our OEMs to the dealership agreements, will have a material and adverse impact on our business prospects and results of operations” on page 29. Further, these OEMs may be adversely impacted by economic downturns, governmental laws and regulations, import restrictions, significant declines in the sales of their new vehicles or decrease in their market share, natural disasters, pandemics such as COVID-19, increases in interest rates, decline in their credit ratings, labour strikes, supply shortages or rising raw material costs, rising employee benefit costs, vehicle recall campaigns, product defects, unappealing vehicle designs, adverse publicity that may reduce consumer demand for their vehicles, competition from other OEMs, risks due to new OEMs capturing the market share, failure to appropriately adapt to changing customer preferences, poor product mix or other adverse events. These and other risks could materially adversely affect the Maruti, Tata Motors (Commercial) and Honda and impact their ability to profitably design, market, produce or distribute new vehicles, which in turn could materially adversely affect our business, results of operations and financial condition.

8. *Increasing competition among automotive dealerships through online and offline marketing reduces our profit margins on vehicle sales and related businesses.*

Automobile selling is a highly competitive business. Our competitors include private and public companies, some of whom may be larger with access to greater financial and marketing resources than us. Our competitors sell the same or similar makes of new and pre-owned vehicles that we offer in our markets at competitive prices. Further, we operate

in the automobile dealership industry which has witnessed low PAT margins in the past. Our PAT margin for the six months period ended September 30, 2023 and Fiscal 2023, 2022 and 2021 are as follows:

Particulars	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
PAT Margin (in %)	1.41	1.31	0.97	1.11

Since, we mainly depend on the commissions received from the OEMs on sales of their vehicles, our PAT margins and returns may not be higher in the future.

Though, the share of online sales in the overall domestic vehicle sales is currently insignificant (<5%) for passenger vehicles as well as commercial vehicles segments (*Source: CRISIL Report*), the internet has become a significant part of the sales process in our industry. Customers are using the internet to compare pricing for vehicles and related finance and insurance services, which may further reduce margins for new and pre-owned vehicles and profits for related finance and insurance services. Our competitors may align themselves with services offered on the internet or invest in the development of their own internet capabilities. Our Company only sources customer queries online and we do not operate separately in the online market. Apart from the existing competitors, we also face competition from online portal dealers and other new age disruptive models. Further, our OEMs may seek to directly sell their vehicles through online platforms, thus decreasing their reliance on us, which could materially adversely affect our business, results of operations, financial condition and cash flows. We cannot assure that we will be able to match the online presence that is being offered by our competitors or maintain creativity in our existing online presence.

In addition, our dealership agreements do not grant us the exclusive right to sell vehicles manufactured by the OEMs within a given geographic area. Our revenues or profitability could be materially adversely affected if any of the OEMs award dealerships to others in the same markets where we operate or if existing dealerships increase their market share in our markets. Our OEMs could in certain cases set up their own dealerships in the markets in which we operate. Further, our revenues may also be impacted on account of expansion of dealerships of competing brands of vehicles in the markets in which we operate.

We may also face increasingly significant competition as we strive to gain market share through acquisitions or otherwise. Our operating margins may decline over time as we expand into markets where we do not have a leading position.

9. *Our success depends on the value, perception, marketing and overall competitiveness of our brand and our OEMs in India. Any damage to ours or our OEMs' brands or our failure to compete effectively in India could materially and adversely affect our business, results of operations and financial condition.*

Our Maruti Suzuki dealership is operated under the 'Popular' brand, our Honda dealership is operated under the 'Vision' brand and our JLR dealership is operated under the 'Marqland' brand, for our passenger vehicles. Further, our Tata Motors dealership is operated under the 'Popular Mega Motors' brand and our BharatBenz dealership is operated under 'Prabal Trucking' brand, for our commercial vehicles and our electric two-wheeler and three-wheeler vehicles are operated under the 'Ecomarq' brand. We believe that our continued success will depend on our ability to maintain and enhance the value of our brands. Consumers are increasingly shopping for new and pre-owned vehicles, automotive repair and maintenance services, and other automotive products and services online and through mobile applications, including through online sales platforms. Further, we may not be able to invest adequately in marketing or customer engagement which could lead to loss of customers to competitors. If we fail to preserve the value of our retail brands, maintain our reputation, or attract consumers to our own digital channels, or provide good after-sale services to our customers, our business could be adversely impacted. Further, our business is dependent on customers' perception of our OEMs' brands also. Our brands could be damaged by negative publicity in traditional or social media or by claims or perceptions about the quality, reliability and safety of the vehicles sold by us and our OEMs. This can affect our business operations and brand value. For further details, see “- *Our vehicle sales are impacted by the incentive, marketing, and other programs of the OEMs. Further, any adverse impact on our sales directly impacts our profit margins and adversely affects our financial conditions and results of operations*”.

Our success is also dependent on the success and continued financial stability of our OEMs, namely Maruti Suzuki, Honda, JLR, Tata Motors (Commercial), BharatBenz, Piaggio, Ather as well as the OEMs with whom we have entered into spare parts and accessories distribution arrangements. The table below indicates the total number of vehicles sold, percentage market share of each OEM, percentage contribution of each OEM towards the total number of vehicles sold by us and the percentage contribution of such sales to our consolidated revenue, in Fiscal 2023:

Particulars	Total number of vehicles sold in Fiscal 2023	% market share in Fiscal 2023*	% of total number of vehicles sold in Fiscal 2023	% of consolidated revenue in Fiscal 2023
Maruti Suzuki	30,948	41	64.72	51.32
Honda	2,595	2	5.43	6.59
JLR	138	7	0.29	3.81

Particulars	Total number of vehicles sold in Fiscal 2023	% market share in Fiscal 2023*	% of total number of vehicles sold in Fiscal 2023	% of consolidated revenue in Fiscal 2023
Tata Motors (Commercial)	10,367	40	21.68	29.35
BharatBenz	391	-#	0.82	2.64
Piaggio	495	27	1.04	0.32
Ather	2,886	11	6.04	0.81

* Source: CRISIL Report

Data is not available.

We rely exclusively on our OEMs for our new passenger and/or commercial vehicle inventory. Our ability to sell new passenger and/or commercial vehicles is dependent on the OEM's ability to produce and allocate an attractive and desirable product mix to our showrooms, in line with our requirements and at the appropriate time, in order to satisfy customer demand.

The OEMs also provide extended warranty and maintenance contracts to customers. Our authorised service centres perform warranty work for vehicles under OEM product warranties and maintenance contracts and directly bill the OEM as opposed to invoicing the customer. At any particular time, we have significant receivables from our OEMs for warranty work performed for customers under manufacturer product warranties and maintenance contracts.

The table below indicates our total pending receivables from our OEMs as of the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

Particulars	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	(in ₹ million)
				Fiscal 2021
Total OEM receivables	830.58	678.75	561.09	526.70

In addition, we rely on our OEMs to varying extents for OEM-authorised replacement parts, training, product brochures and point of sale materials, and other items for our showrooms and sales outlets.

The OEMs may also be adversely impacted by economic downturns, governmental laws and regulations, import restrictions, significant declines in the sales of their new vehicles, natural disasters including floods, earthquakes, landslides etc., pandemics such as COVID-19, increase in interest rates, decline in their credit ratings, labour strikes, supply shortages or rising raw material costs, rising employee benefit costs, vehicle recall campaigns, product defects, unappealing vehicle designs, adverse publicity that may reduce consumer demand for their vehicles, competition from other OEMs, poor product mix or other adverse events. This could materially adversely affect the OEMs and impact their ability to profitably design, market, produce or distribute new vehicles, which in turn could materially adversely affect our business operations.

10. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.*

There has been no public market for our Equity Shares prior to the Offer. The determination of the Price Band is based on various factors and assumptions and will be determined by our Company, in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the BRLMs, through the Book Building Process. This price will be based on numerous factors, as described under in "Basis for Offer Price" on page 119. This price may not necessarily be indicative of the market price of the Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

The price at which the Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- our financial condition, results of operations and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;

- changes in expectations as to our future financial condition, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Managerial Personnel;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions.

The market value at Offer Price to total turnover is 0.43 and P/E Ratio at Offer Price is 28.86.

The average P/E of the listed peer set is 34.84 while our Company's P/E will be at premium of 28.86 times at the higher price band and 27.40 times at the lower price band. For further details, see "*Basis for Offer Price*" on page 119.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our financial condition, results of operations and cash flows.

The Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

11. *The Pro Forma Financial Information included in this Prospectus has been prepared by our Independent Chartered Accountant and is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results.*

Pro Forma Financial Information as of and for the Fiscal 2023 has been included in this Prospectus on a voluntary basis and it illustrates the impact of acquisition of KEPL (including its subsidiary PMPL) made during the year ended March 31, 2023 and its financial performance for the year ended March 31, 2023 as if the acquisition had taken place at the beginning of the earliest reported year presented. For further details, see "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*" and "*Pro Forma Financial Information*" on page 222 and 323, respectively.

The Pro Forma Financial Information has been prepared by our Independent Chartered Accountant and not by our Statutory Auditor. It addresses a hypothetical situation and does not represent our actual financial condition or results of operations and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Pro Forma Financial Information are based on available information and assumptions that our management believes to be reasonable. As the Pro Forma Financial Information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected, and is not intended to be indicative of our future financial performance. The Pro Forma Financial Information does not include all of the information required for financial statements under Ind AS.

Accordingly, investors should not unduly rely on our Pro Forma Financial Information. If the various assumptions underlying the preparation of the Pro Forma Financial Information do not come to pass, our actual results could be materially different from those indicated in the Pro Forma Financial Information. Accordingly, the Pro Forma Financial Information included in this Prospectus is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Pro Forma Financial Information should be limited.

12. *We may fail to successfully implement our growth strategy, which includes acquiring existing dealerships, diversifying our portfolio and penetrating deeper into existing geographic locations which may adversely affect our financial condition and results of operations.*

In order to continuously grow our operations, we need to increase our penetration by partnering with new OEMs, expand our existing dealerships by opening new showrooms, sales outlets and service centres or acquire existing dealerships and integrating them into our business which is dependent on a multitude of factors including our ability to identify suitable locations or suitable businesses to acquire, receipt of consent from the OEMs, limitation on our capital resources etc. Further, setting up a new automobile dealership also involves a long gestation period before it becomes profitable. We cannot assure you that our growth strategy will become profitable after the long gestation period. Our ability to partner with different brands of OEMs may also depend on certain additional factors such as

overall product mix, customer preferences, brand value etc. The below table provides the details of the acquisition of dealerships, portfolio diversification and expansion of geographical locations by us in the six months period ended September 30, 2023 and the last three Financial Years:

Sr. No.	Acquired by	Name of the entity/ details of dealership acquired	Date of acquisition	Portfolio expanded	Geographies expanded	Cost of acquisition (in ₹ million)
1	Our Company	KEPL- acquisition of BharatBenz dealership	February 1, 2023	8 showrooms & 17 Service centres & 2 sales outlets & booking office*	Tamil Nadu & Maharashtra	301.46
2	PMPL	Provisional Trucking Private Limited - acquisition of BharatBenz dealership	January 1, 2023	1 Showroom & 7 Service centres & 1 sales outlets	Maharashtra	90.00
3	Our Company	Hercules Automobiles International Private Limited - acquisition of additional showrooms and service centres for the Maruti Suzuki dealership in Kerala	December 30, 2021	2 Showrooms & 11 service centres	Kerala	100.00
4	PADL	Prerana Motors Private Limited - acquisition of rights for spare parts distribution in Karnataka	January 9, 2021	N.A.	Karnataka	11.80

*Since PMPL was a subsidiary of KEPL, this also includes the portfolio acquired by PMPL on January 1, 2023 from Provisions Trucking Private Limited.

For further details, see “Our Business – Proven ability to identify and capture inorganic as well as organic growth opportunities” and “History and Certain Other Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years” and “History and Certain Corporate Matters – Shareholders’ agreements and other agreements” on pages 178, 222 and 227 of this Prospectus.

In determining whether to approve an acquisition or set up a new showroom, the OEMs may consider many factors, including our financial condition, ownership structure, the number of dealerships currently operated by us and our performance in such dealerships, frequency of acquisitions, ownership of dealerships in adjoining markets, percentage of market share that may be controlled by our dealerships etc. Further, in determining whether to approve any proposal for us to partner with different brands of OEMs, our existing OEMs may evaluate factors such as competition, geographical considerations, financial performance etc. Obtaining consent of the OEMs may also take a considerable amount of time. We cannot assure you that the OEMs will approve future acquisitions or expansions in a timely manner or at all.

Further, we may not be able to complete future acquisitions at acceptable costs and terms or identify suitable brands or dealerships. In addition, increased competition in the future for acquisition targets could result in fewer acquisition opportunities for us and higher acquisition prices. Further, we may also face additional risks encountered with growth through acquisitions. These risks include, without limitation:

- failing to assimilate the operations and personnel of acquired dealerships;
- straining our existing systems, procedures, structures and personnel;
- failing to achieve predicted sales levels;
- incurring significantly higher capital expenditures and operating expenses, which could substantially limit our operating or financial flexibility;
- entering new, unfamiliar markets;
- encountering undiscovered liabilities and operational difficulties at acquired dealerships;
- disrupting our ongoing business;
- diverting our management resources;
- failing to maintain uniform standards, controls and policies;
- impairing relationships with employees, OEMs and customers;
- incurring increased expenses for accounting and computer systems, as well as integration difficulties;

- incorrectly valuing entities to be acquired; and
- incurring additional facility renovation costs or other expenses required by the OEM.

Although we conduct what we believe to be a prudent level of investigation, an unavoidable level of risk remains regarding the actual operating condition of acquired dealerships and we may not have an accurate understanding of each acquired dealership's financial condition and performance. However, in the event that the dealerships that we acquire do not have financial statements, we may not have an accurate understanding of the historical financial condition and performance of our acquired businesses. Until we assume control of the business, we may not be able to ascertain the actual value or understand the potential liabilities of the acquired businesses and their earnings potential. These risks may not be adequately mitigated by the indemnification obligations that we may have negotiated with sellers. Further, limitations on our capital resources would restrict our ability to complete new acquisitions or could limit our operating or financial flexibility.

13. *There are outstanding legal proceedings involving our Company, Subsidiaries, Promoters and Directors, and adverse outcomes in such proceedings may negatively affect our business, reputation and results of operations.*

As on the date of this Prospectus, our Company, Subsidiaries, Promoters and Directors are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals and appellate authorities. A summary of outstanding litigation in relation to criminal matters, tax proceedings and certain other material civil and consumer litigation involving our Company, Subsidiaries, Promoters and Directors has been set out below.

A summary of such outstanding material legal proceedings as on the date of this Prospectus is set out below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved (₹ in million) ⁽¹⁾
Company						
By the Company	22*	NA	NA	NA	1	18.77
Against the Company	7	72	23 [#]	NA	1	305.92
Subsidiaries						
By the Subsidiary	27*	NA	1	NA	2	6.79
Against the Subsidiary	1	66**	7 [#]	NA	7	2,628.37
Directors (other than Promoters)						
By the Directors	Nil	NA	NA	NA	Nil	Nil
Against the Directors	Nil	Nil	1	NA	Nil	Nil
Promoters						
By Promoters	Nil	NA	NA	NA	Nil	Nil
Against Promoters	4	Nil	9 [#]	Nil	2	21.70

⁽¹⁾ To the extent ascertainable and quantifiable

* Includes cases filed for alleged violation of Section 138 of NI Act

** Includes eight material cases involving PMMIL where writ petition has been filed and pending before the concerned High Court

Includes notices issued by statutory and regulatory authorities

As on the date of this Prospectus, our Company does not have any group company. Further, there are outstanding litigations including criminal litigations against our Promoters that entail the risk of prosecution or arrest or criminal proceeding against our Promoters. For details see "Outstanding Litigation and Material Developments – Litigation involving our Promoters – Litigations filed against our Promoters – Criminal Litigations" on page 383.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. Such proceedings could divert management time and attention and consume financial resources in their defence or prosecution. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. For further details of legal proceedings involving our Company, Subsidiaries, Promoters and Directors, see "Outstanding Litigation and Material Developments" on page 373. We cannot assure you that these legal proceedings will be decided in favour of our Company, Subsidiaries, Promoters and Directors, or

that no further liability will arise out of these proceedings. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. Even if we are successful in defending such cases, we will be subject to legal and other associated costs, which may be substantial.

14. *The agreements governing our indebtedness contain certain restrictive covenants which could adversely affect our financial condition and results of operations.*

As of December 31, 2023, our consolidated indebtedness aggregated ₹6,370.65 million including fund based and non-fund based facilities. We have entered into agreements for short-term and long-term loans, working capital facilities and other borrowings. Some of these agreements contain requirements to maintain certain security margins, financial ratios and contain restrictive covenants relating to issuance of new shares, changes in capital structure, making material changes to constitutional documents, implementing any expansion scheme, incurring further indebtedness, encumbrances on or disposal of assets, paying dividends and making investments over certain thresholds. Further, our lenders have the right to nominate a director on our Company's Board in terms of these agreements and also have the option of converting their debt into equity in the event that we default on our payments to them. The right of appointment, removal or replacement of directors provided to the lenders in the agreements may result in reconstitution of our Board. For further details, see "*Financial Indebtedness – Principal terms of the facilities sanctioned to our Company and Subsidiaries*" on page 370. Furthermore, some of our financing arrangements specify that upon the occurrence of an event of default, the lender shall have the right to, *inter alia*, cancel the outstanding facilities available for drawdown, declare the loan to be immediately due and payable with accrued interest, impose a penal interest on the principal amount and enforce rights over the security created. There can be no assurance that we will be able to comply with these financial or other covenants.

Our lenders also have the ability to recall or accelerate all or part of the amounts owed by us, subject to the terms of the financing arrangement. Such recalls may be contingent on happening of an event beyond our control and there can be no assurance that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls. There has been no delay in payment of any loans or advances by our Company and its Subsidiaries in the past. For details of our outstanding facilities as on December 31, 2023, see "*Financial Indebtedness*" on page 369. However, there can be no assurance that we will be able to repay our loans in full, or at all, at the receipt of a recall or acceleration notice, or otherwise. Our inability to comply with the conditions prescribed under the financing arrangements, or repay the loans as per the repayment schedule, may have an adverse impact on our credit rating, business operations and future financial performance. Further, if we are unable to service our existing debt, our ability to raise debt in the future will be adversely affected, which will have a significant adverse effect on our results of operations, financial condition and our business.

15. *We are required to obtain certain licenses, regulatory permits and approvals for setting up our dealership and undertake our operation. Any delay or inability to obtain such approvals may have an adverse impact on our business.*

We are required to obtain certain statutory and regulatory permits, licenses and approvals to operate our business, including approvals from the pollution control board. Applications need to be made at appropriate stages for such approvals, as and when the approvals expire. For details, see "*Government and Other Approvals – Key approvals in relation to our Company and Material Subsidiaries – Key approvals obtained for business operations*" on page 388. While we have applied for some of these approvals and permits, we cannot assure you that we will receive these approvals on time or at all in relation to execution of our business operations. We believe that the withdrawal of the abovementioned licenses or approvals will not have a material impact on the business operations of our Company. However, if we fail to obtain the necessary approvals and permits or if there is any delay in obtaining such approvals and permits, it may disrupt our operations, result in the application of penalties and may materially and adversely affect our business and financial condition. For instance, while we have applied for the consents from pollution control board for our Company's service centre branch in Vanagaram and Chackai, there can be no assurance that we will be able to obtain such consents, in time or at all. The reason for the delay or non-receipt of certain approvals that we have applied/ renewals for which applications have been submitted include, *inter alia*, procedural delays and pending site visits. In the event we are unable to obtain such consents, we will be unable to operate our Company's service centre branches in Vanagaram and Chackai. Similarly, we need to renew some of these approvals and permits. While we have applied for renewal of some of these approvals and permits, there may be a delay in renewing the licenses. We have pending applications for certain material approvals. For further details on the status of our approvals and permits applications, see "*Government and other Approvals*" on page 388. Furthermore, there have been instances where notices were issued to our Company by the certain State Pollution Control Boards ("**SPCBs**") for not obtaining consent from the concerned SPCBs and alleged violation of the applicable environmental laws. For further details in relation to the notices issued to our Company, see "*Outstanding Litigation and Material Developments*" on page 373.

In the future we will be required to apply for fresh approvals and permits for any new dealerships. While we believe we will be able to obtain such approvals or permits at such times as may be required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time frames anticipated by us or at all.

16. ***Our Promoters, John K. Paul, Francis K. Paul and Naveen Philip, have provided personal guarantees for loan facilities obtained by us, and any failure or default by us to repay such loans could trigger repayment obligations on our Promoters, which may impact our Promoters' ability to effectively service their obligations as our Promoters and thereby, adversely impact our business and operations.***

As of December 31, 2023, majority of our secured and unsecured loans are backed by personal guarantees provided by our Promoters, John K. Paul, Francis K. Paul and Naveen Philip. The total amount of guarantees provided by our Promoters as of December 31, 2023 is ₹9,574.07 million. Any default or failure by us to repay our loans in a timely manner or at all could trigger repayment obligations on the part of our Promoters in respect of such loans. This, in turn, could have an impact on their ability to effectively service their obligations as Promoters of our Company, thereby having an adverse effect on our business, results of operation and financial condition. Further, in the event that our Promoters withdraw or terminate the guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our business prospects, financial condition, results of operations and cash flows.

17. ***Our Promoters, who are also Directors, Key Management Personnel and Senior Management have interests in our business other than reimbursement of expenses incurred or normal remuneration or benefits. They may cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.***

Our Promoters who are also Directors, Key Management Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. Further, our Executive Directors receive payments towards repayment of unsecured interest-free borrowings provided by them to certain Subsidiaries and towards rent for property provided by them to the Company and certain Subsidiaries on lease, amounting to ₹4.91 million for the six months period ended September 30, 2023. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "Our Management" and "Our Promoters and Promoter Group" on pages 230 and 250, respectively.

18. ***We have certain unresolved customer complaints which may result in future litigation against our Company***

As on date of this Prospectus, we have received certain customer complaints which have not been resolved by our Company owing to various factors including customers not following up with us on such complaints. Set out below are details in relation to the customer complaints received by our Company for the last three Financial Years:

Sr. No.	Details	FY 2023	FY 2022	FY 2021
1.	Customers complaints received	76,607	108,332	60,266
2.	Customers complaints resolved	43,925	55,138	31,827

We cannot assure you that we will be able to resolve all the customer complaints received by our Company in the future. Further, if any of our customers are dissatisfied with our resolution of their complaints, they may file a litigation against our Company which may adversely impact our Company's reputation and business operations.

19. ***Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds for (i) 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; and (ii) general corporate purposes.

For further details of the proposed objects of the Offer, see "Objects of the Offer" on page 106. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price

and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

20. *A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from ICICI Bank Limited which is an affiliate of our Book Running Lead Manager, ICICI Securities Limited, which may lead to a conflict of interest.*

We propose to repay or pre-pay certain loans obtained from ICICI Bank Limited from the Net Proceeds as disclosed in "Objects of the Offer" on page 106. ICICI Bank Limited is an affiliate of our Book Running Lead Manager, ICICI Securities Limited. While the repayment or pre-payment of loans will result in reduction of our total debt, however, such transactions may give rise to current or potential conflicts of interest. The deployment of the Net Proceeds will be at the discretion of our Board. For further details, see "Objects of the Offer" on page 106.

21. *Our vehicle sales are impacted by the incentive, marketing, and other programs of the OEMs. Further, any adverse impact on our sales directly impacts our profit margins and adversely affects our financial conditions and results of operations.*

Our OEMs establish various marketing and sales incentive programs from time to time, designed to increase consumer demand for their vehicles, particularly during Indian festivals or periods of excess supply and/or in a flat or declining new or pre-owned vehicle market. For details in relation to the marketing and sales incentive programs conducted by our OEMs in Fiscals 2023, 2022 and 2021, please see "Our Business – Sales and marketing" on page 206.

These programs impact our operations, particularly our sales margins of new vehicles. Since these programs are often not announced in advance, they can be difficult to plan for when budgeting for inventory. Furthermore, OEMs may modify or discontinue these marketing and incentive programs from time to time depending on various factors which could have a material adverse effect on our results of operations and cash flows. Our business is also dependent on customers' perception of our OEM's brands and marketing campaigns. Any negative public sentiment towards a particular OEM or its marketing campaigns could also have a bearing on our financial condition and results of operations.

22. *Margins earned from our services and repair vertical and our spare parts and accessories distribution vertical may be impacted by pricing guidelines set by our OEMs which may adversely affect our financial condition and results of operations.*

We offer fully integrated services and repair offerings through our authorised service centres at each of our dealerships.

The table below indicates percentage contributions from our authorised service centres and our spare parts and accessories distribution vertical to our total revenue, EBIDTA and PAT margin during the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

Particulars	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Authorised service centres				
Total Revenue (in %)	14.83	14.60	15.29	14.82
EBIDTA (in %)	46.60	55.48	54.10	53.44
Spare parts and accessories distribution				
Total Revenue (in %)	5.10	5.19	5.06	4.87
EBIDTA (in %)	7.11	7.39	7.70	6.24
PAT margin (in %)	11.88	11.98	16.85	15.78

We serviced 419,729 passenger vehicles and 103,116 commercial vehicles through our network of 127 authorised service centres, during the six months period ended September 30, 2023.

Pursuant to the terms of our dealership agreements, our OEMs are entitled to determine the prices we may charge for certain types of repairs and services undertaken at our authorised service centres or certain spare parts sold by us. The OEMs are entitled to change the prices, or the discounts offered thereon, without prior notice and without incurring any liability towards us. Margins earned from our services and repairs vertical and a spare parts and accessories distribution vertical may be impacted by the ability of our vehicle manufacturers to periodically revise rates to be charged by our dealerships for the services and repair work done by us or the spare parts sold by us, to keep the total

cost low for the customers. For instance, certain OEM fix the per hour labour charges for services and repair work undertaken by us which varies from city to city, while such caps are not applicable to collision repair services undertaken by us, we cannot assure you that such caps will not be introduced in future for collision repair services or that such caps will not be further revised to our detriment. Further, we are restricted from undertaking and selling services which are not approved by our OEMs. For instance, certain OEMs restrict us from providing certain value-added services which do not form part of their portfolio, thereby reducing the scope of services that we may offer. Given the volume of vehicles serviced by us, any capping of services fees or restrictions on scope of service offerings may significantly affect our business operations and profitability.

23. ***Our operations are subject to various governmental laws and regulations and certain state specific notifications and guidelines. If we are found to be in violation of or subject to liabilities under any of these laws or regulations, or if new laws or regulations are enacted that adversely affect our operations, our business, operating results, and prospects could suffer.***

The automotive sale industry, including our facilities and operations, are subject to certain state specific guidelines and notifications pertaining to display of number plates, road transport office rules and various other laws and regulations, including those relating to new and pre-owned motor vehicle sales, finance and insurance, consumer protection, consumer privacy, environment, vehicle emissions and fuel economy, health and safety, and employment practices. For details, see “Key Regulations and Policies” on page 215. We currently devote significant resources to comply with applicable laws and regulations and we may need to spend additional time, effort, and money to keep our operations and existing or acquired facilities in compliance therewith. Further, the approvals that we obtain may stipulate certain conditions requiring our compliance. If we fail to abide by the conditions mentioned in our existing approvals or fail to obtain any of the approvals or licenses required for our operations, or renewals thereof, in a timely manner, or non-compliance with applicable laws and regulations could result in imposition of fines and penalties which could adversely impact our business, results of operations, financial condition, cash flow, and prospects. For further details, please see the section entitled “Government and Other Approvals” on page 388.

Further, OEMs are subject to government-mandated fuel economy and greenhouse gas, or GHG, emission standards, which continue to change and become more stringent over time. New vehicles in India are currently required to be Bharat Emission Stage VI compliant. These and other laws and regulations could materially adversely affect, the ability of OEMs to produce, and our ability to sell, vehicles in demand by consumers at affordable prices, which could materially adversely impact our business, results of operations, financial condition, cash flow, and prospects.

24. ***KEPL became our wholly owned subsidiary pursuant to the acquisition of its shares by our Company. Since PMPL was a wholly owned subsidiary of KEPL, PMPL also became a step down subsidiary of our Company. Any failure to realize the anticipated benefits of these acquisitions or any acquisition, joint venture or partnership that we may undertake in the future, may have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our Company acquired shares in KEPL on February 1, 2023 by way of entering into a share transfer agreement, consequent to which KEPL became a wholly owned subsidiary of our Company. Since PMPL was a wholly owned subsidiary of Keracon, PMPL became a step down subsidiary of our Company. As a result, our Company (through PMPL), by way of a slump sale agreement dated January 1, 2023, acquired the BharatBenz dealership from Daimler India Commercial Vehicles Pvt. Limited which was operated under the ‘Prabal Trucking’ brand. For further details, please see “History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years” on page 222.

The success of these acquisitions or any other acquisition or joint venture that we may undertake in the future will depend, in part, on our ability to realize the anticipated growth opportunities and synergies from combining these businesses. Integrating the business of KEPL or another entity with ours is a task that will require substantial time, expense and effort from our management. If the management’s attention is diverted or there are any difficulties associated with integrating these businesses, our results of operations and cash flows could be adversely affected.

Even if we are able to successfully combine the business operations, it may not be possible to realize the full benefits of the integration opportunities, the synergies and other benefits that we currently expect will result from this acquisition, or realize these benefits within the time frame that we currently expect.

25. ***We are highly dependent on our Key Managerial Personnel and our Senior Management Personnel for our business. The loss of or our inability to attract or retain such persons could have a material adverse effect on our business performance.***

Our business and the implementation of our strategy is dependent upon our Directors, Key Managerial Personnel and our Senior Management Personnel, who oversee our day-to-day operations, strategy and growth of our business. If one or more members of our Key Managerial Personnel and Senior Management Personnel are unable or unwilling to continue in their present positions, such persons could be difficult to replace in a timely and cost-effective manner. There can be no assurance that we will be able to retain these personnel. The loss of our Key Managerial Personnel or members of our Senior Management or our inability to replace such Key Managerial Personnel or members of our Senior Management may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise

funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows.

As of December 31, 2023, and during Fiscals 2023, 2022, 2021, we have experienced certain changes to our Key Managerial Personnel and our Senior Management Personnel.

The table below indicates the attrition rates of our Key Managerial Personnel and Senior Management Personnel as of December 31, 2023 and for Fiscals 2023, 2022 and 2021:

Particulars	As of December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Attrition rate of KMPs and SMPs (in %)	4.17	3.70	4.00	0.00

For details in relation to the changes in our Key Managerial Personnel and our Senior Management team, see “*Our Management – Changes in our Key Managerial Personnel and Senior Management Personnel*” on page 248.

We cannot assure you that we will not lose our Key Managerial Personnel or member of Senior Management in the future, or we will be able to replace any Key Managerial Personnel or member of Senior Management in a timely manner or at all, which could have a material adverse impact on our business, results of operations, financial position and cash flows.

26. Our success depends upon our ability to attract, develop and retain trained manpower while also maintaining low labour costs.

Our customers expect a high standard of customer service and product knowledge from our technicians and our store representatives. Further, modern vehicles are increasingly complex and require sophisticated equipment and specially trained technicians to perform certain services. For details, see ‘*Our Business*’ on page 170. To meet the needs and expectations of our customers, we must attract, train and retain a number of qualified service technicians, store managers and sales representatives, while maintaining low labour costs. While we undertake in-house training for our store managers and sales representatives, we cannot assure you that we will be able to retain these specially skilled personnel. Further, in case of any disputes with the employees in connection with tasks performed by them in the course of their employment, including in relation to the collection of payments from customers may have an adverse impact on the business operations and financial collections.

The table below indicates the number and attrition rates of our permanent employees and contractual employees as of December 31, 2023 and for Fiscals 2023, 2022 and 2021:

Particulars	As of December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)
Permanent employees	8,736	23.62	8,133	28.25	7,107	22.90	6,553	18.62
Contractual employees	1,732	39.12	2,061	42.07	2,741	39.23	2,230	34.14

As of December 31, 2023, we have a total of 10,468 employees and lay significant emphasis on our employees’ overall welfare. For details, see ‘*Our Business – Employees*’ on page 209. However, there can be no assurance that there will not be any future disruptions in our operations due to any disputes with our employees or that such disputes will not adversely affect our business and results of operations. Our Company has certain outstanding litigation in relation to the payments of ESIC in the past. For details, see “*Outstanding Litigation and Material Developments*” on page 373. Further, details of the statutory dues pending and statutory dues paid by our Company as of December 31, 2023 and in the last three Fiscals is as follows:

Period	Number of employees (in numbers)*	Provident fund*		ESIC*		Income tax*	
		Dues pending	Dues paid	Dues pending	Dues paid	Dues pending	Dues paid
As of December 31, 2023	10,468	Nil	222,077,444	Nil	30,447,883	Nil	34,733,052
2023	10,194	58,277	249,710,075	6,333	35,645,952	Nil	46,641,544
2022	9,848	29,396	216,176,917	4,175	32,596,131	Nil	36,403,342
2021	8,783	346	192,242,236	10,777	30,618,111	Nil	24,339,183

* On a consolidated basis.

For details in relation to employees of our Company, see “*Our Business – Employees*” on page 209.

We will need to continue to recruit, train and retain a greater number of sales representatives and trained manpower, including service labour like technicians and service staff, at various levels. Our ability to maintain low labour costs is subject to numerous external factors, including prevailing wage rates, as well as the impact of legislation or regulations governing labour relations and minimum wages. An inability to provide wages and/or benefits that are competitive within the markets in which we operate could adversely affect our ability to retain and attract qualified personnel, which in turn may affect our business, prospects and financial condition.

Further, in the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could materially and adversely affect our business, future financial performance and results of operations.

27. We may be subject to labour unrest, slowdowns and increased wage costs. Increase in any such cost could impact our profitability which may adversely affect our business and results of operations.

As of December 31, 2023, we operate through our expansive network of 61 showrooms, 133 sales outlets and booking offices, 139 authorised service centres, 32 pre-owned vehicle showrooms and outlets, 43 retail outlets, and 24 warehouses located across the states of Kerala, Tamil Nadu, Karnataka and Maharashtra and are subject to stringent labour legislations to protect the interests of workers. While our employees are not unionized currently, there is no assurance that our employees will not seek unionization in the future. In the event that employees at our showrooms, stores or service centres seek to unionize, it may become difficult for us to maintain flexible labour policies and may increase our costs and adversely affect our business. Any strikes or lock-outs, work stoppages, slowdowns, shutdowns, supply interruptions or costs or other factors beyond our control, may disrupt our operations and could negatively impact our financial performance or financial condition.

28. Our inability or failure to maintain optimum inventory levels or any theft of inventory may adversely affect our business, results of operations and financial condition.

We sell multiple models of vehicles through each of our dealerships and also service new passenger and commercial vehicles through our service centers. Additionally, we sell spare parts and accessories of vehicles through our distributorship channel. For undertaking the above activities, we are required to have strong inventory management in place. For details of inventory levels (along with the breakup of types of inventory) of our Company and its Subsidiaries and inventory specific ratios for the last three Fiscals, see “Restated Consolidated Financial Information – Annexure VI - Notes to Restated Consolidated Financial Information - Note 6 - Inventories” on page 291 of this Prospectus. We strive to keep optimum inventory at our showrooms, service centers, retail outlets and warehouses to control our costs and working capital requirements. Set out below is the inventory levels and inventory turnover ratio for the six months period ended September 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021.

Inventory Levels				(in ₹ million)
Particulars	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
New vehicles	5,413.37	2,904.37	2,490.89	2,194.63
Pre-owned vehicles	503.58	461.21	442.66	364.71
Spares, lubricants and accessories	890.68	1,047.59	732.95	625.73

Inventory Turnover Ratio (x)

Particulars	Six months period ended September 30, 2023*	Fiscal 2023	Fiscal 2022	Fiscal 2021
New vehicles	3	11	9	9
Pre-owned vehicles	4	8	6	6
Spares, lubricants and accessories	5	5	6	6

*Not annualized.

We are also required to accurately predict the market demand for each of the vehicle models that we sell as well as for the levels of inventory including oils, paints and lubricants that we utilize at our service centers and retail outlets. Our inability or failure to maintain adequate inventory levels may affect our quality of service, relationships with the OEM and our business reputation. Conversely, an inaccurate forecast may result in an over-supply or shortage of products, which may lead to increase inventory costs, negatively impact cash flow and ultimately lead to reduction in margins. Such inaccurate forecasts will affect our inventory turnover ratio which will ultimately be detrimental to the efficiency in the operations of the Company. Further, even though we have obtained insurance, any inability on our part to prevent theft of inventory, or any illegal use/ misuse of the inventory can have an adverse impact on our operations. For further

details, see “- Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations” on page 49.

29. A failure of our information systems or any security breach or unauthorized disclosure of confidential information could have a material adverse effect on our business.

Our business is dependent upon the efficient operation of our information systems. We rely on our information systems to manage, among other things, our sales, inventory, and service efforts, including through our digital channels, and customer information, as well as to prepare our consolidated financial and operating data. The failure of our information systems to perform as designed or the failure to maintain and enhance or protect the integrity of these systems could disrupt our business operations, impact sales and results of operations, expose us to customer or third-party claims, or result in adverse publicity, however, there have been no such instances in the past of this nature. Additionally, we collect, process, and retain sensitive and confidential customer information in the normal course of our business. Despite the security measures we have in place and any additional measures we may implement in the future, our facilities and systems, and those of our third-party service providers, could experience security breaches, computer viruses, lost or misplaced data, programming errors, human errors, acts of vandalism or other events.

Any security breach or event resulting in the misappropriation, loss, or other unauthorized disclosure of confidential information, whether by us directly or our third-party service providers, could damage our reputation, expose us to the risks of litigation and liability, disrupt our business or otherwise affect our results of operations.

With the enactment of the Digital Personal Data Protection Act, 2023 (“**DPDP Act**”), the privacy and data protection laws are set to be closely administered in India, and we may become subject to additional potential compliance requirements and penalties. The DPDP Act provides for the processing of digital personal data in a manner that recognises both the right of individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto. The DPDP Act defines data principal as individuals to whom the personal data relates and data fiduciary as people determining the purpose and means of processing personal data. By virtue of the DPDP Act, all data fiduciaries are required to obtain free, informed and unconditional consent from individuals before processing their data. .

As part of our operations, we are required to comply with the IT Act and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 as amended, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information.

30. We may be required to make significant capital investments to our existing showrooms, sales outlets, service centers and other premises, the cost of which we may be unable to recoup. Further, we may be required to make significant capital investment to maintain the quality of post sales service and spare parts availability.

In order to maintain the look and feel in terms of branding and to keep up with requirements of our OEMs, we are required to make significant capital improvements to our existing showrooms, sales outlets, service centers and other premises. This includes carrying out regular repairs and maintenance, replacement of furniture and adopting new interiors in line with the OEM requirements, providing after sale services and maintaining inventory of spare parts. We may also be required to invest in additional power supply infrastructure at our locations. We have made frequent and significant capital investments in our showrooms, sales outlets, service centres and other premises, in the ordinary course of business. The table below shows the amount of capital investments made by us along with the percentage contribution of such capital expenditure to our total expenses, frequency of such capital expenditures and costs incurred by us, in the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, respectively:

Period	Amount of capital expenditure (in ₹ million)*	% contribution of capital expenditure towards total expenses
Six months period ended September 30, 2023	314.62	1.13
2023	852.90	1.77
2022	481.04	1.40
2021	294.28	1.02

*Cost incurred by us in the significant capital investments made is same as the amount of capital expenditure.

Except for material acquisitions given below, the other significant capital investments in our showrooms, sales outlets, service centres and other premises forms a part of the ordinary course of business and such capital expenditure is carried out throughout the year.

Further, the table below shows the material acquisitions in the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, respectively:

Period	Acquired by	Name of the entity acquired	Date of Acquisition	Cost of Acquisition (in ₹million)
Six months period ended September 30, 2023	-	-	-	-
Fiscal 2023	PVSL	Keracon Equipments Private Limited	February 1, 2023	301.46
	PMPL	Provisional Trucking Private Limited	January 1, 2023	90.00
Fiscal 2022	PVSL	Hercules Automobiles International Private Limited	December 30, 2021	100.00
Fiscal 2021	PADL	Prerana Motors Private Limited	January 9, 2021	11.80

Such investments will be additional to the high proportion of fixed costs (typically from lease rentals and employee costs) which we incur. We cannot assure you that investments made in upgrading or refurbishments in our showrooms, sales outlets, service stations and other premises or further capital expenditure in newer locations or power infrastructure will result in maintaining or increasing our customer base or sales, resulting in increased profits. Further, we cannot assure that the investment made will ensure the quality of after sale services and availability of spare parts. This may in turn have an adverse effect on our business, financial condition and results of operations.

31. ***We have licensed certain trademarks that we use as part of our operations from Kuttukaran Trading Ventures. We do not have control on the other activities of Kuttukaran Trading Ventures under the same brand name, i.e. “Popular”. Any change in operation of this entity could adversely affect our reputation and results of operations.***

Our Company has executed a brand license agreement with Kuttukaran Trading Ventures, a partnership firm, in which two of our Promoters and certain Promoter Group members are partners, for a non-exclusive and assignable license to use the trademarks “Kuttukaran Group”, “Kuttukaran”, “Popular”, “POPULAR”, “Kuttukaran” (logo) and “Kuttukaran journeys with you” (logo). Kuttukaran Trading Ventures has obtained trademark registration for the trademarks “Kuttukaran”, “Kuttukaran” (logo) and “Kuttukaran journeys with you” (logo) for a one-time license fee of ₹53.00 million.

In addition, there may be instances of infringement or passing-off of our brands in markets where we operate. Our failure to adequately protect our brands, trademarks and other related intellectual property rights may adversely affect our business, financial condition and results of operations. Further, the Kuttukaran Group uses the aforesaid marks for its other businesses, including businesses managed by our Promoters or our Promoter Group members. We have no control over these businesses, and any negative impact on their business may adversely affect our reputation and consequently, our business, financial condition, results of operations and cash flows.

Further, in the event of expiration of the right to use the trademarks under the brand license arrangements with our OEMs, we may not be able to renew the right to use such trademarks which may in turn adversely affect our business operations.

32. ***We use certain brands which are not registered trademarks, or specifically licensed to us. Any subsequent registration of this brand as a registered trademark by a third party would adversely affect our operations.***

We use certain brands which are not registered trademarks, and without having obtained specific licenses or authorization to use these names or brands. For example, we operate our Honda and BharatBenz dealerships under the brands ‘Vision’ and ‘Prabal Trucking’, respectively, which we have not registered as trademarks. Similarly, our Subsidiary PADL operates a multi-brand pre-owned vehicle retail outlet under the brand ‘Kartrenz’, which we have not registered as a trademark. Further, the trademark “Kuttukaran Group” (the “**KG Trademark**”) which we have licensed through the brand licensing agreement with Kuttukaran Trading Ventures, is not a registered trademark. We have paid a one-time license consideration fee of ₹53.00 million for using the Kuttukaran Group trademarks pursuant to the brand license agreement dated November 1, 2015 entered into amongst our Company and Kuttukaran Trading Ventures (the “**Brand Licensing Agreement**”).

Our Company was granted use of the KG Trademark for a period of 15 years. The license for usage of the KG Trademark was granted to our Company and each of our Subsidiaries on a non-exclusive and assignable basis. Pursuant to the Brand Licensing Agreement, in the event of a dispute the parties to the agreement must use reasonable endeavors to resolve the dispute. A party to the agreement must give notice to the other party that a dispute has arisen. Further, upon the failure to resolve such dispute within 30 days of such notice, the parties are required to settle the dispute by referring of the dispute to arbitration under the rules laid down by the Indian Council of Arbitration. The seat of arbitration under the Brand Licensing Agreement is Kochi, India.

Our failure to register the brand names as a registered trademark can potentially impact our business on account of any infringement suits filed by any future registered owner of such names or brands.

33. Accidents and natural disasters could result in the slowdown or stoppage of our business and could also cause us to incur liabilities arising from human fatalities and damage to property.

Our machines and operations at our service centers are subject to hazards inherent to our operations. Risks related to work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe loss or damage to property and environment may be present on our premises. For instance, in 2020, one of the vehicles that we were servicing caught fire in one of our service centres. Similarly, in 2017, six parked vehicles at one of our service centres caught fire. While no legal proceedings or penalties were imposed on us on account of this in the past, any such incidents in future, may result in imposition of civil or criminal penalties on us irrespective of whether the incidents were caused by our negligence or any fault on our part. In addition, such events could affect our business, reputation, financial condition or results of operations. Further, natural disasters or severe weather conditions, including earthquakes, fires, heavy rains, flooding etc. could adversely affect our business operations. Owing to the rains and consequent flooding in various parts of Kerala, during August 2018, the sales of our dealerships declined during August 2018 by 22.00%, as compared to sales in August 2017. Further, there were certain instances of damage to our inventory of new and pre-owned vehicles at our showrooms, yard, warehouses and service centres owing to the floods in August 2018, which may have an adverse impact on our results of operations.

34. Our passenger vehicles and commercial vehicles sale is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.

Sale of passenger cars and commercial vehicles is subject to seasonality as we typically see a dip in sales during the first quarter of each financial year. Our sales are considerably higher during the second and third quarter of the year due to the festival season like Onam and Diwali.

The table below provides the details of our new vehicle sales and its percentage contribution to our total sales during the first quarter, second quarter, third quarter and fourth quarter of the last three Fiscals, as applicable:

Quarter of the financial year	Details of new vehicle sales (in numbers)			% contribution of new vehicle sales to total sales		
	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2023	Fiscal 2022	Fiscal 2021
First quarter	10,780	5,950	2,989	22.54	15.71	8.51
Second quarter	12,533	12,001	9,232	26.21	31.69	26.30
Third quarter	12,135	10,258	11,414	25.38	27.09	32.51
Fourth quarter	12,372	9,662	11,470	25.87	25.51	32.67

Accordingly, our results of operations in one quarter may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations for other quarters.

35. Fraud or misconduct by our employees could adversely affect our reputation, business, results of operations and financial condition.

Our business is susceptible to acts of fraud committed by our employees. Fraudulent and unauthorised conduct by our employees could also include binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorised or unlawful activities from us. Employee's misconduct could also involve *inter alia* misappropriation of funds, cheating our customers, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. In the past, we have been subject to act of fraud, cheating and misappropriation. For details in relation to criminal cases filed by us, see "Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed by our Company – Criminal Litigations" on page 378. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

36. We are subject to risks associated with leasing space subject to lease agreements, sub-leasing and rental models and we may not be able to operate our dealerships and our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses successfully. Further, we may incur higher expenses as a result of leasing spaces which can lead to lower margins in our business operations.

All the properties occupied by our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses are on leased premises. Some of these properties are leased from our Directors, Promoters and members of Promoter Group and they are interested in our Company to the extent of the rents being paid to them under such lease agreements. These transactions with our Directors, Promoters and members of Promoter Group have been made on an arm's length basis and in compliance with extant laws and regulations. Hence, we believe there might not be a conflict of interest on account of these properties being leased to our Company by our Directors, Promoters and members of Promoter Group. The duration of such property leases ranges from 11 months to 30 years.

Our Company incurs significant expenditure due to leasing of space for our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses. The table below indicates payments under the leases

which accounted for a significant portion of our cash outflow for the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

Particulars	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Payments under the leases (in ₹ million)	371.46	661.15	554.51	468.40

We expect any showrooms/service centres/outlets which we open in the future to be on leased property. As a result, our Company may incur higher expenses for leasing spaces which could lead to lower margins in our business in the future. While we do not believe that the increase in expenses due to lease payments will significantly affect our business operations in the future, we cannot assure you that our profit margins will not be affected by such increased expenses in the future. Further, a number of lease deeds are currently under renewal process and we cannot assure that we will be able to renew the lease deeds on favorable terms. As our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close showrooms, sales outlets, service centres in desirable locations or to shift them, which may not necessarily yield best results. Furthermore, a number of the long-term leases are not renewable or extendable, and the lessee would be required to vacate the premises on the expiry of the lease period.

Further, a significant number of our lease agreements, sub-lease agreements and rental models for our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses may not be duly registered or adequately stamped. The effect of inadequate stamping and non-registration is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce it, except after paying a penalty for inadequate stamping and non-registration. Further, the insolvency of the lessor or instances of litigations involving the lessor are also a major concern. In the event of any dispute arising out of such unstamped or inadequately stamped and/or unregistered lease agreements, we may not be able to effectively enforce our leasehold rights arising out of such agreements which may have a material adverse impact on our business.

Further, in most of the leases for our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses, we cannot terminate the lease agreement, unless we provide the owners with a written notice for the same. Most of the lease agreements entitle the lessor to terminate the agreement with cause or on specific breach of the terms and conditions. Moreover, several of the agreements provide for termination with immediate effect, such as if the lessee fails to obtain statutory government approvals.

37. *Any termination of existing dealership or closure of our showrooms, retail outlets and service centres, may have an adverse impact on our revenue and result of operations.*

We have in the past permanently terminated certain dealerships owing to market conditions. For instance, we closed our dealership for Skoda cars in 2011 which we operated for a period of 3 years on account of commercial considerations.

Further, our facilities were required to be closed down on account of the COVID-19 induced lock-down restrictions imposed by State Governments in the jurisdictions in which we operate. Such opposition or circumstances may be beyond our control. Permanent or temporary closure of a large number of our showrooms, sales outlets or service centres for prolonged periods of time or termination of dealerships in the future may result in a reduction of revenue and materially affect our business and results of our operations.

38. *We rely on independent contractors and third party customer service providers to execute ancillary services and any failure on their part to perform their obligations could adversely affect our reputation, business, results of operations and cash flows.*

We utilize independent contractors to execute certain ancillary services such as security services and housekeeping. Further, we also outsource some of our services to third party customer service providers. The timely execution of these services depends on the availability and skill of these contractors, as well as contingencies affecting them, including labour shortages due to various reasons including the COVID-19 pandemic and industrial action such as strikes and lockouts. If a contractor fails to perform its obligations satisfactorily or within the prescribed time periods with regard to payment to its labour, we shall be liable to perform their obligations and restore the due amount to labour which could result in reduced profits or, in some cases, significant penalties and losses which we may not be able to recover from the relevant independent contractor. Since we utilize third-party service providers, we cannot control all of the factors that might affect the quality and fulfilment of these services and products. If the third parties on which we depend are unable to continue to provide their services, experience difficulty in meeting our requirements or standards, or revoke or fail to renew our service contracts or license agreements with them, we could have difficulty operating key aspects of our business, which could damage our business and reputation. We cannot assure you that the services rendered by any of our independent contractors will always be satisfactory or match our requirements for quality, which may affect our results of operations and cash flows.

39. *We have availed unsecured loans from banks and other financial institutions, which may be recalled on demand thereby impacting our liquidity, and financial position.*

We have availed unsecured loans aggregating ₹128.81 million as of December 31, 2023. These loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. In such cases, we may be required to repay the entirety of the unsecured loans together with accrued interest. We may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favorable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, results of operation financial condition and cash flow. For further details of our unsecured loans, please see “*Financial Indebtedness*” on page 369.

40. *Our business is capital intensive. Difficult conditions in the global as well as Indian capital markets and economy generally may cause us to experience limited availability of funds, which may adversely affect our business and results of operations. We cannot assure you that we will be able to raise sufficient financing on acceptable terms, or at all.*

Our business is capital intensive, requiring substantial capital to maintain our inventory, showrooms and service centres. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. There may be limited availability of financing due to market disruptions, volatile financial market conditions and restrictive regulations. Further, additional debt financing, if available, could increase our interest cost and require us to comply with additional restrictive covenants in our financing agreements.

Our ability to obtain additional financing on favourable commercial terms, if at all, will depend on a number of factors, including our results of operations and cash flows; the amount and terms of our existing indebtedness; general market conditions in India; and general condition of the global and Indian debt and equity markets. In addition, changes in the global and Indian credit and financial markets may affect the availability of credit to our customers and decrease in demand for our development.

Our inability to obtain funding on reasonable terms, or at all, would have an adverse effect on our business and results of operations.

41. *Our Statutory Auditors have referred to certain emphasis of matter in their examination report on the Restated Financial Information.*

Our Statutory Auditors have reproduced emphasis of matter paragraphs in their examination report on the Restated Financial Information based on the emphasis of matters paragraphs included in their audit reports on the consolidated Ind AS financial statements for the six months period ended September 30, 2023 and Fiscal 2021. The details of these emphasis of matters are as follows:

- a) the special purpose consolidated interim financial statement has been prepared by the Company for the purpose of preparation of the Restated Financial Information which is included in the Red Herring Prospectus and has been included in this Prospectus in connection with the proposed IPO of the Company. Such special purpose consolidated interim financial statement may not be suitable for any other purpose.
- b) the extent to which the COVID-19 pandemic will have impact on the Company’s financial performance is dependent on future developments, which are highly uncertain.

Further, the CARO reports on the financial statements of our Subsidiaries, namely, PMMIL, KCPL and PMPL contain certain unfavourable remarks, qualification or adverse remarks such as instances of cash misappropriation, use of funds raised on short term basis for long term purposes, sanction/ renewal of working capital limits in excess of approved limits etc. These do not require any corrective adjustments in our Company’s Restated Financial Information.

The opinion of our Statutory Auditors has not modified in respect of this matter. For further details in relation to the above matter, see “*Restated Financial Information*” on page 255.

There can be no assurance that any similar emphasis of matter or remarks will not form part of our financial statements for the future fiscal periods, or that such remarks will not affect our financial results in future fiscal periods. Investors should consider the remarks and observations in evaluating our financial condition, results of operations and cash flows. Any such remarks or emphasis of matter in the auditor’s report and/ or CARO report on our financial statements in the future may also affect our financial condition and the trading price of the Equity Shares.

42. *We have entered into, and will continue to enter into, related party transactions in future, which may potentially involve conflicts of interest.*

In the ordinary course of our business, we have entered into, and will continue to enter into, transactions with related parties. We have entered into certain transactions with related parties, including with respect to the payment of remuneration of certain of our Directors and our Key Managerial Personnel, receipt and repayment of loans obtained from our Promoters and purchase, payment of rent to our Promoters etc. While we believe that all such related party

transactions that we have entered into are legitimate business transactions conducted on an arms' length basis and are in compliance with the Companies Act and other applicable laws, we cannot assure you that we could not have achieved more favorable terms had such arrangements not been entered into with related parties. Further, we cannot assure you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations and prospects. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. For further details regarding our related party transactions, see the section *"Other Financial Information – Related Party Transactions"* as disclosed on page 337.

43. *We have certain contingent liabilities and commitments, which, if they materialize, may affect our financial condition.*

As of September 30, 2023, we had the following contingent liabilities and commitments:

(₹ in million)	
Particulars	As of September 30, 2023
Contingent Liabilities	
<i>Claims against the Group not acknowledged as debts</i>	
Service tax related matters	22.82
Excise Related Matters	3.03
KVAT related matters	111.99
Income tax matters	46.87
Employee's state insurance / provident fund demand	7.98
Customer claims	108.19
GST Related matters	6.61
Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	537.78

For details, see *"Financial Information"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent liabilities and commitments"* on pages 255 and 364, respectively, for more information. Any or all of these contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

44. *Our Company was incorporated in 1983 and we are unable to trace some of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation.*

We have been unable to trace certain secretarial records, including the form filings made by the Company. We may be unable to obtain copies of these documents in the future to ascertain details of the relevant transactions. For instance, we have been unable to trace copies of the following corporate records and regulatory filings of our Company:

- Copies of certain internal secretarial records, including board and shareholders minutes and certain RoC form filings from the date of incorporation until 2005;
- Form-2 filed with the RoC, along with board and shareholders minutes, in relation to the allotment of 43,000 Equity Shares of our Company to K.P. Paul, John K. Paul, Francis K. Paul, Saju K. Thomas and Elsy Thomas on December 30, 1983;
- Form-2 filed with the RoC, along with board and shareholders minutes, in relation to the allotment of 50,700 Equity Shares of our Company to 584 erstwhile employees of the erstwhile entities associated with our Company on June 25, 1985; and
- Form 8 filed by the Company for registration of charge created in favour of various banks.

We have been unable to trace these documents despite commissioning a search at the RoC through an independent practicing company secretary and may be unable to obtain copies of these documents in the future to ascertain details of the relevant transactions. Further we have also received a certificate from the Independent Chartered Accountant dated January 5, 2024, in relation to the receipt of money and allotment of equity shares of the Company made on dated December 30, 1983 and June 25, 1985, wherein the Independent Chartered Accountant has stated that bank statements and books of accounts of the Company for the period covering the allotments made in 1983 and 1985 were untraceable and hence could not be verified or perused. Our Company has provided an affidavit dated February 13, 2024, in relation to the untraceable records and has also taken affidavits from the allottees who were traceable, in relation to the allotments dated December 30, 1983 and June 25, 1985, respectively. Such affidavits have been included as material documents for inspection in the section titled *"Material Contracts and Documents for Inspection"* on page 441.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the unavailable filings and statutory lapses as of the date of this Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against our Company in the future in relation to the missing filings and corporate records. The actual amount of the penalty which may be imposed or loss which may be suffered by our Company cannot be ascertained at this stage and depends on the circumstances of any potential action which may be brought against our Company. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

45. *As on date of this Prospectus, 82,935 Equity Shares are held by 75 Shareholders of our Company who are untraceable.*

As on the date of this Prospectus, our Company has 75 Shareholders who hold 82,935 Equity Shares and are currently not traceable or unresponsive. While our Company has made multiple attempts, we have been unable to establish contact with the 75 Shareholders, as they are either untraceable or non-responsive. Our Company has also made further attempts to establish contact informing such Shareholders of the sub-division of the face value of the Equity Shares of our Company from ₹10 each to ₹2 each on September 8, 2023. In respect of the 75 Shareholders, we have credited the Equity Shares, as adjusted for sub-division to a demat suspense account “Popular Vehicles and Services Limited Suspense Escrow Demat Account”. The Equity Shares credited to the demat suspense account “Popular Vehicles and Services Limited Suspense Escrow Demat Account” shall be subject to lock-in for a period of six months from the date of Allotment, as required under the SEBI ICDR Regulations. A public announcement dated January 10, 2024 was issued in the newspapers, namely, Financial Express, Jansatta and Deepika, and the untraceable shareholders were required to response to the public announcement by January 17, 2024. Further, while we have received responses from a few of the shareholders and they have since initiated the process of dematerialisation of the Equity Shares of the Company. If any of the remaining such Shareholders become responsive and establish communication with our Company, we will take necessary corporate actions in accordance with applicable laws. We are unable to ascertain if we will be subject to any adverse response from any such Shareholder, in case we are able to establish contact with them. However, once we are able to establish such contact with the untraceable shareholders we shall initiate the process of dematerialisation of shares held by the untraceable shareholders accordingly.

46. *Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.*

The table below shows the total amount of our insurance coverage and its percentage contribution to our total assets in the six months period ended September 30, 2023 and Fiscals 2023, Fiscal 2022, and Fiscal 2021, respectively:

Period	Amount of insurance coverage (in ₹ million)	% contribution of insurance coverage to total assets
Six months period ended September 30, 2023	16,121	83.02
2023	13,615	90.54
2022	11,820	93.57
2021	12,061	107.79

Our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed. For example, in the case of business interruption, limitations apply with respect to the length of the interruption covered and the maximum amount that can be claimed. Therefore, our insurance policies might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Further, several of our insurance policies exclude the insurer’s liability in relation to loss or damage arising directly or indirectly from any communicable disease or pandemic. The clause expressly clarifies that ‘communicable disease’ would include Covid-19 and any variation or mutation thereof. Thus, any loss arising in connection with a communicable disease or pandemic would be excluded from our insurance cover, which may have a material adverse effect on our business, financial condition and results of operations.

47. *A downgrade in our credit ratings could materially adversely affect our business and financial condition and our ability to raise capital in the future.*

The credit ratings assigned to us and our borrowing facilities could change based upon, among other things, our results of operations and financial condition. The table below shows the details of credit ratings provided by CRISIL to our Company in Fiscals 2023, 2022 and 2021:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Rating	BBB+ (CRISIL A2)	BBB (CRISIL A3+)	BBB (CRISIL A3+)
Outlook	Stable	Stable	Stable

On April 24, 2023, we were assigned a long-term rating of BBB+ with an outlook of Stable by CRISIL. In the past our Company has not faced a downgrade in our credit ratings however one of our Subsidiaries have faced a downgrade

in outlook. For instance, in August 2020, PMMIL was downgraded from ‘stable’ to ‘negative’, however in the subsequent year, PMMIL got a ‘stable’ grading. These ratings are subject to ongoing evaluation by credit rating agencies, and we cannot assure you that any rating will not be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. Moreover, these credit ratings are not recommendations to buy, sell or hold the equity securities. If any of the credit rating agencies that have rated us and our borrowing facilities downgrades or lowers our credit ratings, or if any credit rating agency indicates that it has placed any such rating on a so-called “watch list” for a possible downgrading or lowering or otherwise indicates that its outlook for that rating is negative, it could have a material adverse effect on our costs and availability of capital, which could in turn have a material adverse effect on our financial condition, results of operations, cash flows and our ability to raise capital in the future. However, we cannot assure you that our credit ratings will not be lowered or withdrawn by credit rating agencies that rate us, which could have a material adverse effect on our financial condition, results of operations, cash flows and our ability to raise capital in the future.

48. *COVID-19 pandemic has affected our business, financial condition and results of operations in the past, we cannot assure you of the extent to which COVID-19 or any other future calamities which are uncertain and cannot be predicted, will have a material and adverse impact on our business, financial condition and results of operations.*

On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations had been granted for movement of goods and people and cautious re-opening of businesses and offices. India faced the second wave of the impact of COVID-19 in Q1 of FY 22 and different states in India faced lockdown restrictions, due to which there was a slowdown in certain business which were not falling in the essential category. The third wave of the pandemic in India started in January 2022 and lasted till March 2022 during which there were restrictions in travel and our business got affected. The scale of the pandemic and the speed at which the local and global community had been impacted, had affected our quarterly and annual revenue growth rates, particularly, in FY 2021 and FY 2022. As a result of the complete suspension of commercial activities (excluding essential services), due to lockdown restrictions in India and globally, followed by partial and gradual easing of the lockdown, we experienced overall low consumer demand in the automotive markets, and consequently reduced footfalls at our showrooms. We faced de-growth in revenue of 19% and 8% in FY 20 and FY 21 respectively. FY 22 reflected 19% growth on lower previous year base.

The impact of the pandemic on our business, operations and financial performance may include, but are not limited to, the following:

- a complete or partial closure of, or disruptions or restrictions on our ability to conduct business operations to comply with government imposed measures;
- a significant percentage of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, which could result in a slowdown in our operations;
- disruptions in supply of spare parts or equipment due to lockdown or any other measures imposed by government;
- impact on production levels of our OEMs;
- impact our ability to travel, pursue partnerships and other business transactions and delayed shipments of our vehicles;
- reduced demand for our vehicles due to lockdown restrictions;
- our inability to access debt and equity capital on acceptable terms, or at all; and
- the potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, could result in a deterioration in our ability to ensure business continuity during this disruption

49. *We may be subject to significant liability should there be any deficiencies in any of the vehicles sold by us or services provided by us resulting in injury or death.*

There could be deficiencies in vehicles sold by us or services performed by us at our service centers which could lead to serious injury or death. Claims, including product liability claims may be asserted against us (along with our OEMs) with respect to any of the vehicles we sell or service. Until date, we have not been involved in any matter where the financial impact is material or where the judgement has been unfavorable, however, a product liability judgment against us, with material financial impact, could have a material, adverse effect on our business, financial condition or results of operations. There have been certain instances where our customers have filed litigations against us alleging

inter alia deficiency of service. For further details see, “*Outstanding Litigation and Material Developments*” on page 373.

50. ***This Prospectus contains information from industry sources including the industry report commissioned from CRISIL exclusively for the Offer and paid for by the Company. Investors are advised not to place undue reliance on such information.***

This Prospectus includes information derived from third party industry sources and from a report dated January 2024, titled “*An assessment of the automobile dealership industry in India*” prepared by CRISIL which has been commissioned and paid for by our Company exclusively for the Offer. Such data may also be produced on different bases from those used in the industry publications we have referenced and paid by Company. Further, the reports use certain methodologies for market sizing and forecasting. There are no standard data gathering methodologies in the markets in which we operate, and methodologies and assumptions vary widely among different industry sources. Such assumptions may change based on various factors. We cannot assure you that such assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

Further, the CRISIL Report or any other industry data or sources are not recommendations to invest in our Company. You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the CRISIL Report. You are advised not to place undue reliance on the CRISIL Report or extracts thereof as included in this Prospectus, when making your investment decision. Also see *Certain Conventions, Presentation of Financial, Industry and Market Data — Industry and Market Data* and “*Industry Overview*” on pages 22 and 133, respectively.

51. ***Our Promoters will continue to hold a significant equity stake in our Company after the Offer and their interests may differ from those of the other shareholders.***

Upon completion of the Offer, our Promoters will hold 61.17% of our paid-up Equity Share capital. For details, see “*Capital Structure*” on page 77. Our Promoters will therefore have the ability to influence our operations significantly. This will include the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders’ meetings including issue of Equity Shares, payment of dividends, determining business plans and mergers and acquisitions strategies. Further, if, in the future, our Promoters are unwilling to dilute their equity stake in our Company and do not, or are unable to, fund us, our growth may be affected. In addition, the trading price of the Equity Shares could be materially adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in the hands of our Promoters.

52. ***Our Subsidiaries may not pay cash dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries.***

Our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. We cannot assure you that our Subsidiaries will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future.

53. ***We cannot assure you that the deployment of the Net Proceeds in the manner intended by us will result in an increase in the value of your investment.***

We intend to use the Net Proceeds of the Fresh Issue for the purposes described in “*Objects of the Offer*” on page 106. The objects of the Fresh Issue have not been appraised by any bank or financial institution. Whilst a monitoring agency will be appointed for monitoring utilization of the Gross Proceeds, the proposed utilization of Net Proceeds is based on current conditions, internal management estimates, contracts and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds, as per applicable law. Further, pending utilization of Net Proceeds towards the Objects of the Offer, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board or IPO Committee. Accordingly, prospective investors in the Offer will need to rely upon our management’s judgment with respect to the use of Net Proceeds.

54. ***Pursuant to listing of the shares, the Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors***

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

EXTERNAL RISK FACTORS

55. ***Any downturn in the macroeconomic environment in India and globally would adversely affect our business, financial condition, results of operations and cash flows.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows. The Indian economy could be adversely affected by various factors, such as the impact of COVID-19 or other pandemics, epidemics, political and regulatory changes, including adverse changes in the Government’s liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India’s trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, financial condition, results of operations and cash flows.

56. ***The occurrence of natural disasters and man-made disasters could adversely affect our business, financial condition results of operations and cash flows. In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of the Equity Shares.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemics (such as COVID-19) and epidemics, and man-made disasters, including acts of terrorism, other acts of violence and war, could adversely affect our business, financial condition, results of operations and cash flows. In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of the Equity Shares.

57. ***Changing laws, rules and regulations and legal uncertainties, including any adverse application of tax laws and regulations across the multiple states we operate in, could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

In India, our business is governed by various laws and regulations including, amongst others, the Batteries (Management and Handling) Rules, 2001, the Legal Metrology Act, 2009, the Sale of Goods Act, 1930, Motor Vehicles Act, 1988, Central Motor Vehicles Rules, 1989, as amended from time to time, and various laws relating to employment. For details, see “Key Regulations and Policies” on page 214. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to inspection, enforcement actions and penalties imposed by authorities.

Our business could be adversely affected by any change in laws, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us. For instance, the amended AIS156 norms requires certification of certain electric vehicles which has affected the short term sales of such electric vehicles. Further, Corporate Average Fuel Economy (“CAFE”) norms issued under notification no. S.O. 1072(E) dated April 23, 2015 under the Energy Conservation Act, 2001, applicable to manufacturers of passenger vehicles and importers of

passenger vehicles for sale in India, regulate the corporate average fuel consumption i.e. the average of the standards fuel consumption of all vehicles sold by the manufacturers in a fiscal year. Any regulatory changes in CAFÉ norms might have an impact on the demand of passenger vehicles that may led to impact on our sales of passenger vehicles. Further, any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations and cash flows. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

58. *Regulation of greenhouse gas emissions and climate change issues may adversely affect our operations.*

Many governments are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels. Where legislation already exists, regulations relating to emission levels and energy efficiency are generally becoming more stringent. Some of the costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs, and this may have a material adverse impact on our financial condition and results of operations. Further, India and many other nations are signatories to international agreements related to climate change including the 1992 United Nations Framework Convention on Climate Change, which is intended to limit or capture emissions of greenhouse gas, such as carbon dioxide and the 2016 Paris Agreement, which extended the potentially binding set of emissions targets to all nations. Our compliance with any new environmental laws or regulations, particularly relating to greenhouse gas emissions, may require significant capital expenditure or result in the incurrence of fees and other penalties in the event of non-compliance. We cannot guarantee that future legislative, regulatory, international law, industry, trade or other developments will not negatively impact our operations and the demand for the products we sell. If any of the foregoing were to occur, our business, financial condition and results of operations may be adversely affected.

59. *If inflation rises in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

60. *Investors may not be able to enforce a judgment of a foreign court against our Company outside India.*

Our Company is incorporated under the laws of India. Our Company's assets are located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, UAE, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United

States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, UAE, Singapore and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

61. *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.*

The financial statements included in this Prospectus have been prepared in accordance with Ind AS, restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated in accordance with the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

62. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

63. *We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.*

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations (“**Combination Regulations**”) under the Competition Act with effect from June 1, 2011. The Combination Regulations require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. Additionally, on May 11, 2011, the Competition Commission of India issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

The Government of India has also passed the Competition (Amendment) Act, 2023 on April 11, 2023, which has made several amendments to the Competition Act. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information. Such amendment to the Competition Act result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

64. *Our business is substantially affected by prevailing economic, political and other conditions.*

We are incorporated in and substantially all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- any downgrading of India’s debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable. Further, an armed conflict between Israel and Palestinian militant groups has been taking place since October 7, 2023. These conflicts and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain, manufacturing facility and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

65. *Terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries in which we have operations may adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares trade and also adversely affect markets in which we have operations, as well as the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighboring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares.

Some states in India have also witnessed civil unrest including communal disturbances in recent years and it is possible that future civil unrest, as well as other adverse social, economic and political events in India may have a negative impact on us. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on our business and the price of our Equity Shares.

66. *Any adverse change in India's credit rating by an international rating agency could materially adversely affect the Group's business and profitability.*

Any adverse credit rating outlook on India would impact the country's outlook and cascade into interest rate and currency depreciation. In September 2014, S&P affirmed the "BBB minus" sovereign credit rating on India and revised the outlook on India's long-term rating from "negative" to "stable", citing improvement in the Government's ability to implement reforms and encourage growth, which in turn would lead to improving the country's fiscal performance. In April 2015, Moody's revised India's sovereign rating outlook from "stable" to "positive" and retained the long-term rating at "Baa3" as it expected actions of policymakers to enhance India's economic strength in the medium term. In July 2016, Fitch revised its outlook for the Indian banking sector to "Negative" from "Stable" due to the increase in nonperforming loans. In November 2017, Moody's has raised India's credit rating from the lowest investment grade of Baa3 to Baa2 and changed the outlook to stable from positive. In November 2019, Moody's cut India's rating outlook to negative, while retaining the rating to Baa2, citing worsening shadow banking crunch, prolonged slowdown in the economy and rising public debt. Further, on June 1, 2020, Moody's downgraded Government of India's foreign currency and local currency long-term issuer ratings to "Baa3" from "Baa2" while maintaining the "negative outlook" due to relatively weak implementation of reforms since 2017, sustained period of relatively low growth, significant deterioration in the fiscal position of the government and the rising stress in the financial sector. On June 18, 2020, Fitch Ratings downgraded the outlook on India's long-term foreign currency Issuer Default Rating to "negative" from "stable" and affirmed the rating at BBB. This was due to the coronavirus pandemic having significantly weakened India's growth outlook for the year and the challenges associated with a high public debt burden. However, India's sovereign ratings from S&P is BBB- with a "stable" outlook in September 2020.

There can be no assurance that these ratings will not be further revised or changed by S&P, Fitch or Moody's or that any of the other global rating agencies will not downgrade India's credit rating. As the Group's foreign currency ratings are pegged to India's sovereign ratings any adverse revision to India's credit rating for international debt will have a corresponding effect on the ratings of the Company's business. Therefore, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact the ability of the Company's business to raise additional financing and the interest rates and other commercial terms at which such financing is available. Any of these developments may materially and adversely affect the Group's business, cash flows, financial condition and results of operations.

67. *If the rate of Indian price inflation increases, our business and results of operations may be adversely affected.*

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. An increase in inflation in India could cause a rise in the price of raw materials and wages, or any other expenses that we incur. If this trend continues, we may be unable to accurately estimate or control our costs of production or pass on increase in costs to our clients and this could have a material adverse effect on our business and results of operations.

68. *Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in the emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have a material adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including continued volatility in global financial markets due to the economic slowdown in China and the increase in the federal interest rates by the United States Federal Reserve, could also have a negative impact on the Indian financial markets and economy.

RISKS RELATING TO THE EQUITY SHARES AND THE OFFER

69. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.*

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

70. *Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

71. *Investors will not be able to immediately sell on an Indian stock exchange any of the Equity Shares they purchase in the Offer.*

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

72. *We will not receive any proceeds from the Offer for Sale.*

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholder will be entitled to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the Selling Shareholder as part of the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale. See "Objects of the Offer" on page 106.

73. *Our ability to pay dividends in the future will depend on our financial condition, results of operations, cash flows, capital requirements, capital expenditures and restrictive covenants of our financing arrangements*

We have adopted the dividend distribution policy on June 10, 2021. While our declaration of dividends is at the discretion of our Board and subject to Shareholder approval as set out in the section titled "Dividend Policy" on page 254, the amount of future dividend payments by our Company, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements to make any dividend payments unless otherwise agreed with our lenders.

74. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and any sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options, if any, issued by us in future, shareholders may dilute your shareholding in our Company. Further any such future issuance of the Equity Shares or future sales of the Equity Shares by any of our major shareholders may also adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our major shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that our existing Shareholders including our Promoters will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

75. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

76. ***You may be subject to stamp duty and Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹100,000, realized on the sale of listed equity shares on a Stock Exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India at the rate of 10% (plus applicable surcharge and cess). This beneficial provision is, *inter alia*, subject to payment of STT. Further, any gain realized on the sale of listed equity shares in an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess), without indexation benefits.

Further, any gain realized on the sale of the Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. We cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect our business, financial condition and results of operations. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning the Equity Shares.

77. ***QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Therefore, QIBs and Non-Institutional Bidders would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

78. *Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.*

The Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Rupee and other currencies (such as the U.S. dollar, the Euro, the pound sterling, the Hong Kong dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares in foreign currency terms, independent of our operating results.

79. *Foreign investors are subject to investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of the relevant regulatory authority is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020, which came into effect from April 22, 2020, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 434. Our ability to raise foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, financial condition, results of operations and cash flows.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer ⁽¹⁾⁽²⁾	20,395,205 Equity Shares* aggregating up to ₹ 6,015.54 million*
of which:	
(i) Fresh Issue ⁽¹⁾	8,478,130 Equity Shares* aggregating up to ₹2,500.00 million*
(ii) Offer for Sale ⁽²⁾	11,917,075 Equity Shares* aggregating up to ₹3,515.54 million*
of which:	
Employee Reservation Portion ⁽³⁾	37,453 Equity Shares* aggregating up to ₹10.00 million*
Net Offer	20,357,752 Equity Shares* aggregating up to ₹ 6,005.54 million*
The Net Offer consists of:	
A) QIB Portion ⁽⁴⁾⁽⁵⁾	10,178,875 Equity Shares*
of which:	
Anchor Investor Portion ⁽⁵⁾	6,107,325 Equity Shares*
Net QIB Portion	4,071,550 Equity Shares*
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	203,578 Equity Shares*
Balance of QIB Portion for all QIBs including Mutual Funds	3,867,972 Equity Shares*
B) Non-Institutional Portion ⁽⁷⁾	3,053,663 Equity Shares*
Of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	1,017,888 Equity Shares*
Two-thirds of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	2,035,775 Equity Shares*
C) Retail Portion ⁽⁶⁾	7,125,214 Equity Shares*
Pre- Offer and post- Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Prospectus)	62,721,445 Equity Shares
Equity Shares outstanding after the Offer	71,199,575 Equity Shares*
Use of Net Proceeds	See “Objects of the Offer” on page 106 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale

* Subject to finalisation of Basis of Allotment

- (1) The Offer including the Fresh Issue has been approved by our Board pursuant to the resolutions passed at its meetings held on August 14, 2023 and August 31, 2023 and by our Shareholders pursuant to a special resolutions passed at their meetings held on August 21, 2023 and September 8, 2023. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to its resolutions dated August 14, 2023 and September 28, 2023 and February 5, 2024.
- (2) The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirm that the Offered Shares have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The details of such authorisation and consent are provided below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization	Date of consent letter
BanyanTree	3,515.54*	Up to 11,917,075	September 22, 2023	September 28, 2023 and February 5, 2024

* Subject to finalisation of Basis of Allotment.

- (3) The Employee Reservation Portion was 0.05% of our post-Offer paid-up Equity Share capital. For further details, see “Offer Structure” on page 411. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion could not exceed ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion was made available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹0.50 million), was added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not treated as multiple Bids subject to applicable limits. Our Company, in consultation with the BRLMs, offered a discount of up to 9.49% to the Offer Price (equivalent of ₹ 28 per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which was announced at least two Working Days prior to the Bid / Offer Opening Date.
- (4) Subject to valid bids having been received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer was met in the following order of priority: (i) through the sale of Offered Shares being offered by the Selling Shareholder in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in “Terms of the Offer” on page 405.

- (5) *Our Company, in consultation with the BRLMs allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds was less than 2,03,578 Equity Shares, the balance Equity Shares was made available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” on page 415. Allocation to all categories shall be made in accordance with the SEBI ICDR Regulations.*
- (6) *Allocation to Bidders in all categories except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion was made on a proportionate basis subject to valid Bids having been received at or above the Offer Price. The allocation to each RIB was not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, were allocated on a proportional basis. For further details, see “Offer Procedure” on page 415.*
- (7) *The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, was subject to the following: (i) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories could be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non- Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.*

Allocation to Anchor Investors was undertaken on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see “Offer Procedure” and “Offer Structure” on pages 415 and 411, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 405.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Information for the six months period ended September 30, 2023 and for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021. The summary financial information presented below should be read in conjunction with “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 255 and 338, respectively.

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SUMMARY OF RESTATED BALANCE SHEET

(All amounts in ₹ million except otherwise stated)

Particulars	As at September 30, 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Assets				
Non-current assets				
Property, plant and equipment	3,094.28	2,935.35	2,464.05	2,244.20
Capital work-in-progress	19.60	77.26	123.28	173.09
Right-of-use assets	3,807.89	3,479.87	3,129.94	2,329.47
Goodwill	115.47	115.47	11.80	11.80
Other intangible assets	159.36	182.28	39.05	49.87
Intangible assets under development	5.60	2.42		
Financial assets				
Investments	79.44	57.69	44.31	49.21
Other financial assets	396.02	379.17	329.37	277.57
Other tax assets (net)	79.87	97.60	85.46	67.73
Deferred tax assets (net)	171.58	161.22	157.69	177.84
Other non-current assets	301.58	193.26	176.90	143.19
Total non-current assets	8,230.69	7,681.59	6,561.85	5,523.97
Current assets				
Inventories	6,746.27	4,349.47	3,620.38	3,116.83
Financial assets				
Investments	4.40	2.24	15.89	-
Trade receivables	2,996.50	2,237.84	1,766.01	1,607.27
Cash and cash equivalents	302.20	238.25	183.96	555.08
Bank balances other than cash and cash equivalents	44.95	43.35	19.56	38.92
Other financial assets	53.61	44.73	58.93	46.36
Other current assets	1,039.14	424.91	390.88	285.51
Total current assets	11,187.07	7,340.79	6,055.61	5,649.97
Assets classified as held for sale	-	15.42	15.42	15.42
Total assets	19,417.76	15,037.80	12,632.88	11,189.36
Equity and liabilities				
Equity				
Equity share capital	125.44	125.44	125.44	125.44
Other equity	3,716.67	3,305.00	2,673.42	2,334.58
Total equity	3,842.11	3,430.44	2,798.86	2,460.02
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	803.65	911.32	880.55	893.29
Lease liabilities	4,407.78	3,998.02	3,570.07	2,665.08
Provisions	60.80	59.43	62.79	48.19
Deferred tax liabilities (net)	1.30	-	-	-
Non-current tax liabilities (net)	-	2.46	1.05	2.09
Other non-current liabilities	-	-	97.14	204.48
Total non-current liabilities	5,273.53	4,971.23	4,611.60	3,813.13
Current liabilities				
Financial liabilities				
Borrowings	6,842.48	4,138.74	2,838.55	2,637.13
Lease liabilities	345.06	335.39	269.94	304.35
Trade payables				
- Total outstanding dues of micro and small enterprises	32.67	45.80	27.67	1.94
- Total outstanding dues of creditors other than micro and small enterprises	1,677.17	861.94	840.63	661.49
Other financial liabilities	223.52	228.00	164.16	156.90
Other current liabilities	1,134.44	981.27	1,054.34	1,114.76
Provisions	28.80	32.70	27.13	36.49
Current tax liabilities (net)	17.98	12.29	-	3.15
Total current liabilities	10,302.12	6,636.13	5,222.42	4,916.21
Total equity and liabilities	19,417.76	15,037.80	12,632.88	11,189.36

SUMMARY OF RESTATED STATEMENT PROFIT AND LOSS

(All amounts in ₹ million except otherwise stated)

Particulars	Six months period ended September 30, 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Income				
Revenue from operations	28,349.97	48,750.02	34,658.79	28,935.25
Other income	132.11	176.26	183.20	257.27
Total income	28,482.08	48,926.28	34,841.99	29,192.52
Expenses				
Purchases of stock-in-trade	26,412.73	41,751.51	29,671.24	24,573.83
Changes in inventories of stock-in-trade	(2,396.80)	(325.52)	(503.55)	(243.55)
Employee benefits expenses	1,858.79	3,082.06	2,420.12	2,035.07
Finance costs	476.14	705.34	608.60	551.10
Depreciation and amortisation	444.19	794.45	692.57	724.91
Impairment loss on financial assets and contract assets	1.13	30.53	9.42	24.76
Other expenses	1,163.19	2,039.24	1,458.13	1,053.88
Total expenses	27,959.37	48,077.61	34,356.53	28,720.00
Profit before tax and exceptional items	522.71	848.67	485.46	472.52
Exceptional item	16.05	-	-	-
Profit before tax	538.76	848.67	485.46	472.52
Tax expense				
Current tax	151.25	240.10	129.42	99.86
Deferred tax (credit) / charge	(12.93)	(32.17)	19.35	48.11
Total tax expense	138.32	207.93	148.77	147.97
Profit for the period/year	400.44	640.74	336.69	324.55
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of net defined benefit plan income / (loss)	15.10	(12.47)	2.94	9.09
Income tax charge / (credit) relating to the above	(3.87)	3.31	(0.79)	(1.34)
Other comprehensive (loss) / income for the period/ year, net of income tax	11.23	(9.16)	2.15	7.75
Total comprehensive income for the period/ year	411.67	631.58	338.84	332.30
Profit attributable to:				
Owners of the company	400.44	640.74	336.69	324.55
Non-controlling interest				
Profit for the period/ year	400.44	640.74	336.69	324.55
Other comprehensive (loss) / income attributable to:				
Owners of the company	11.23	(9.16)	2.15	7.75
Non-controlling interest				
Other comprehensive (loss) / income for the period/ year, net of income tax	11.23	(9.16)	2.15	7.75
Total Comprehensive Income attributable to:				
Owners of the company	411.67	631.58	338.84	332.30
Non-controlling interest				
	411.67	631.58	338.84	332.30
Earnings per share (equity share of face value of INR 2 each)				
Basic (in ₹)	6.38*	10.22	5.37	5.17
Diluted (in ₹)	6.38*	10.22	5.37	5.17

* Not annualized.

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(All amounts in ₹ million except otherwise stated)

Particulars	Six months period ended September 30, 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities				
Profit / (loss) before tax and exceptional item	522.71	848.67	485.46	472.52
Adjustments:				
Finance costs	476.14	705.34	608.60	551.10
Depreciation and amortisation	444.19	794.45	692.57	724.91
Impairment loss on financial assets and contract assets	1.13	30.53	9.42	24.76
Liabilities/ provisions no longer required written back	(72.47)	(66.40)	(60.01)	(56.67)
Interest income	(10.78)	(19.03)	(31.98)	(26.13)
Rent concession received	-	-	(34.82)	(70.35)
Gain on derecognition of right-of-use assets	(0.41)	(36.21)	(0.78)	(28.10)
Impairment on non-current investments	-	-	-	-
Net gain on financial assets measured at fair value through profit and loss	(12.76)	(0.64)	(6.89)	(19.24)
Gain on sale of non-current investment (net)	-	-	-	-
(Gain)/ loss on sale of property, plant and equipment (net)	(4.14)	11.24	(8.20)	(20.74)
Operating cash flow before working capital changes	1,343.61	2,267.95	1,653.37	1,552.06
Working capital movements:				
Increase in inventories	(2,396.80)	(325.52)	(503.55)	(243.55)
Increase in trade receivables	(759.79)	(394.47)	(168.16)	(543.12)
(Increase) / decrease in loans and other financial assets and other assets	(689.87)	(30.04)	(236.19)	604.90
(Decrease) / increase in liabilities and provisions	1,022.12	(175.76)	102.79	(423.10)
Cash generated from operations	(1,480.73)	1,342.16	848.26	947.19
Income taxes (paid) / refund, net	(130.29)	(253.23)	(151.34)	4.55
Net cash generated from operating activities (A)	(1,611.02)	1,088.93	696.92	951.74
Cash flows from investing activities				
Sale / (acquisition) of investments (net)	(11.15)	0.91	(4.10)	81.85
Interest received	10.78	19.03	31.98	15.68
Acquisition of property, plant and equipment	(310.39)	(540.20)	(478.57)	(273.41)
Acquisition of intangible assets including intangible assets under development	(4.23)	(26.86)	(2.47)	(20.87)
Proceeds from sale of property, plant and equipment	18.29	36.76	39.32	130.25
Acquisition of subsidiary net of cash	-	(285.84)	-	-
Net cash used in investing activities (B)	(296.70)	(796.20)	(413.84)	(66.50)
Cash flows from financing activities				
Finance costs paid	(252.94)	(332.46)	(286.70)	(277.86)
Long-term borrowings availed	142.73	352.19	266.43	638.99
Long-term borrowings repaid	(200.42)	(359.89)	(250.32)	(194.67)
Short-term borrowings (repaid) / availed, net	2,653.76	762.87	172.57	(404.82)
Interest on lease liabilities	(209.03)	(363.40)	(322.57)	(280.92)
Principal payment of lease liabilities	(162.43)	(297.75)	(231.94)	(187.48)
Net cash used in financing activities (C)	1,971.67	(238.44)	(652.53)	(706.76)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	63.95	54.29	(369.45)	178.48
Cash and cash equivalents at the beginning of the period/ year	238.25	183.96	553.41	374.93
Cash and cash equivalents at the end of the period/ year	302.20	238.25	183.96	553.41

SUMMARY OF PRO FORMA FINANCIAL INFORMATION

The following tables set forth the summary pro forma financial information derived from the Pro Forma Financial Information for the Financial Year ended March 31, 2023. The summary pro forma financial information presented below should be read in conjunction with “*Pro Forma Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 323 and 338, respectively. For further details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*” and “*Risk Factors – The Pro Forma Financial Information included in this Prospectus has been prepared by our Independent Chartered Accountant and is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results*” on pages 222 and 33, respectively.

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SUMMARY OF PRO FORMA CONSOLIDATED BALANCE SHEET

(All amounts in ₹ million except otherwise stated)

Particulars	As at March 31, 2023
Assets	
Non-current assets	
Property, plant and equipment	2,935.35
Capital work-in-progress	77.26
Right-of-use assets	3,479.87
Goodwill	115.47
Other Intangible assets	182.28
Intangible assets under development	2.42
Financial assets	
Investments	57.69
Other financial assets	379.17
Other tax assets (net)	97.60
Deferred tax assets (net)	161.22
Other non-current assets	193.26
Total non-current assets	7,681.59
Current assets	
Inventories	4,349.47
Financial assets	
Investments	2.24
Trade receivables	2,237.84
Cash and cash equivalents	238.25
Bank balances other than cash and cash equivalents	43.35
Other financial assets	44.73
Other current assets	424.91
Total current assets	7,340.79
Assets classified as held for sale	15.42
Total assets	15,037.80
Equity and liabilities	
Equity	
Equity share capital	125.44
Other equity	3,305.00
Total equity	3,430.44
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	911.32
Lease liabilities	3,998.02
Provisions	59.43
Non-current tax liabilities (net)	2.46
Total non-current liabilities	4,971.23
Current liabilities	
Financial liabilities	
Borrowings	4,138.74
Lease liabilities	335.39
Trade payables	
- Total outstanding dues of micro and small enterprises	45.80
- Total outstanding dues of creditors other than micro and small enterprises	861.94
Other financial liabilities	228.00
Provisions	32.70
Current tax liabilities (net)	12.29
Other current liabilities	981.27
Total current liabilities	6,636.13
Total equity and liabilities	15,037.80

Note: We acquired KEPL on February 1, 2023, and such acquisition was reflected in the Restated Financial Information for the Financial Year ended March 31, 2023. However, to provide additional disclosure in relation to the effect and impact on annualised basis for the acquisition of KEPL on our Company's financials and business operations, we voluntarily included the Pro Forma Financial Information for the Financial Year ended March 31, 2023.

SUMMARY OF PRO FORMA CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in ₹ million except otherwise stated)

Particulars	Year ended March 31, 2023
Income	
Revenue from operations	51,346.21
Other income	194.10
Total income	51,540.31
Expenses	
Purchases of stock-in-trade	44,126.38
Changes in inventories of stock-in-trade	(407.98)
Employee benefits expenses	3,197.00
Finance costs	736.66
Depreciation and amortisation	843.56
Impairment loss on financial assets and contract assets	32.79
Other expenses	2,100.10
Total expenses	50,628.52
Profit before tax	911.79
Tax expense	
Current tax	273.15
Deferred tax (credit) / charge	(35.99)
Total tax expense	237.16
Profit after tax for the year	674.63
Other comprehensive income	
Items that will not be reclassified subsequently to profit or loss	
Remeasurement of net defined benefit plan income / (loss)	(12.47)
Income tax charge / (credit) relating to the above	3.31
Other comprehensive (loss) / income for the year, net of income tax	(9.16)
Total comprehensive income for the year	665.47
Profit attributable to :	
Owners of the company	674.63
Non-controlling interest	
Profit for the year	674.63
Other comprehensive (loss) / income attributable to:	
Owners of the company	(9.16)
Non-controlling interest	
Other comprehensive (loss) / income for the year, net of income tax	(9.16)
Total Comprehensive Income attributable to:	
Owners of the company	665.47
Non-controlling interest	
	665.47
Earnings per share (equity share of face value of INR 2 each)	
Basic (in ₹)	10.76
Diluted (in ₹)	10.76

Note: We acquired KEPL on February 1, 2023, and such acquisition was reflected in the Restated Financial Information for the Financial Year ended March 31, 2023. However, to provide additional disclosure in relation to the effect and impact on annualised basis for the acquisition of KEPL on our Company's financials and business operations, we voluntarily included the Pro Forma Financial Information for the Financial Year ended March 31, 2023.

GENERAL INFORMATION

Registered and Corporate Office

Popular Vehicles and Services Limited

Kuttukaran Centre
Mamangalam, Cochin
Ernakulam 682 025
Kerala, India

CIN: U50102KL1983PLC003741

Registration number: 003741

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies, Kerala at Ernakulam

Company Law Bhawan
B. M. C. Road, Thrikkakara
Kochi 682 021
Kerala, India

Company Secretary and Compliance Officer

Varun T. V.

Kuttukaran Centre
Mamangalam, Kochi
Ernakulam 682 025
Kerala, India
Tel: +91 484 2341 134
E-mail: cs@popularv.com

Board of Directors

As on the date of this Prospectus, our Board comprises of the following:

Name	Designation	DIN	Address
Jacob Kurian	Chairman and Non-Executive Independent Director	00213259	104 Tefilah Tranquille, 154 Wheeler Road, Near Sameer House, Fraser Town, Bangalore 560 005, Karnataka, India
John K. Paul	Whole-time Director	00016513	42/1058, Kuttukaran House, St. Benedict Road, Ernakulam, Kochi 682 018, Kerala, India
Francis K. Paul	Whole-time Director	00018825	34/542, A1 Kuttukaran House, N.H. Bye Pass Road Padivattom, Edapally. P.O., Ernakulam 682 024, Kerala, India
Naveen Philip	Managing Director	00018827	Valiyathottathil House, Dewans Road, Kochi, M.G. Road, Ernakulam 680 016, Kerala, India
Preeti Reddy	Non-Executive Independent Director	07248280	C 478, Second Floor, Defence Colony, Lajpat Nagar, South Delhi 110 024, Delhi, India
George Joseph	Non-Executive Independent Director	00253754	Melazhakath, Idukki, Arakulam 685 591, Kerala, India
Rakesh Kumar Bhutoria	Non-Executive Nominee Director	08449728	Flat 1102, Satguru Sanskar, Plot 19, 3rd Rd, TPS-IV, Bandra West, Mumbai 400 050, Maharashtra, India

For details of our Board of Directors, see “Our Management” on page 230.

Filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus

A copy of the Draft Red Herring Prospectus has been uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI master circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. It has also been filed with the SEBI at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, ‘G’ Block
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 has been filed with the RoC and a copy of this Prospectus shall be filed under Section 26 of the Companies Act, 2013 with the RoC.

Book Running Lead Managers

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100

E-mail:

popular.ipo@icicisecurities.com

Website: www.icicisecurities.com

Investor Grievance E-mail:

customercare@icicisecurities.com

Contact Person: Harsh Thakkar /
Shekher Asnani

SEBI Registration No.:

INM000011179

Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)

801 - 804, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4009 4400

E-mail: Popular.ipo@nuvama.com

Website: www.nuvama.com

Investor Grievance E-mail:

customerservice.mb@nuvama.com

Contact Person: Lokesh Shah

SEBI Registration No.:

INM000013004

Centrum Capital Limited

Level 9, Centrum House
C.S.T. Road, Vidyanagari Marg
Kalina, Santacruz (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 4215 9000

E-mail: popular.ipo@centrum.co.in

Website: www.centrum.co.in

Investor Grievance E-mail:

igmbd@centrum.co.in

Contact Person: Sooraj Bhatia / Pooja
Sanghvi

SEBI Registration No.:

INM000010445

Syndicate Members

Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)

801 - 804, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4009 4400
E-mail: Popular.ipo@nuvama.com
Website: www.nuvama.com
Contact Person: Prakash Boricha

Centrum Broking Limited

Centrum House, Vidyanagari Marg
CST Road, Kalina, Santacruz (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 4215 9000
E-mail: compliance@centrum.co.in
Website: www.centrumbroking.com
Contact Person: Rajesh Thadhani

Legal Counsel to the Company as to Indian Law

Cyril Amarchand Mangaldas

3rd Floor, Prestige Falcon Towers
19, Brunton Road
Bengaluru 560 025
Karnataka, India
Tel: +91 80 6792 2000

Statutory Auditors to our Company

B S R & Associates LLP, Chartered Accountants

49/179 A, 3rd Floor, Syama Business Centre
NH Bypass Road, Vyttila
Kochi 682 019
Kerala, India
Tel: +91 484 4148 500
Email: babypaul@bsraffiliates.com
Firm Registration Number: 116231W/W-100024

Peer Review Certificate Number: 014273

There have been no changes in our auditors in the last three years preceding the date of filing of this Prospectus.

Registrar to the Offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park

Lal Bahadur Shastri Marg

Vikhroli (West)

Mumbai 400 083

Maharashtra, India

Tel: +91 810 811 4949

E-mail: popularvehicles.ipo@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance E-mail: popularvehicles.ipo@linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Bankers to the Offer

Escrow Collection Bank, Refund Banks and Sponsor Bank(s)

Axis Bank Limited

Axis Bank Limited, Axis House

Wadia International Center

P.B. Marg, Worli

Mumbai 400 025

Maharashtra, India

Tel: +91 022 24253672

E-mail: vishal.lade@axisbank.com

Website: www.axisbank.com

Contact Person: Vishal Lade

SEBI Registration No.: INBI00000017

Public Offer Account Bank and Sponsor Bank(s)

ICICI Bank Limited

Capital Market Division,

5th Floor, HT Parekh Marg,

Churchgate, Mumbai - 400020

Telephone number: 022 68052182

E-mail: ipocmg@icicibank.com

Website: www.icicibank.com

Contact person: Varun Badai

SEBI Registration No.: INBI00000004

Bankers to our Company

State Bank of India

1st floor Joy's Building

Padma Junction, MG Road

Ernakulam 682 035

Kerala, India

Tel: +91 75063 37909

E-mail: sbi.05387@sbi.co.in

The Federal Bank Limited

Federal Towers, Aluva

Ernakulam 683 101

Kerala, India

Tel: +91 0484 2634350

E-mail: arunjp@federalbank.co.in

Axis Bank Limited

WCB Kochi, I Floor

Pukalakkat City centre and Sivadas Towers

M K K Nair Road, Palarivattom
Kochi 682 025
Kerala, India
Tel: +91 9176615850
E-mail: Rajeev.vg@axisbank.com

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at <https://www.bseindia.com/> and <https://www.nseindia.com/>, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and on the website of NSE at www.nseindia.com/products-services/initial-public-offerings-asba-procedures, as updated from time to time.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated March 14, 2024, from B S R & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated February 5, 2024 on our Restated Financial Information; and (ii) their report dated February 5, 2024 on the statement of special tax benefits in this Prospectus. Such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consents dated September 28, 2023 from R.G.N. Price & Co., Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Independent Chartered Accountants, and in respect of their reports, including the examination report dated September 28, 2023 on the Pro Forma Financial Information and read with selected explanatory notes thereon, and certificates/letters included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Monitoring Agency

In accordance with Regulation 41 of SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, a credit rating agency registered with SEBI, a monitoring agency in relation to the Offer to monitor utilization of the Gross Proceeds. The details of the Monitoring Agency are as follows:

CARE Ratings Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road
Off Eastern Express Highway, Sion (East)
Mumbai – 400 022
Maharashtra, India
Tel: +91 98407 54521
E-mail: pradeep.kumar@careedge.in
Website: www.careratings.com
Contact Person: V. Pradeep Kumar

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an Offer of Equity Shares, there is no credit rating required for the Offer.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs:

Sr. No	Activity	Responsibility	Co-ordinator (s)
1.	- Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. - Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	All BRLMs	I-Sec
2.	Drafting and approval of all statutory advertisement.	All BRLMs	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in point 2 above including corporate advertising, brochure, etc. and filing of media compliance report with SEBI.	All BRLMs	Nuvama
4.	Appointment of Registrar, advertising agency and printer to the Offer and including co-ordination for their respective agreements.	All BRLMs	I-Sec
5.	Appointment of all other intermediaries and including co-ordination for all other agreements.	All BRLMs	Nuvama

Sr. No	Activity	Responsibility	Co-ordinator (s)
6.	Preparation of road show presentation and frequently asked questions	All BRLMs	Centrum
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : - Finalizing the list and division of international investors for one-to-one meetings - Finalizing international road show and investor meeting schedules	All BRLMs	Nuvama
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : - Finalizing the list and division of domestic investors for one-to-one meetings - Finalizing domestic road show and investor meeting schedules	All BRLMs	I-Sec
9.	Retail marketing of the Offer, which will cover, <i>inter-alia</i> : - Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows - Finalising collection centres - Finalising commission structure - Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material;	All BRLMs	Centrum
10.	Non-institutional marketing of the Offer, which will cover, <i>inter alia</i> , - Finalising media, marketing and public relations strategy including list of frequently asked questions at non-institutional road shows; and - Finalising centres for holding conferences for brokers, etc.;	All BRLMs	Nuvama
11.	Anchor coordination, Anchor CAN and intimation of anchor allocation, book building software, bidding terminals, payment of 1% security deposit to the Designated Stock Exchange.	All BRLMs	Centrum
12.	Managing the book and finalization of pricing in consultation with the Company, as applicable.	All BRLMs	Nuvama
	- Post bidding activities including mock trading, management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. - Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds/unblocking of application monies and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. - Payment of the applicable securities transactions tax/with-holding tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. - Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.	All BRLMs	Nuvama

Book Building Process

Book Building Process, in the context of the Offer, referred to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, and minimum Bid Lot size was decided by our Company, in consultation with the BRLMs, and advertised in all editions of the Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Kochi edition of Deepika, a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered and

Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price has been determined by our Company, in consultation with the BRLMs, after the Bid/ Offer Closing Date. For further details, see 'Offer Procedure' on page 415.

All Bidders, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount was blocked by SCSBs. In addition to this, the RIBs participated through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process. Non-Institutional Investors with an application size of up to ₹ 0.50 million used the UPI Mechanism and also provided their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period. RIBs Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date. Except for Allocation to RIBs, Non-Institutional Bidders and the Anchor Investors, allocation in the Offer will be on a proportionate basis. Further, allocation to Anchor Investors was done on a discretionary basis and allocation to the Non-Institutional Investors was done in a manner as may be introduced under applicable laws.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders were required to note that the Offer was also subject to obtaining (i) final approval of the RoC after this Prospectus was filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For details on the method and procedure for Bidding, see "Terms of the Offer", "Offer Structure" and "Offer Procedure" on pages 405, 411 and 415, respectively.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "Offer Procedure" on page 415.

Underwriting Agreement

Our Company and the Selling Shareholder entered into the Underwriting Agreement dated March 14, 2024 with the Underwriters for the Equity Shares offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6807 7100 E-mail: popular.ipo@icicisecurities.com	67,97,217	2,005.18
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) 801 - 804, Wing A, Building No 3 Inspire BKC, G Block Bandra Kurla Complex, Bandra East Mumbai 400 051 Maharashtra, India Tel: +91 22 4009 4400 E-mail: Popular.ipo@nuvama.com	67,97,217*	2,005.18
Centrum Capital Limited Level 9, Centrum House	67,97,117	2,005.15

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
C.S.T. Road, Vidyanagari Marg Kalina, Santacruz (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 4215 9000 E-mail: popular.ipo@centrum.co.in		
Centrum Broking Limited Centrum House, Vidyanagari Marg CST Road, Kalina, Santacruz (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 4215 9000 E-mail: compliance@centrum.co.in	100	0.03

* Including 100 Equity shares of Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) as a Syndicate Member

The abovementioned underwriting commitments are indicative and will be finalised after finalisation of the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board/IPO Committee, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on March 14, 2024, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. The extent of underwriting obligations (including any defaults in payment for which the respective Underwriter is required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount) and the Bids to be underwritten in the Offer by each Book Running Lead Manager shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of Prospectus is set forth below.

Sr. No.	Particulars	Aggregate value at face value (in ₹)	Aggregate value at Offer Price (in ₹)
A.	AUTHORIZED SHARE CAPITAL^{(1)†}		
	75,000,000 Equity Shares of face value of ₹2 each	150,000,000	-
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER[#]		
	62,721,445 Equity Shares of face value of ₹2 each	125,442,890	-
C.	PRESENT OFFER IN TERMS OF THIS PROSPECTUS		
	Offer of 20,395,205 Equity Shares* of face value of ₹2 each aggregating up to ₹6,015.54 million ^{(2)(3)*}	40,790,410	6,015,536,791
	of which		
	Fresh Issue of 8,478,130 Equity Shares* of face value of ₹2 each aggregating up to ₹2,500.00 million*	16,956,260	2,501,048,350 [±]
	Offer for Sale of 11,917,075 Equity Shares* of face value of ₹2 each aggregating up to ₹3,515.54 million ^{(3)*}	23,834,150	3,515,537,125
	Which includes		
	Employee Reservation Portion of 37,453 Equity Shares of face value of ₹2 each ⁽⁴⁾	74,906	9,999,951
	Net Offer of up to 20,357,752 Equity Shares* of face value of ₹2 each	40,715,504	6,005,536,840
D.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*		
	71,199,575 Equity Shares of face value of ₹2 each	142,399,150	21,003,874,625
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		636,676,670
	After the Offer		3,119,720,076

* To be included upon finalisation of Basis of Allotment.

Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹10 each to 75,000,000 equity shares of face value of ₹2 each. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹10 each to 62,721,445 equity shares of face value of ₹2 each.

± Not Adjusted for Employee Discount.

(1) For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 219.

(2) The Offer including the Fresh Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on August 14, 2023 and August 31, 2023 and by our Shareholders pursuant to a special resolution passed at their meetings held on August 21, 2023 and September 8, 2023. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to its resolutions dated August 14, 2023 and September 28, 2023 and February 5, 2024.

(3) The Selling Shareholder confirms that the Offered Shares have been held by the Selling Shareholder for a period of at least one year prior to filing of the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization and consent of the Selling Shareholder in relation to the Offered Shares, see "The Offer" on page 60.

(4) Eligible Employees who bid in the Employee Reservation Portion ensured that the maximum Bid Amount did not exceed ₹0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹0.20 million (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion was Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). Our Company, in consultation with the Book Running Lead Managers, offered a discount of up to 9.49% to the Offer Price (equivalent of ₹28 per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which was announced at least two Working Days prior to the Bid / Offer Opening Date.

Notes to the capital structure

1. Share capital history of our Company

(a) Equity Share capital

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
June 28, 1983	7,000	1,000 equity shares were allotted to K.P. Paul, 1,000 equity shares were allotted to Francis K. Paul, 1,000 equity shares were allotted to John K. Paul, 1,000 equity shares were allotted to Saju K. Thomas, 1,000 equity shares were allotted to Daisy Paul, 1,000 equity shares were allotted to Susan Francis and 1,000 equity shares were allotted to Elsy Thomas	10	10.00	Cash	Initial subscription to the MoA	7,000	70,000
December 30, 1983 ^{^#}	43,000	10,000 equity shares were allotted to K.P. Paul, 10,000 equity shares were allotted to Francis K. Paul, 11,000 equity shares were allotted to John K. Paul, 11,000 equity shares were allotted to Saju K. Thomas and 1,000 equity shares were allotted to Elsy Thomas	10	10.00	Cash	Preferential allotment	50,000	500,000
June 25, 1985 ^{^#}	50,700	600 equity shares were allotted to P K Viswanathan, 300 equity shares were allotted to M A Sunny, 150 equity shares were allotted to Anto P Varghese, 100 equity shares were allotted to P D Varghese, 50 equity shares were allotted to KandibaRamjiSukpal, 50 equity shares were allotted to K L Sasidharan, 50 equity shares were allotted to Raju C Thomas, 50 equity shares were allotted to P.P.George, 50 equity shares were allotted to C.D. Jose, 50 equity shares were allotted to P.A. Mukundan, 50 equity shares were allotted to M.K. Barsoma, 50 equity shares were allotted C.O. Thomas, 50 equity shares were allotted to P J Sabu, 50 equity shares were allotted to Laxman Sakaram Sukpal, 100 equity shares were allotted to K KChandran, 100 equity shares were allotted to K.J. Davis, 100 equity shares were allotted to E.L. George, 100 equity shares were allotted to Immanuel Justine TD, 1,000 equity shares were allotted to A.R. Jose, 100 equity shares were allotted to T N Jayabalan, 100 equity shares were allotted to E.A. Johnney, 100 equity shares were allotted to V.L. Ouseph, 100 equity shares were allotted to V.P. Peter, 100 equity shares were allotted to P K Rajan, 100 equity shares were allotted to C.G. Rajan, 100 equity shares were allotted to M.O. Rajan, 100 equity shares were allotted to I U Ravi, 50 equity shares were allotted to Shaligram Sharma, 300 equity shares were allotted to A O Devassy, 1,000 equity shares were allotted to P. Lakshmanan, 150 equity shares were allotted to C.C. Santharam, 50 equity shares were allotted to P.K. Paul, 50 equity shares were allotted to T.K. Joshi, 200 equity shares were allotted to C Pylee, 500 equity shares were allotted to N.G. Janardhanan, 100 equity shares were allotted to Sunny C J, 50 equity shares were allotted to N C Unnikrishnan Nair, 300 equity shares were allotted to V V Jose, 600 equity shares were allotted to A.C. Jose, 300 equity shares were allotted to V. David Varghese, 600 equity shares were allotted to P.L John, 100 equity shares were allotted to K C Saseendran, 100 equity shares were allotted to Narendran N, 100 equity shares were allotted to V K George, 100 equity shares were allotted to Pauly I Therattil, 50 equity shares were allotted to T D Varghese, 50 equity shares were allotted to M.S Sukumaran Nair, 100 equity shares were allotted to Jose D Kulangara, 50 equity shares were allotted to M.T. Thampi, 100 equity shares were allotted to Davis T Pallissery, 50 equity shares were allotted to A.O. Varghese, 100 equity shares were allotted to Martin P John, 150 equity shares were allotted to E C Joy, 50 equity shares were allotted to K.B. Joshy, 1,000 equity shares were	10	10.00*	Cash	Preferential allotment ⁽¹⁾	100,700*	1,007,000

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		allotted to P.V. Vijayan, 100 equity shares were allotted to Jeemon Mendez V.L., 50 equity shares were allotted to P A Venugopal, 50 equity shares were allotted to M R Simon, 50 equity shares were allotted to A.C. Kochappan, 50 equity shares were allotted to Sarachandra Bose, 50 equity shares were allotted to P.M Raphel, 50 equity shares were allotted to V.P. Benny, 50 equity shares were allotted to P T Joy, 50 equity shares were allotted to K.S. Hariharan, 50 equity shares were allotted to E.S Vinod Kumar, 50 equity shares were allotted to Babu Joseph P, 50 equity shares were allotted to K. Parameswaran, 50 equity shares were allotted to V S Rajeevan, 50 equity shares were allotted to P.G. Vijayan, 50 equity shares were allotted to A.D. Jose, 50 equity shares were allotted to Louis M.L., 50 equity shares were allotted to K.N Venu, 50 equity shares were allotted to V K Sathyan, 50 equity shares were allotted to K M Vareed, 50 equity shares were allotted to K V Antony, 50 equity shares were allotted to T.P. Thomas, 50 equity shares were allotted to Abraham P.C., 50 equity shares were allotted to O K Suresh Babu, 50 equity shares were allotted to E.S. Sundaran, 50 equity shares were allotted to P.N. Krishnankutty, 50 equity shares were allotted to A.A Cheru, 50 equity shares were allotted to C.D. Lawrence, 50 equity shares were allotted to C X Tomy, 50 equity shares were allotted to M A Thomas, 50 equity shares were allotted to V.O.Varghese, 50 equity shares were allotted to P T Varghese, 50 equity shares were allotted to P.I. George, 50 equity shares were allotted to M.I Tharu, 50 equity shares were allotted to K.S. Prabhakaran, 50 equity shares were allotted to Suran K K, 50 equity shares were allotted to T.T Antony, 50 equity shares were allotted to Albert Figaredo, 50 equity shares were allotted to T.C. Lonappan, 50 equity shares were allotted to P.P. Wilson, 50 equity shares were allotted to V.J. Thomas, 50 equity shares were allotted to K C Jacob, 50 equity shares were allotted to K V Paul, 50 equity shares were allotted to K.J. Francis, 50 equity shares were allotted to N.J. Varghese, 50 equity shares were allotted to V.K Johnson, 50 equity shares were allotted to Shaji Rapheal, 50 equity shares were allotted to Edison Job Panakal, 50 equity shares were allotted to T.V Pushparaj, 50 equity shares were allotted to K.A Stephon, 50 equity shares were allotted to K. Ravindran, 50 equity shares were allotted to C.G Jose, 50 equity shares were allotted to P.A Martin, 50 equity shares were allotted to M.G. Joy, 50 equity shares were allotted to M.J. Benny, 50 equity shares were allotted to P.R. Francis, 50 equity shares were allotted to N.A. Joseph, 50 equity shares were allotted to K.V. Subramanian, 50 equity shares were allotted to Sunny K Poullose, 50 equity shares were allotted to C.D. Wilson, 50 equity shares were allotted to Roy Thomas, 50 equity shares were allotted to P.A. Jose, 50 equity shares were allotted to N T Ouseph, 50 equity shares were allotted to Jaison Varghese, 50 equity shares were allotted to K. G. Joseph, 50 equity shares were allotted to M M Varghese, 50 equity shares were allotted to M G Muraleedharan, 50 equity shares were allotted to Rajendran T K, 50 equity shares were allotted to V.K. Joseph, 50 equity shares were allotted to P J Albi, 50 equity shares were allotted to K.S. Sasidharan, 50 equity shares were allotted to Johnkutty Karyan, 50 equity shares were allotted to K R						

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		Varghese, 50 equity shares were allotted to A Venugopal, 50 equity shares were allotted to K.M. Jacob, 50 equity shares were allotted to Paul Pereira, 50 equity shares were allotted to T.O. Varghese, 50 equity shares were allotted to Joju P. Varghese, 50 equity shares were allotted to C. Ramdas, 50 equity shares were allotted to Sunny T.A, 50 equity shares were allotted to C.V. Wilson, 50 equity shares were allotted to Sunny P.P, 50 equity shares were allotted to C. Muralidharan, 50 equity shares were allotted to K K James, 50 equity shares were allotted to P Gokulan, 50 equity shares were allotted to M.K. Ravindranathan, 50 equity shares were allotted to P L Tony, 50 equity shares were allotted to K.A. Chakkunny, 50 equity shares were allotted to P J Joy, 50 equity shares were allotted to P.K Radhakrishnan, 50 equity shares were allotted to E.N Prakasan, 50 equity shares were allotted to P.T. Babu, 50 equity shares were allotted to Baby Mathew, 50 equity shares were allotted to M C Antony, 50 equity shares were allotted to K. Raveendran, 50 equity shares were allotted to A K Joseph, 50 equity shares were allotted to K R Antony, 50 equity shares were allotted to Venugopalan M.V., 50 equity shares were allotted to P G Krishnakumar, 50 equity shares were allotted to A.V. Ulahannan, 50 equity shares were allotted to V.C. Scaria, 50 equity shares were allotted to V.K. Sunil Kumar, 50 equity shares were allotted to K.D. Varghese, 50 equity shares were allotted to T N Radhakrishnan, 50 equity shares were allotted to M S Rajeev, 150 equity shares were allotted to P.P Cheriyan, 50 equity shares were allotted to M C Johnson, 50 equity shares were allotted to P R Kuttappan, 50 equity shares were allotted to K.J Scaria, 150 equity shares were allotted to V K Paul, 50 equity shares were allotted to A.A. Sukumaran, 50 equity shares were allotted to K.B Surendran, 150 equity shares were allotted to J. Johnson, 50 equity shares were allotted to M.L. Thomas, 50 equity shares were allotted to P.K. Francis, 50 equity shares were allotted to Babu V.R., 50 equity shares were allotted to Antony Cementy, 50 equity shares were allotted to M.V Gopalakrishnan, 300 equity shares were allotted to K.D Joy, 50 equity shares were allotted to Mohan P.C, 50 equity shares were allotted to K.G Varghese, 50 equity shares were allotted to A.P Xavier, 50 equity shares were allotted to K.S. Sumukhen, 50 equity shares were allotted to M.K. Raveendran, 50 equity shares were allotted to P.L Babu, 50 equity shares were allotted to P.N Nandakumar, 50 equity shares were allotted to Ramakrishnan K.K, 50 equity shares were allotted to T.B. Prabhakaran, 50 equity shares were allotted to V.K. Gopi, 300 equity shares were allotted to Davis Malyakal, 50 equity shares were allotted to Paily P.K., 50 equity shares were allotted to V.C Augustine, 50 equity shares were allotted to P.D Sreenivasan, 50 equity shares were allotted to N.J Jose, 50 equity shares were allotted to K.K Anto, 50 equity shares were allotted to M.M Mukundan, 50 equity shares were allotted to A. Manoharan, 50 equity shares were allotted to D. Venkataraman, 50 equity shares were allotted to S. Nimal James, 100 equity shares were allotted to M.A. Vincent, 50 equity shares were allotted to R. Shanmugom, 50 equity shares were allotted to V. Nagarajan, 50 equity shares were allotted to P.L. Varghese, 50 equity shares were allotted to K.P Joseph, 50						

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		equity shares were allotted to Y. Sundararajan, 50 equity shares were allotted to M.A. Anto, 50 equity shares were allotted to M. Radhakrishnan, 50 equity shares were allotted to P. James Paul, 50 equity shares were allotted to P. Kesavankutty, 50 equity shares were allotted to P.I Jose, 50 equity shares were allotted to N.V. Mohandas, 50 equity shares were allotted to P.A Jacob, 50 equity shares were allotted to M.D Joseph, 50 equity shares were allotted to K.A Johnson, 50 equity shares were allotted to K.M Padmanabhan, 50 equity shares were allotted to K. Pankajakshan, 50 equity shares were allotted to P. Vikraman, 50 equity shares were allotted to E.V. Sunny, 50 equity shares were allotted to P.V Varghese, 50 equity shares were allotted to K.G. Suresh Babu, 50 equity shares were allotted to M.G. Johnson, 100 equity shares were allotted to G. Sampath Kumar, 50 equity shares were allotted to Antony Francis, 50 equity shares were allotted to A.P. Rafi, 50 equity shares were allotted to V. Selvaraj, 50 equity shares were allotted to K.R Ouseph, 50 equity shares were allotted to C.S.Harikumar, 50 equity shares were allotted to A.C. Davis, 50 equity shares were allotted to T. Venkatesh, 150 equity shares were allotted to M. Arumugam, 50 equity shares were allotted to M. Mahalingam, 100 equity shares were allotted to P.V Jacob, 50 equity shares were allotted to C.D Wilson, 50 equity shares were allotted to S.M Rajendran, 50 equity shares were allotted to K. Ramachandran, 50 equity shares were allotted to L. Peter, 50 equity shares were allotted to B. Sakthivel, 50 equity shares were allotted to S. Chandramohan, 50 equity shares were allotted to P. Prabhu, 50 equity shares were allotted to E.J. Babu, 50 equity shares were allotted to R. Sampath Raj, 50 equity shares were allotted to P.V. Job, 50 equity shares were allotted to K.J Jose, 50 equity shares were allotted to K.O. Poullose, 50 equity shares were allotted to K.J. Thomas, 300 equity shares were allotted to P. Soundararajan, 300 equity shares were allotted to Albert Gomez, 50 equity shares were allotted to P.C. Paul, 100 equity shares were allotted to V. I Anto, 50 equity shares were allotted to M. Selvaraj, 100 equity shares were allotted to C. Palanisamy, 1,000 equity shares were allotted to P.J John, 50 equity shares were allotted to E.R. Thomas, 600 equity shares were allotted to P.C. Antony, 50 equity shares were allotted to N. Ravunnikutty, 50 equity shares were allotted to R. Balan, 50 equity shares were allotted to P. Haridas, 50 equity shares were allotted to Sebastian Kuruvilla, 50 equity shares were allotted to J. Rajkumar, 50 equity shares were allotted to D. Ravi, 50 equity shares were allotted to K.P. Ravi, 50 equity shares were allotted to T.Achuthan, 50 equity shares were allotted to K. Jacob Paul, 50 equity shares were allotted to Palaniswamy R, 50 equity shares were allotted to K.M Anil Kumar, 50 equity shares were allotted to P. Mohan, 50 equity shares were allotted to P.K. Udayakumar, 50 equity shares were allotted to S.R. Sankara Narayanan, 50 equity shares were allotted to L. Vincent Antony Raj, 50 equity shares were allotted to K. Mani, 50 equity shares were allotted to G. Ravi, 50 equity shares were allotted to V. Ramakrishnan, 50 equity shares were allotted to M. Varghese, 50 equity shares were allotted to T. Sridharan, 50 equity shares were allotted to M.Arul, 50 equity shares were allotted to B. Uthaman, 50 equity						

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		shares were allotted to C.Durai Swamy, 50 equity shares were allotted to A. Mohammed Rafik, 50 equity shares were allotted to Lawrence Dannyson, 50 equity shares were allotted to S. Selvakumar, 50 equity shares were allotted to U.M Nazar, 50 equity shares were allotted to M. Nagadevan, 50 equity shares were allotted to K. Chandran, 50 equity shares were allotted to S.Joseph, 50 equity shares were allotted to R. Alliraj, 50 equity shares were allotted to T.S Unnikrishnan, 50 equity shares were allotted to Lona Raphel, 300 equity shares were allotted to O.J.Anto, 50 equity shares were allotted to P. Nagaraj, 50 equity shares were allotted to L.Yesu Rathinam, 100 equity shares were allotted to E.V Francis, 50 equity shares were allotted to Raju Manuel, 50 equity shares were allotted to V.K. Surendran, 150 equity shares were allotted to K.P Joshy, 50 equity shares were allotted to G.O Thomas, 100 equity shares were allotted to V.J Joseph, 50 equity shares were allotted to M.P Nair, 50 equity shares were allotted to A.J Sarlies, 100 equity shares were allotted to P.I Manuel, 50 equity shares were allotted to C.K.Vidhyan, 50 equity shares were allotted to V.K.Girijan, 50 equity shares were allotted to T.F.Ouseph, 100 equity shares were allotted to N.K Francis, 50 equity shares were allotted to Kurian Paul, 100 equity shares were allotted to K.I David, 50 equity shares were allotted to V.K Pushparajan, 50 equity shares were allotted to P.G.Pushpalal, 50 equity shares were allotted to P.V.Divakar, 50 equity shares were allotted to Benny Paul, 50 equity shares were allotted to M.M. Varghese, 50 equity shares were allotted to K.K Sudhakaran, 50 equity shares were allotted to N.T.Davis, 50 equity shares were allotted to E.K Manilal, 50 equity shares were allotted to T.R. Joseph, 50 equity shares were allotted to Jnanasekharan, 50 equity shares were allotted to C.D.Johny, 50 equity shares were allotted to V.M Saseendran, 150 equity shares were allotted to C.C Jose, 150 equity shares were allotted to P.D Jose, 200 equity shares were allotted to C.P Joseph, 300 equity shares were allotted to P.P.Devassy, 350 equity shares were allotted to P.K George, 600 equity shares were allotted to C.L.Jose, 1,000 equity shares were allotted to M.L.Charly, 300 equity shares were allotted to T.A.Issac, 1,000 equity shares were allotted to T.J.Henry, 150 equity shares were allotted to K P Lonappan, 100 equity shares were allotted to M.O.John, 300 equity shares were allotted to Santha Narayanan, 150 equity shares were allotted to N.V Raman, 150 equity shares were allotted to K.A Vasu, 150 equity shares were allotted to C.V.Sankarankutty, 150 equity shares were allotted to K.A Ali, 600 equity shares were allotted to E.V Sankaran, 400 equity shares were allotted to P.I.Jose, 100 equity shares were allotted to K.C.Mohanan, 100 equity shares were allotted to K.A Jose, 150 equity shares were allotted to P.L Lawrance, 200 equity shares were allotted to James C. Mechery, 50 equity shares were allotted to PP. Lawrance, 50 equity shares were allotted to Somasekharan C, 50 equity shares were allotted to P.P Timothy, 1,000 equity shares were allotted to K.L Mathew, 100 equity shares were allotted to A R Ravindran, 100 equity shares were allotted to M I Paul, 50 equity shares were allotted to E.D.Joshy, 50 equity shares were allotted to K.V.Satheesan, 50 equity shares were allotted to M.V Johny, 50 equity shares were allotted to						

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		P.B.Suljan, 200 equity shares were allotted to P.T.Davis, 50 equity shares were allotted to C.B Mohanakrishnan, 100 equity shares were allotted to N.V.Antony, 100 equity shares were allotted to K.M Babu, 100 equity shares were allotted to K.O Varghese, 100 equity shares were allotted to T.R Jose, 250 equity shares were allotted to Paul Pothen, 50 equity shares were allotted to P.K Balan, 50 equity shares were allotted to C.P.Varghese, 50 equity shares were allotted to V.K Vasu, 50 equity shares were allotted to K.K Sukumaran, 50 equity shares were allotted to C.P.Jose, 50 equity shares were allotted to K.V Karappan, 50 equity shares were allotted to M.K.Johnson, 50 equity shares were allotted to John A Sharon, 50 equity shares were allotted to C.J Jose, 50 equity shares were allotted to K.V Jacob, 50 equity shares were allotted to K.K Govindhan, 50 equity shares were allotted to T.T.Davis, 50 equity shares were allotted to T.T.Babu, 50 equity shares were allotted to N.R.Vijayan, 50 equity shares were allotted to C.K Jose, 50 equity shares were allotted to P.P Johny, 50 equity shares were allotted to Paul J. Kuttikat, 50 equity shares were allotted to A.K Chandran, 50 equity shares were allotted to K.O Jose, 50 equity shares were allotted to K.C Vasu, 50 equity shares were allotted to V. Durairaj, 50 equity shares were allotted to N.M.Thankappan, 50 equity shares were allotted to P.T Prabhakaran, 50 equity shares were allotted to P.V Subramanian, 50 equity shares were allotted to K.B.Suresh Babu, 50 equity shares were allotted to P.P.Vijayan, 50 equity shares were allotted to P.V.Vasudevan, 50 equity shares were allotted to P.R.Mohandas, 50 equity shares were allotted to C.V.Rajappan, 50 equity shares were allotted to P.P.Varghese, 50 equity shares were allotted to K.S.Babu, 50 equity shares were allotted to P.J Giji, 50 equity shares were allotted to C.P.Jayakumar, 50 equity shares were allotted to C.P.Johny, 50 equity shares were allotted to P.R.Reghu, 50 equity shares were allotted to B.A.Devassy, 50 equity shares were allotted to V D Sajeevan, 50 equity shares were allotted to N.A.Joy, 50 equity shares were allotted to C.K.Sankarankutty, 50 equity shares were allotted to K.P. Johnny, 50 equity shares were allotted to A.L Jacob, 50 equity shares were allotted to T.K.Sasikumar, 50 equity shares were allotted to K.R Gopi, 50 equity shares were allotted to A.V.Sivaraman, 50 equity shares were allotted to K.K Mohanan, 50 equity shares were allotted to A.K Francis, 50 equity shares were allotted to V.Maniyappan, 50 equity shares were allotted to K.B Sathian, 50 equity shares were allotted to C.K Chandran, 50 equity shares were allotted to E.N Mohanan, 50 equity shares were allotted to M.B.Balan, 50 equity shares were allotted to P.Sudhakaran, 50 equity shares were allotted to C.S Joseph, 50 equity shares were allotted to A.C.Paul, 50 equity shares were allotted to M.B Soman, 50 equity shares were allotted to M.R Varghese, 50 equity shares were allotted to M.Jayaprakash, 50 equity shares were allotted to P.V.Joseph, 50 equity shares were allotted to N.D Sunny, 50 equity shares were allotted to K.Kannan, 50 equity shares were allotted to K.Narayanan, 50 equity shares were allotted to P A George, 50 equity shares were allotted to N.P Andrews, 50 equity shares were allotted to Lewis. C.G, 50 equity shares were allotted to K.A Prabhakaran, 50 equity shares were allotted to P.V Satheesan, 50						

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		equity shares were allotted to P.O Anto, 50 equity shares were allotted to P.K Ignatious, 50 equity shares were allotted to V.G.Narayanan, 50 equity shares were allotted to K.N Sudhakaran, 50 equity shares were allotted to K.L George, 50 equity shares were allotted to V.A George, 50 equity shares were allotted to K.Krishnankutty, 50 equity shares were allotted to M.T Jacob, 50 equity shares were allotted to K.V Joy, 50 equity shares were allotted to P.R.Ravindran, 50 equity shares were allotted to K.Sukumaran, 50 equity shares were allotted to M.A Vincent, 50 equity shares were allotted to M.M Joy, 50 equity shares were allotted to C.J Devassy, 50 equity shares were allotted to M.P Antony, 50 equity shares were allotted to C.T.Thomas, 50 equity shares were allotted to A.V.Antony, 50 equity shares were allotted to E.V.George, 50 equity shares were allotted to V.V.Abraham, 50 equity shares were allotted to T.J Anto, 50 equity shares were allotted to Joseph J. Pulikottil, 50 equity shares were allotted to E.G.Subran, 50 equity shares were allotted to V.B Sukumaran, 50 equity shares were allotted to V.S Divakaran, 50 equity shares were allotted to T.P Josy, 50 equity shares were allotted to K.D Vasudevan, 50 equity shares were allotted to A.P. Johnson, 50 equity shares were allotted to M.L Davis, 50 equity shares were allotted to K V Antony, 50 equity shares were allotted to K.D.Thomas, 50 equity shares were allotted to E.V.Ajayan, 50 equity shares were allotted to Babu Jacob, 50 equity shares were allotted to K.A.Ouseph, 50 equity shares were allotted to T P Joy, 50 equity shares were allotted to C.J.Jose, 50 equity shares were allotted to V.R. Viswanathan, 50 equity shares were allotted to K K Davis, 50 equity shares were allotted to T P Paul, 50 equity shares were allotted to A.Kesavan, 50 equity shares were allotted to P O Louis, 50 equity shares were allotted to P.P.Rajan, 50 equity shares were allotted to P.A.Francis, 50 equity shares were allotted to K.D. Jaison, 50 equity shares were allotted to P A Jose, 50 equity shares were allotted to C.L Varghese, 50 equity shares were allotted to K.K. Ramesh Kumar, 50 equity shares were allotted to P K Chandran, 50 equity shares were allotted to E R Chandrasekharan, 50 equity shares were allotted to E.A. Johnson, 50 equity shares were allotted to E J Raju, 50 equity shares were allotted to K G Santhosh Kumar, 50 equity shares were allotted to K A Nandanan, 50 equity shares were allotted to E T Dixon, 50 equity shares were allotted to M. J Ouseph, 50 equity shares were allotted to P.B.Paul, 50 equity shares were allotted to K R Mohandas, 50 equity shares were allotted to K N Raju, 50 equity shares were allotted to K.P. Ashokumar, 50 equity shares were allotted to C C Johnson, 50 equity shares were allotted to K.L Devassy, 50 equity shares were allotted to P M Pradeep, 50 equity shares were allotted to T R George, 100 equity shares were allotted to P G Varadarajan, 100 equity shares were allotted to C P Anilkumar, 100 equity shares were allotted to G Gopalakrishnan, 50 equity shares were allotted to K M Prakasan, 50 equity shares were allotted to P.J Xavier, 50 equity shares were allotted to A.D.Stanly, 50 equity shares were allotted to T.R.Babu, 50 equity shares were allotted to V J Rapheal, 50 equity shares were allotted to Jimmy Antonio, 50 equity shares were allotted to K P Sajeevan, 50 equity shares were allotted to T.T. George						

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		Milton, 50 equity shares were allotted to K.J.Sebastine, 50 equity shares were allotted to A.N Rajeevan, 50 equity shares were allotted to K.K Venu, 50 equity shares were allotted to P.J.Peter, 50 equity shares were allotted to M.S. Jayasankaran, 100 equity shares were allotted to N.R.Thilakan, 50 equity shares were allotted to K.P.Appu, 50 equity shares were allotted to Augustine Luiz, 50 equity shares were allotted to P.M.Francis, 50 equity shares were allotted to I.V.Joseph, 50 equity shares were allotted to P J George, 50 equity shares were allotted to P P Antony, 50 equity shares were allotted to Shaji Varghese, 50 equity shares were allotted to T.T. Antony, 50 equity shares were allotted to U T Cletus, 50 equity shares were allotted to P.T. James, 50 equity shares were allotted to Edward Fernadez, 50 equity shares were allotted to P J Lawrance, 50 equity shares were allotted to Joesph Daurave, 50 equity shares were allotted to K.M.Peter Rooriguse, 50 equity shares were allotted to K J George, 50 equity shares were allotted to N K Subramanian, 50 equity shares were allotted to M V Puspakaran, 50 equity shares were allotted to T.T.Mathai, 50 equity shares were allotted to P.P.Asokan, 50 equity shares were allotted to K.J.James, 50 equity shares were allotted to C.P Joseph, 50 equity shares were allotted to N.G. Bareedjoseph, 50 equity shares were allotted to N B Sebastian, 50 equity shares were allotted to P.K.Abdul Latheaf, 50 equity shares were allotted to P.D.Sadanandan, 100 equity shares were allotted to P K Devadas, 50 equity shares were allotted to C A Manuel, 50 equity shares were allotted to M.J Kennady Jos, 50 equity shares were allotted to C A Joseph, 50 equity shares were allotted to I.N.Muralidharan, 50 equity shares were allotted to V Krishnakumar, 50 equity shares were allotted to N.L.Raphel, 50 equity shares were allotted to T.V.Joseph, 50 equity shares were allotted to T.P.Joseph, 50 equity shares were allotted to V A Raveendran, 50 equity shares were allotted to R.A.Joseph, 50 equity shares were allotted to C.K Augustine Francis, 50 equity shares were allotted to T.J Charly, 50 equity shares were allotted to P A George, 50 equity shares were allotted to V S Mahesh, 50 equity shares were allotted to K A Raffique, 50 equity shares were allotted to C C Thomas, 50 equity shares were allotted to K KSudhakaran, 50 equity shares were allotted to N Chandrabose, 50 equity shares were allotted to K S Suseendran, 50 equity shares were allotted to N A Xavier, 50 equity shares were allotted to A S Santoshkumar, 50 equity shares were allotted to K G Babu, 50 equity shares were allotted to M.G.Xavier, 50 equity shares were allotted to P K Gokulan, 50 equity shares were allotted to K N Peethambharan, 50 equity shares were allotted to K.V.Reghuvaran, 50 equity shares were allotted to K P Thomas, 50 equity shares were allotted to James Vincent, 50 equity shares were allotted to T.V.Devassy, 50 equity shares were allotted to K B Sudarasan, 100 equity shares were allotted to T.T.Paul, 50 equity shares were allotted to Estever Daurave, 50 equity shares were allotted to William Peter, 50 equity shares were allotted to P V Jerome, 50 equity shares were allotted to K C Mani, 50 equity shares were allotted to P.P.Sudhakaran, 50 equity shares were allotted to C.X.Manuel, 50 equity shares were allotted to K.K.Sankarankutty, 50 equity						

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		shares were allotted to M.K.Thomson, 50 equity shares were allotted to K A George, 50 equity shares were allotted to V VPrakasan, 50 equity shares were allotted to P.V.Johny, 50 equity shares were allotted to P.C.Johnson, 50 equity shares were allotted to K S Anil, 50 equity shares were allotted to K KRaveendran, 150 equity shares were allotted to C.P.Gilbert, 150 equity shares were allotted to K.R.Paily, 150 equity shares were allotted to K.A. Sebastian, 150 equity shares were allotted to P C John, 150 equity shares were allotted to VE Shanmughan, 150 equity shares were allotted to Y.M.Gopalan, 150 equity shares were allotted to MJ Thomas, 150 equity shares were allotted to K.A.Joseph, 150 equity shares were allotted to M.O.Antony, 150 equity shares were allotted to Jerome Correya, 150 equity shares were allotted to T K Sasidharan, 150 equity shares were allotted to K.V.Xavier, 150 equity shares were allotted to Antony Fernandez, 150 equity shares were allotted to N O Antony, 150 equity shares were allotted to P A Thomas, 600 equity shares were allotted to I T Chacko, 600 equity shares were allotted to N P Varghese and 150 equity shares were allotted to M.J James.						
January 7, 2008	399,300	175,690 equity shares were allotted to Francis K. Paul, 175,690 equity shares were allotted to John K. Paul and 47,920 equity shares were allotted to Naveen Philip	10	10.00	Cash	Preferential allotment	500,000	5,000,000
September 28, 2010	1,500,000	650,370 equity shares were allotted to Francis K. Paul, 650,370 equity shares were allotted to John K. Paul, 3,000 equity shares were allotted to Susan Francis, 150 equity shares were allotted to Kandiba Ramji Sukpal, 150 equity shares were allotted to Laxman Sakaramsukpal, 300 equity shares were allotted to K.J. Davis, 300 equity shares were allotted E.A.Johny, 300 equity shares were allotted to V.L.Ouseph, 450 equity shares were allotted to C.C. Santharam, 150 equity shares were allotted to T.K. Joshi, 150 equity shares were allotted to M.S Sukumaran Nair, 150 equity shares were allotted to M.T.Thampi, 150 equity shares were allotted to A.O. Varghese, 300 equity shares were allotted to Martin P John, 150 equity shares were allotted to K.B. Joshy, 150 equity shares were allotted to Sarachandra Bose, 150 equity shares were allotted to E.S Vinod Kumar, 150 equity shares were allotted P.G.Vijayan, 150 equity shares were allotted to A.D.Jose, 150 equity shares were allotted to T.P.Thomas, 150 equity shares were allotted to A.A. Cheru, 150 equity shares were allotted to C.D. Lawrence, 150 equity shares were allotted to M.I Tharu, 150 equity shares were allotted to Albert Figaredo, 150 equity shares were allotted to T.C Lonappan, 150 equity shares were allotted to N.J Varghese, 150 equity shares were allotted to K Ravindran, 150 equity shares were allotted to M.G Joy, 150 equity shares were allotted to Sunny K Poulouse, 150 equity shares were allotted to C.D Wilson, 150 equity shares were allotted to Roy Thomas, 150 equity shares were allotted to P.A Jose, 150 equity shares were allotted to T.O Varghese, 150 equity shares were allotted to Sunny T.A, 150 equity shares were allotted to C.V Wilson, 150 equity shares were allotted to Sunny P.P, 150 equity shares were allotted to P.K Radhkrishnan, 150 equity shares were allotted to E.N Prakasan,	10	N/A	N/A	Bonus issue in the ratio of three equity shares for every one fully paid-up equity share held	2,000,000	20,000,000

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		150 equity shares were allotted to Venugopalan M.V, 150 equity shares were A.V Ulahannan, 150 equity shares were allotted to V.K Sunil Kumar, 150 equity shares were allotted to K.D Varghese, 150 equity shares were allotted to K.J Scaria, 150 equity shares were allotted to P.K Francis, 150 equity shares were allotted to P.N Nandakumar, 150 equity shares were allotted to T.B Prabhakaran, 150 equity shares were allotted to M. Radhakrishnan, 150 equity shares were allotted to P.I Jose, 150 equity shares were allotted to P. Vikraman, 150 equity shares were allotted to E.V.Sunny, 150 equity shares were allotted to M.G.Johnson, 150 equity shares were allotted to A.P.Rafi, 150 equity shares were allotted to E.J Babu, 150 equity shares were allotted to K.J Jose, 150 equity shares were allotted to P.C Paul, 150 equity shares were allotted to E.R Thomas, 1800 equity shares were allotted to P.C Antony, 150 equity shares were allotted to D. Ravi, 150 equity shares were allotted to K.P Ravi, 150 equity shares were allotted P.K Udayakumar, 150 equity shares were allotted to S.R Sankaranarayanan, 150 equity shares were allotted to V.K Surendran, 150 equity shares were allotted to G.O Thomas, 150 equity shares were allotted to M.P Nair, 150 equity shares were allotted to Kurian Paul, 150 equity shares were allotted to V.K Pushparajan, 150 equity shares were allotted to P.G.Pushpalal, 150 equity shares were allotted to P.V. Divakar, 150 equity shares were allotted to Benny Paul, 150 equity shares were allotted to T.R. Joseph, 150 equity shares were allotted to Jnanasekharan, 150 equity shares were allotted to C.D. Johny, 150 equity shares were allotted to P.P Lawrance, 600 equity shares were allotted to P.T. Davis, 750 equity shares were allotted to Thankamma Pothan, 150 equity shares were allotted to K.B. Suresh Babu, 150 equity shares were allotted to C.V. Rajappan, 150 equity shares were allotted to P.J Giji, 150 equity shares were allotted to C.P.Jayakumar, 150 equity shares were allotted to C.K.Sankaran Kutty, 150 equity shares were allotted to P.V.Joseph, 150 equity shares were allotted to K.Narayanan, 150 equity shares were allotted to Lewis. C.G., 150 equity shares were allotted to V.G.Narayanan, 150 equity shares were allotted to K.N Sudhakaran, 150 equity shares were allotted to C.J Devassy, 150 equity shares were allotted to E.G.Subran, 150 equity shares were allotted to A.P. Johnson, 150 equity shares were allotted to M.L Davis, 150 equity shares were allotted to K.A. Ouseph, 150 equity shares were allotted to V.R. Viswanathan, 150 equity shares were allotted to C.LVarghese, 150 equity shares were allotted to K.K. Ramesh Kumar, 150 equity shares were allotted to K.L. Devassy, 150 equity shares were allotted to P.J Xavier, 150 equity shares were allotted to T.R.Babu, 150 equity shares were allotted to T.T. George Milton, 150 equity shares were allotted to A.N. Rajeevan, 150 equity shares were allotted to M.S. Jayasankaran, 150 equity shares were allotted to K.P.Appu, 150 equity shares were allotted to T.T. Antony, 150 equity shares were allotted to P.T. James, 150 equity shares were allotted to P.P. Ashokan, 150 equity shares were allotted to C.P. Joseph, 150 equity shares were allotted to M.J. Kennady Jos, 150 equity shares were allotted to C.K Augustine Francis, 150 equity shares were allotted to T.J Charly, 150 equity shares were allotted to T.V.Devassy, 150 equity shares						

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		were allotted to M.A.Sajjan and 176,760 equity shares were allotted to Naveen Philip						
December 31, 2015	100	100 equity shares were allotted to BanyanTree	10	100.00	Cash	Preferential allotment	2,000,100	20,001,000
March 9, 2017	1,333,233	1,333,233 equity shares were allotted to BanyanTree	10	487.54	Cash	Conversion of compulsorily convertible debentures ⁽²⁾	3,333,333	33,333,330
September 14, 2018	586,745	257,842 equity shares were allotted John K. Paul, 257,842 were allotted to Francis K. Paul, 69,318 were allotted to Naveen Philip, 1,177 equity shares were allotted to Susan Francis, 59 equity shares were allotted to M.A. Sajjan, 59 equity shares were allotted to T.K. Joshi, 59 equity shares were allotted to Albert Figaredo, 59 equity shares were allotted to P.K Radhakrishnan, 59 equity shares were allotted to K.P. Ravi, 59 equity shares were allotted to P.K Udayakumar, 59 equity shares were allotted to M.P Nair, 59 equity shares were allotted to V G Narayanan, 2 equity shares were allotted to Ranjan K Nair, 2 equity shares were allotted to Johnson Mathew, 2 equity shares were allotted to A. Dinesh, 2 equity shares were allotted to Somy K Cheruvathoor, 2 equity shares were allotted to P.Jayapraksh, 2 equity shares were allotted to Binu V, 2 equity shares were allotted to Nisha.A.S., 2 equity shares were allotted to Aanson Jaweb, 2 equity shares were allotted to M Madhavadas, 2 equity shares were allotted to Rajesh Kumar.D, 2 equity shares were allotted to Johny N.V, 2 equity shares were allotted to Subhash K Ouseph, 2 equity shares were allotted to Antony.V.V, 2 equity shares were allotted to Sheela Sajeev, 2 equity shares were allotted to Sibi Mathew Jose, 2 equity shares were allotted to Sabu R, 2 equity shares were allotted to John Burby, 2 equity shares were allotted to Sreekanthan.R, 2 equity shares were allotted to Ganga Prasad.G, 2 equity shares were allotted to Subash Ramakrishnan, 2 equity shares were allotted to Suma.P, 2 equity shares were allotted to Lisa Mariam Eapen, 2 equity shares were allotted to Jessy Jose, 2 equity shares were allotted to Raju.E.M., 2 equity shares were allotted to Ganesh Kumar S, 2 equity shares were allotted to Lijomon K Joy, 2 equity shares were allotted to Ranju Mathews, 2 equity shares were allotted to Silvi Paul, 2 equity shares were allotted to Biju C.V, 2 equity shares were allotted to Vilasini Babu, 2 equity shares were allotted to Jomin John, 2 equity shares were allotted to Jayachandran T R, 2 equity shares were allotted to Aneez Mohammed, 2 equity shares were allotted to Shaji Abraham, 2 equity shares were allotted to Subash A, 2 equity shares were allotted to Ramesh G, 2 equity shares were allotted to Jeljoe P G, 2 equity shares were allotted to Padmakumar V P, 2 equity shares were allotted to Sunil Raj M D, 2 equity shares were allotted to Roy Thomas, 2 equity shares were allotted to Thomas A Karedan, 2 equity shares were allotted to Rajmohan P Kampiyil, 2 equity shares were allotted to Binu Micheal, 2 equity shares were allotted to Jyothish M, 2 equity shares were allotted to Sreenivasan S, 2 equity shares were allotted to Mathew Thomas and 2 equity shares were allotted to Ouseph K.K.	10	10	Cash	Rights issue in the ratio of five equity shares for every 17 equity shares	3,920,078	39,200,780

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
September 18, 2018	8,624,211	2,495,905 equity shares were allotted to John K. Paul, 2,495,905 equity shares were allotted to Francis K. Paul, 670,996 equity shares were allotted to Naveen Philip, 11,390 equity shares were allotted to Susan Francis, 570 equity shares were allotted to M.A. Sajjan, 2,933,333 equity shares were allotted to BanyanTree, 570 equity shares were allotted to T.K. Joshi, 440 equity shares were allotted to A.O. Varghese, 440 equity shares were allotted to E.S Vinod Kumar, 440 equity shares were allotted to A.D.Jose, 440 equity shares were allotted to M.I Tharu, 570 equity shares were allotted to Albert Figaredo, 440 equity shares were allotted to M.G.Joy, 440 equity shares were allotted to Roy Thomas, 440 equity shares were allotted to P.A. Jose, 440 equity shares were allotted to Sunny P.P., 570 equity shares were allotted to P.K Radhkrishnan, 440 equity shares were allotted to D. Ravi, 570 equity shares were allotted to K.P. Ravi, 570 equity shares were allotted to P.K. Udayakumar, 570 equity shares were allotted to M.P. Nair, 440 equity shares were allotted to V.K. Pushparajan, 440 equity shares were allotted to P.V. Divakar, 440 equity shares were allotted to Benny Paul, 440 equity shares were allotted to C.D. Johnny, 440 equity shares were allotted to C.V. Rajappan, 440 equity shares were allotted to P.J. Giji, 440 equity shares were allotted to C.P Jayakumar, 440 equity shares were allotted to E.G. Subran, 440 equity shares were allotted to Mijo Micheal, 570 equity shares were allotted to V.G. Narayanan, 440 equity shares were allotted to K.L Devassy, 440 equity shares were allotted to P.J. Xavier, 440 equity shares were allotted to T.R. Babu, 440 equity shares were allotted to Surya Sobin, 440 equity shares were allotted to M.S. Jayasankaran, 440 equity shares were allotted to P.T. James, 440 equity shares were allotted to P.P. Ashokan, 18 equity shares were allotted to Ranjan K Nair, 18 equity shares were allotted to Johnson Mathew, 18 equity shares were allotted to A.Dinesh, 18 equity shares were allotted to Somy K Cheruvathoor, 18 equity shares were allotted to P.Jayaprakash, 18 equity shares were allotted to Binu V, 18 equity shares were allotted to Nisha.A.S., 18 equity shares were allotted to Aanson Jawed, 18 equity shares were allotted to M Madhavadas, 14 equity shares were allotted to Rajesh Kumar.N, 18 equity shares were allotted to Johnny N.V, 18 equity shares were allotted to Subhash K Ouseph, 18 equity shares were allotted to Antony V.V., 18 equity shares were allotted to Sheelakumari C.N., 14 equity shares were allotted to Goldy Thomas, 18 equity shares were allotted to Sibi Mathew Jose, 18 equity shares were allotted to Sabu R, 18 equity shares were allotted to John Burby, 18 equity shares were allotted to Sreekanthan R, 14 equity shares were allotted to N. Sreekumaran, 14 equity shares were allotted to Raphael K.D., 18 equity shares were allotted to Ganga Prasad. G., 14 equity shares were allotted to Gypson Baby, 18 equity shares were allotted to Subash Ramakrishnan, 18 equity shares were allotted to Suma.P., 18 equity shares were allotted to Lisa Mariam Eapen, 18 equity shares were allotted to Jessy Jose, 18 equity shares were allotted to Raju.E.M., 14 equity shares were allotted to C.A. Printo, 14 equity shares were allotted to D.Anand Ganesh, 18 equity shares were allotted to Ganesh Kumar S, 18 equity shares were allotted to Lijomon K Joy, 14 equity	10	N/A	N/A	Bonus issue in the ratio of 11 equity shares for every five fully paid-up equity shares	12,544,289	125,442,890

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		shares were allotted to Abhilash A.S., 14 equity shares were allotted to Anoop B, 18 equity shares were allotted to Ranju Mathews, 18 equity shares were allotted to Silvi Paul, 14 equity shares were allotted to Suresh A.L., 18 equity shares were allotted to Biju C.V., 14 equity shares were allotted to Simi Santhosh, 18 equity shares were allotted to Vilasini Babu, 14 equity shares were allotted to Sony Mancheril, 14 equity shares were allotted to Prasad K.P., 14 equity shares were allotted to Rajesh A S, 18 equity shares were allotted to Jomin John, 14 equity shares were allotted to Leo A.V., 14 equity shares were allotted to P. Natraj Kumar, 18 equity shares were allotted to Rajesh Kumar D, 14 equity shares were allotted to D Venkata Rama Chandraiah, 14 equity shares were allotted to Jobe K.V., 18 equity shares were allotted to Jayachandran T R, 18 equity shares were allotted to Aneez Mohammed, 14 equity shares were allotted to Manoj G, 16 equity shares were allotted to Shaji Abraham, 18 equity shares were allotted to Subash A, 18 equity shares were allotted to Ramesh G, 18 equity shares were allotted to Jeljoe P G, 18 equity shares were allotted to Padmakumar V P, 18 equity shares were allotted to Sunil Raj M D, 18 equity shares were allotted to Roy Thomas, 18 equity shares were allotted to Thomas A Karedan, 18 equity shares were allotted to Rajmohan P Kampiyil, 18 equity shares were allotted to Binu Micheal, 18 equity shares were allotted to Jyothish M, 18 equity shares were allotted to Sreenivasan S, 18 equity shares were allotted to Mathew Thomas, 16 equity shares were allotted to Ouseph K K and 14 equity shares were allotted to Asoka Kumar Koora						
September 8, 2023		Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹10 each to 75,000,000 Equity Shares of face value of ₹2 each. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹10 each to 62,721,445 Equity Shares of face value of ₹2 each					62,721,445	125,442,890
Total	62,721,445						62,721,445	125,442,890

[^] The secretarial records, namely the board and shareholder minutes and Form 2s filed with the RoC, in connection with the allotment of 43,000 equity shares and 50,700 equity shares undertaken on December 30, 1983 and June 25, 1985, respectively are untraceable. For the details with respect to these allotments, we have relied on the statutory registers and annual accounts of the Company. For further details, please see "Risk Factors – Our Company was incorporated in 1983 and we are unable to trace some of our historical records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to the untraceable filings and corporate records, which may impact our financial condition and reputation" on page 48.

* The equity shares were partly paid as on the date of allotment. Please refer to footnote 1 below.

- (1) The equity shares were partly paid as on the date of allotment to the extent of ₹5.00 per equity share (i.e., ₹2.50 per equity shares towards share application money and ₹2.50 per equity shares towards allotment money). While 37,300 equity shares were fully paid-up on October 31, 1992, the balance 13,400 equity shares were forfeited on March 21, 1994, due to failure of the allottees in paying the balance amount of allotment money due on their respective equity shares when called upon. Out of the 13,400 forfeited Equity Shares, 3,200 equity shares were re-issued to John K. Paul, 3,400 equity shares were re-issued to Francis K. Paul, 4,550 equity shares were re-issued to K.P. Paul and 2,250 equity shares were re-issued to Saju K. Thomas on June 19, 1996.
- (2) Allotment pursuant to conversion of 6,500 compulsorily convertible debentures of face value of ₹100,000 each.

[#] An affidavit obtained from the (i) Company dated January 3, 2024; and (ii) certain allottees who are traceable by the Company, for the allotment of the equity shares by our Company on December 30, 1983 and June 25, 1985 (collectively, the "Affidavits"). A certificate dated January 5, 2024 obtained from R.G.N. Price & Co., Chartered Accountants, Independent Chartered Accountant on confirmation on allotment of equity shares of the Company on December 30, 1983 and June 25, 1985 and the Affidavits were made available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. For details, see "Material Contracts and Material Documents for Inspection" on page 441.

(b) **Preference Share capital**

Our Company does not have any outstanding preference shares as on the date of the filing of this Prospectus.

2. **Issue of Equity Shares at a price lower than the Offer Price in the last year**

The Offer Price is ₹295. Our Company has not issued any Equity Shares during the one year preceding the date of this Prospectus.

3. **Issue of Equity Shares for consideration other than cash or out of revaluation of reserves**

Our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves since its incorporation.

4. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

5. **History of the Equity Share capital held by our Promoters**

As on the date of this Prospectus, our Promoters collectively hold 43,558,086 Equity Shares, equivalent to 69.45% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) **Build-up of the shareholding of our Promoters in our Company**

The details regarding the shareholding of our Promoters since incorporation of our Company are set forth in the table below:

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
John K. Paul							
June 28, 1983	Initial subscription to the MoA	1,000	Cash	10	10	0.01	0.01
December 30, 1983	Preferential allotment [#]	11,000	Cash	10	10	0.09	0.08
March 21, 1994	Transfer from Albert Gomez	300	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from C.P Anilkumar	100	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from G. Gopalakrishnan	100	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Jimmy Antonio	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Augustine Luiz	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from P.P. Antony	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from N.B. Sebastian	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from V. S. Mahesh	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from C.C. Thomas	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from N A Xavier	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from P V Jerome	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K C Mani	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from T K Sasidharan	150	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Antony Fernandez	150	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from P. D. Varghese	100	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from K. G. Joseph	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from M. M. Varghese	50	Cash	10	20	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
February 13, 1995	Transfer from M.M. Mukundan	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from M. Selvaraj	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from T.P. Josy	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from M V Puspakaran	50	Cash	10	20	Negligible	Negligible
June 19, 1996	Allotment of forfeited Equity Shares	3,200	Cash	10	10	0.03	0.02
July 15, 1996	Transfer from K A Nandan	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from P.A. Jose	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from T.J. Anto	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from M R Simon	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from T D Varghese	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from C X Tomy	50	Cash	10	10	Negligible	Negligible
July 15, 1996	Transfer from N T Ouseph	50	Cash	10	10	Negligible	Negligible
March, 15, 1997	Transfer from P.N. Krishnankutty	50	Cash	10	10	Negligible	Negligible
March 15, 1997	Transfer from P.D. Sreenivasan	50	Cash	10	10	Negligible	Negligible
January 27, 1998	Transfer from P. J. Albi	50	Cash	10	10	Negligible	Negligible
April 27, 1998	Transfer from E. J Raju	50	Cash	10	10	Negligible	Negligible
April 27, 1998	Transfer from Pauly I Therattil	100	Cash	10	10	Negligible	Negligible
June 30, 1998	Transfer from N. O. Antony	150	Cash	10	10	Negligible	Negligible
June 30, 1998	Transfer from K. C. Saseendran	100	Cash	10	10	Negligible	Negligible
June 30, 1998	Transfer from K D Joy	300	Cash	10	10	Negligible	Negligible
August 23, 1999	Transfer from C. Pylee	200	Cash	10	10	Negligible	Negligible
February 22, 2002	Transfer from K.J.Thomas	50	Cash	10	10	Negligible	Negligible
February 22, 2002	Transfer from T.J .Henry	1,000	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Mukundan P.A.	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Immanual Justine T.D.	100	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from K. Parameswaran	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from M.A. Vincent	100	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from K. Pankajakshan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from V.K. Girijan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.P. Johny	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from A. Kesavan	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from Kochappan A. C.	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.I. George	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.P. Wilson	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from Benny M.J.	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.R. Francis	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from K.S. Sasidharan	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.T. Babu	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from K. Raveendran	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from M.K. Raveendran	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.L. Varghese	50	Cash	10	10	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post-Offer Equity Share capital (%)
August 28, 2002	Transfer from T. Venkatesh	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from C.D. Wilson	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P. Prabhu	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from T. Achuthan	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from N.T. Davis	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.I. Jose	400	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.P. Varghese	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.R. Ravindran	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from A.V. Antony	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from Babu Jacob	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.A. Francis	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.B. Paul	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from A.D. Stanly	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from K.J. Sebastine	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.J. Peter	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from I.N. Muralidharan	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from T.V. Joseph	50	Cash	10	20	Negligible	Negligible
August 28, 2002	Transfer from M.K. Thomson	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from P.C. Johnson	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from Jerome Correya	150	Cash	10	10	Negligible	Negligible
September 16, 2002	Transfer from C.S. Harikumar	50	Cash	10	10	Negligible	Negligible
September 16, 2002	Transfer from N.A. Joy	50	Cash	10	10	Negligible	Negligible
September 16, 2002	Transfer from T.K. Sasikumar	50	Cash	10	10	Negligible	Negligible
September 16, 2002	Transfer from N.R. Thilakan	100	Cash	10	10	Negligible	Negligible
September 16, 2002	Transfer from P.V. Johny	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from M.K. Barsoma	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from E.L. George	100	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from Jose D. Kulangara	100	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from Jeemon Mendez V.L	100	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from V.J. Thomas	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from K.M. Jacob	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from K.O. Poulose	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from E.D. Joshy	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from P.R. Mohandas	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from P.R. Reghu	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from A.V. Sivaraman	50	Cash	10	10	Negligible	Negligible
November 5, 2002	Transfer from K.D. Jaison	50	Cash	10	10	Negligible	Negligible
February 12, 2003	Transfer from V.O. Varghese	50	Cash	10	10	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
February 12, 2003	Transfer from C. Muralidharan	50	Cash	10	10	Negligible	Negligible
March 10, 2003	Transfer from K.A. Chakkunny	50	Cash	10	10	Negligible	Negligible
December 18, 2003	Transfer from E.V. George	50	Cash	10	10	Negligible	Negligible
December 18, 2003	Transfer from Saju K Thomas	6,050	Cash	10	10	0.05	0.04
April 20, 2004	Transfer from K.S.Hariharan	50	Cash	10	10	Negligible	Negligible
August 25, 2006	Transfer from P.K. Paul	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from K.S. Prabhakaran	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from M.A. Anto	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from K. Jacob Paul	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from T.T. Davis	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from K.D. Thomas	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from P.M. Francis	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from I.V. Joseph	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from K.M. Peter Rooriguse	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from P.K. Abdul Latheaf	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from N.L. Raphel	50	Cash	10	20	Negligible	Negligible
September 4, 2006	Transfer from Davis T. Pallisery	100	Cash	10	20	Negligible	Negligible
May 23, 2007	Transmission from Late K.P Paul	11,000	Cash	10	N/A	0.09	0.08
August 22, 2007	Transfer from P. James Paul	50	Cash	10	20	Negligible	Negligible
August 22, 2007	Transfer from T.T. Mathai	50	Cash	10	20	Negligible	Negligible
January 7, 2008	Preferential allotment	175,690	Cash	10	10	1.40	1.23
March 7, 2008	Transfer from G. Sampathkumar	100	Cash	10	20	Negligible	Negligible
March 7, 2008	Transfer from A.C. Paul	50	Cash	10	20	Negligible	Negligible
August 19, 2008	Transfer from M.G. Xavier	50	Cash	10	20	Negligible	Negligible
April 19, 2010	Transfer from P A George	50	Cash	10	100	Negligible	Negligible
September 28, 2010	Bonus issue	650,370	N/A	10	N/A	5.18	4.57
August 20, 2013	Transfer from K.K. Ramesh Kumar	100	Cash	10	10	Negligible	Negligible
March 28, 2014	Transfer from K.J Jose	100	Cash	10	10	Negligible	Negligible
May 20, 2014	Transfer from Venugopalan M.V.	100	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from Rukmini Kondiba Sakpal	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from Laxman Sakaram Sukpal	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from C.C. Santharam	600	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from K. Ravindran,	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from K.D. Varghese	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from P.C.Antony	2,400	Cash	10	100	0.02	0.02
October 12, 2015	Transfer from R. Leela	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from G.O Thomas	200	Cash	10	100	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
October 12, 2015	Transfer from K. Narayanan	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from A.N. Rajeevan	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from T.T. Antony	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from T.P. Thomas	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from C.V. Wilson	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from V.K. Sunil Kumar	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from V.K. Surendran	100	Cash	10	100	Negligible	Negligible
December 31, 2015	Transfer from Martin P. John	100	Cash	10	100	Negligible	Negligible
December 31, 2015	Transfer from M.J. Kennady Jos	200	Cash	10	100	Negligible	Negligible
February 15, 2016	Transfer from Kurian Paul	200	Cash	10	100	Negligible	Negligible
February 15, 2016	Transfer from P.G. Pushpalal	50	Cash	10	100	Negligible	Negligible
February 15, 2016	Transfer from P.V. Joseph	50	Cash	10	100	Negligible	Negligible
June 07, 2016	Transfer from N.J. Varghese	100	Cash	10	100	Negligible	Negligible
October 18, 2016	Transfer from M. Radhakrishnan	100	Cash	10	100	Negligible	Negligible
October 18, 2016	Transfer from E.V. Sunny	200	Cash	10	100	Negligible	Negligible
December 22, 2016	Transfer from C.P. Joseph	100	Cash	10	100	Negligible	Negligible
December 29, 2016	Transfer from T.R. Joseph	100	Cash	10	100	Negligible	Negligible
March 09, 2017	Transfer from P.N. Nandakumar	100	Cash	10	100	Negligible	Negligible
February 10, 2017	Transfer from Lewis. C.G,	100	Cash	10	100	Negligible	Negligible
June 29, 2017	Transfer from A.V. Ulahannan	100	Cash	10	100	Negligible	Negligible
September 27, 2017	Transfer from K.P. Appu	100	Cash	10	100	Negligible	Negligible
December 18, 2017	Transfer from E.N. Prakasan	200	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from M.G. Johnson	100	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from E.J. Babu	200	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from C.K. Sankaran Kutty	200	Cash	10	100	Negligible	Negligible
April 29, 2018	Transfer from V.L. Ouseph	400	Cash	10	110	Negligible	Negligible
April 29, 2018	Transfer from P.G. Vijayan	200	Cash	10	110	Negligible	Negligible
April 29, 2018	Transfer from P. Vikraman	200	Cash	10	130	Negligible	Negligible
April 29, 2018	Transfer from K.N. Sudhakaran	100	Cash	10	110	Negligible	Negligible
June 26, 2018	Transfer from Sunny K. Poullose	100	Cash	10	130	Negligible	Negligible
June 26, 2018	Transfer from C.K. Sarachandra Bose	200	Cash	10	130	Negligible	Negligible
June 26, 2018	Transfer from Sunny T.A	200	Cash	10	130	Negligible	Negligible
September 14, 2018	Rights issue	257,842	Cash	10	10	2.06	1.81
September 18, 2018	Bonus issue	2,495,905	N/A	10	N/A	19.90	17.53

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
January 5, 2019	Transfer to Naveen Philip	(879,282)	Gift	10	N/A	7.01	6.17
Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, by virtue of such sub-division, with effect from September 8, 2023, John K. Paul is currently holding 13,755,625 Equity Shares of ₹2 each							
February 21, 2024	Transfer from BanyanTree	763,737	Cash	2	57	1.22	1.07
Total (A)		14,519,362				23.15	20.39
Francis K. Paul							
June 28, 1983	Initial subscription to the MoA	1,000	Cash	10	10	0.01	0.01
December 30, 1983	Preferential allotment [#]	10,000	Cash	10	10	0.08	0.07
March 21, 1994	Transfer from K.R. Ouseph	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from P. Haridas	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from James C. Mechery	200	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from N.P. Andrews	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K.L. George	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from T.R. George	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K.M. Prakasan	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from V.J. Rapel	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Shaji Varghese	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Joseph Daurave	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K.J. George	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from C A Manuel	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from C A Joseph	50	Cash	10	10	Negligible	Negligible
March 21, 1994	Transfer from K A Raffique	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from A S Santhosh Kumar	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K N Peethambharan	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K P Thomas	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from K B Sudarasan	50	Cash	10	20	Negligible	Negligible
March 21, 1994	Transfer from Estever Daurave	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from A O Devessy	300	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from K R Antony	50	Cash	10	20	Negligible	Negligible
February 13, 1995	Transfer from P R Kuttappan	50	Cash	10	20	Negligible	Negligible
March 13, 1995	Transfer from Mohan P.C	50	Cash	10	20	Negligible	Negligible
February 15, 1996	Transfer from M.L.Charly	1,000	Cash	10	10	Negligible	Negligible
June 19, 1996	Allotment of forfeited Equity Shares	3,400	Cash	10	10	0.03	0.02
July 15, 1996	Transfer from C.V. Sankarankutty	150	Cash	10	10	Negligible	Negligible
October 9, 1996	Transfer from Joju P Varghese	50	Cash	10	10	Negligible	Negligible
October 9, 1996	Transfer from V.K.Gopi	50	Cash	10	10	Negligible	Negligible
October 9, 1996	Transfer from K.V. Xavier	150	Cash	10	10	Negligible	Negligible
March 15, 1997	Transfer from A.R. Jose	1,000	Cash	10	10	0.01	0.01
February 22, 2002	Transfer from K.L Mathew	1,000	Cash	10	10	0.01	0.01
May 21, 2002	Transfer from C.D. Jose	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from V.P. Peter	100	Cash	10	10	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer Equity Share capital (%)*	Percentage of the post-Offer Equity Share capital (%)
May 21, 2002	Transfer from M.O. Rajan	100	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Louis .M.L.	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Abraham. P.C.	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from K.V. Subramanian	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from M.K. Ravindranathan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from N.V. Mohandas	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from A.C. Davis	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from O.J. Anto	300	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.K. Vidhyan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from T.F. Ouseph	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from P.P. Devassy	300	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.L. Jose	600	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Santha Narayanan	300	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.P. Jose	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from John A Sharon	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from T.T. Babu	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from N.M. Thankappan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from P.P. Vijayan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from P.V. Vasudevan	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from B.A. Devassy	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.J. Jose	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from C.X. Manuel	50	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Shoba Shanmughan	150	Cash	10	10	Negligible	Negligible
May 21, 2002	Transfer from Y.M. Gopalan	150	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from E.S. Sundaran	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from V.K. Joseph	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from V.C. Scaria	50	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from N.V. Antony	100	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from Daisy Thomas	150	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from K.A. Joseph	150	Cash	10	10	Negligible	Negligible
August 28, 2002	Transfer from M.O. Antony	150	Cash	10	10	Negligible	Negligible
March 10, 2003	Transfer from K.V. Satheesan	50	Cash	10	10	Negligible	Negligible
October 13, 2003	Transfer from Ashok Kumar K. P	50	Cash	10	10	Negligible	Negligible
December 18, 2003	Transfer from Saju K Thomas	3,900	Cash	10	10	0.03	0.03
December 18, 2003	Transfer from Elsy Thomas	2,000	Cash	10	10	0.02	0.02
June 12, 2006	Transfer from C.O. Thomas	50	Cash	10	10	Negligible	Negligible
August 25, 2006	Transfer from Babu Joseph P	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from C. Palanisamy	100	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from M.K. Johnson	50	Cash	10	20	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
August 25, 2006	Transfer from K.V. Reghuvaran	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from T.T. Paul	100	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from P.P. Sudhakaran	50	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from C.P. Gilbert	150	Cash	10	20	Negligible	Negligible
August 25, 2006	Transfer from K.A.Sebastian	150	Cash	10	20	Negligible	Negligible
April 26, 2007	Transfer from K.R.Paily	150	Cash	10	20	Negligible	Negligible
May 23, 2007	Transmission from Late K P Paul	10,950	Cash	10	N/A	0.09	0.08
August 22, 2007	Transfer from L.Yesu Rathinam	50	Cash	10	20	Negligible	Negligible
August 22, 2007	Transfer from L.Peter	50	Cash	10	20	Negligible	Negligible
November 15, 2007	Transfer from V.P.Benny	50	Cash	10	20	Negligible	Negligible
November 15, 2007	Transfer from K.J.Francis	50	Cash	10	20	Negligible	Negligible
January 7, 2008	Preferential allotment	175,690	Cash	10	10	1.40	1.23
June 25, 2008	Transfer from R.A.Joseph	50	Cash	10	20	Negligible	Negligible
August 19, 2008	Transfer from R.Sampath Raj	50	Cash	10	20	Negligible	Negligible
September 28, 2010	Bonus issue	650,370	N/A	10	N/A	5.18	4.57
August 20, 2013	Transfer from K.K. Ramesh Kumar	100	Cash	10	10	Negligible	Negligible
March 28, 2014	Transfer from K.J Jose	100	Cash	10	10	Negligible	Negligible
May 20, 2014	Transfer from Venugopalan M.V.	100	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from M.S Sukumaran Nair	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from K.B. Joshy	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from A. A Cheru	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from C.D. Lawrence	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from T.C. Lonappan	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from C.D. Wilson	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from T.O. Varghese	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from P.K. Francis	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from P.C. Paul	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from E.R. Thomas	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from P.T. Davis	800	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from Elizabeth George	1,000	Cash	10	100	0.01	0.01
October 12, 2015	Transfer from C.J Devassy	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from C.L Varghese	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from C.K Augustine Francis	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from T.J Charly	200	Cash	10	100	Negligible	Negligible
October 12, 2015	Transfer from T.V. Devassy	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from T.B. Prabhakaran	200	Cash	10	100	Negligible	Negligible

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
November 12, 2015	Transfer from P.I Jose	200	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from V.K. Surendran	100	Cash	10	100	Negligible	Negligible
November 12, 2015	Transfer from Tessy. Lawrance	200	Cash	10	100	Negligible	Negligible
December 31, 2015	Transfer from Martin P John	300	Cash	10	100	Negligible	Negligible
February 15, 2016	Transfer from P.G. Pushpalal	150	Cash	10	100	Negligible	Negligible
February 15, 2016	Transfer from P.V. Joseph	150	Cash	10	100	Negligible	Negligible
June 7, 2016	Transfer from N.J. Varghese	100	Cash	10	100	Negligible	Negligible
October 18, 2016	Transfer from M. Radhakrishnan	100	Cash	10	100	Negligible	Negligible
October 18, 2016	Transfer from Jnanasekharan	200	Cash	10	100	Negligible	Negligible
December 22, 2016	Transfer from C.P Joseph	100	Cash	10	100	Negligible	Negligible
December 29, 2016	Transfer from T.R. Joseph	100	Cash	10	100	Negligible	Negligible
March 09, 2017	Transfer from P.N Nandakumar	100	Cash	10	100	Negligible	Negligible
February 10, 2017	Transfer from Lewis. C.G.	100	Cash	10	100	Negligible	Negligible
June 29, 2017	Transfer from A.V. Ulahannan	100	Cash	10	100	Negligible	Negligible
September 27, 2017	Transfer from K.P. Appu	100	Cash	10	100	Negligible	Negligible
December 18, 2017	Transfer from K.J Scaria	200	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from M.T. Thampi	200	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from M.G. Johnson	100	Cash	10	100	Negligible	Negligible
March 17, 2018	Transfer from A.P. Rafi	200	Cash	10	100	Negligible	Negligible
April 29, 2018	Transfer from K.J. Davis	400	Cash	10	110	Negligible	Negligible
April 29, 2018	Transfer from K.B. Suresh Babu	200	Cash	10	110	Negligible	Negligible
April 29, 2018	Transfer from K.N Sudhakaran	100	Cash	10	110	Negligible	Negligible
April 29, 2018	Transfer from K.A. Ouseph	200	Cash	10	130	Negligible	Negligible
June 26, 2018	Transfer from Sunny K Poullose	100	Cash	10	130	Negligible	Negligible
June 26, 2018	Transfer from E.A. Johny	400	Cash	10	130	Negligible	Negligible
September 14, 2018	Rights issue	257,842	Cash	10	10	2.06	1.81
September 18, 2018	Bonus issue	2,495,905	N/A	10	N/A	19.90	17.53
January 5, 2019	Transfer to Naveen Philip	(879,282)	Gift	10	N/A	7.01	6.17
Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, by virtue of such sub-division, with effect from September 8, 2023, Francis K. Paul is currently holding 13,755,625 Equity Shares of ₹2 each							
February 21, 2024	Transfer from BanyanTree	763,737	Cash	2	57	1.22	1.07
Total (B)		14,519,362				23.15	20.39
Naveen Philip							
May 23, 2007	Transmission from Late K.P. Paul	11,000	N/A	10	N/A	0.09	0.08
January 7, 2008	Preferential allotment	47,920	Cash	10	10	0.38	0.34

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer Equity Share capital (%)*	Percentage of the post- Offer Equity Share capital (%)
September 28, 2010	Bonus issue	176,760	N/A	10	N/A	1.41	1.24
September 14, 2018	Rights issue	69,318	Cash	10	10	0.55	0.49
September 18, 2018	Bonus issue	670,996	N/A	10	N/A	5.35	4.71
December 12, 2018	Transfer from Susan Francis	16,567	Gift	10	N/A	0.13	0.12
January 5, 2019	Transfer from John K. Paul	879,282	Gift	10	N/A	7.01	6.17
January 5, 2019	Transfer from Francis K. Paul	879,282	Gift	10	N/A	7.01	6.17
Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, by virtue of such sub-division, with effect from September 8, 2023, Naveen Philip is currently holding 13,755,625 Equity Shares of ₹2 each							
February 21, 2024	Transfer from BanyanTree	763,737	Cash	2	57	1.22	1.07
Total (C)		14,519,362				23.15	20.39
Total (A) + (B) + (C)		43,558,086				69.45	61.17

*The pre- Offer Equity Share capital (%) has been rounded off up to two decimal places.

^An Affidavit obtained from our Promoters, John K. Paul and Francis K. Paul, for the allotment of the equity shares by our Company on December 30, 1983. A certificate dated January 5, 2024, from R.G.N. Price & Co., Chartered Accountants, Independent Chartered Accountant and their Affidavits were made available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. For details, see "Material Contracts and Documents for Inspection" on page 441.

As on the date of this Prospectus, all the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

(b) Details of Promoters' contribution and lock-in

- (i) In accordance with Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post- Offer Equity Share capital of our Company held by our Promoters, shall be locked in for a period of 18 months from the date of Allotment as minimum promoters' contribution ("Minimum Promoters' Contribution") and the shareholding of our Promoters in excess of 20% of the fully diluted post- Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.
- (ii) The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment as Minimum Promoters' Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in ⁽¹⁾⁽²⁾	Date of allotment/ transfer of Equity Shares and when made fully-paid up	Nature of transaction	Face value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	Date up to which the Equity Shares are subject to lock-in	Percentage of the post- Offer paid-up capital (%)
John K. Paul	4,746,666	September 18, 2018	Bonus issue	2	N/A	September 17, 2025	6.67
Francis K. Paul	4,746,666	September 18, 2018	Bonus issue	2	N/A	September 17, 2025	6.67
Naveen Philip	4,396,410	January 5, 2019	Transfer from Francis K Paul	2	N/A	September 17, 2025	6.17
	350,256	January 5, 2019	Transfer from John K Paul	2	N/A	September 17, 2025	0.49
Total	14,239,998			2	N/A		20.00

⁽¹⁾ For a period of 18 months from the date of Allotment.

⁽²⁾ All Equity Shares were fully paid-up at the time of allotment/acquisition.

- (iii) Our Promoters have given their consent for inclusion of such number of Equity Shares held by them as disclosed above, constituting 20% of the post-Offer Equity Share capital of our Company as Minimum Promoters' Contribution, subject to lock-in requirements as specified under Regulation 14 of the SEBI ICDR Regulations. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- (iv) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, our Company confirms the following:

- (a) The Equity Shares offered as a part of Minimum Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years from the date of filing of this Prospectus (i) for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction; or (ii) resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares, which are otherwise ineligible for computation of minimum Promoters' contribution;
- (b) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a Company; and
- (d) As on the date of this Prospectus, Equity Shares held by our Promoters and forming part of the Minimum Promoters' Contribution are not subject to pledge with any creditor or any other encumbrance.

(c) Details of Equity Shares locked-in for six months

- (i) In accordance with Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment except for (i) the Equity Shares transferred pursuant to the Offer for Sale; and (iii) the Equity Shares held by VCFs or Category I AIF or Category II AIF or FVCI, subject to certain conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs or Category I AIF or Category II AIF or FVCI.
- (ii) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(d) Lock-in Equity Shares allotted to Anchor Investors

- (i) There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

(e) Other lock-in requirements

- (i) The Equity Shares held by our Promoters which are locked-in for a period of six months or 18 months, as applicable, from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or Systemically Important NBFCs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21 of the SEBI ICDR Regulations, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is one of the terms of sanction of such loans. However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.
- (ii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by each of our Promoters and locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to

and among our Promoters and/or any members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

- (iii) The Equity Shares held by any person other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer as per Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

6. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel, Promoters and members of our Promoter Group

Set out below are details of the Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel and Promoters in our Company. Other than as disclosed below, none of the members of our Promoter Group hold any Equity Shares in our Company.

S. No.	Name	Number of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)*	Percentage of the post-Offer Equity Share Capital (%)*
Promoters, Directors and Key Managerial Personnel				
1.	John K. Paul	14,519,362	23.15	20.39
2.	Francis K. Paul	14,519,362	23.15	20.39
3.	Naveen Philip	14,519,362	23.15	20.39
Total (A)		43,558,086	69.45	61.17
Senior Management Personnel				
1.	Somy K Cheruvathoor	130	Negligible	Negligible
2.	Thomas A. Karedan	130	Negligible	Negligible
3.	P. Jayaprakash	130	Negligible	Negligible
4.	Jyothish M.	130	Negligible	Negligible
5.	Subhash K. Ouseph	130	Negligible	Negligible
6.	Alagappan R	130	Negligible	Negligible
Total (B)		780	Negligible	Negligible
Total (A+B)		43,558,866	69.45	61.17

* Has been rounded off up to two decimal places.

7. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) as a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class: Equity Shares	Class: Others	Total								
(A)	Promoters and Promoter Group	3	43,558,086	-	-	43,558,086	69.45	43,558,086	-	43,558,086	69.45	-	-	-	-	-	-	43,558,086
(B)	Public	149	19,163,359	-	-	19,163,359	30.55	19,163,359	-	19,163,359	30.55	-	-	-	-	-	-	19,163,359
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	152	62,721,445	-	-	62,721,445	100.00	62,721,445	-	62,721,445	100.00	-	-	-	-	-	-	62,721,445

8. Details of equity shareholding of the major equity Shareholders of our Company

- (i) The Shareholders holding more than 1% or more of the pre-Offer paid-up Equity Share capital of the Company and the number of Equity Shares held by them as on the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre- Offer Equity Share capital (%)
1.	BanyanTree	19,042,119	30.36
2.	John K. Paul	14,519,362	23.15
3.	Francis K. Paul	14,519,362	23.15
4.	Naveen Philip	14,519,362	23.15
Total		62,600,205	99.81

- (ii) The Shareholders who held more than 1% or more of the pre-Offer paid-up Equity Share capital of the Company and the number of Equity Shares held by them 10 days prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre- Offer Equity Share capital (%)
1.	BanyanTree	19,042,119	30.36
2.	John K. Paul	14,519,362	23.15
3.	Francis K. Paul	14,519,362	23.15
4.	Naveen Philip	14,519,362	23.15
Total		62,600,205	99.81

- (iii) The Shareholders who held more than 1% or more of the pre-Offer paid-up Equity Share capital of our Company and the number of equity shares held by them one year prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares of ₹10 each	Percentage of the pre- Offer Equity Share capital (%)
1.	BanyanTree	4,266,666	34.01
2.	John K. Paul	2,751,125	21.93
3.	Francis K. Paul	2,751,125	21.93
4.	Naveen Philip	2,751,125	21.93
Total		12,520,041	99.80

- (iv) The Shareholders who held more than 1% or more of the pre-Offer paid-up Equity Share capital of the Company and the number of equity shares held by them two years prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares of ₹10 each	Percentage of the pre- Offer Equity Share capital (%)
1.	BanyanTree	4,266,666	34.01
2.	John K. Paul	2,751,125	21.93
3.	Francis K. Paul	2,751,125	21.93
4.	Naveen Philip	2,751,125	21.93
Total		12,520,041	99.80

9. None of the BRLMs or their respective associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares in our Company as on the date of this Prospectus.
10. There are no partly paid-up Equity Shares as on the date of this Prospectus and all Equity Shares issued pursuant to the Offer will be fully paid-up at the time of Allotment.
11. Other than as disclosed in “- Notes to the capital structure – Share capital history of our Company” on page 77, our Company has not made any public, bonus or rights issue of any kind or class of securities since its incorporation.
12. No person connected with the Offer, including, but not limited to the BRLMs, the members of the Syndicate, our Company, the Promoters, Selling Shareholder, our Directors, or the members of the Promoter Group, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.
13. Except for the purchase from BanyanTree of (i) 763,737 Equity Shares by John K. Paul, (ii) 763,737 Equity Shares by Francis K. Paul, and (iii) 763,737 by Naveen Philip, prior to filing of this Prospectus, none of our Promoters, members of our Promoter Group, our Directors and their respective relatives have purchased, acquired or sold any securities of our Company during the period of six months immediately preceding the date of filing of the Draft Red Herring

Prospectus, the Red Herring Prospectus and this Prospectus. For details of the purchase of Equity Shares by our Promoters from BanyanTree, see “– History of the Equity Share capital held by our Promoters – Build-up of the shareholding of our Promoters in our Company”, “Our Promoter and Promoter Group – Other Considerations” and “History and Certain Corporate Matters – Shareholders’ agreements and other agreements” on pages 91, 252 and 227, respectively.

14. As on the date of this Prospectus, all Equity Shares held by our Promoters are held in dematerialized form.
15. As of the date of the filing of this Prospectus, the total number of our Shareholders is 152.
16. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
17. Our Company, our Directors and the BRLMs have not made any or entered into any buy-back arrangements for purchase of Equity Shares being offered through the Offer.
18. Except for the allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be, this is in the event there is a failure of the Offer.
19. Except for the allotment of Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.
20. There have been no financing arrangements whereby, our Promoters, members of the Promoter Group, our Directors, and their respective relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.
21. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.
22. Our Company does not have any employee stock option or employee stock purchase schemes and there are no outstanding convertible securities or any other warrant, option or right to convert debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus.
23. As on the date of this Prospectus, none of the Equity Shares held by the members of the Promoter Group or being offered for sale through the Offer for Sale are pledged or otherwise encumbered.
24. None of our Promoters and members of our Promoter Group will submit Bids or otherwise participate in the Offer.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale.

Offer for Sale

The Selling Shareholder will be entitled to the proceeds of the Offer for Sale after deducting its proportion of Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of the Fresh Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

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; and
2. General corporate purposes.

(collectively, referred to herein as the “**Objects**”).

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges which, we believe, will result in the enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause as set out in the Memorandum of Association of our Company, and in the memorandum of association of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL, enables our Company and such Subsidiaries, to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue. Further, the loans availed by our Company and certain of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL, which are proposed to be repaid or prepaid from the Net Proceeds, are for activities carried out as enabled by the objects clause of the respective memorandum of association of the Company and such Subsidiaries.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

(in ₹ million)	
Particulars	Estimated Amount
Gross Proceeds from the Fresh Issue*	2,500.00
(Less) Offer related expenses in relation to the Fresh Issue ⁽¹⁾⁽²⁾	210.10
Net Proceeds⁽¹⁾⁽²⁾	2,289.90

(1) For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholder, see “– Offer expenses” on page 115. The amount does not exceed 25% of the Net Proceeds.

(2) Excluding expenses incurred from the Offer for Sale

* Subject to finalisation of Basis of Allotment.

Requirement of Funds, Schedule of Implementation and Utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table below:

(in ₹ million)	
Particulars	Amount
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	1,920.00
General corporate purposes ^{(1)*}	369.90
Total Net Proceeds	2,289.90

⁽¹⁾ The amount does not exceed 25% of the Net Proceeds.

* Subject to finalisation of Basis of Allotment.

Utilisation of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ million)

Particulars	Estimated utilisation from Net Proceeds	Estimated schedule of deployment of Net Proceeds in FY 2024	Estimated schedule of deployment of Net Proceeds in FY 2025
Repayment and/or prepayment, in full or part, of certain borrowings, availed by our Company and certain of our Subsidiaries, namely, PAWL, PMMIL, KGPL, KCPL and PMPL	1,920.00	1,700.00	220.00
General corporate purposes ⁽¹⁾	369.90	332.91	36.99
Total Net Proceeds	2,289.90	2,032.91	256.99

⁽¹⁾ The amount does not exceed 25% of the Net Proceeds.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Financial Year being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Financial Year, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The deployment of funds indicated above is based on management estimates (including estimated timelines of the Offer and listing of Equity Shares), current circumstances of our business and prevailing market conditions, which are subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time, on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, which may not be within the control of the management of our Company or our Subsidiaries. This may entail rescheduling and revising the schedule of the planned repayment/ pre-payment of loans at the discretion of the management of our Company in accordance with applicable law. For further details, see “Risk Factors – We cannot assure you that the deployment of the Net Proceeds in the manner intended by us will result in an increase in the value of your investment” on page 51.

In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company and Subsidiaries including from internal accruals. If the actual utilisation towards repayment/ pre-payment of loans is lower than the proposed deployment, such balance will be used from general corporate purposes, subject to applicable law. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilising our internal accruals. We believe that such alternate arrangements would be available to fund any such shortfalls.

Means of Finance

As the entire requirement of funds for the Objects of the Fresh Issue are proposed to be met from the Net Proceeds, we confirm that there is no requirement to make firm arrangements of finance towards at least 75% of the stated means of finance through verifiable means, excluding the amount to be raised through the Fresh Issue. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 7(1)(e) of the SEBI ICDR Regulations.

Details of the Objects

A. Repayment and/or pre-payment, in full or part, of certain borrowings, availed by our Company and certain of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL

Our Company and certain of our Subsidiaries, namely, PAWL, PMMIL, KGPL, KCPL and PMPL, have entered into various financing arrangements with banks and financial institutions, which include borrowings in the form of secured loans, unsecured loans, long term facilities and short-term facilities. For a summary of these debt financing arrangements including the terms and conditions, see section “Financial Indebtedness” on page 369. As at December 31, 2023, the amount outstanding under our fund based and non-fund based working capital and term loan facilities was ₹ 6,370.65 million on a consolidated basis.

Please see below the details of the outstanding borrowings and debt servicing costs of our Company (on a consolidated basis) for the six months period ended September 30, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021:

Current breakdown of outstanding borrowings:

(In ₹ million)

Particulars	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Non-current borrowings (I)	803.65	911.32	880.55	893.29

Current borrowings (II)	6,842.48	4,138.74	2,838.55	2,637.13
Total borrowings III = (I+II)	7,646.13	5,050.06	3,719.10	3,530.42

Breakdown of debt servicing costs:

(In ₹ million)

Particulars	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Current maturities of non-current borrowings (I)	419.55	367.72	304.34	275.49
Finance cost excluding Interest expense on lease liability (II)	267.11	341.94	286.03	270.18
Total debt service III = (I+II)	686.66	709.66	590.37	545.67
Profit before tax (IV)	538.76	848.67	485.46	472.52
Depreciation and amortisation expense excluding ROU (V)	189.83	334.07	289.46	359.24
Earnings available for debt services VI = (II+IV+V)	995.70	1,524.68	1,060.95	1,101.94
Debt service coverage ratio	1.45*	2.15	1.80	2.02

* Not Annualised

Our Company intends to utilize ₹1,920.00 million of Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, availed by our Company and certain of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL. We believe that such repayment/ pre-payment will help reduce the outstanding indebtedness and debt servicing costs and enable utilization of the internal accruals for further investment in the business growth and expansion. In addition, we believe that this would improve the ability to raise further resources in the future to fund the potential business development opportunities.

The selection of borrowings proposed to be repaid or pre-paid amongst our facilities availed is based on various factors, including (i) any conditions attached to the borrowings restricting our ability to pre-pay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of, such conditions, (ii) receipt of consents for pre-payment from the respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any pre-payment penalties and the quantum thereof, (v) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (vi) ease of operation of the facility and (viii) provisions of any laws, rules and regulations governing such borrowings. Further, selection of borrowings of our Company and its Subsidiaries is based on the loan facilities with higher interest rate.

Payment of any pre-payment penalties, if any, shall be made out of Net Proceeds. In the event that Net Proceeds are insufficient for the said payment of pre-payment penalty, such payment shall be made from the internal accruals of our Company and/or Subsidiaries. We may also be required to provide notice to some of our lenders prior to repayment/ pre-payment.

The following table provides details of certain borrowings, availed by our Company out of which all of the term loans will be repaid/ pre-paid from Net Proceeds, without any obligation to any particular bank/ financial institution:

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
PVSL										
1.	Federal Bank Limited	February 07, 2019	Term loan for projects ⁽²⁾	Capital expenditure: renovation of showroom/service centre	7 years	400.00	175.38	August 30, 2026	10.05%	Nil
2.	Federal Bank Limited	March 29, 2023	Term loan for projects ⁽²⁾	Capital expenditure: renovation of showroom/service centre	4 years	150.00	119.52	March 29, 2027	9.50%	Nil
3.	Federal Bank Limited	December 05, 2020	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: for meeting Working capital requirements	5 years	110.00	59.94	December 23, 2025	9.00%	Nil
4.	Federal Bank Limited	February 06, 2023	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	6 years	55.00	55.00	March 29, 2029	9.20%	Nil
5.	State Bank of India	March 30, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	5 years	119.00	66.81	March 28, 2026	9.25%	Nil
6.	State Bank of India	November 29, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	6 years	60.10	58.73	November 29, 2027	9.25%	Nil
7.	Axis Bank Limited	March 29, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	5 years	88.90	48.21	March 28, 2026	9.25%	Nil
8.	IndusInd Bank Limited	February 16, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	5 years	29.45	16.51	March 20, 2026	9.25%	Nil
9.	YES Bank Limited	April 09, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: for meeting working capital requirements	5 years	39.41	26.31	June 15, 2026	9.25%	Nil
10.	South Indian Bank	December 05, 2023	Term loan for projects ⁽²⁾	Capital expenditure: renovation of showroom/service centre	6.5 years	290.00	98.57	June 22, 2031	8.97%	Nil

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
11.	IndusInd Bank Limited	March 24, 2023	Inventory funding	Working capital loans: Purchase of new vehicles	12 months	150.00	132.51	60 days tranche [^]	8.97%	2% of the sanctioned limit
Sub Total						1,491.86	857.49			

(1) Our Statutory Auditors have confirmed that the above borrowings availed by our Company have been utilised for the purpose for which they were availed pursuant to certificate dated March 4, 2024.

(2) Term loan for projects means long term loans taken for meeting capital expenditures

(3) Term loan – Emergency Credit Line Guarantee Scheme means long term loans taken for meeting working capital requirements.

[#] Tenure of the term loans and Term loan – Emergency Credit Line Guarantee Scheme is ascertained on or after the date of disbursement and Inventory funding is ascertained from the date of sanction.

[^] 'xx' days tranche is the credit period issued by banks for repaying the loan taken from inventory funding.

The following table provides details of certain borrowings, availed by certain of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL out of which all of the term loans will be repaid/pre-paid from Net Proceeds, without any obligation to any particular bank/ financial institution:

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
PMMIL										
1.	Bank of Baroda	January 27, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting Working capital requirements	5 years	14.98	7.95	February 9, 2026	9.25%	Nil
2.	Bank of Baroda	December 09, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting Working capital requirements	5 years	30.00	29.97	December 10, 2026	9.00%	Nil
3.	State Bank of India	February 16, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting Working capital requirements	5 years	18.80	10.26	February 15, 2026	9.25%	Nil
4.	State Bank of India	December 08, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting Working capital requirements	6 years	18.50	18.50	December 10, 2027	9.25%	Nil
5.	Axis Bank Limited	December 18, 2020	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting	5 years	10.50	5.57	February 15, 2026	9.25%	Nil

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
				Working capital requirements						
6.	Kotak Mahindra Bank Limited	June 25, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	5 years	14.50	10.34	August 1, 2026	9.25%	Nil
7.	Federal Bank Limited	June 30, 2023	Inventory funding	Working capital loans: Purchase of New vehicles	12 months	250.00	244.01	60 days tranche [^]	8.75%	Nil
8.	Standard Chartered Bank	December 15, 2023	Inventory funding	Working capital loans: Purchase of New vehicles	12 months	104.00	96.57	60 days tranche [^]	8.75%	Nil
9.	TATA Capital Finance Services Limited	October 16, 2023	Inventory funding	Working capital loans: Purchase of New vehicles and spare parts	12 months	100.00	22.90	105 days tranche [^]	9.80%	4% of the sanction limit
10.	TATA Motors Finance Solutions Limited	October 30, 2023	Inventory funding	Working capital loans: Purchase of New vehicles	12 months	200.00	122.92	60 days tranche [^]	9.10%	Nil
Sub Total (A)						761.28	568.99			
PMPL										
11.	Federal Bank Limited	March 16, 2019	Term loan for projects ⁽²⁾	Capital expenditure: New service centres	5 years	40.00	5.00	August 10, 2024	9.05%	Nil
12.	State Bank of India	January 12, 2022	Term loan for projects ⁽²⁾	Capital expenditure: New service centres	4 years 4 months	25.00	10.22	March 1, 2026	9.90%	Nil
13.	Federal Bank Limited	October 20, 2020	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	4 years	19.50	5.96	October 28, 2024	9.25%	Nil
14.	Federal Bank Limited	October 30, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	5 years	9.80	9.56	November 22, 2026	9.25%	Nil
15.	Kotak Mahindra Bank Limited	March 14, 2023	Term loan for projects	Capital expenditure: Construction of new showroom and service centre	5 years	27.00	19.23	May 20, 2028	9.75%	2% on the outstanding balance

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
16.	Kotak Mahindra Bank Limited	March 14, 2023	Term loan for projects	Capital expenditure: acquisition of dealership	5 years	110.00	44.21	May 25, 2028	9.75%	2% on the outstanding balance
17.	Federal Bank Limited	October 27, 2023	Inventory funding	Working capital loans: Purchase of new vehicles	12 months	110.00	80.83	60 days tranche [^]	8.90%	Nil
18.	Karur Vysya Bank	December 28, 2023	Inventory funding	Working capital loans: Purchase of new vehicles and spare parts	15 months	425.00	403.35	120 days tranche [^]	9.80%	3% of the sanction limit
Sub Total (B)						766.30	578.36			
PAWL										
19.	Kotak Mahindra Bank Limited	June 16, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	4 years	21.40	12.83	August 10, 2025	9.25%	Nil
20.	Kotak Mahindra Bank Limited	March 10, 2020	Term loan for projects ⁽²⁾	Capital expenditure: Construction of new showroom and service centre	6 years	40.00	18.42	March 10, 2026	10.10%	2% on the outstanding balance
21.	Kotak Mahindra Bank Limited	May 10, 2019	Term loan for projects ⁽²⁾	Capital expenditure: Construction of new boutique showroom	7 years	27.15	12.50	March 10, 2026	10.10%	2% on the outstanding balance
22.	Kotak Mahindra Bank Limited	November 11, 2022	Term loan for projects ⁽²⁾	Capital expenditure: Renovation of service centre	5 years	9.35	7.72	November 10, 2027	10.10%	2% on the outstanding balance
23.	Kotak Mahindra Bank Limited	November 11, 2022	Term loan for projects ⁽²⁾	Capital expenditure: Construction of Service Centre	5 years	10.44	8.61	November 10, 2027	10.10%	2% on the outstanding balance
24.	Axis Bank Limited	December 29, 2020	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	4 years	19.70	6.33	March 8, 2025	9.25%	Nil
25.	ICICI Bank Limited*	February 12, 2021	Term loan – Emergency Credit Line Guarantee Scheme ⁽³⁾	Working capital term loans: For meeting working capital requirements	4 years	14.20	5.92	May 8, 2025	9.25%	Nil
Sub Total (C)						142.24	72.33			
KGPL										
26.	Kotak Mahindra Bank Limited	January 4, 2022	Term loan for projects ⁽²⁾	Capital expenditure: Construction of new showroom	5 Years	17.50	11.05	July 25, 2027	10.45%	2% on the outstanding balance

Sr. No.	Name of the Lender	Date of sanction ⁽¹⁾	Nature of the loan was availed ⁽¹⁾	Purpose of the loan and utilisation of loan ⁽¹⁾	Tenure ^{#(1)}	Amount sanctioned (in ₹ million)	Amount Outstanding as at December 31, 2023 (in ₹ million)	Repayment date/schedule ⁽¹⁾	Interest Rate as at December 31, 2023 (%) ⁽¹⁾	Pre-payment penalty
Sub Total (D)						17.50	11.05			
KCPL										
27.	Kotak Mahindra Bank Limited	March 16, 2023	Term loan for projects ⁽²⁾	Capital expenditure: Construction of new showroom	5 years	20.00	18.34	July 25, 2027	10.45%	2% on the outstanding balance
28.	Kotak Mahindra Bank Limited	January 04, 2022	Term loan for projects ⁽²⁾	Capital expenditure: Construction of new showroom	5 years	20.00	8.24	July 25, 2028	10.45%	2% on the outstanding balance
29.	Karur Vysya Bank	April 25, 2023	Inventory funding	Working capital loans: Purchase of new vehicle	12 months	50.00	30.28	60 days tranche [^]	9.00%	3% of the sanction limit
Sub Total (E)						90.00	56.86			
Total (A) + (B) + (C) + (D) + (E)						1,777.32	1,287.59			

(1) R.G.N Price & Co., Chartered Accountants, statutory auditors of PMMIL, KGPL and KCPL have confirmed that the above borrowings availed by PMMIL, KGPL and KCPL have been utilised for the purpose for which they were availed pursuant to certificate dated March 4, 2024, B S R & Associates LLP, Chartered Accountants, statutory auditors of our Company have confirmed that the above borrowings availed by PMPL (basis the certificate issued by the statutory auditors of PMPL) have been utilised for the purpose for which they were availed pursuant to certificate dated March 4, 2024 and A.S. Narayanamoorthy, Chartered Accountant, statutory auditor of PAWL have confirmed that the above borrowings availed by PAWL have been utilised for the purpose for which they were availed pursuant to certificate dated March 4, 2024.

(2) Term loan for projects means long term loans taken for meeting capital expenditures.

(3) Term loan – Emergency Credit Line Guarantee Scheme means long term loans taken for meeting working capital requirements.

* ICICI Securities Limited, one of the BRLMs to the Offer, is affiliated to ICICI Bank Limited, who we propose to repay out of the Net Proceeds. Please see “Risk Factors – A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from ICICI Bank Limited which is an affiliate of our Book Running Lead Manager, ICICI Securities Limited, which may lead to a conflict of interest” on page 38.

Tenure of the term loans and Term loan – Emergency Credit Line Guarantee Scheme is ascertained on or after the date of disbursement and Inventory funding is ascertained from the date of sanction.

[^] ‘xx’ days tranche is the credit period issued by banks for repaying the loan taken from inventory funding.

To the extent the Net Proceeds of the Offer are utilized to repay/pre-pay any of the loans availed by certain of our Subsidiaries, PAWL, PMMIL, KGPL, KCPL and PMPL, we shall be deploying the Net Proceeds in the relevant Subsidiaries in the form of equity and /or debt or a combination thereof or in any other manner as may be mutually decided. The proportion of deployment in equity and /or debt has not been finalized as on the date of this Prospectus.

Given the nature of these borrowings and the terms of repayment/ pre-payment, the aggregate outstanding loan amounts may vary from time to time.

To the extent our Company and/or Subsidiaries are unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent fiscals towards the aforementioned objects.

Please see below the details derived from the audited financial information of our Subsidiaries for the six months period ended September 30, 2023 and Financial Years 2023, 2022 and 2021:

1. Popular Mega Motors (India) Private Limited (“PMMIL”)

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	69.44	69.44	69.44	69.44
Net worth	1,101.99	1,046.60	929.98	811.61
Revenue from operations	6,838.40	14,449.54	9,601.30	6,954.38
Profit for the period/ year	56.86	117.63	119.79	101.36
Earnings per Equity Share				
- Basic (₹)	7.98	16.79	17.05	16.45
- Diluted (₹)	7.98	16.79	17.05	16.45
Net asset value per share (₹)	158.70	150.72	133.93	116.88
Total borrowings (current and non-current)	1,620.70	1,325.83	1,098.32	1,005.95

2. Popular Autoworks Private Limited (“PAWL”)

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	251.12	251.12	251.12	251.12
Net worth	257.94	178.43	154.97	153.51
Revenue from operations	1,874.35	1,824.05	1,612.66	1,442.01
Profit/ (Loss) for the period/ year	79.73	22.97	1.58	(28.40)
Earnings per Equity Share				
- Basic (₹)	3.16	0.93	0.06	(1.12)
- Diluted (₹)	3.16	0.93	0.06	(1.12)
Net asset value per share (₹)	10.27	7.11	6.17	6.11
Total borrowings (current and non-current)	405.14	304.56	197.5	296.42

3. Kuttukaran Cars Private Limited (“KCPL”)

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	20.00	20.00	20.00	20.00
Net worth	(14.38)	(7.99)	(3.66)	(0.30)
Revenue from operations	282.86	400.6	22.55	0
Loss for the period/ year	(6.39)	(4.33)	(3.36)	(0.06)
Earnings per Equity Share				
- Basic (₹)	(3.19)	(2.16)	(1.68)	(0.03)
- Diluted (₹)	(3.19)	(2.16)	(1.68)	(0.03)
Net asset value per share (₹)	(7.19)	(4.00)	(1.83)	(0.15)
Total borrowings (current and non-current)	109.04	99.13	18.04	0.4

4. Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited)

(“KGPL”)

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	0.10	0.10	0.10	0.10
Net worth	(6.82)	(0.76)	(4.79)	(0.18)
Revenue from operations	167.55	158.89	28.11	-
Loss for the period/ year	(6.14)	(8.60)	(4.61)	(0.04)
Earnings per Equity Share				
- Basic (₹)	(614.27)	(860.45)	(460.82)	(3.95)
- Diluted (₹)	(614.27)	(860.45)	(460.82)	(3.95)
Net asset value per share (₹)	(682.00)	(76.00)	(479.00)	(18.00)
Total borrowings (current and non-current)	61.41	23.89	24.04	1.38

5. Prabal Motors Private Limited (“PMPL”)

(₹ in million, unless otherwise stated)

Particulars*	As at and for the six-month period ended September 30, 2023 [‡]	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	-	0.1	-	-
Net worth	-	130.44	-	-
Revenue from operations	-	1,297.07	-	-
Profit for the period/ year	-	25.92	-	-
Earnings per Equity Share				
- Basic (₹)	-	2,592.00	-	-
- Diluted (₹)	-	2,592.00	-	-
Net asset value per share (₹)	-	13,044	-	-
Total borrowings (current and non-current)	-	582.85	-	-

* Since the acquisition for PMPL was completed on February 1, 2023, details for only two months of the Financial Year 2023 have been included.

[‡] Standalone financials as at and for the six-month period ended September 30, 2023 unavailable for PMPL.

B. General corporate purposes

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.

* Subject to finalisation of Basis of Allotment.

Offer expenses

The total expenses of the Offer are estimated to be approximately ₹504.90 million. Other than listing fees for the Offer, all costs, fees and expenses with respect to the Offer will be shared amongst our Company and the Selling Shareholder, in proportion of the proceeds received for the Fresh Issue and the Offered Shares, as may be applicable. Upon successful completion of the Offer and the receipt of listing and trading approvals from the Stock Exchanges, a list and bifurcation of all fees and expenses (along with relevant documents and backups) in relation to the Offer shall be shared by our Company with the Selling Shareholder. Based on the list, the payment of all fees and expenses shall be made directly from the Public Offer Account. Additionally, all such expenses attributable to Selling Shareholder, shall be directly deducted from the Public Offer Account and only the balance amount payable to Selling Shareholders, remaining to the credit of the Public Offer Account shall be transferred to the Selling Shareholder, in terms of the Cash Escrow and Sponsor Banks Agreement. Any expenses paid by our Company on behalf of the Selling Shareholder shall be reimbursed to our Company, in terms of applicable law and the Offer Agreement. Appropriate details in this regard shall be included in the Cash Escrow and Sponsor Banks Agreement.

Additionally, upon failure or delay in listing of the Equity Shares on the Stock Exchanges, the fees and expenses in relation to the Offer shall be shared by our Company and the Selling Shareholder.

The Selling Shareholder shall reimburse our Company for the expenses incurred by our Company in relation to their respective Equity Shares offered in the Offer for Sale.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses ⁽¹⁾ (₹ in million)	As a % of the total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	190.99	37.83%	3.17%
Commission/ processing fee for SCSBs and Bankers to the Offer and fees payable to the Sponsor Bank(s) for Bids made by UPI Bidders. Brokerage, selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	18.97	3.76%	0.32%
Fees payable to the Registrar to the Offer	2.37	0.47%	0.04%
Fees payable to advisors and consultants to the Offer:			
- Auditors	41.50	8.22%	0.69%
- Independent Chartered Accountant	9.27	1.84%	0.15%
- Industry expert	2.57	0.51%	0.04%
- Fee payable to legal counsel	52.03	10.30%	0.86%
Others			
- Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	59.90	11.86%	1.00%
- Printing and stationery	18.15	3.59%	0.30%
- Advertising and marketing expenses	63.31	12.54%	1.05%
- Miscellaneous	45.85	9.08%	0.76%
Total estimated Offer expenses	504.90	100.00%	8.39%

⁽¹⁾ Amounts include any previous expenses incurred by our Company and the Selling Shareholder in connection with the draft red herring prospectus filed in 2021, and such Offer expenses shall be borne by our Company and the Selling Shareholder, in accordance with applicable law. Amounts provided are inclusive of applicable taxes.

⁽²⁾ Selling commission payable to the SCSBs on the portion for RIBs, Non-Institutional Bidders and Eligible Employees Bidding in the Employee Reservation Portion, which are directly procured and uploaded by them, would be as follows:

Portion for RIB*	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.20% of the Amount Allotted* (plus applicable taxes)
Portion for Eligible Employees*	0.25% of the Amount Allotted (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

⁽³⁾ No additional uploading / processing charges shall be to the SCSBs on the Bid cum Application Forms directly procured by them. The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE. Processing fees payable to the SCSBs on the portion for RIBs, Non-Institutional Bidders and Eligible Employees which are procured by the Members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIBs, Non-Institutional Bidders and Eligible Employees*	₹ 10 per valid Bid cum Application Form (plus applicable taxes)**

* Based on valid applications.

** Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Bidders, Eligible Employees and Qualified Institutional Buyers ("QIBs") with bids above ₹0.5 million would be ₹10 plus applicable taxes, per valid application.

⁽⁴⁾ Brokerages, selling commission and processing/uploading charges on the portion for UPI Bidders (using the UPI mechanism) RIBs, Non-Institutional Bidders and Eligible Employees which are procured by members of the Syndicate (including their sub-Syndicate members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate members) would be as follows:

Portion for Retail Individual Bidders	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.20% of the Amount Allotted* (plus applicable taxes)
Portion for Eligible Employees	0.25% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

The Selling commission payable to the Syndicate / sub-Syndicate Members (up to ₹ 0.5 million) will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.

The payment of Selling Commission payable to the sub-brokers / agents of Sub-syndicate members are to be handled directly by the respective Sub-syndicate member.

The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

⁽⁵⁾ Uploading charges/processing charges of ₹30 per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs for applications made by Retail Individual Investors using the UPI Mechanism.

Uploading charges/ processing charges of ₹10 per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs for (i) applications made by UPI Bidders using 3-in-1 type accounts and (ii) Non-Institutional Bidders using Syndicate ASBA mechanism / using 3- in -1 type accounts.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE. All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Banks Agreement.

The uploading charges/ processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows

Members of the Syndicate / RTAs / CDPs / Registered Brokers	₹ 30 per valid application (plus applicable taxes)
Axis Bank Limited – Sponsor Bank 1	Upto 3,00,000 application forms : ₹ Nil per valid Bid cum Application Form (plus applicable taxes)* Above 3,00,000 application forms : ₹ 6.50/- per valid Bid cum Application Form (plus applicable taxes)* The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.
ICICI Bank Limited – Sponsor Bank 2	Upto 6,00,000 application forms : ₹ Nil per valid Bid cum Application Form (plus applicable taxes)* Above 6,00,000 application forms : ₹ 6/- per valid Bid cum Application Form (plus applicable taxes)* The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

* For each valid application.

The total uploading charges / processing fees payable to members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ 10.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ 10.00 million, then the amount payable to members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ 10.00 million.

- (6) Selling commission/uploading charges payable to the registered brokers on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual, Non-Institutional Bidders & Eligible Employees	₹ 10/- per valid application* (plus applicable taxes)

* Based on valid applications.

Interim use of Net Proceeds

Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board or IPO Committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company or for any investment in equity markets.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of the Red Herring Prospectus and this Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Our Company has appointed CARE Ratings Limited, a monitoring agency for monitoring the utilisation of the Gross Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the monitoring agency will monitor the utilisation of the Gross Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulations 18(3) and 32(3) of the Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company and shall be provided to the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the Gross Proceeds from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Shareholders' Meeting Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Shareholders' Meeting Notice shall simultaneously be published in the newspapers, one in English and one in Malayalam, being the vernacular language of the jurisdiction where the Registered and Corporate Office is situated in accordance with the Companies Act and

applicable rules. Our Promoters or controlling shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner and in accordance with such terms and conditions as given under the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any bank/financial institution.

Other Confirmations

No part of the Net Proceeds will be paid by us as consideration to our Promoters, the Promoter Group, the Directors, Key Managerial Personnel and Senior Management Personnel.

Our Company has not entered into and is not planning to enter into any arrangement/agreements with the Promoters, the Promoter Group, Directors, Key Managerial Personnel and Senior Management Personnel in relation to the utilisation of the Net Proceeds. Further there is no existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹2 each and the Offer Price is 1 time the Floor Price and 1.05 times the Cap Price, and Floor Price is 140 times the face value and the Cap Price is 147.50 times the face value. Investors should also see “Risk Factors”, “Summary of Restated Financial Information”, “Summary of Pro Forma Financial Information”, “Our Business”, “Restated Financial Information”, “Pro Forma Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 62, 66, 170, 255, 323 and 338, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Long standing presence in the automobile industry and well-established relationships with leading OEMs;
- Penetration in markets in which we operate complemented by innovative marketing strategies;
- Fully integrated business model leading to business stability and higher margin;
- Proven ability to identify and capture inorganic as well as organic growth opportunities;
- Consistent track record of profitable financial performance and increasing growth; and
- Experienced promoters and management team.

For details, see “Our Business – Strengths” on page 176.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see “Restated Financial Information” and “Other Financial Information” on pages 255 and 333, respectively.

Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹10 each to 75,000,000 Equity Shares of face value of ₹2 each. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹10 each to 62,721,445 Equity Shares of face value of ₹2 each.

Sub-division of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net asset value per share for all periods presented.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Equity Share (“EPS”) (face value of each Equity Share is ₹2):

Fiscal/Period Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2023	10.22	10.22	3
March 31, 2022	5.37	5.37	2
March 31, 2021	5.17	5.17	1
Weighted Average	7.76	7.76	-
Six-month period ended September 30, 2023*	6.38	6.38	-

*Not annualized.

Notes:

1. Earnings Per Share calculations are in accordance with Ind AS - 33 (Earnings Per Share) prescribed by the Companies (Indian Accounting Standards) Rules, 2015. After taking into account stock split of the Equity Shares post March 31, 2023. The ratios have been computed as below
 - Basic Earnings Per Share (₹) = Restated profit for the period/year attributable to equity shareholders/ Weighted average number of Equity Shares outstanding during the period/ year
 - Diluted Earnings Per Share (₹) = Restated profit for the period/year attributable to equity shareholders/ Weighted average number of Equity Shares outstanding during the period/ year as adjusted for the effects of all dilutive potential equity shares outstanding during the period/ year
2. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.
3. The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight. Weights applied have been determined by the management of our Company.
4. The figures disclosed above are derived from the Restated Financial Information of our Company.

B. Price/Earning (“P/E”) ratio in relation to Price Band of ₹280 to ₹295 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for year ended March 31, 2023	27.40	28.86
Based on diluted EPS for year ended March 31, 2023	27.40	28.86

C. Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	34.84
Lowest	34.84
Industry Composite	34.84

Notes:

- The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.
- P/E figures for the peer are computed based on closing market price as on March 1, 2024 on BSE, divided by Diluted EPS based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year March 31, 2023.

D. Return on Net worth

Fiscal/Period Ended	Return on Net worth (%)	Weight
March 31, 2023	18.68%	3
March 31, 2022	12.03%	2
March 31, 2021	13.19%	1
Weighted Average	15.55%	-
Six-month period ended September 30, 2023*	10.42%	-

*Not annualized.

Notes:

- Return on Net worth is the ratio of restated profit for the period/year to net worth for the period/year. Return on Net worth is other financial parameter
- Net worth of the Company, as restated and consolidated, has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Return on Net worth is calculated as Restated net profit/(loss) after tax divided by restated net worth for equity shareholders at the end of the year. Net worth is a non-GAAP measure in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- The weighted average Return on Net worth is a product of Return on Net worth and respective assigned weight dividing the resultant by total aggregate weight. Weights applied have been determined by the management of our Company.
- The figures disclosed above are derived from the Restated Financial Information of our Company.

E. Net Asset Value ("NAV") per Share

Particulars	Amount (₹)
As on March 31, 2023	54.69 [#]
As on September 30, 2023	61.26 [#]
After the completion of the Offer	
- At the Floor Price	82.77
- At the Cap Price	83.30
Offer Price	295.00

[#] After taking into account stock split of the Equity Shares post March 31, 2023

Notes:

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process. Net asset value per share represents restated Net worth at the end of the year divided by total number of Equity Shares outstanding at the end of year.
- Net asset value per share is calculated by dividing Net worth by number of Equity Shares outstanding as on the respective date.
- The figures disclosed above are derived from the Restated Financial Information of our Company.

F. Comparison with Listed Industry Peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of Company	Face Value (₹ per share)	Revenue from Operations (in ₹ million)	EPS (₹ per share)		NAV (₹ per share)	P/E as on March 1, 2024	Return on Net worth (%)
			Basic	Diluted			
Popular Vehicles and Services Limited	2	48,750.02	10.22	10.22	54.69*	NA	18.68%
Landmark Cars Limited	5	33,823.51	22.56	21.74	118.55	34.84	18.04%

*After taking into account stock split of the Equity Shares post March 31, 2023

Notes:

- Financial information for our Company is derived from the Restated Financial Statements as at and for the financial year ended March 31, 2023.
- All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited financial results of the company for the year ended March 31, 2023.

Notes for Listed Peers:

1. Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company.
2. P/E Ratio has been computed based on the closing market price of equity shares on BSE on March 1, 2024 divided by the Diluted EPS provided.
3. Return on Net worth is computed as profit for the year divided by Total Net worth, as at March 31, 2023.
4. NAV per equity share has been computed as the Net worth attributable to common shareholders (excluding non-controlling interest) divided by the weighted average number of Equity Shares used in calculating basic Earnings Per Share, as at March 31, 2023.

G. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. Our Audit Committee through its resolution dated March 14, 2024 approved the list of KPIs for disclosure in this Prospectus. Further, the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors for raising funds at any point of time during the three years' period prior to the date of filing of this Prospectus and which are required to be disclosed in the "Basis for Offer Price" section, have been verified and audited by R.G.N Price & Co., Chartered Accountant (who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India) in accordance with SEBI ICDR Regulations and have been disclosed in this section. Further, the KPIs herein have been certified by R.G.N Price & Co., Chartered Accountant pursuant to certificate dated March 4, 2024, and March 14, 2024, which has been included in "Material Contracts and Documents for Inspection" on page 441.

A list of our KPIs for six-month period ended September 30, 2023 and the Financial Years ended 2023, 2022 and 2021 is set out below:

Sr. No.	Metric	Unit	Six-month period ended September 30, 2023	Financial Year ended 2023	Financial Year ended 2022	Financial Year ended 2021
1.	Sales Volumes					
	-Number of new vehicles sold	#	23,993	47,820	37,871	35,105
	-Number of pre-owned vehicles sold	#	5,611	11,806	10,594	10,098
	-Number of vehicles serviced	#	5,27,846	957,148	721,400	646,280
2.	Revenue from Operations	₹ million	28,349.97	48,750.02	34,658.79	28,935.25
	-Sales of new vehicles	₹ million	19,411.07	33,305.06	23,222.61	19,395.41
	-Sale of spare parts and accessories	₹ million	4,115.54	6,820.19	4,687.13	3,783.64
	-Sale of pre-owned vehicles	₹ million	1,938.74	3,705.97	2,872.81	2,473.08
	-Sale of services	₹ million	1,605.84	2,872.91	2,183.97	1,803.63
	-Other Operating income	₹ million	1,278.78	2,045.89	1,692.27	1,479.49
3.	Total Income	₹ million	28,482.08	48,926.28	34,841.99	29,192.52
4.	Profit for the period/ year	₹ million	400.44	640.74	336.69	324.55
5.	Earnings Per Share					
	- Basic	₹	6.38**	10.22	5.37	5.17
	- Diluted	₹	6.38**	10.22	5.37	5.17
6.	Inventory turnover days	days	103**	38	45	47
7.	Working capital days	days	95**	34	37	35
8.	Net cash generated from operating activities	₹ million	(1,611.02)	1,088.93	696.92	951.74
9.	Gross Profit	₹ million	4,334.04	7,324.03	5,491.10	4,604.97
10.	Gross Margin	%	15.29%	15.02%	15.84%	15.91%
11.	EBITDA	₹ million	1,459.09	2,348.46	1,786.63	1,748.53
12.	Adjusted EBITDA	₹ million	1,443.04	2,348.46	1,786.63	1,748.53
13.	EBITDA Margin	%	5.12%	4.80%	5.13%	5.99%
14.	PAT Margin	%	1.41%	1.31%	0.97%	1.11%
15.	RoE	%	10.42%**	18.68%	12.03%	13.19%
16.	RoCE	%	8.83%**	18.32%	16.79%	17.09%
17.	Net Debt / EBITDA	times	5.00**	2.03	1.97	1.68
18.	Debt to Equity	times	1.99	1.47	1.33	1.44
19.	Net worth	₹ million	3,842.11	3,430.44	2,798.86	2,460.02

** Not Annualised

Notes:

1. New vehicle volume includes passenger, commercial & EV segment.
2. Revenue from operations includes sale from new and pre-owned vehicles along with sale of services, spares and accessories. Other operating income includes income from incentives & schemes, financing & Insurance, driving schools etc.
3. Total income is calculated as Revenue from operations plus other income.
4. Profit for the period/year is calculated as profit before tax minus Total tax expense.
5. EPS is calculated as profit for the period/ year divided by weighted average of Equity Shares outstanding adjusted for split.
6. Inventory Turnover Days is calculated as Closing Inventory divided by COGS multiplied by 365 where COGS is purchase of stock in trade plus changes in inventories of stock-in-trade.
7. Working capital days is calculated as (Current asset excluding Cash and cash equivalents and Bank balances other than cash and cash equivalents minus current liabilities excluding short term borrowings)/ Revenue from Operations multiplied by 365.
8. Net cash generated from operating activities as per the cash flow statement.
9. Gross Profit is calculated as revenue from operations minus (purchase of stock in trade plus changes in inventories of stock-in-trade).
10. Gross Margin is calculated as Gross Profit divided by Revenue from Operations.

- 11 EBITDA is calculated as restated profit for the period/ year, finance costs plus tax expense/(benefit) and depreciation and amortisation expenses.
- 12 Adjusted EBITDA is calculated as profit before tax plus exceptional item plus finance costs plus depreciation and amortisation expenses.
- 13 EBITDA Margin is calculated as EBITDA divided by Total Income.
- 14 PAT Margin is calculated as profit for the period/ year divided by Total Income.
- 15 ROE is calculated as profit for the period/ year divided by Total Equity, where Total Equity is Equity Share capital plus Other Equity.
- 16 RoCE is calculated as EBIT divided by sum of Total Equity and Total Borrowings, where EBIT is Profit before tax plus finance costs and Total Equity includes Equity Share capital and Other Equity and Total Borrowings includes both non-current and current borrowings.
- 17 Net debt/EBITDA is calculated as Net Debt divided by EBITDA, where Net Debt is Total Borrowings minus (cash and cash equivalents plus bank balances other than cash and cash equivalents) and EBITDA is profit before tax plus finance costs plus depreciation and amortisation.
- 18 Debt to Equity is calculated as Total Borrowings divided by Total Equity, where Total Borrowings include both non-current and current borrowings.
- 19 Net worth is calculated as Equity Share Capital plus Other Equity. Net worth of the Company, as restated and consolidated, has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Please see below the bifurcation of “Other Operating income” for the six-month period ended September 30, 2023 and for the Financial Years ended 2023, 2022 and 2021:

Particulars	Six-month period ended September 30, 2023	Financial Year ended 2023	Financial Year ended 2022	Financial Year ended 2021
Income from schemes and incentives	873.87	1,358.23	1,177.95	991.02
Finance and insurance commission	359.62	613.84	466.88	455.99
Income from driving school	19.27	30.50	18.04	13.14
Other operating income	26.02	43.32	29.40	19.34
Other Operating income	1,278.78	2,045.89	1,692.27	1,479.49

Explanation for the KPI metrics

KPI	Explanation
New Vehicle Volume	It shows the quantity of new vehicles sold for the period
Preowned vehicle Volume	It shows the quantity of pre-owned vehicles sold for the period
Service Volume	It shows the quantity of vehicles serviced for the period
Revenue from Operations	Revenue from operations represents the income generated by our Company from its core operating operations. This gives information regarding the scale of operations
Total Income	Total income represents the overall revenue generated by our Company including core operating income and other income. This gives information regarding the overall scale of our Company
Profit for the period/year	Profit for the period/year is used by the management to track the overall profitability of the business
Earnings Per Share	Earnings per share shows the net earnings per share which the investors get on the financial period
Inventory turnover days	Inventory turnover days is an indicator shows how the management efficiently control over the inventory level
Working capital days	Working capital days is an indicator which shows how the management is efficiently controlling the working capital
Net cash generated from operating activities	Net cash generated from operating activities shows how efficiently the company manages its cashflow from the operations
Gross Profit	Gross profit provides the overall margin efficiency from the operations
Gross Margin	Gross Profit Margin is an indicator of the profitability that allows the management to understand the percentage of revenues that exceeds cost of goods sold
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of the business
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business
RoE	RoE is used by the management to track how efficiently our Company generates profits from funds and how well it is converting its shareholders funds to generate profits
RoCE	RoCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits
Net Debt / EBITDA	Net debt (borrowings) ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt
Debt to Equity	Debt to Equity is a measure of the company's leverage over equity invested and earnings retained over time
Net worth	Net worth is a performance indicator that shows the value of business's property after liabilities are paid

For details of our other operating metrics disclosed elsewhere in this Prospectus, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 170 and 338, respectively.

Above mentioned KPIs includes impact of material acquisition or/and dispositions made by our Company during the Financial Year ending March 31, 2021, 2022 and 2023, details of which are mentioned below:

In FY 2023, we acquired 100% equity shares of KEPL. KEPL has a 100% subsidiary, PMPL which is in the business of trading and servicing of commercial vehicles (BharatBenz). KEPL was a non-operating company during FY 2023 and hence KEPL generated no revenue from operations for year ended FY 2023. Consequent to this acquisition, KEPL and PMPL have become our wholly-owned and step-down subsidiaries respectively, with effect from February 1, 2023.

Financial Period	Units	Revenue from operations	Gross Profit	EBITDA	PAT
Financial Year 2022-23	₹ mn	1,297.07	94.48	52.60	25.92
Six months period ended September 30, 2023	₹ mn	2,782.13	355.85	159.78	52.66

Note: The above table represents the figures of PMPL only.

H. Comparison of our KPIs with our listed industry peers

(a) Comparison with listed industry peers (Six-month period ended September 30, 2023)

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
1	Sales Volumes			
	- Number of new vehicles sold	#	23,993	NA
	- Number of pre-owned vehicles sold	#	5,611	NA
	- Number of vehicles serviced	#	5,27,846	1,58,636
2	Revenue from Operations	₹ mn	28,349.97	14,646.68
	- Sales of new vehicles	₹ mn	19,411.07	NA
	- Sale of spare parts and accessories	₹ mn	4,115.54	NA
	- Sale of pre-owned vehicles	₹ mn	1,938.74	NA
	- Sale of services	₹ mn	1,605.84	NA
	- Other Operating income	₹ mn	1,278.78	NA
3	Total Income	₹ mn	28,482.08	14,697.49
4	Profit for the period	₹ mn	400.44	277.68
5	Earnings Per Share			
	- Basic	₹	6.38**	6.80**
	- Diluted	₹	6.38**	6.64**
6	Inventory turnover days	days	103**	181**
7	Working capital days	days	95**	135**
8	Net cash generated from operating activities	₹ mn	(1,611.02)	(158.50)
9	Gross Profit	₹ mn	4,334.04	2,994.63
10	Gross Margin	%	15.29%	20.45%
11	EBITDA	₹ mn	1459.09	1,015.99
12	Adjusted EBITDA	₹ mn	1,443.04	1,038.97
13	EBITDA Margin	%	5.12%	6.91%
14	PAT Margin	%	1.41%	1.89%
15	RoE	%	10.42%**	5.56%**
16	RoCE	%	8.83%**	5.63%**
17	Net Debt / EBITDA	times	5.00**	4.10**
18	Debt to Equity	times	1.99	0.91
19	Net worth	₹ mn	3,842.11	4,997.72

NA – Not Available in public domain

** Not Annualised

(b) Comparison with listed industry peers (Fiscal 2023)

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
1	Sales Volumes			
	- Number of new vehicles sold	#	47,820	21,310
	- Number of pre-owned vehicles sold	#	11,806	NA
	- Number of vehicles serviced	#	9,57,148	3,17,954
2	Revenue from Operations	₹ mn	48,750.02	33,823.51
	- Sales of new vehicles	₹ mn	33,305.06	24,398.18 [#]
	- Sale of spare parts and accessories	₹ mn	6,820.19	4,937.63
	- Sale of pre-owned vehicles	₹ mn	3,705.97	401.00
	- Sale of services	₹ mn	2,872.91	2,301.10
	- Other Operating income	₹ mn	2,045.89	1,785.60
3	Total Income	₹ mn	48,926.28	33,944.30
4	Profit for the year	₹ mn	640.74	851.01
5	Earnings Per Share			
	- Basic	₹	10.22	22.56
	- Diluted	₹	10.22	21.74
6	Inventory turnover days	days	38	59
7	Working capital days	days	34	40
8	Net cash generated from operating activities	₹ mn	1,088.93	709.90
9	Gross Profit	₹ mn	7,324.03	6,006.91

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
10	Gross Margin	%	15.02%	17.76%
11	EBITDA	₹ mn	2,348.46	2,425.09
12	Adjusted EBITDA	₹ mn	2,348.46	2,499.81
13	EBITDA Margin	%	4.80%	7.14%
14	PAT Margin	%	1.31%	2.51%
15	RoE	%	18.68%	18.04%
16	RoCE	%	18.32%	20.38%
17	Net Debt / EBITDA	times	2.03	1.03
18	Debt to Equity	times	1.47	0.62
19	Net worth	₹ mn	3,430.44	4,716.45

Sale of new vehicles is excluding the sales from pre-owned cars as disclosed in the annual report.

(c) Comparison with listed industry peers (Fiscal 2022)

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
1	Sales Volumes			
	- Number of new vehicles sold	#	37,871	19,264
	- Number of pre-owned vehicles sold	#	10,594	NA
	- Number of vehicles serviced	#	7,21,400	2,79,078
2	Revenue from Operations	₹ mn	34,658.79	29,765.23
	- Sales of new vehicles	₹ mn	23,222.61	22,749.30#
	- Sale of spare parts and accessories	₹ mn	4,687.13	3,980.26
	- Sale of pre-owned vehicles	₹ mn	2,872.81	214.43
	- Sale of services	₹ mn	2,183.97	1,888.75
	- Other Operating income	₹ mn	1,692.27	932.49
3	Total Income	₹ mn	34,841.99	29,891.16
4	Profit for the year	₹ mn	336.69	661.82
5	Earnings Per Share			
	- Basic	₹	5.37	17.88
	- Diluted	₹	5.37	17.45
6	Inventory turnover days	days	45	48
7	Working capital days	days	37	22
8	Net cash generated from operating activities	₹ mn	696.92	764.39
9	Gross Profit	₹ mn	5,491.10	4,647.84
10	Gross Margin	%	15.84%	15.61%
11	EBITDA	₹ mn	1,786.63	1,872.81
12	Adjusted EBITDA	₹ mn	1,786.63	1,872.81
13	EBITDA Margin	%	5.13%	6.27%
14	PAT Margin	%	0.97%	2.21%
15	RoE	%	12.03%	26.66%
16	RoCE	%	16.79%	21.10%
17	Net Debt / EBITDA	times	1.97	1.49
18	Debt to Equity	times	1.33	1.24
19	Net worth	₹ mn	2,798.86	2,482.47

Sale of new vehicles is excluding the sales from pre-owned cars as disclosed in the annual report.

(d) Comparison with listed industry peers (Fiscal 2021)

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
1	Sales Volumes			
	- Number of new vehicles sold	#	35,105	13,282
	- Number of pre-owned vehicles sold	#	10,098	NA
	- Number of vehicles serviced	#	6,46,280	2,21,468
2	Revenue from Operations	₹ mn	28,935.25	19,561.04
	- Sales of new vehicles	₹ mn	19,395.41	14,449.76#
	- Sale of spare parts and accessories	₹ mn	3,783.64	2,906.72
	- Sale of pre-owned vehicles	₹ mn	2,473.08	353.65
	- Sale of services	₹ mn	1,803.63	1,322.84
	- Other Operating income	₹ mn	1,479.49	528.07
3	Total Income	₹ mn	29,192.52	19,663.43
4	Profit for the year	₹ mn	324.55	111.48
5	Earnings Per Share			
	- Basic	₹	5.17	3.09
	- Diluted	₹	5.17	3.05
6	Inventory turnover days	days	47	64
7	Working capital days	days	35	44
8	Net cash generated from operating activities	₹ mn	951.74	427.64
9	Gross Profit	₹ mn	4,604.97	3,087.34
10	Gross Margin	%	15.91%	15.78%
11	EBITDA	₹ mn	1,748.53	1,200.63

Sr. No.	Metrics	Units	Popular Vehicles	Landmark Cars
12	Adjusted EBITDA	₹ mn	1,748.53	1,200.63
13	EBITDA Margin	%	5.99%	6.11%
14	PAT Margin	%	1.11%	0.57%
15	RoE	%	13.19%	6.11%
16	RoCE	%	17.09%	11.30%
17	Net Debt / EBITDA	times	1.68	2.54
18	Debt to Equity	times	1.44	1.80
19	Net worth	₹ mn	2,460.02	1,823.76

* Sale of new vehicles is excluding the sales from pre-owned cars as disclosed in the annual report.

Notes:

1. New vehicle volume includes passenger, commercial & EV segment.
2. Revenue from operations includes sale from new and pre-owned vehicles along with sale of services, spares and accessories. Other operating income includes income from incentives & schemes, financing & Insurance, driving schools etc.
3. Total income is calculated as Revenue from operations plus other income.
4. Profit for the period/year is calculated as profit before tax minus Total tax expense.
5. EPS is calculated as profit for the period/year divided by weighted average of Equity Shares outstanding adjusted for split.
6. Inventory Turnover Days is calculated as Closing Inventory divided by COGS multiplied by 365 where COGS is purchase of stock in trade plus changes in inventories of stock-in-trade.
7. Working capital days is calculated as (Current asset excluding Cash and cash equivalents and Bank balances other than cash and cash equivalents minus current liabilities excluding short term borrowings)/ Revenue from Operations multiplied by 365.
8. Net cash generated from operating activities as per the cash flow statement.
9. Gross Profit is calculated as revenue from operations minus (purchase of stock in trade plus changes in inventories of stock-in-trade).
10. Gross Margin is calculated as Gross Profit divided by Revenue from Operations.
11. EBITDA is calculated as restated profit for the period/year, finance costs plus tax expense/(benefit) and depreciation and amortisation expenses.
12. Adjusted EBITDA is calculated as profit before tax plus exceptional item plus finance costs plus depreciation and amortisation expenses.
13. EBITDA Margin is calculated as EBITDA divided by Total Income.
14. PAT Margin is calculated as Profit for the period/year divided by Total Income.
15. ROE is calculated as profit for the period/year divided by Total Equity, where Total Equity is Equity Share capital plus Other Equity.
16. RoCE is calculated as EBIT divided by sum of Total Equity and Total Borrowings, where EBIT is Profit before tax plus finance costs and Total Equity includes Equity Share capital and Other Equity and Total Borrowings includes both non-current and current borrowings.
17. Net debt/EBITDA is calculated as Net Debt divided by EBITDA, where Net Debt is Total Borrowings minus (cash and cash equivalents plus bank balances other than cash and cash equivalents) and EBITDA is profit before tax plus finance costs plus depreciation and amortisation.
18. Debt to Equity is calculated as Total Borrowings divided by Total Equity, where Total borrowings include both non-current and current borrowings.
19. Net worth is calculated as Equity Share Capital plus Other Equity.
20. NA is data which is not publicly available.

I. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs are not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. See *“Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition”* on page 54.

Weighted average cost of acquisition (“WACA”), floor price and cap price

1. **Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)**

The Company has not issued any Equity Shares during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

2. **Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group, Selling Shareholder or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

There have been no secondary sale/ acquisitions of Equity Shares, where the Promoters, members of the Promoter Group, Selling Shareholder having the right to nominate Director(s) on our Board, are a party to the transaction, during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

3. **Since there are no such transaction to report to under 1 and 2, the following are the details basis the last five primary or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholder having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Prospectus irrespective of the size of transactions:**

Sr. No.	Name of the Transferor	Name of the Transferee	Nature of transaction	Form of consideration	Date of transfer	Transfer price per Equity Share (in ₹)	Number of Equity Shares	Consideration (in ₹)
1	BanyanTree Growth Capital II, LLC	John K. Paul	Secondary sale	Cash	February 21, 2024	57	763,737	43,533,009
2	BanyanTree Growth Capital II, LLC	Francis K. Paul	Secondary sale	Cash	February 21, 2024	57	763,737	43,533,009
3	BanyanTree Growth Capital II, LLC	Naveen Philip	Secondary sale	Cash	February 21, 2024	57	763,737	43,533,009
Total							2,291,211	130,599,027

4. **The Floor Price is 4.91 times and the Cap Price is 5.18 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by the Selling Shareholder or other shareholders with rights to nominate directors are disclosed below:**

Past transactions	Weighted average cost of acquisition (in ₹)*	Floor Price (in ₹280)	Cap Price (in ₹295)
WACA of Primary Issuances	Not Applicable	Not Applicable	Not Applicable
WACA of Secondary Transactions	Not Applicable	Not Applicable	Not Applicable
Since there are no such transactions to report to under 1 and 2 above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Prospectus irrespective of the size of the transaction, is as below:			
- Based on primary transactions	Not Applicable	-	-
- Based on secondary transactions	57	4.91 times	5.18 times

* As certified by R.G.N Price & Co., Chartered Accountants by way of certificate dated March 14, 2024.

5. **Justification for Basis of Offer price**

1. **The following provides an explanation to the Cap Price being 5.18 times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by the Selling Shareholder or other shareholders with rights to nominate directors by way of primary and secondary transactions in the last three full Financial Years preceding the date of this Prospectus compared to our Company’s KPIs for the six months period ended September 30, 2023 and for the Financial Years 2023, 2022 and 2021**

- We are a diversified automobile dealership in India in terms of revenue as of Fiscal 2023, (Source: CRISIL Report) having a fully integrated business model. We cater to the complete life cycle of vehicle ownership, right from the sale of new vehicles, servicing and repairing vehicles, distributing spare parts and accessories, to facilitating sale and exchange of pre-owned vehicles, operating driving schools and facilitating the sale of third-party financial and insurance products.
- We operate (a) passenger vehicle dealerships covering economy, premium and luxury vehicles across our dealerships for the following OEMs: (i) Maruti Suzuki India Limited for both Arena and Nexa (ii) Honda Cars India Limited (iii) Jaguar Land Rover India Limited (b) commercial vehicle dealerships of (i) Tata Motors Limited (Commercial), and (ii) Daimler India Commercial Vehicles Private Limited and (c) electric three-wheeler vehicle dealership of Piaggio Vehicles Private

Limited, including commercial and cargo vehicles and electric two-wheeler vehicle dealership of Ather Energy Private Limited. Our presence across vehicle categories, including passenger vehicles, commercial vehicles, and electric two-wheeler and three-wheeler vehicles, further diversifies our revenue streams.

- C. As of December 31, 2023, we operated through our network of 61 showrooms, 133 sales outlets and booking offices, 32 pre-owned vehicle showrooms and outlets, 139 authorised service centres, 43 retail outlets, and 24 warehouses located across 14 districts of Kerala, 8 districts in Karnataka, 12 districts in Tamil Nadu and 9 districts in Maharashtra. We believe that our diversified automobile dealerships and a fully integrated business model contributes to our position as an automobile dealership player. In addition to benefiting from the inherent synergies arising out of our business verticals, our diversified income streams also contribute to higher profitability margins at our dealerships. Our PAT increased from INR 324.55 million in Fiscal 2021 to INR 640.74 million in Fiscal 2023.
- D. During the six months period ended September 30, 2023, we serviced 419,729 passenger vehicles including 2,762 luxury vehicles, 103,116 commercial vehicles, 4,118 electric two-wheeler vehicles and 883 electric three-wheeler vehicles through our network of 137 authorised service centres across our dealerships. We serviced 22 vehicles, for each new vehicle sold by us during the six months period ended September 30, 2023.
- E. We believe that the experience, and diversity of our management team and our Promoters and the long-standing presence of the Kuttukaran Group in the automobile industry have enabled us to become valued partners of each of our OEMs giving us a distinct competitive advantage in the industry in which we operate.

2. The following provides an explanation to the Cap Price being 5.18 times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by the Selling Shareholder or other shareholders with rights to nominate directors by way of primary and secondary transactions in view of external factors, if any

There are no external factors which have influenced the determination of Offer Price.

The Offer Price of ₹295 has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with “*Risk Factors*”, “*Our Business*” and “*Restated Financial Information*” on pages 26, 170 and 255, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors
Popular Vehicles and Services Limited
Kuttukaran Centre, Mamangalam, Cochin - 682 025

Date: 05 February 2024

Subject: Statement of possible special tax benefits (“the Statement”) available to Popular Vehicles and Services Limited (“the Company”), its shareholders and its material subsidiaries prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the ICDR Regulations”)

This report is issued in accordance with the Engagement Letter dated 27 July 2023.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries, which is defined in Annexure I (**List of material subsidiaries considered as part of the statement**), under direct and indirect taxes (together “**the Tax Laws**”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company, its shareholders and its material subsidiaries, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its material subsidiaries to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its material subsidiaries may face in the future and accordingly, the Company, its shareholders and its material subsidiaries may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its material subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its material subsidiaries. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the “**Proposed Offer**”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i the Company, its shareholders and its material subsidiaries will continue to obtain these possible special tax benefits in future; or
- ii the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiaries, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

We did not verify the special tax benefits available to the list of material subsidiaries given in Annexure I. The Statement of Possible Special Tax Benefits for the list of material subsidiaries given in Annexure I has been verified by auditors of the respective material subsidiaries, whose reports have been furnished to us by the Management, and our opinion, insofar as it relates to the special tax benefits included in respect of such subsidiaries, is based solely on the reports of such other auditors.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the Red Herring Prospectus (“RHP”) and the Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For B S R & Associates LLP

Chartered Accountants

Firm’s Registration No.:116231W/W-100024

Baby Paul

Partner

Place: Kochi

Date: 05 February 2024

Membership No.: 218255

UDIN: 24218255BKFW EZ1657

ANNEXURE I
LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Goods and Services Tax legislations as promulgated by various states

LIST OF MATERIAL SUBSIDIARIES CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Popular Mega Motors (India) Private Limited
2. Vision Motors Private Limited

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding year (i.e.31 March 2023) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediate preceding year.

ANNEXURE II

Statement Of Possible Special Tax Benefits Available To Popular Vehicles and Services Limited (“The Company”) and Its Shareholders And Its Material Subsidiaries Under The Applicable Direct And Indirect Taxes (“Tax Laws”)

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its material subsidiaries under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its material subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its material subsidiaries to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE DIRECT TAX LAWS

A. Special tax benefits available to the Company

Lower corporate tax rate under section 115BAA of the Income tax Act, 1961 (‘the Act’)

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. 1 April 2020 (AY 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from FY 2020-21.

Section 80JJAA of the Act- Deduction in respect of employment of new employees

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

Section 80M of the Act– Deduction in respect of Inter-Corporate Dividends

A new Section 80M has been inserted by the Finance Act, 2020 with effect from 1 April 2020 (Assessment Year (hereinafter referred as “AY”) 2021-22) providing for deduction from Gross Total Income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its return of income as prescribed under Section 139(1) of the Act.

Where the Company receives any such dividends during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act.

B. Special tax benefits available to Shareholders

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above)

C. Special tax benefits available to Material Subsidiaries

Lower corporate tax rate under section 115BAA

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. 01 April 2020 (AY 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit

(under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

Popular Mega Motors (India) Private Limited has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from FY 2019-20.

Vision Motors Private Limited has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from FY 2020-21.

D. Section 80JJAA of the Act- Deduction in respect of employment of new employees

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

E Section 80M of the Act– Deduction in respect of Inter-Corporate Dividends

A new Section 80M has been inserted by the Finance Act, 2020 with effect from 1 April 2020 (Assessment Year (hereinafter referred as “AY”) 2021-22) providing for deduction from Gross Total Income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its return of income as prescribed under Section 139(1) of the Act.

Where the Company receives any such dividends during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act.

NOTES:

1. The above is as per the current Tax Laws.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the country in which the non-resident has fiscal domicile.
5. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her own tax consultant with respect to the specific tax consequences of his/her investment in the shares of the Company.
6. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For Popular Vehicles and Services Limited

Naveen Philip
Managing Director
Place: Kochi
Date: 05 February 2024

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “An assessment of the automobile dealership industry in India” dated January, 2024 (the “**CRISIL Report**”) prepared and issued by CRISIL Limited, pursuant to an engagement letter dated December 29, 2023. The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our Company at www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant Fiscal. For more information, see “Risk Factors – This Prospectus contains information from industry sources including the industry report commissioned from CRISIL Limited exclusively for the Offer and paid for by the Company. Investors are advised not to place undue reliance on such information.” on page 50. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 21.

Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

An overview of global macroeconomic conditions

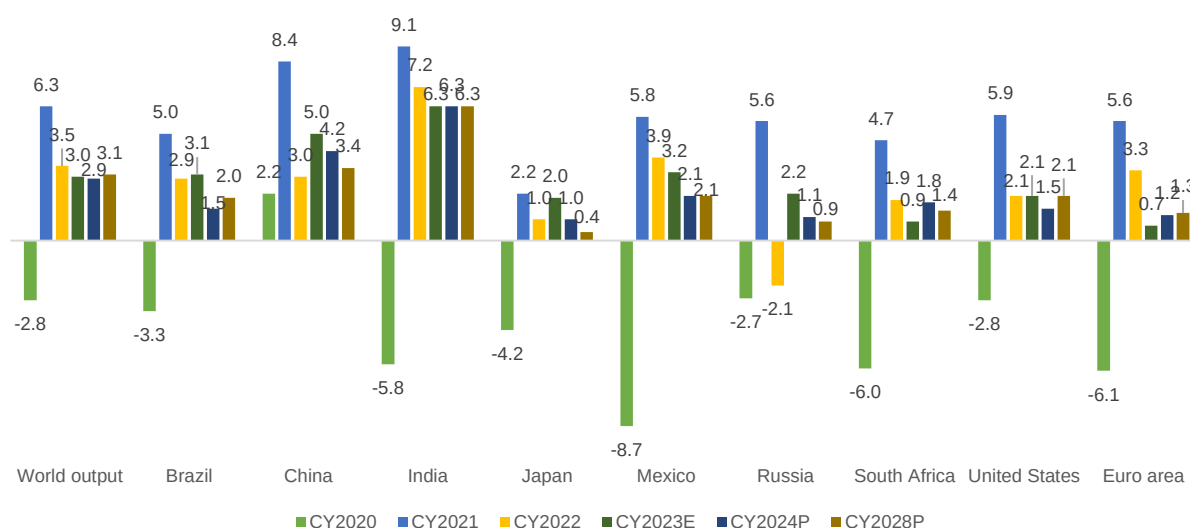
Review and outlook of economic and inflation trends in key countries

The global economy continues to recover slowly from the challenges heaped by the Covid-19 pandemic, Russia’s invasion of Ukraine, and considerable tightening of global monetary conditions to address elevated inflation. However, a return to pre-pandemic growth trajectory seems increasingly challenging, particularly in the case of emerging and developing economies. The convergence of several forces is holding back a steady recovery. Some of these are long-term fallouts of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are cyclical, including the effects of monetary policy tightening to cool inflation, withdrawal of fiscal support amid high debt levels, and extreme weather events.

As per the International Monetary Fund (IMF):

- The global economy is projected to decelerate from 3.5% in 2022 to 3.0% in 2023, and further to 2.9% in 2024
- In the case of advance economies as well, growth is forecast to slow down from 2.6% in 2022 to 1.5% in 2023, and 1.4% in 2024, as stronger US momentum is more than offset by weaker growth in the euro area
- The growth rate of emerging and developing economies is projected to post a modest slowdown as well, from 4.1% in 2022 to 4.0% in 2023 and in 2024, with the downward revision of 0.1% point in 2024 reflecting a property sector crisis in China. Over the medium term, too, emerging and developing economies are forecast to grow at the slowest pace in decades, expanding just 3.1%. Thereby, these countries transitioning to higher living standards is still some way off

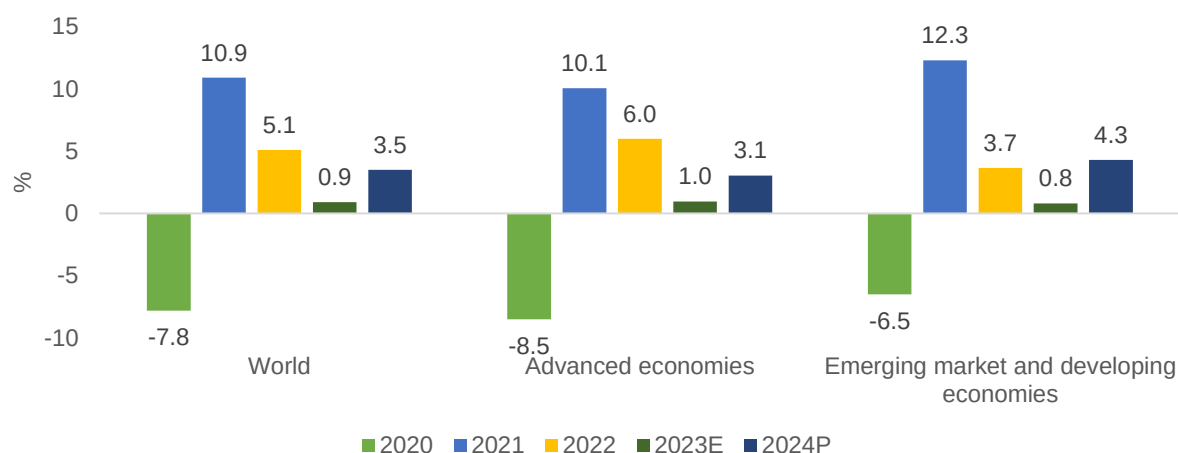
GDP growth of key economies



* Euro area comprises 19 member countries of the EU

Source: International Monetary Fund (IMF; World Economic Outlook – October 2023 update), CRISIL MI&A Consulting

IMF world trade growth projection



Advanced economies – US, Japan, euro area; emerging market and developing economies – China, India, Russia, Brazil, Mexico, South Africa
 Note: Average annual % change of export and import trade in goods and services has been considered
 Source: IMF (World Economic Outlook – October 2023 update), CRISIL MI&A

An overview of Indian economic conditions

Review of real GDP growth over fiscals 2018-2023 and outlook for fiscals 2023-2028

The Indian economy logged 4.1% CAGR between fiscals 2018 and 2023. This was a sharp deceleration from a robust 6.6% CAGR between fiscals 2017 and 2019, which was driven by rising consumer aspiration, rapid urbanisation, the government's focus on infrastructure investment and growth of the domestic manufacturing sector. Economic growth was supported by benign crude oil prices, soft interest rates and low current account deficit. The Indian government also undertook key reforms and initiatives, such as implementation of the Goods and Services Tax (GST) and Insolvency and Bankruptcy Code, Make in India and financial inclusion initiatives, and gradual opening of sectors such as retail, e-commerce, defence, railways, and insurance for foreign direct investments (FDIs).

A large part of the lower print between fiscals 2018 and 2023 was because of the economy contracting 5.8% in fiscal 2021 owing to the fallout of Covid-19. The pandemic's impact was more pronounced on contact-sensitive services and social distancing norms-affected services such as entertainment, travel, and tourism, with many industries in the manufacturing sector also facing issues with shortage of raw materials/components as lockdown in various parts of the world upended supply chains.

Over the period, India's economic growth was led by services, followed by the industrial sector. In parts, though, growth was impacted by demonetisation, the non-banking financial company (NBFC) crisis, slower global economic growth and the pandemic.

As lockdowns were gradually lifted, economic activity revived in the second half of fiscal 2021. After a steep contraction in the first half, owing to rising number of Covid-19 cases, GDP moved into positive territory towards the end of fiscal 2021. Subsequently, in fiscal 2022, India's real GDP grew 9.1% from the low base of fiscal 2021.

According to National Statistical Office estimates released on August 31, 2023, GDP growth rose sharply to 7.8% on-year in the first quarter (April-June) of fiscal 2024 compared with 6.1% in the first quarter fiscal 2023. However, this was slightly below the Reserve Bank of India's (RBI) projection of 8% for the quarter. Industrial activity in the country is expected to slow in the coming months. S&P Global's Purchasing Manager Index (PMI) for domestic manufacturing moderated to 57.5 in September 2023, but railway freight and auto sales recorded higher growth.

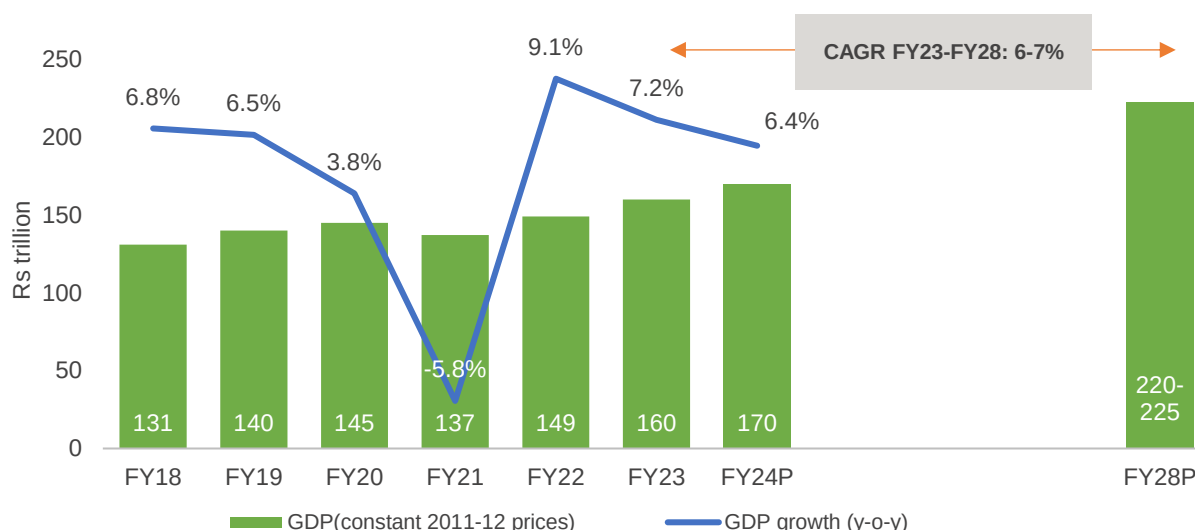
The industrial sector extended its recovery in the second quarter, while the services sector remained buoyant. Investment maintained momentum, supported by government spending. Rising capacity utilisation augurs well for private sector investment as well. However, slowing global growth has been dragged by weaker goods exports. However, the Monetary Policy Committee (MPC) maintained its real GDP growth projection at 6.5% for fiscal 2024.

Domestic demand may remain supportive of growth. The latest RBI survey shows consumer confidence reaching a four-month high in September. Manufacturing remains highly optimistic of demand conditions, while banks expect further improvement in loan demand in the second half of this fiscal.

However, monsoon remains a risk to rural demand. Rain was uneven in fiscal 2024 and ended 6% below the long period average (LPA). Rabi output also faces risks from low reservoir levels. Further, the RBI's rate hikes are expected to slow down GDP growth after peaking 7.8% in the first quarter of fiscal 2024.

India's real GDP continued in strong expansionary mode, growing 7.6% in the second quarter (July-September) of fiscal 2024, vs 7.8% in the first quarter (April-June) of fiscal 2024. It was 6.2% for the same period of fiscal 2023. With this, growth has trended above the pre-pandemic five-year average quarterly growth of 6.7%.

India's GDP growth trend and outlook



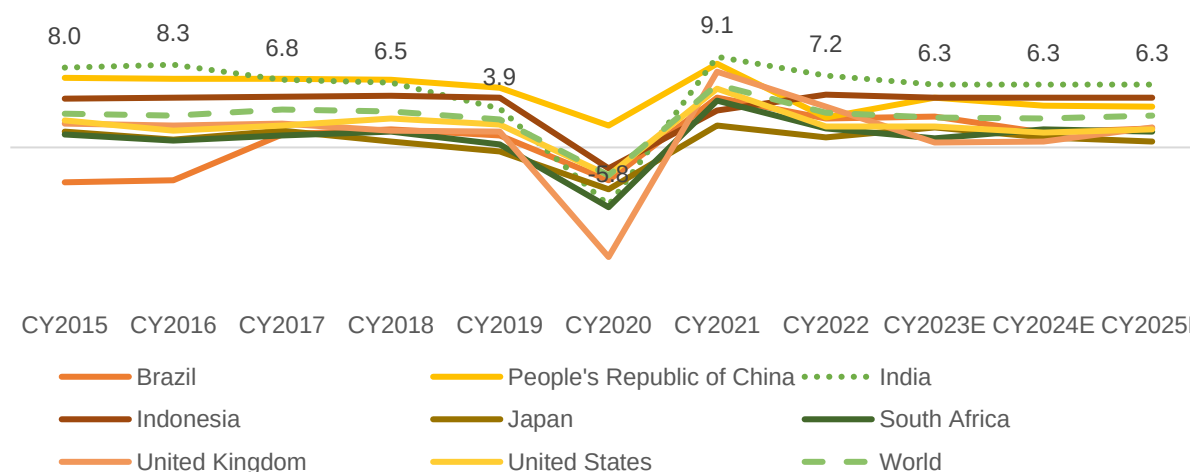
Note: E - estimated and P - projected

Source: National Statistical Office (NSO), IMF, CRISIL MI&A estimates

India to remain a growth outperformer globally

Despite slowdown in the near term, India's growth is expected to outperform over the medium run. CRISIL MI&A expects GDP to grow at 6-7% CAGR between fiscals 2023 and 2028, compared with 3-3.2% world economy growth estimated by the IMF.

India is one of the fastest growing emerging economies (GDP growth, % on-year)



E: estimated; P: projected

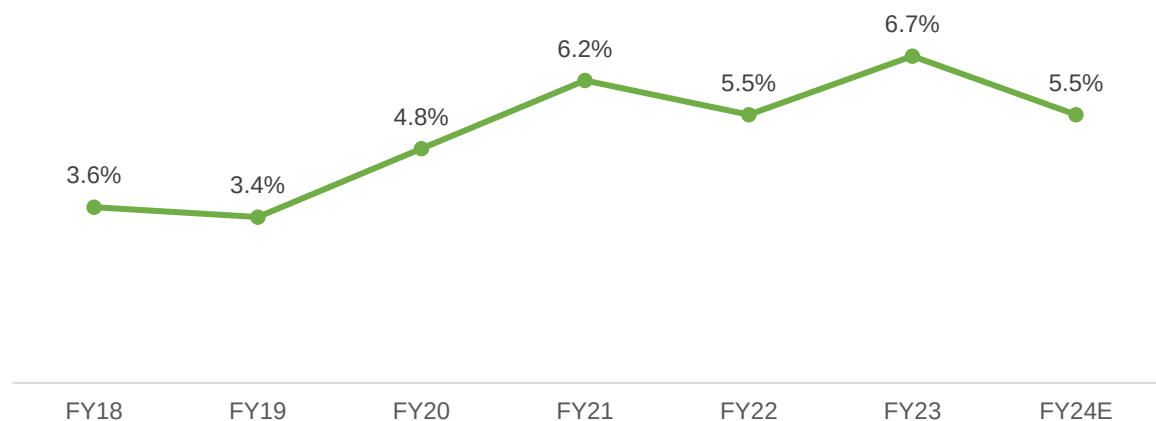
Note: GDP growth based on constant prices

Source: IMF (World Economic Outlook – October 2023 update), CRISIL MI&A

Drivers for India's economic growth

- Strong domestic demand is expected to drive India's growth premium over peers in the medium term
- Investment prospects are optimistic, given the government's capex push, progress of Production-Linked Incentive (PLI) scheme, healthier corporate balance sheets, and a well-capitalised banking sector with low non-performing assets (NPAs)
- India is also likely to benefit from its diversification of the supply chain for incoming FDI flows, as global supply chains get reconfigured with focus shifting from efficiency towards resilience and friend shoring
- Private consumption (~57% of GDP) will play a supportive role in raising GDP growth in the medium term

CPI trendline



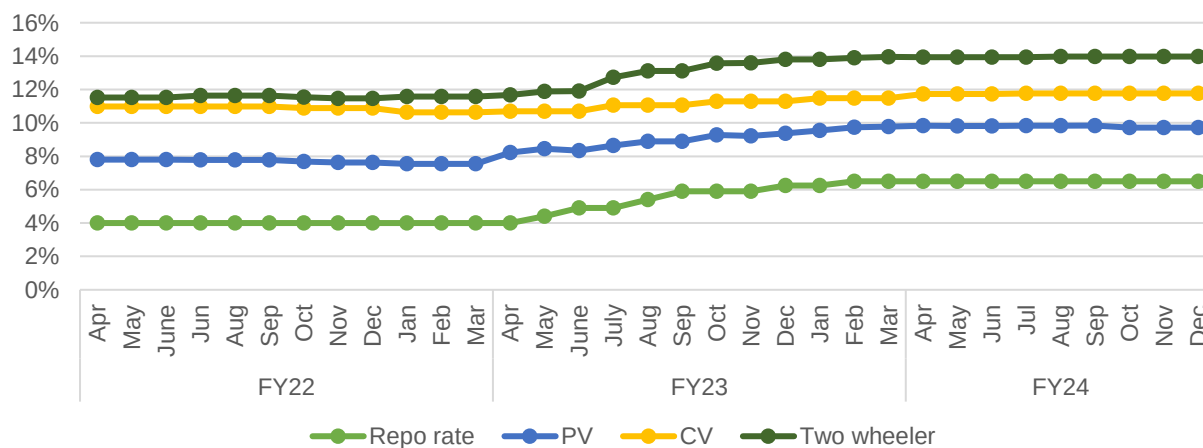
Source: Ministry of Statistics and Programme Implementation (MOSPI), CRISIL MI&A Research

Steep hike in auto finance rates

The sharp rise in repo rates has increased the financing rates across auto segments. The PV segment has witnessed nearly 160 bps hike. For the two-wheeler segment, the hike was higher and in tandem with repo rate hike.

Interest rates have reached the pre-pandemic levels and are expected to remain firm in the short term.

Average auto finance rates offered by banks



Source: Industry, CRISIL MI&A

Rising demand for underlying assets to back disbursement growth

After consecutive contractions, auto finance disbursements picked up in fiscal 2022. Most sub-segments witnessed recovery to the pre-pandemic levels in underlying asset sales. Two-wheeler and PV segments gained on account of pent-up demand and increased preference for personal mobility as lockdowns were lifted and people were wary of using public transport. In the CV segment, while sales of medium and heavy commercial vehicles (M&HCV) and buses remain tepid, that of light commercial vehicles (LCV) improved.

On-year growth in auto finance disbursement (%)

Segment	FY20	FY21	FY22	FY23	FY24E
PV	-9%	-4%	24%	36%	9-11%
CV	-36%	-6%	46%	40%	9-11%
Two-wheelers	-2%	-5%	-6%	24%	13-15%

Source: Industry, CRISIL MI&A

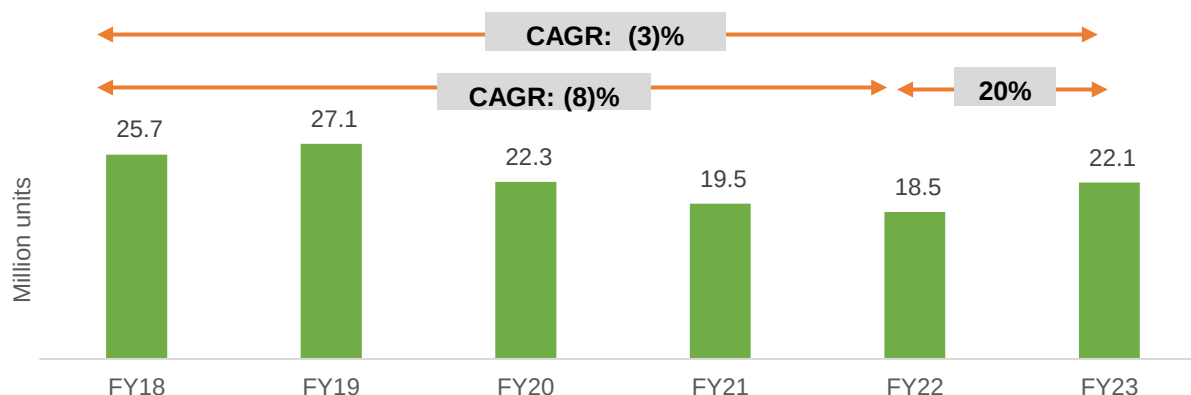
The domestic auto industry

The auto industry, a key contributor to the Indian economy, has grown by leaps and bounds over the years. In fact, its contribution to India's GDP increased from 2.8% in fiscal 1993 to ~7.1% currently. The industry employs over 19 million people directly and indirectly, according to the Ministry of Information and Broadcasting report, 2023.

India is one of the largest auto markets in the world, with annual domestic sales of over 20 million vehicles. Domestic sales reached a high of 27 million in fiscal 2019, backed by favourable macroeconomic growth, rising consumption, favourable rural demand, as well as healthy demand from end-use sectors. However, domestic sales fell 17.7% in fiscal 2020 amid slowdown in GDP growth as well as inventory correction for Bharat Stage-VI (BS-VI) upgradation. The Covid-19 pandemic also hit the automotive industry hard, and sales dropped 12% on an already low base of fiscal 2020 to 19.5 million in fiscal 2021.

Resurgence of Covid cases in a much severe form hit the domestic market in fiscal 2022, exerting pressure on auto sales. Fiscal 2023 witnessed normalisation in market operations, reopening of schools/colleges/offices, improvement in macroeconomic scenario, easing out of supply issues, which helped the industry clock ~20% growth on a low base of 3 years of consecutive contractions.

Domestic sales trend

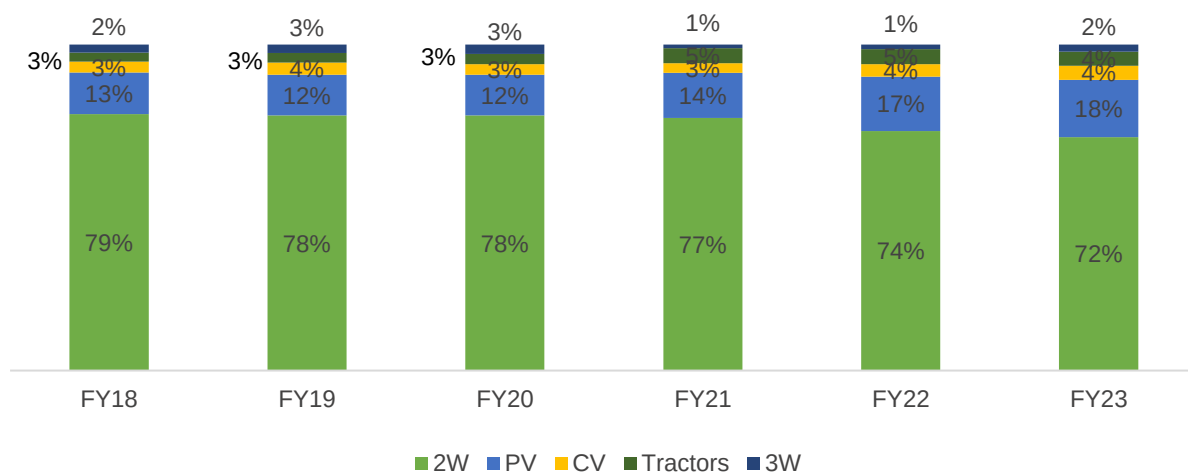


(1) Note: Includes sales of PVs, CVs, two-wheelers, three-wheelers, and tractors
Source: SIAM, TMA, CRISIL MI&A

The domestic auto industry is dominated by the two-wheeler segment (more than 70% of the industry). Two-wheeler sales were on a growth trajectory until fiscal 2019, led by a robust rural economy supported by a good monsoon. Demand started slowing after fiscal 2019, because of falling private consumption along with a hike in prices. It slowed in fiscal 2020, due to tapering in economic growth as well as inventory adjustment owing to the BS-VI migration. The pandemic and the attendant nationwide and local lockdowns to contain it led to a steeper fall in domestic sales in fiscals 2021 and 2022 and, thus, contracting the share of two-wheelers in the overall auto sales. From this low base, the industry clocked healthy growth in fiscal 2023, led by pent-up demand, improved macroeconomic scenario, revival of scooter demand with reopening of colleges and offices, as well as improvement in vehicle supply. Other segments such as PVs, CVs, and three-wheelers recorded a much faster revival last fiscal, exerting further pressure on the share of two-wheelers.

PVs, the second largest contributor to domestic sales, witnessed growth till fiscal 2019, driven by expansion in the addressable market, increase in disposable income, development of infrastructure, and stable cost of vehicle ownership even as crude oil prices remained subdued. Lower private consumption, inventory adjustment on the back of new emission norms, and the liquidity crisis caused a significant drop in sales in fiscal 2020. The fall was exacerbated by the onset of the pandemic, resulting in a steep decline in demand in fiscal 2021. On this low base, some improvement was witnessed in fiscal 2022, with improved macroeconomic scenario as well as pent-up demand, increasing the share of PVs during the year. In fiscal 2023, domestic sales of PVs grew 27% on-year (vs 13% in fiscal 2022) due to healthy pent-up demand following a slump in sales volume for two years owing to the pandemic-led supply chain disruptions. The orderbooks of auto original equipment manufacturers (OEMs) were supported by a plethora of launches in the growing UV category, which witnessed high traction. In turn, the share of PVs expanded further last fiscal.

Domestic sales split by segments



Source: SIAM, TMA, CRISIL MI&A

Three-wheeler sales were also on a growth path until fiscal 2019, driven by increasing demand for replacements and last-mile connectivity in metros and major cities, rising penetration in rural areas, and easy availability of organised funding. However, post fiscal 2019, the NBFC liquidity crisis and increasing replacement of goods three-wheelers with small CVs caused a slowdown in demand. Subsequently, onset of the pandemic had a major effect on sales in fiscal 2021. However, sales rebounded slightly in fiscal 2022 with gradual reopening of the economy in the second half of the year following subsiding of Covid-19 infections. Pent-up demand, normalisation of mobility, and reopening of schools/colleges and offices helped the three-wheeler segment clock healthy growth in fiscal 2023, thereby also increasing its share in overall vehicular sales.

In the case of CVs, growth was driven by a pick-up in domestic rural industrial activity and the government's focus on infrastructure investment post fiscal 2015. But sluggish economic growth after fiscal 2019 and the pandemic affected the industry over the next two years. The economic slowdown in fiscal 2020 and the pandemic-led lockdown and restrictions in fiscal 2021 led to a double-digit declines of 27% on-year and 23% on-year, respectively. In fiscal 2022, though, demand rebounded over a lower base, with the pandemic ebbing with increasing number of people being vaccinated, thereby supporting private consumption and freight demand. In fiscal 2023, the CV industry exhibited a noteworthy growth of 34%, thereby reaching 96% of unit sales registered in fiscal 2019. This resurgence can be attributed to pent-up replacement demand that had been hampered during the preceding 2-3 years due to economic stagnation and fallout of the pandemic.

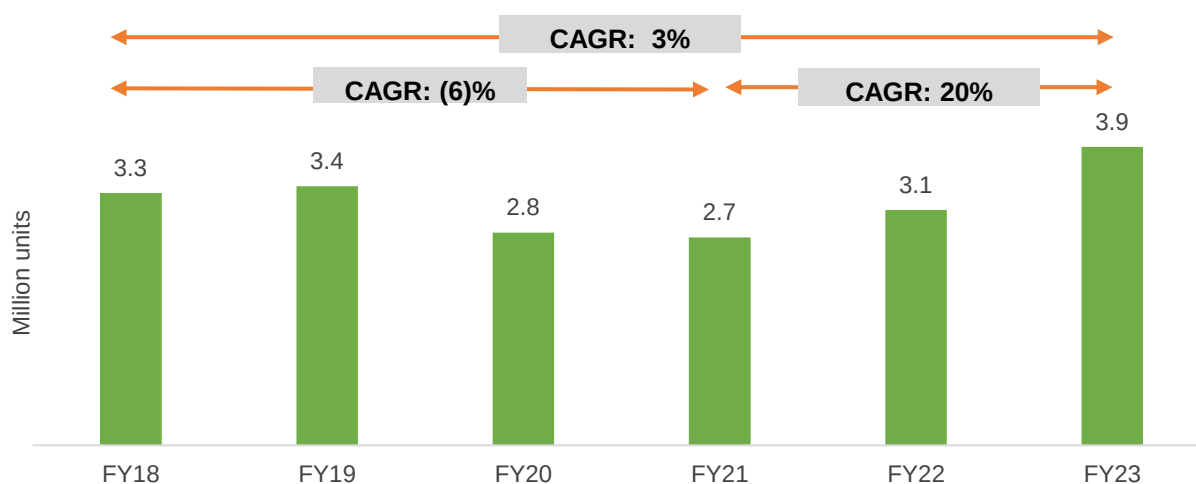
Review and outlook on Indian PV domestic industry

Review of Indian PV domestic industry (fiscals 2018 to 2023)

Until liberalisation, there were only three major car manufacturers in India – Hindustan Motors, Premier and Maruti Udyog. However, post liberalisation, Maruti and Suzuki's partnership was the country's first Indian-foreign joint venture. Also, major international corporations such as Hyundai and Honda entered the country following gradual implementation of economic reforms. From 2000 to 2010, almost every major car company had established manufacturing facilities in the country.

Between fiscals 2018 and 2023, India's domestic PV sales rose at 3% CAGR. The growth was despite sales contracting at 6% CAGR during fiscals 2018 to 2021. From the low base of fiscal 2021, industry sales bounced back at a healthy pace to reach a historic high of 3.9 million vehicle sales in fiscal 2023.

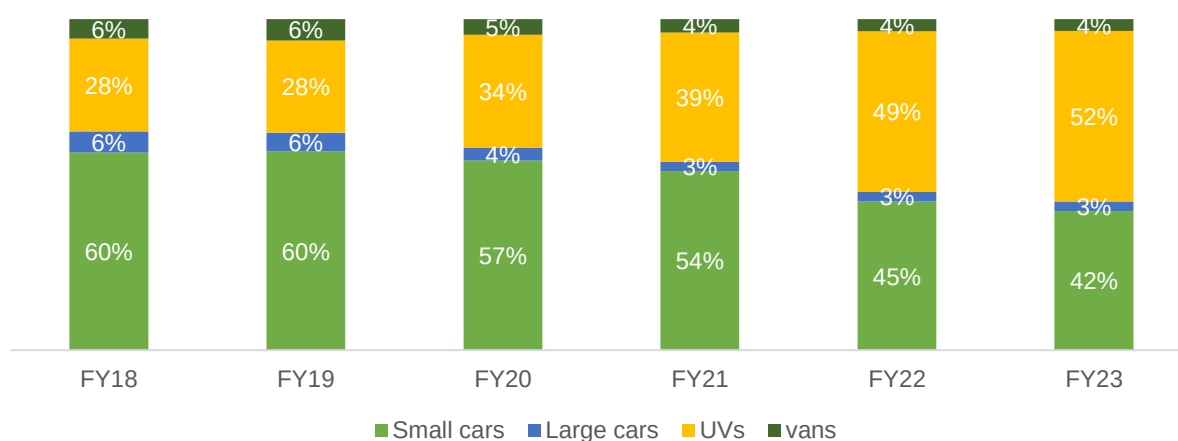
Review of domestic PV sales



Source: SIAM, CRISIL MI&A

1. Split of industry sales by PV segments

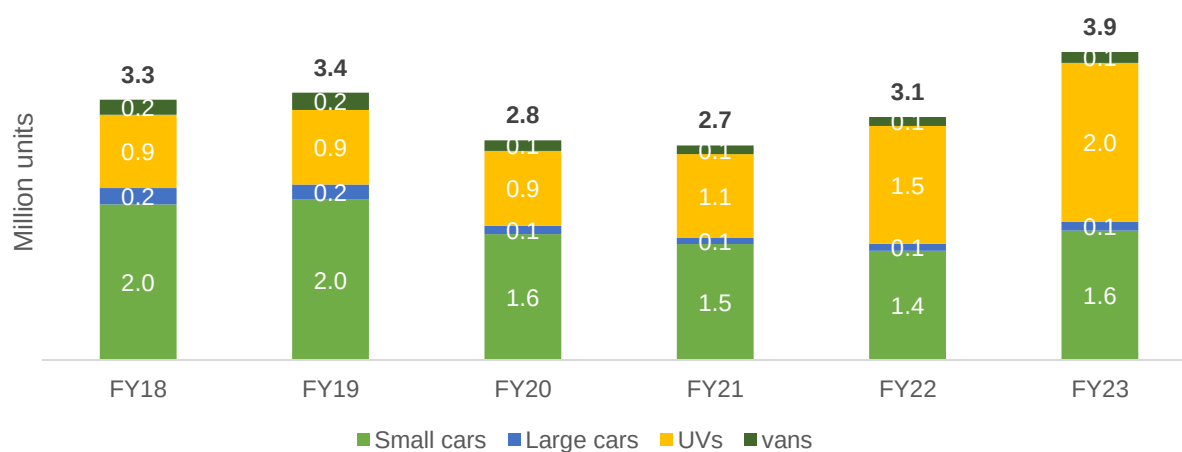
Trend in segmental share



Source: SIAM, CRISIL MI&A

There has also been a shift in demand from large cars primarily towards UVs in recent years, halving its contribution over fiscals 2018 to 2023. Lack of model launches as well as shift in consumer preference towards UVs restricted the growth of this segment.

PV sales by vehicle segments



Source: SIAM, CRISIL MI&A

2. Premiumisation within the industry

Traditionally, Indian vehicle buyers have been cost conscious, with mileage and vehicle cost the two main pillars of decision-making.

Now, amid rising disposable incomes, higher global exposure, and growing awareness as well as expanding share of younger buyers, other parameters, such as driving experience, safety, features, brand, and aesthetics, are gaining importance in the overall decision-making process. In fact, a vehicle is being seen as an extension of customer's personality, especially by young buyers.

With this, there has been a perceptible shift in the customer buying behaviour, where customers are prioritising experience over costs and are willing to pay a premium as well as even accept a longer waiting time for the desired facets in their next vehicle.

Premiumisation is resulting in intersegmental as well as intra segmental shifts. Within the segments, customer preference for premium vehicles has been on the rise; e.g., premium hatchbacks such as Baleno and Altroz are seeing faster growth compared with basic hatchbacks, such as Alto and WagonR.

The intersegmental shift is more prominent in the UV space, which is seeing accelerated growth. The UV segment has grown at 17% CAGR in the past five years while non-premium/ mass segments such as small cars have contracted at 4% CAGR. Customers are even preferring UVs like Nexon, Brezza, Venue, Fronx over premium hatchbacks like Baleno, Altroz and i20.

Premiumisation is also evident from OEM actions in form of launches, where most of the new launches in recent years have been in the UV segment. To be sure, even within the UV segment, the focus has been on the larger UVs, consisting of vehicles such as Grand Vitara, Creta, Seltos, etc.

Segment	FY18-FY23 CAGR	FY23 on-year growth
Small cars	(4)%	19%
Large cars	(12)%	27%
UVs	17%	35%
Vans	(6)%	23%
Total	3%	27%

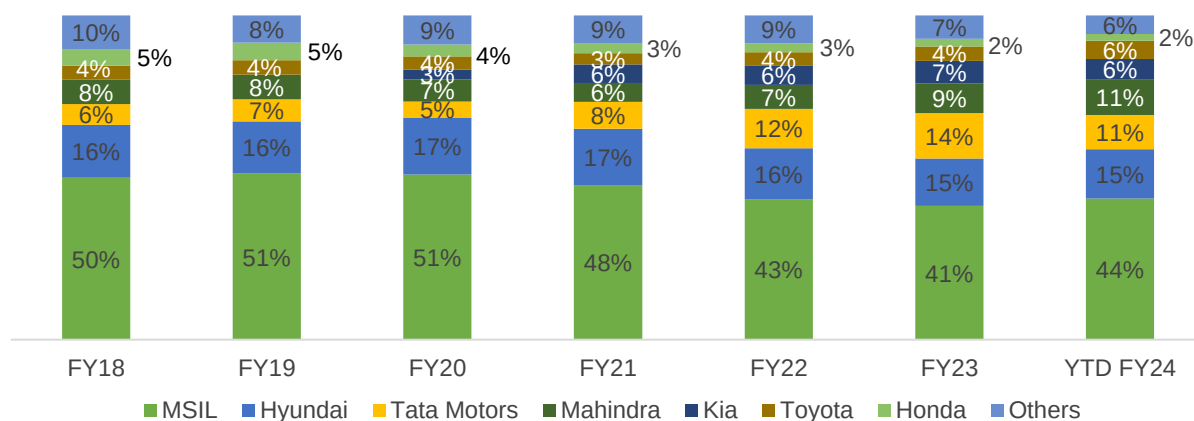
Source: SIAM, CRISIL MI&A

3. Competitive landscape

Few players dominate the Indian PV landscape with Maruti/ MSIL leading the overall landscape. Hyundai is a distant second, closely followed by Tata Motors and Mahindra. These 4 players together contribute ~80% of the market.

Share of Maruti has contracted from a high base of 50% in fiscal 2018 to 41% in fiscal 2023 due to the shift in customer preference from cars towards UVs and Maruti's focus on the cars segment. However, with the success of their recent launches like Grand Vitara, XL6, Fronx and continued traction for Ertiga & Brezza helped Maruti regain some lost ground during April-Nov FY24. The latest launch Invicto is providing an added kicker to the demand for Maruti.

PV domestic market share across OEMs



(2) Note: Others include MG, Renault/Nissan, Skoda, PCA etc, YTD : Apr-Nov
Source: SIAM- Society of Indian Automobile Manufacturers, CRISIL MI&A

Honda has been facing intense competition in the domestic market and its share has contracted from 5% in fiscal 2018 to 2% in fiscal 2023. Honda and Maruti contributed 43% to the annual sales during fiscal 2023.

Top 10 PV models sold in fiscal 2023

Player	Model	Share in FY23 sales
MSIL	Wagon R	5.5%
MSIL	Baleno	5.2%
MSIL	Alto	4.6%
MSIL	Swift	4.5%
Tata Motors	Nexon	4.4%
MSIL	Dzire	3.9%
Hyundai	Creta	3.9%
MSIL	Brezza	3.7%
Tata Motors	Punch	3.4%
MSIL	Eeco	3.4%

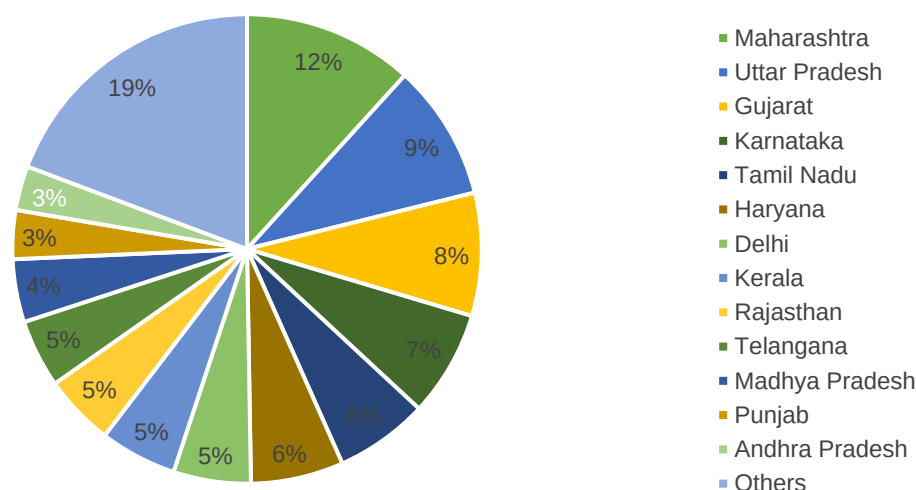
Source: SIAM, CRISIL MI&A

4. State-wise split of domestic market

India's PV sales are concentrated in few major states. The top 5 states of Maharashtra, Uttar Pradesh, Gujarat, Karnataka, and Tamil Nadu cumulatively contribute more than 40% of national sales. While top 10 states make up for more than 70%.

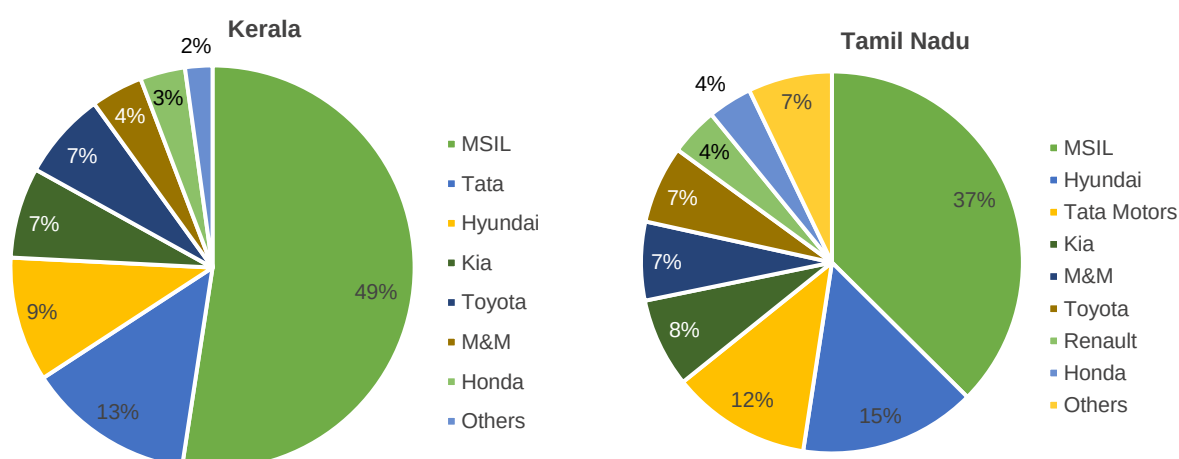
In fiscal 2023, top 5 states contributed 43% to the overall domestic sales. In line with the overall domestic market, MSIL dominated sales in all these states.

State wise contribution to national sales Fiscal 2023

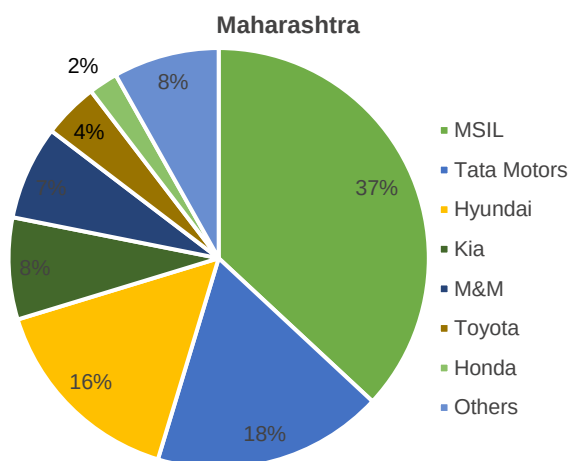


Source: SIAM, CRISIL MI&A

Sales volume mix Fiscal 2023



Source: SIAM, CRISIL MI&A



Source: SIAM, CRISIL MI&A

Kerala, Tamil Nadu and Maharashtra feature in the top 10 contributing states of the country and contributed 23% to the national sales in fiscal 2023. MSIL accounted for about 49%, 37% and 37% of sales in Kerala, Tamil Nadu and Maharashtra respectively.

OEM wise state level sales

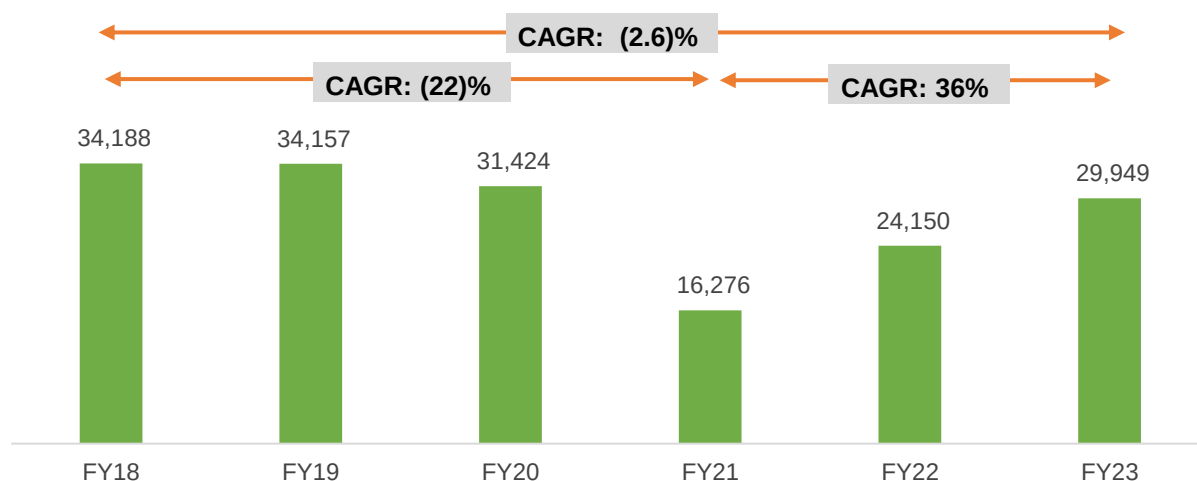
Fiscal 2023 sales	Kerala	Tamil Nadu	Maharashtra	Uttar Pradesh	Gujarat	Karnataka
Maruti Suzuki	101,845	93,676	168,541	158,906	139,839	96,970
Hyundai	19,400	37,441	71,283	50,134	51,052	39,335
Tata Motors	26,002	29,577	80,983	51,462	50,384	42,879
Kia	14,109	18,897	35,759	21,978	24,878	26,217
Mahindra & Mahindra	8,087	16,653	33,003	43,045	25,078	23,906
Toyota Kirloskar Motor	13,580	16,483	19,423	11,900	10,268	20,989
Honda Cars	7,013	9,401	10,229	9,017	8,136	4,553
Renault India	4,248	10,211	10,012	7,027	4,340	9,413
Others	12,054	17,825	27,168	11,856	15,706	19,467
Total	206,338	250,164	456,401	365,325	329,681	283,729

Source: SIAM, CRISIL MI&A

5. Luxury vehicles

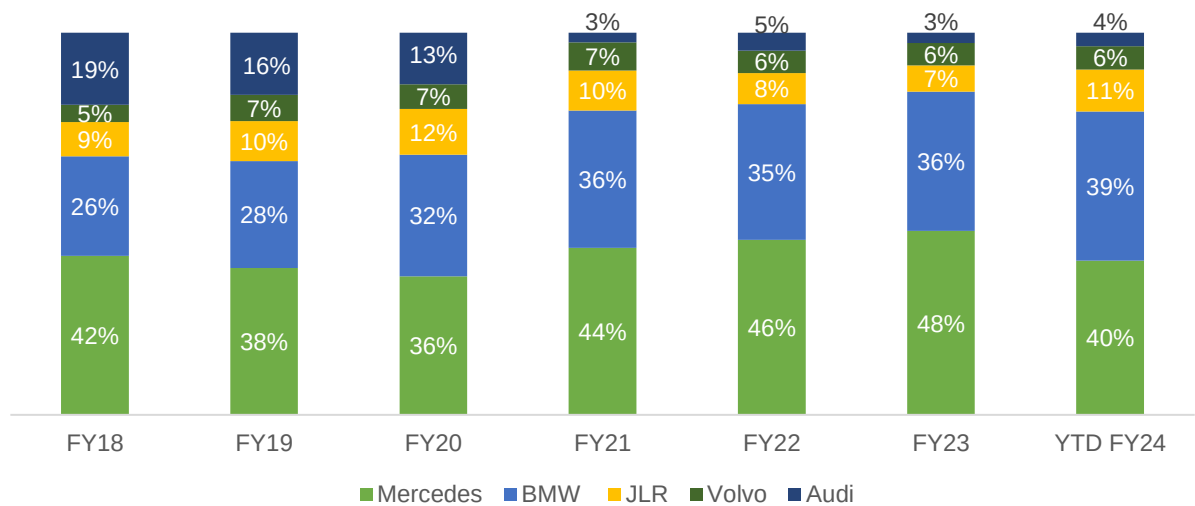
This niche segment, which consists of high-priced ultra-premium vehicles, forms an additional ~1% of the market. The segment consists of brands of Mercedes Benz, Audi, BMW, Volvo and JLR. The ultra-luxury brands like Ferrari, Rolls Royce, Lamborghini form an insignificant part of the overall Indian market.

Luxury segment retail sales volumes



(3) Note: Sales of Telangana & Lakshadweep are not covered under VAHAN data and are not captured in the above analysis
Source: VAHAN, Industry, CRISIL MI&A

Player-wise contribution in retail sales



Note: YTD: Apr-Dec
Source: VAHAN, CRISIL MI&A

Retail sales of luxury car makers in fiscal 2023

Player	Retail sales
Mercedes Benz India	14,425
BMW India	10,895
Jaguar Land Rover India	2,067
Volvo Auto India	1,753
Audi AG	809

(4) Note: Sales of Telangana and Lakshadweep are not covered under VAHAN data and are not captured in the above analysis.
Source: VAHAN, CRISIL MI&A

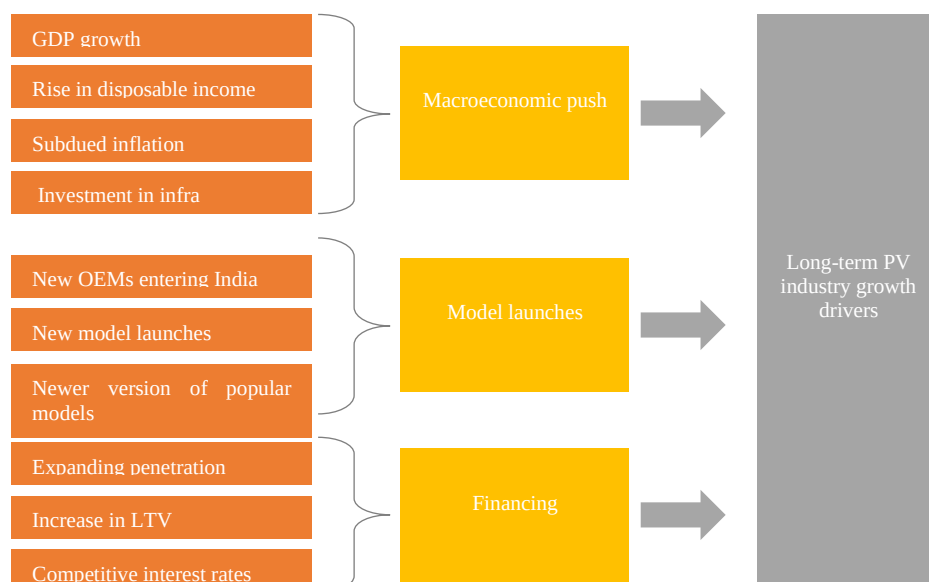
6. Key regulations / developments affecting PV industry

- Demonetisation
- Implementation of GST
- BS-IV to BS-VI transition

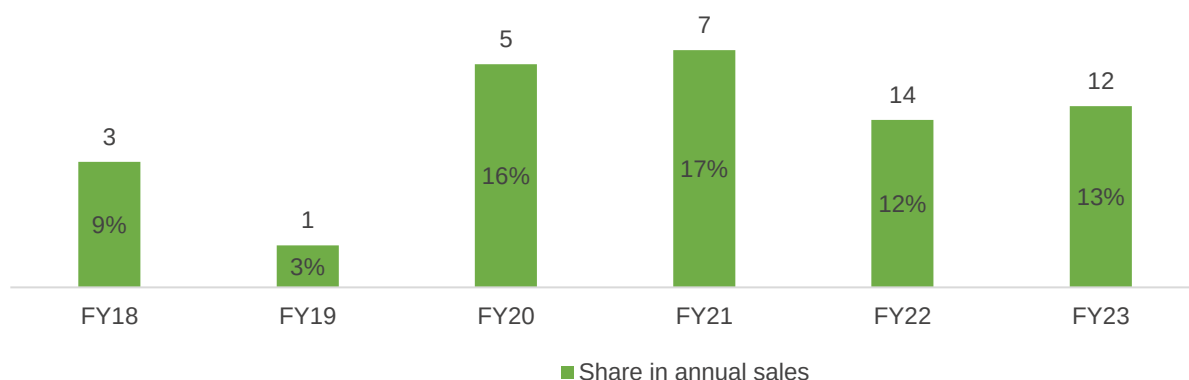
7. Typical growth drivers for domestic PV sales

Primary demand drivers for the PV industry include improved affordability, lower cost of ownership, financing availability and new model launches.

The domestic PV market's key growth drivers



The share of newly launched models in total PV sales



(5) Note: Numbers above the bars are the vehicles launched in that year. A model is considered a new launch for a year and half after its launch. A new launch winning at least 1% share in a fiscal year is considered a major launch.

Source: SIAM, CRISIL MI&A

Upcoming major launches

Company	Model	Segment
MSIL	Swift facelift	Small car
Citroen	C3 Aircross	UV
Mahindra	Thar 5 door	UV
	Bolero Neo plus	UV
	XUV300 2024	UV
Tata	Curvv	UV
	Harrier EV	UV
Hyundai	Tuscon facelift	UV
	Venue CNG	UV
	Creta facelift	UV
Honda	WR-V	UV
Nissan	Qashqai	UV
Toyota	Taisor	UV
	Crysta facelift	UV
Renault	Arkana	UV
MG	eHS	UV

(6) * Bookings have begun for the vehicle

Source: Industry, CRISIL MI&A

Upcoming major launches in the luxury cars segment

Company	Model	Segment
Mercedes Benz	CLE Coupe	Large Car
	GLC Coupe 2024	UV
	EQA	UV
BMW	5 series 2024	UV
	M3	Large car
Audi	Q8 2024	UV
	A3 2024 facelift	Large car
JLR	Land Rover Defender	UV
	Range Rover Electric	UV
	Evoque 2024	UV
Volvo	EX90	UV

Source: Industry, CRISIL MI&A

8. Finance availability

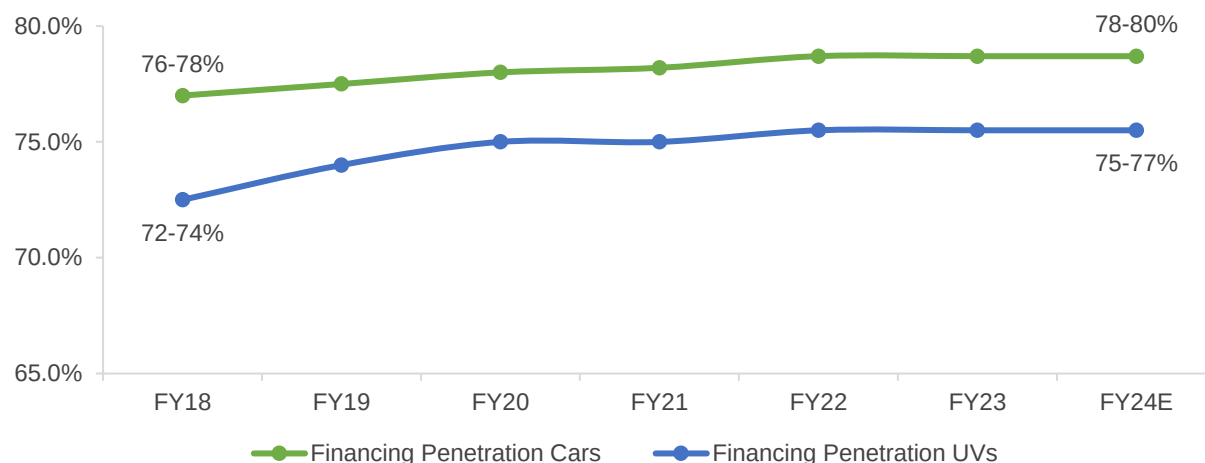
Given the industry's bigger ticket size, finance penetration is higher (~75%) in this industry compared with other automobile segments such as two-wheelers. Thus, the availability of finance plays a key role in the PV industry.

CRISIL estimates finance penetration levels to have reached 77-79% in fiscal 2023 from 74-75% in fiscal 2018.

The financing industry has been witnessing strong growth with new players in the form of NBFCs targeting those markets that banks exited, and captive NBFCs (operated by two-wheeler manufacturers) largely focussing on non-metros. This has helped the financing industry widen its customer base.

Despite the sharp rise in interest rates amidst the repo rate hike, overall disbursement levels were on the rise during fiscal 2023. Financiers remained accommodative of the PV industry and the financing scenario remained favourable for consumers.

PV finance penetration – fiscals 2018-2023

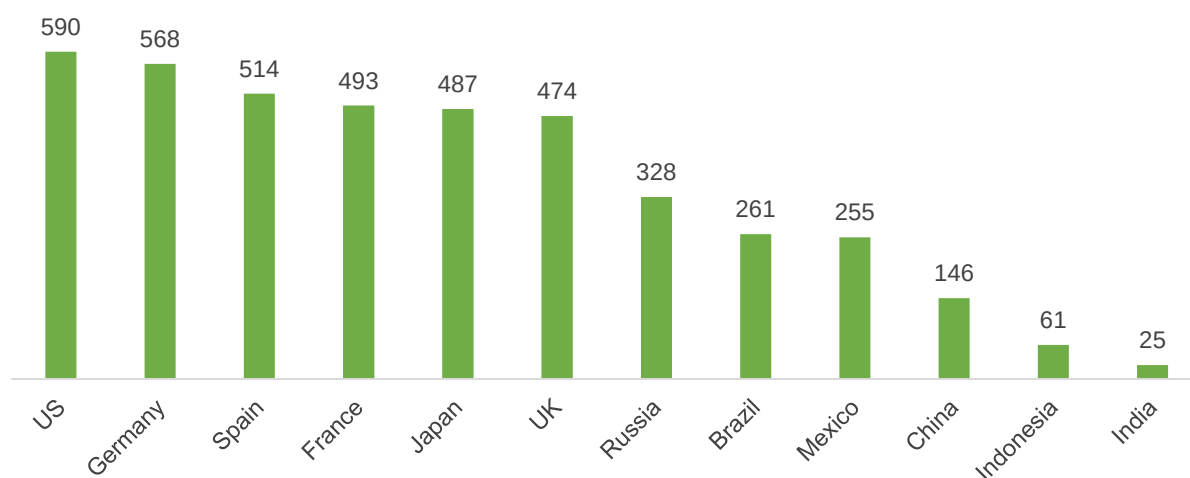


(7) Note: E - estimated
Source: CRISIL MI&A

9. Lower penetration

The Indian PV market is one of the fastest growing markets in the world and was ranked second in terms of annual sales (after China) as of 2022. However, the market is still highly underpenetrated compared to most developed economies or even developing nations such as China, Brazil and Mexico. This provides significant headroom for growth, especially given the expected improvement in disposable incomes, faster economic growth, younger population and focus of the global OEMs.

Country-wise car penetration

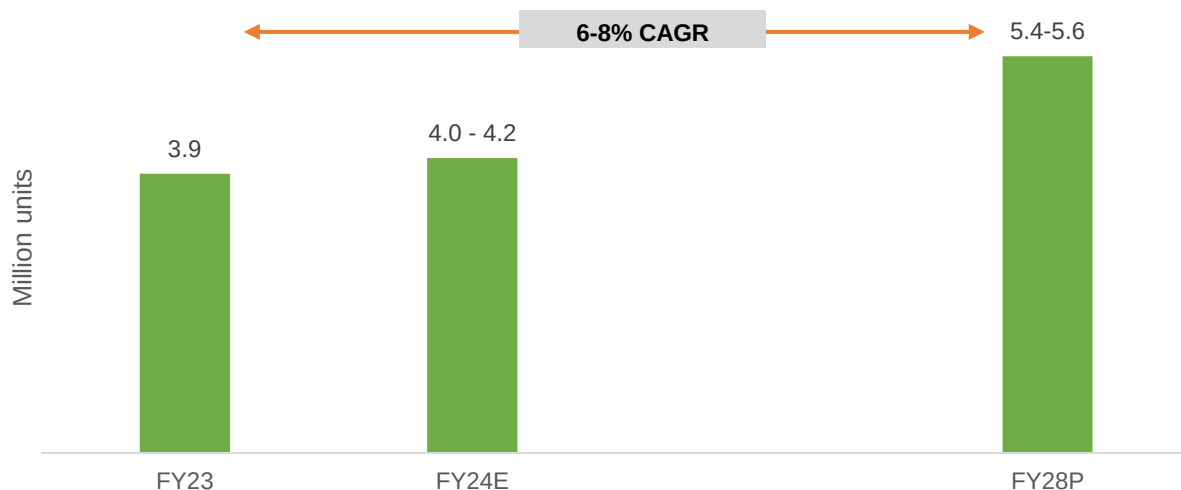


Source: Road Transport Yearbook 2019-20

Outlook on the Indian PV industry (fiscals 2023 - 2028P)

10. Domestic sales outlook (fiscals 2023-2028)

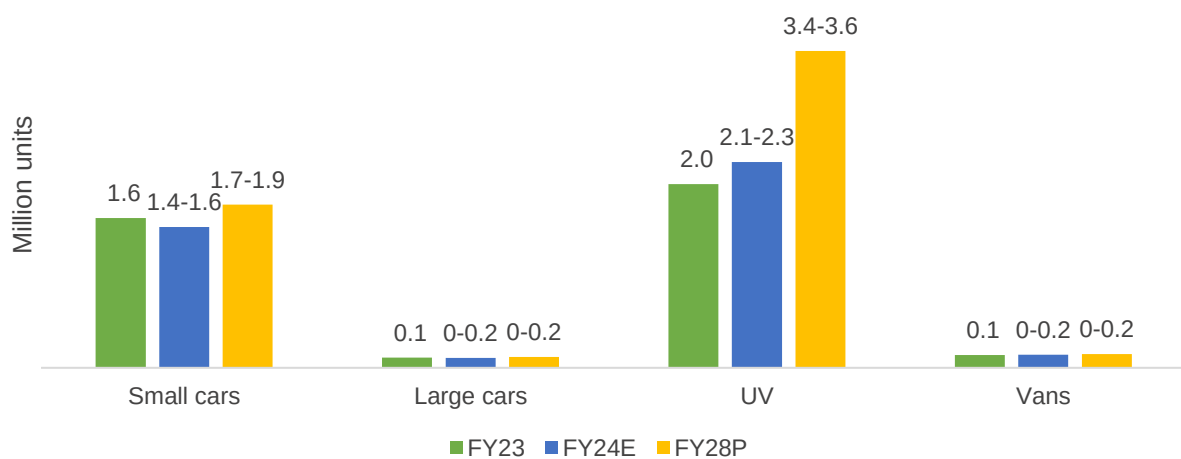
PV domestic sales outlook



(8) Note: E: estimated P: projected
Source: SIAM, CRISIL MI&A

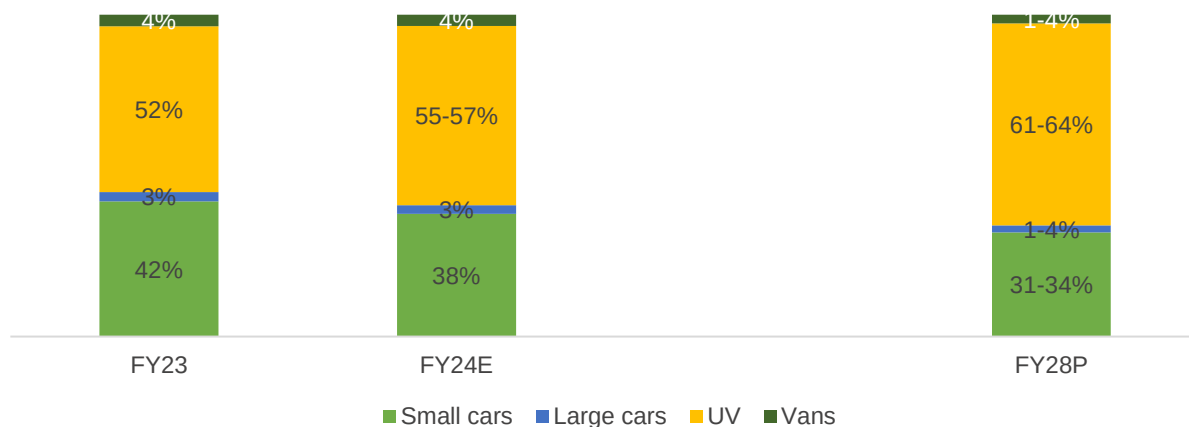
11. Split by PV segments

PV segment-wise domestic sales outlook



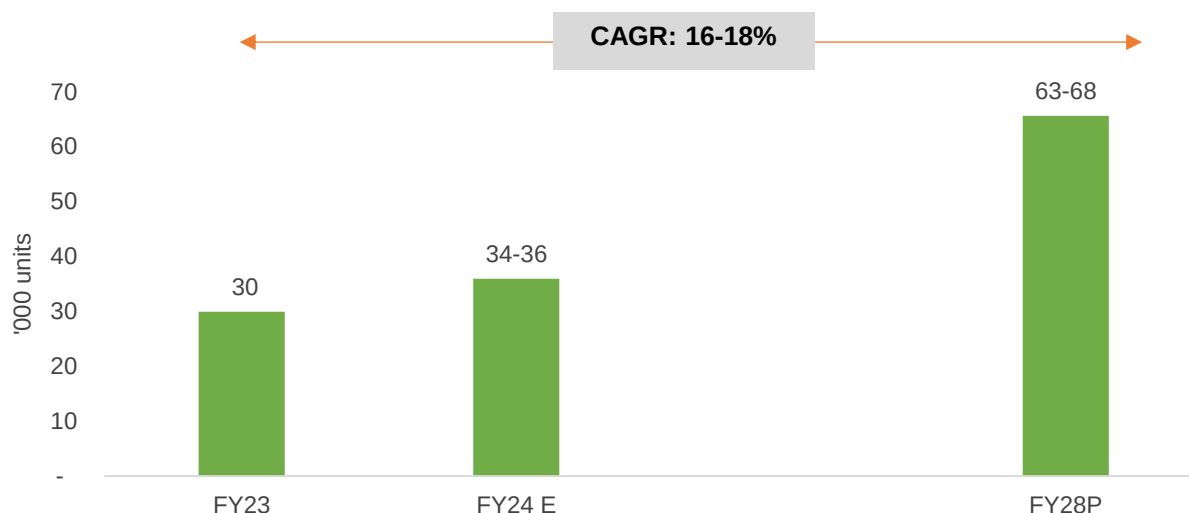
(9) Note: E: Estimated, P - Projected
Source: SIAM, CRISIL MI&A

PV domestic sales segment-wise split



(10) Note: E: estimated, P: projected
Source: SIAM, CRISIL MI&A

PV domestic luxury vehicles sales outlook



(11) Note: Sales of LD and TS are not covered under VAHAN data and hence not included in the chart data
Source: SIAM, CRISIL MI&A

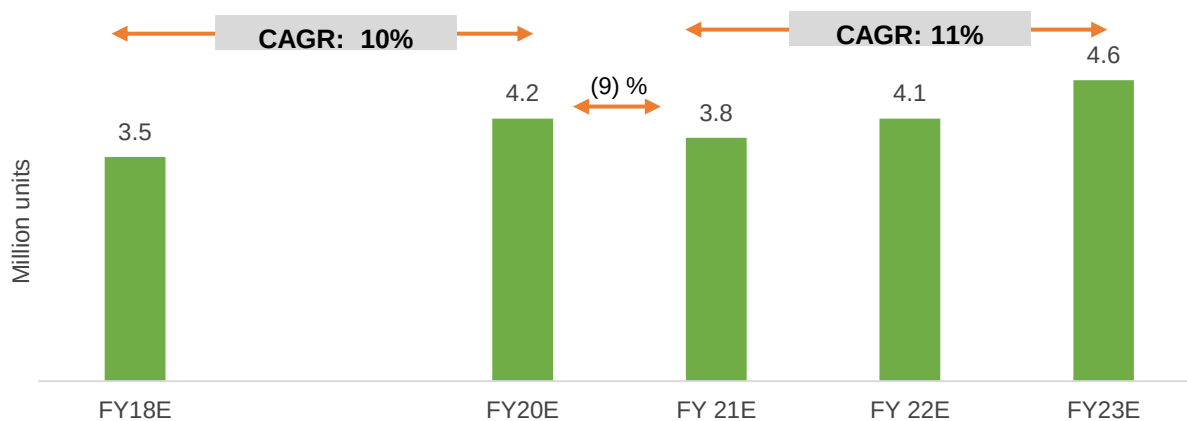
Review of and outlook on India's pre-owned PV market

Review of the pre-owned PV market

The pre-owned car market has come a long way in the past four decades. It logged 10% CAGR between fiscals 2018 and 2020, backed by changing buyer demographics and intermittent launches of feature-rich vehicles that have been shortening replacement cycles and aiding supply in the market. The availability of easy financing at competitive rates has also provided a fillip.

Additionally, the emergence of digital platforms in this space and improved internet/smartphone penetration have ensured that buyers are presented with more options.

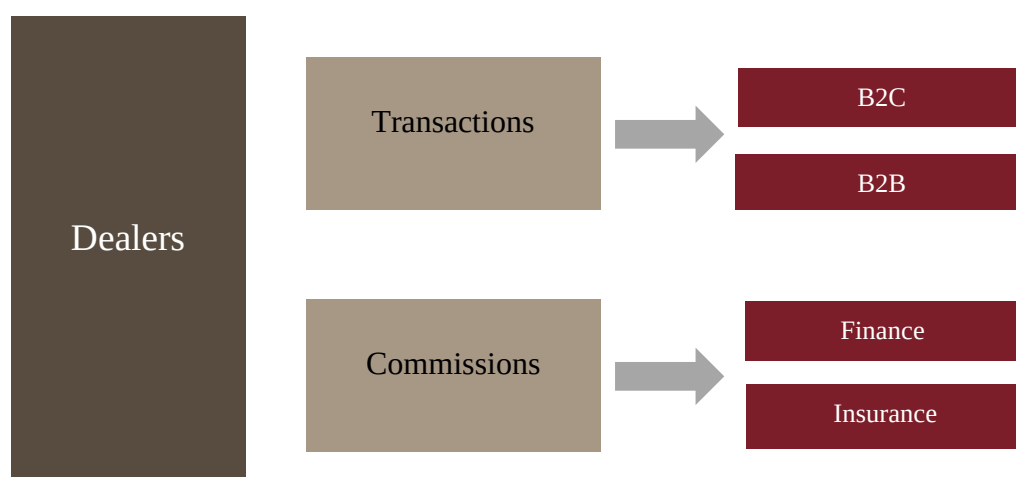
Sales of pre-owned vehicles



Source: Industry, SIAM, CRISIL MI&A

12. Business models of pre-owned vehicle market participants

Business model

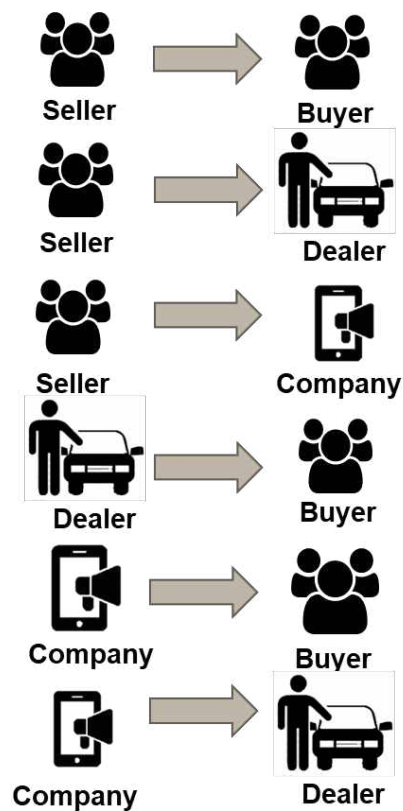


Source: Industry, CRISIL MI&A

13. Digital platforms

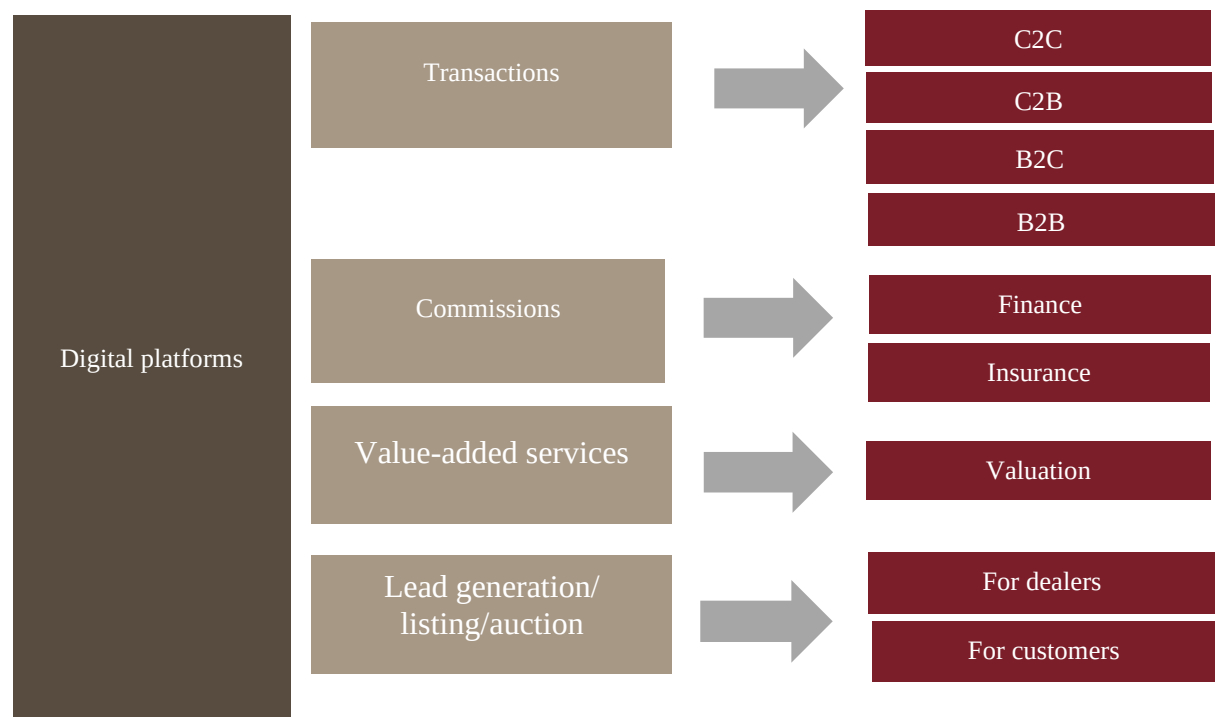
Digital platforms are in the B2B business through listing and auctioning. They publish listings of sellers with relevant details about the vehicle. Upon confirmation, they provide buyers with contact details of the sellers and facilitate the buying process. Additionally, if the customer is willing, they provide inspection by experts and fair price estimates too.

Modus operandi of digital platforms



Source: Industry, CRISIL MI&A

Business model for digital platforms



Source: Industry, CRISIL MI&A

14. Organised segment expanding further

The pre-owned PV market used to be an unorganised space comprising only small brokers and sellers scattered across geographies. Buyers mostly bought pre-owned vehicles from their friends/relatives or nearby garages.

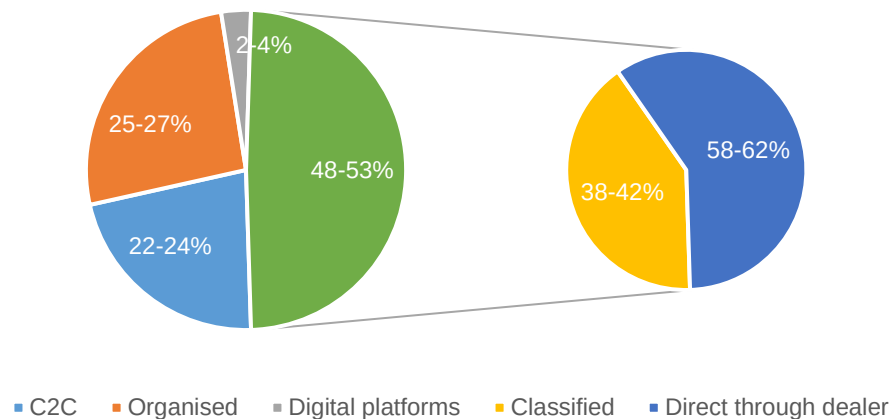
Maruti was the first player to enter this segment with the launch of Maruti True Value in 2001. It introduced organised segment practices such as warranty, financing and usage of genuine parts.

Many of the larger brick-and-mortar pre-owned car dealers with a focus on the digital medium are benefitting with consumer preference shifting from direct walk-ins to digital medium. These large dealers are offering higher convenience, more accessibility, and better options. The digital medium thus helps these dealers in expanding their customer base and acquiring customers.

As of fiscal 2023, unorganised dealers accounted for less than half of the overall sales executed. However, 30% of the lead generation for unorganised dealers happened through digital platforms. Organised dealers contributed 28-30% while ~20% took place C2C.

Sales through physical showrooms of digital platforms such as Spinny, and Cars24 is in a nascent stage and contributed to 2-4% of the overall sales.

Pre-owned PV market segmentation as of fiscal 2023

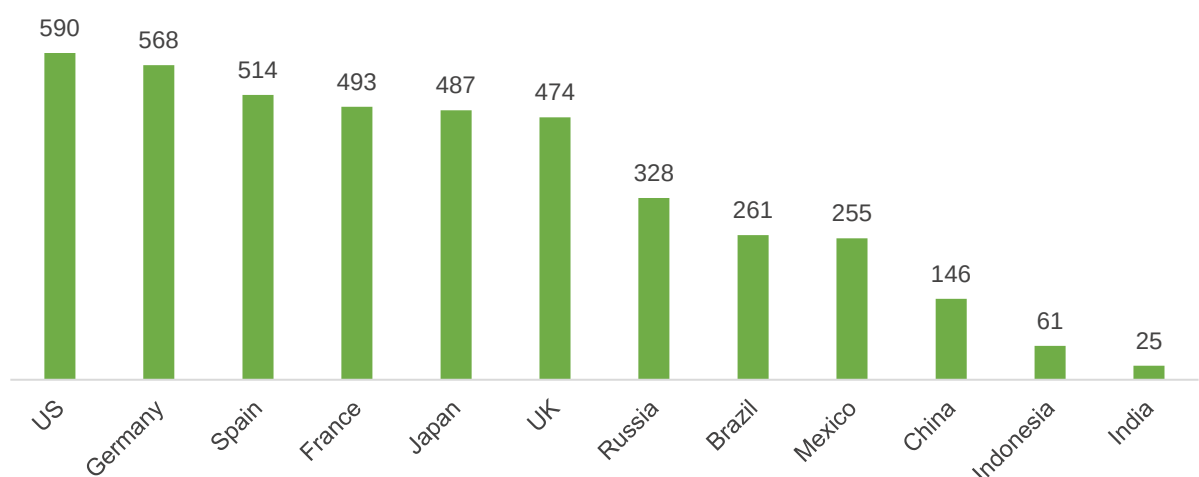


- (12) Notes: i) Organised dealers are the dealers with sales showroom and workshop; they include OEM-backed dealerships ii) Unorganised dealers are those with or without a basic sales setup and without workshop iii) Classified are digital platforms through which dealers list vehicle for selling to customers iv) Digital platforms are the physical stores of digital platforms like OlxAuto, Spinny, Cars24 v) C2C denotes direct customer-to-customer transactions
Source: Industry, CRISIL MI&A

15. Key drivers for growth in the pre-owned PV segment

Lower vehicle penetration

Country-wise car penetration



Source: Road Transport Yearbook, 2019-20

Nascent stage of pre-owned PV market

Advent of digital platforms

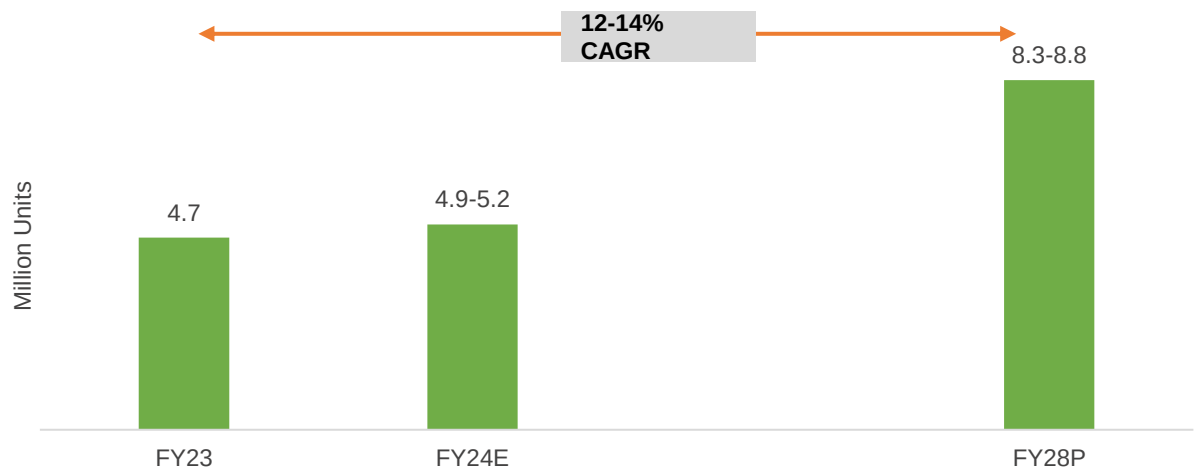
Increasing internet penetration

Shortening PV replacement cycle

Younger demographic

Outlook for the pre-owned PV industry (fiscals 2023-2028P)

Outlook for pre-owned PV industry

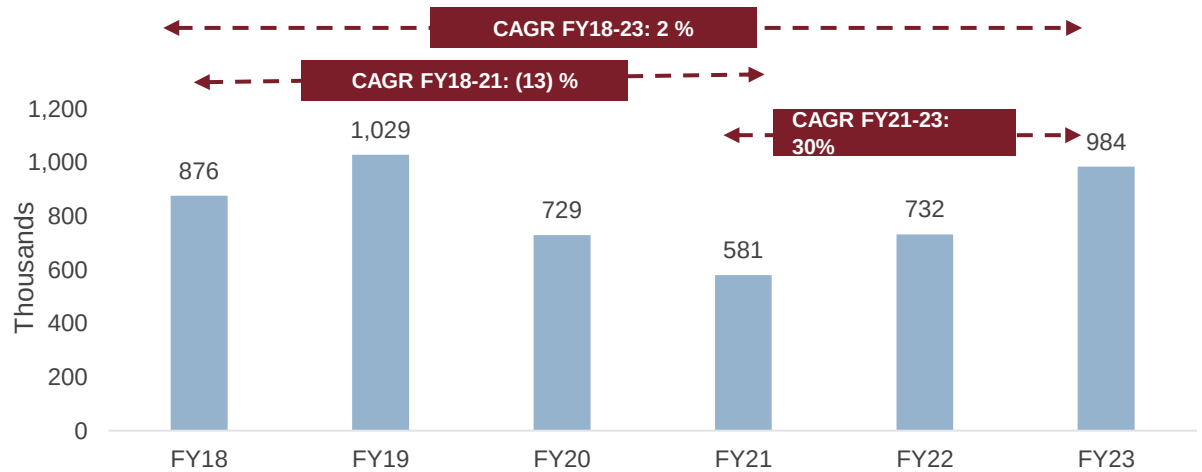


(13) Notes: E – estimated, P - projected
Source: Industry, CRISIL MI&A

Indian CV industry: Review and outlook

Review (fiscals 2018–2023)

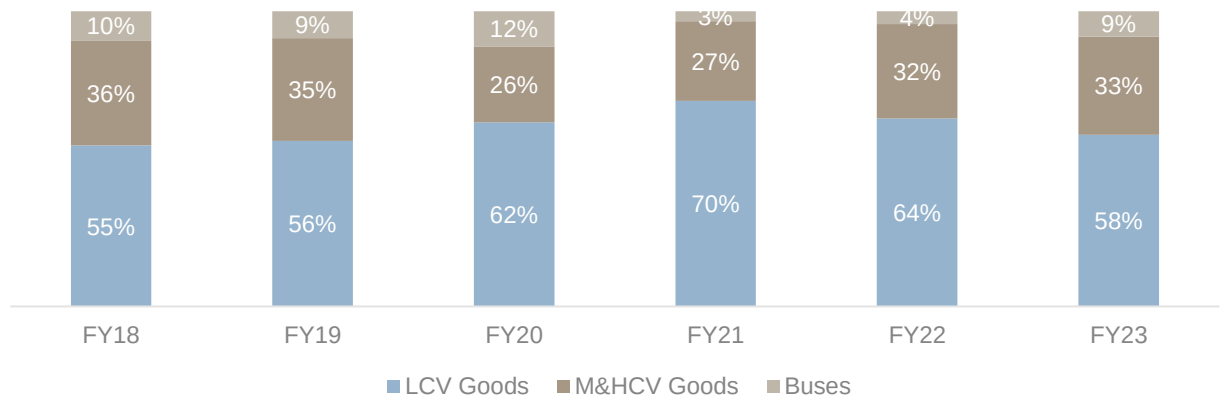
Review of CV domestic sales trend (including Bharat Benz sales)



Notes: E – estimated; domestic sales include Bharat Benz
Source: SIAM and CRISIL MI&A

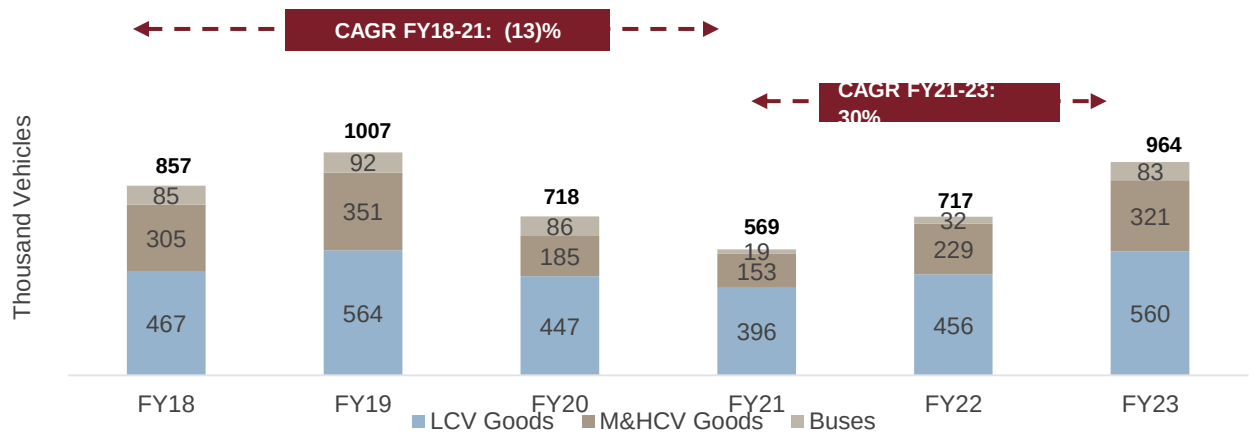
16. Segmental trends

Segment-wise share in domestic sales



(14) Note: E – estimated; domestic sales exclude Bharat Benz as SIAM doesn't report the company's numbers
Source: SIAM, CRISIL MI&A

Segmental sales trend (excludes Bharat Benz)

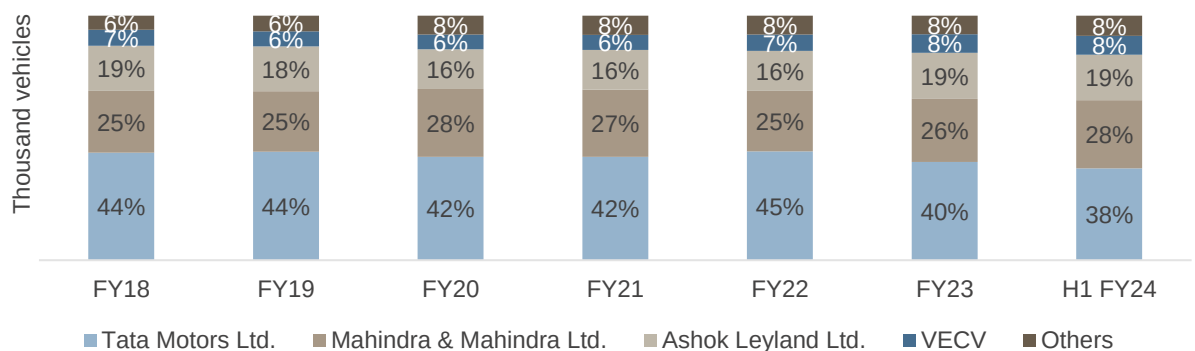


(15) Note: E – estimated; domestic sales exclude Bharat Benz numbers SIAM does not provide them
Source: SIAM, CRISIL MI&A

17. Competitive scenario

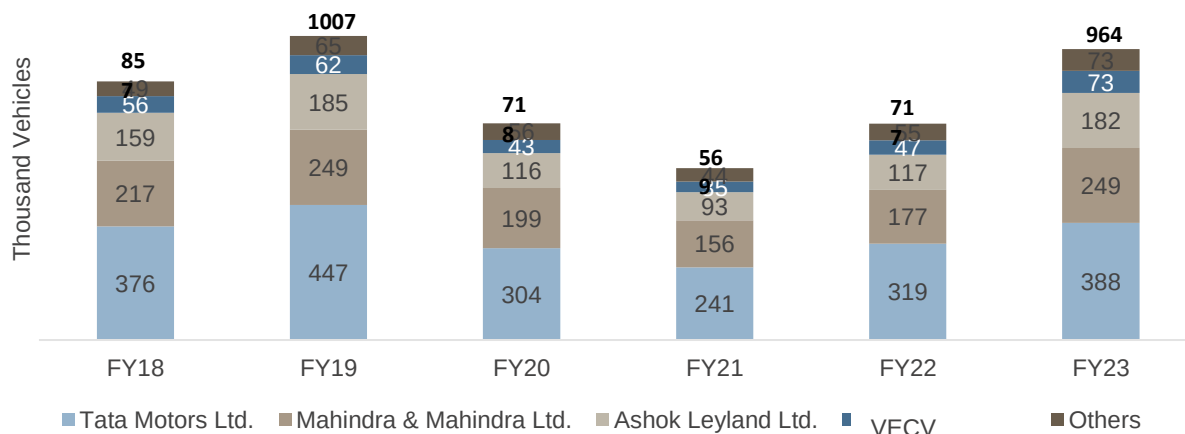
Tata Motors leads in the CV segment in terms of market share, followed by Mahindra & Mahindra and Ashok Leyland (ALL). Over the years, from a high base, Tata Motors has lost some ground to Mahindra and VE Commercial Vehicles Ltd (VECV; Volvo-Eicher joint venture).

Overall CV industry split by OEM market share



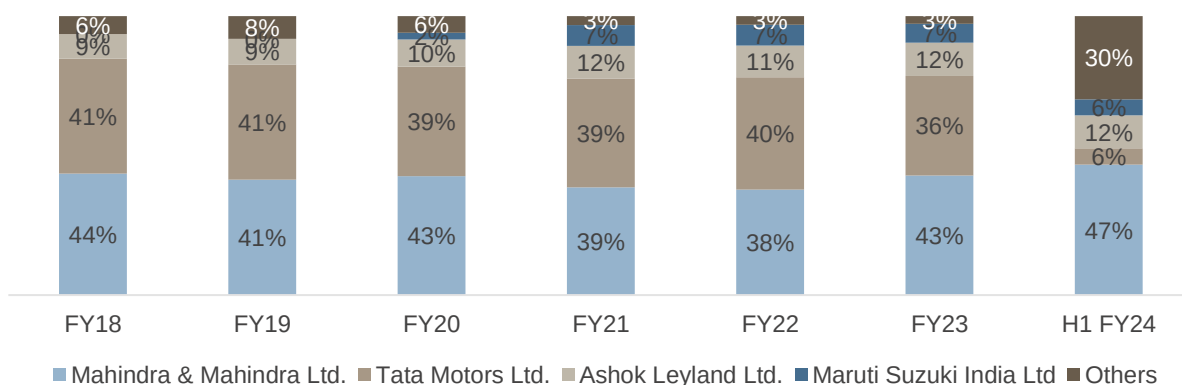
- (16) Note: Other players are Force Motors Ltd., Isuzu, JBM Auto Ltd, Maruti Suzuki Ltd, Olectra Greentech Ltd, Piaggio Vehicles Pvt Ltd., SML Isuzu Ltd., Swaraj Mazda Ltd., Toyota Kirloskar Motor Pvt Ltd
Source: SIAM, CRISIL MI&A

CV industry split by OEM volume



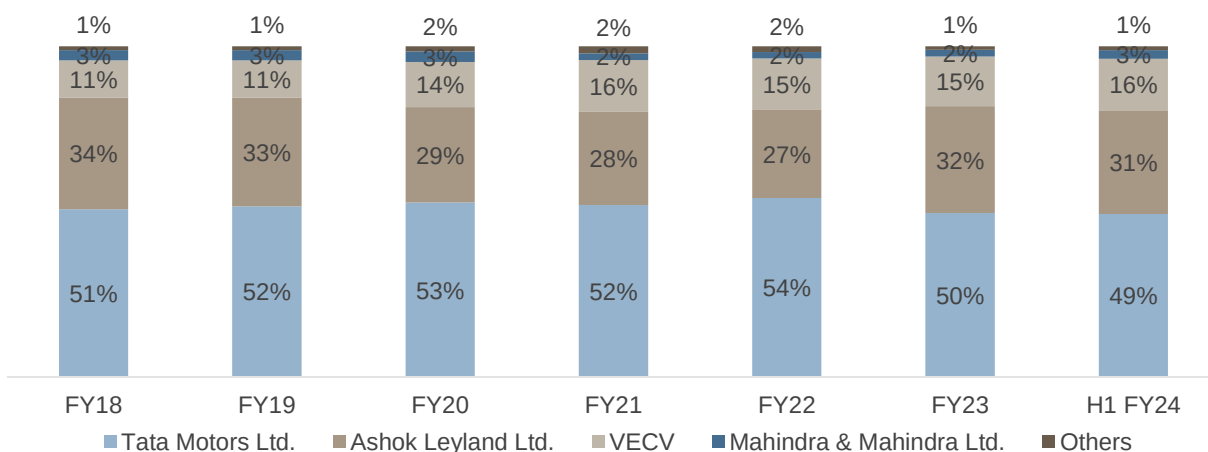
- (17) Note: Other players are Force Motors Lt., Isuzu, JBM auto Ltd, Maruti Suzuki Ltd, Olectra Greentech Ltd, Piaggio Vehicles Pvt Ltd, SML Isuzu Ltd, Swaraj Mazda Ltd, Toyota Kirloskar Motor Pvt Ltd, VECV
Source: SIAM and CRISIL MI&A

OEM market shares in LCV goods segment



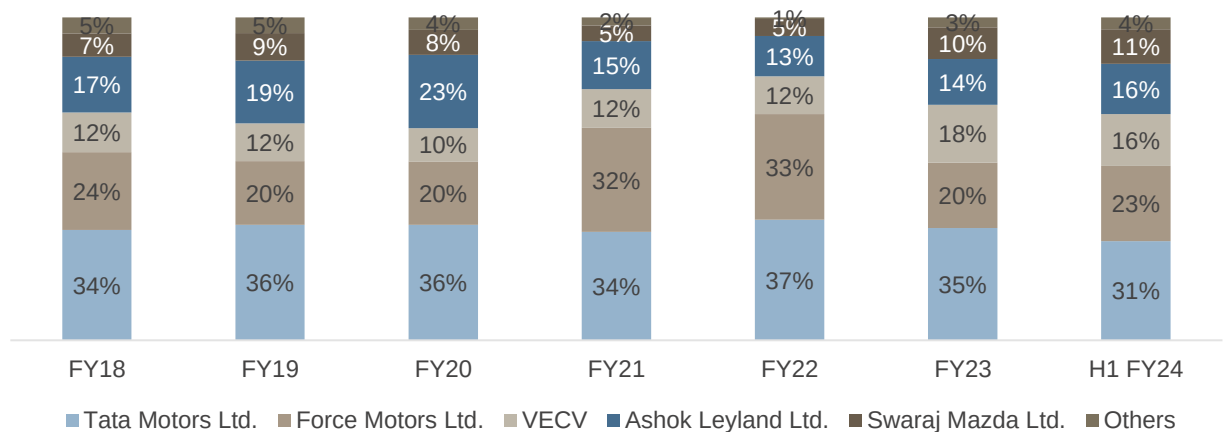
Source: SIAM, CRISIL MI&A

OEM market shares in M&HCV goods segment



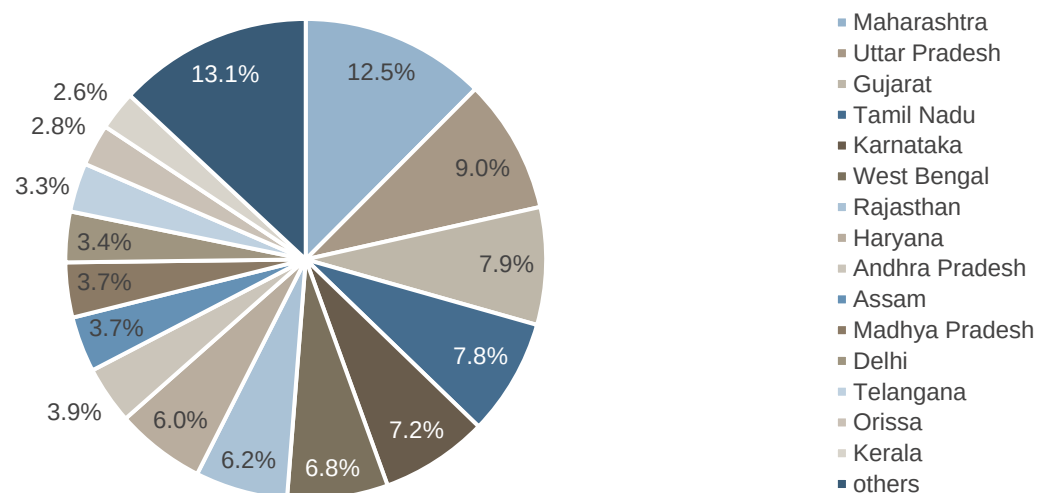
Source: SIAM and CRISIL MI&A

OEM market shares in bus segment



Source: SIAM and CRISIL MI&A

State-wise contribution to annual sales (fiscal 2023)



Source: SIAM, CRISIL MI&A

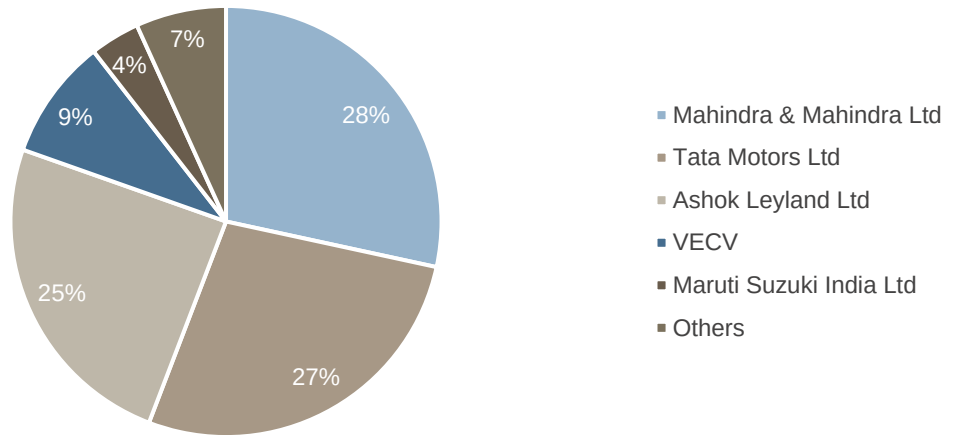
CV sales in India are highly concentrated with top five states accounting for ~40-45% of national sales and top 10 states accounting for more than 70%. Maharashtra and Uttar Pradesh are the biggest contributors to overall CV sales in the country. These two states accounted for 21.5% of national sales in fiscal 2023. Maharashtra, Uttar Pradesh, Tamil Nadu, Gujarat, Karnataka and West Bengal together accounted for nearly half the demand during the period.

Southern states of Kerala and Tamil Nadu together accounted for 11% of the domestic CV sales in last fiscal.

Tata Motors, Ashok Leyland and Mahindra were the top 3 contributors across states catering to ~80% of the states' demand.

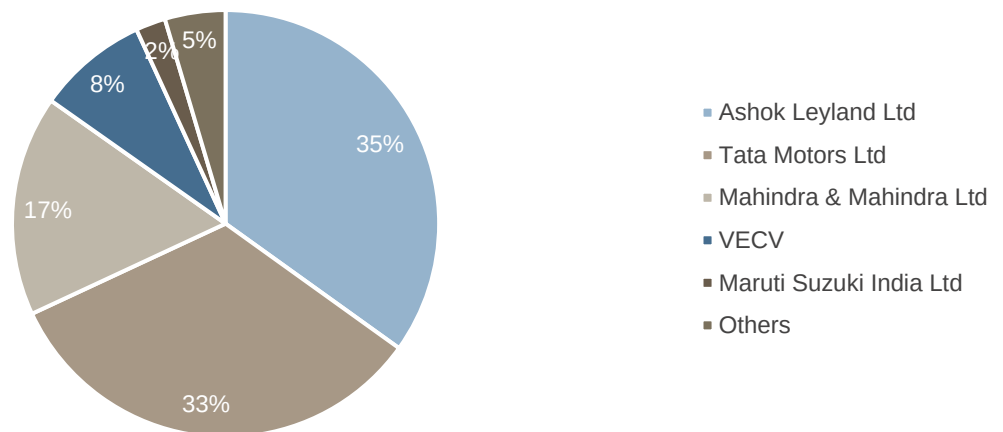
Sales volume mix in Kerala, Tamil Nadu and Maharashtra

**Kerala
FY23**



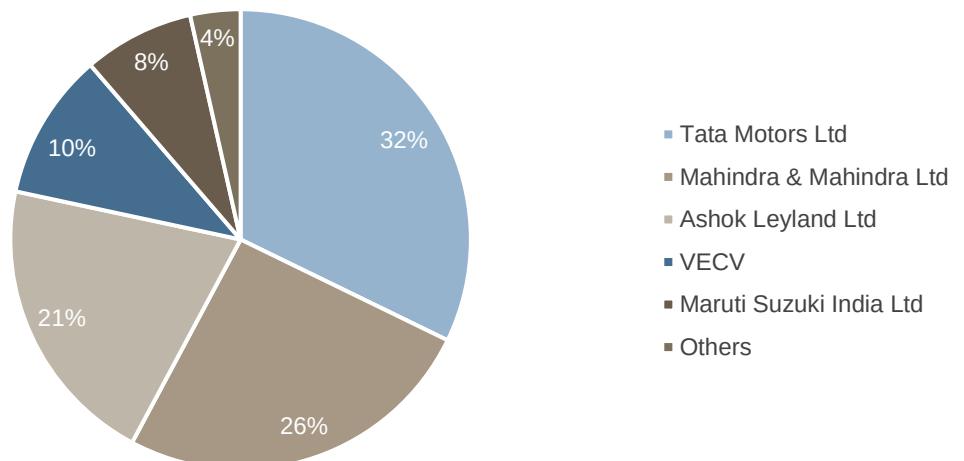
Source: SIAM and CRISIL MI&A

Tamil Nadu



Source: SIAM, CRISIL MI&A

**Maharashtra
FY23**



Source: SIAM, CRISIL MI&A

OEM-wise state level sales

Fiscal 2023	Kerala	Tamil Nadu	Maharashtra	Uttar Pradesh	Gujarat	Karnataka
Tata Motors	7,153	25,703	39,729	42,935	31,405	24,838
Mahindra	7,406	12,947	31,583	23,051	19,527	17,259
Ashok Leyland	6,412	27,057	25,337	9,221	12,806	18,385
Maruti Suzuki	974	1,750	9,605	3,742	7,432	1,325
VECV	2,365	6,498	12,742	7,495	4,836	6,098
Others	1,771	1,750	4,349	2,952	2,151	3,783
Total	26,081	77,512	123,345	89,396	78,157	71,688

Source: SIAM, CRISIL MI&A

18. Key regulatory changes

Axle load norms

Truck body code

Fuel efficiency norms

Emission norms

Higher safety measures for buses

19. Key trends and growth drivers

Stable agricultural output

Fillip to industrial output

The government's focus on infrastructure

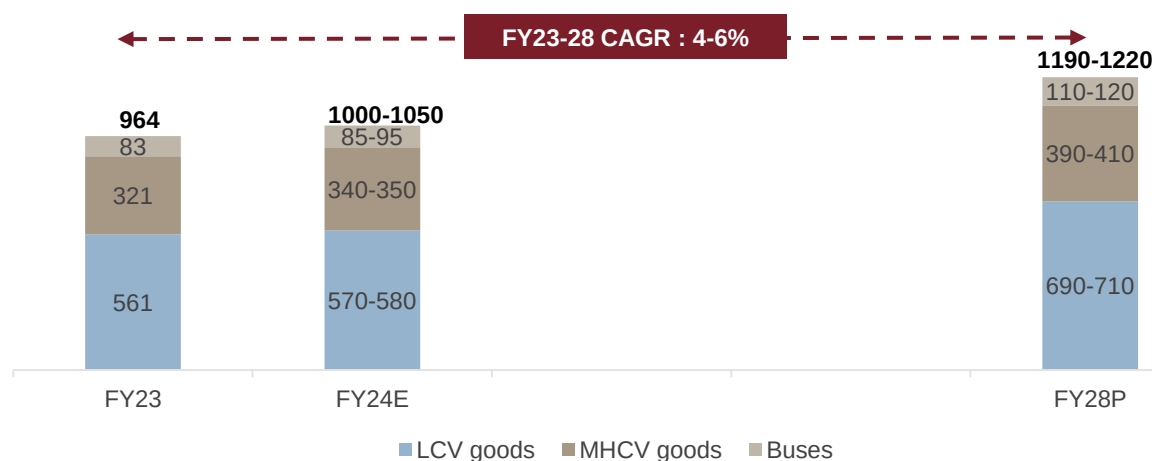
Scrappage policy

Commissioning of dedicated freight corridors (DFCs) to put brakes on road freight and hence CV sales

Outlook of the Indian CV industry (between fiscals 2023 and 2028P)

20. Domestic sales outlook (between fiscals 2023 and 2028P)

CV domestic sales outlook



(18)

Note: E - Estimated; P – Projected; domestic sales exclude Bharat Benz's sales as the company's sales figures are not reported by SIAM

Source: SIAM, CRISIL MI&A

(A) Electric vehicles

Amid 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% sales share for EVs by 2030.

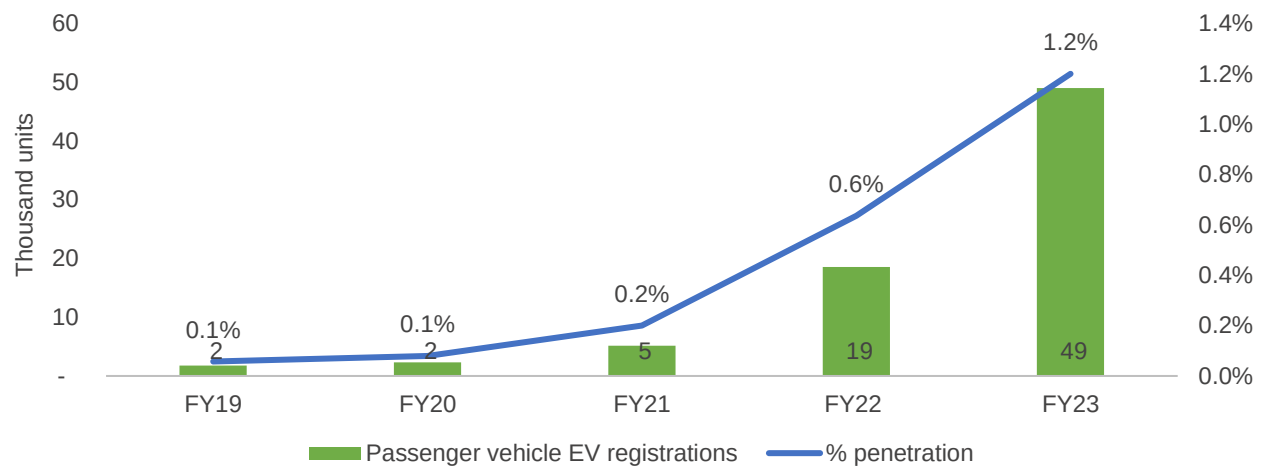
To accelerate EV adoption, the government has been incentivising consumers by extending support via FAME (Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India) subsidy as well as tax cuts. The government announced Rs 100 billion for Phase II of FAME, which commenced on April 1, 2019. The policy aims to provide a subsidy of Rs 10,000 per kWh to four-wheelers (battery EVs, plug-in hybrid EVs, strong hybrids) for commercial purposes and public transport. It envisions creation of infrastructure for charging of EVs. The subsidy for two-wheelers is Rs 15,000 per kWh, although the total subsidy was reduced from June 2023 by lowering the cap on maximum subsidy from 40% of vehicle ex showroom cost to 15%.

Furthermore, the government is taking measures to address one of the major concerns regarding EVs: range anxiety (fear of running out of charge in the middle of the journey) due to low availability of public charging infrastructure. To address this concern, and support an ecosystem to accelerate EV sales, the Ministry of Road Transport and Highways is setting up new EV charging stations as well as supporting the expansion of charging stations in homes and commercial centres.

The government support, coupled with rising awareness about EVs, environmental concerns, as well as the expansion in EV infrastructure is driving electrification in India. The EV segment received a real thrust in the last two years backed by model launches at competitive rates, price hikes in ICE vehicles, elevated fuel costs as well as an improvement in infrastructure support.

Passenger vehicles

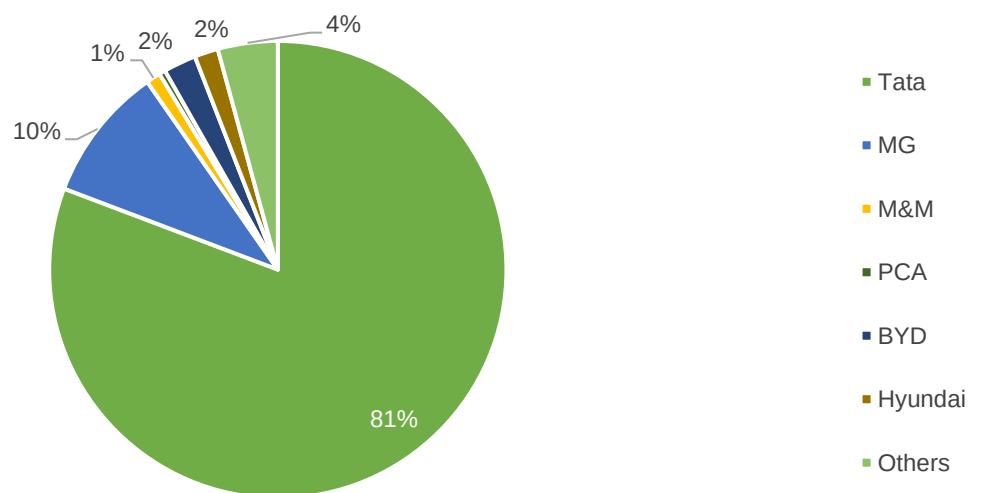
Domestic EV penetration trend



(19) Note: VAHAN figures exclude Telangana, Lakshadweep
Source: SIAM, SMEV, VAHAN, CRISIL MI&A

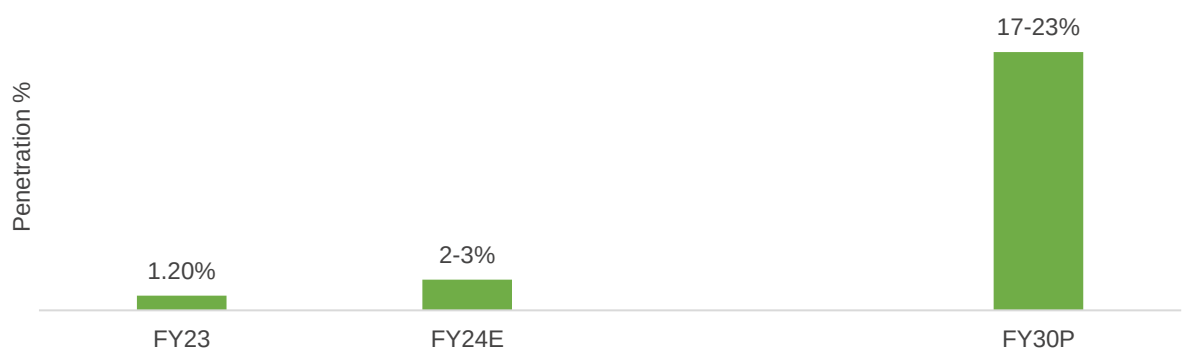
Player wise share in EV retails

FY23



Source: VAHAN, CRISIL MI&A

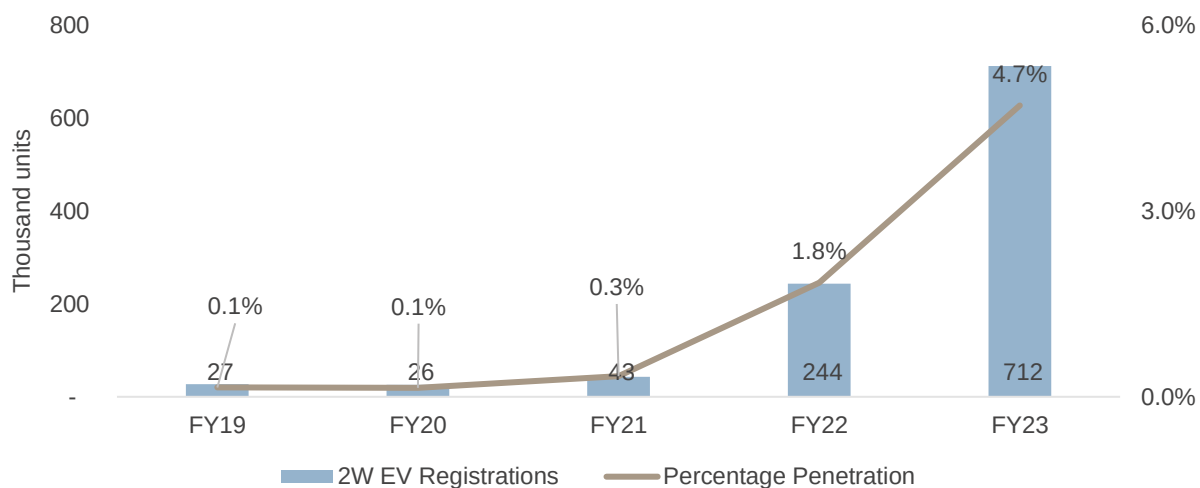
EV penetration long term outlook



Source: SIAM, SMEV, VAHAN, CRISIL MI&A

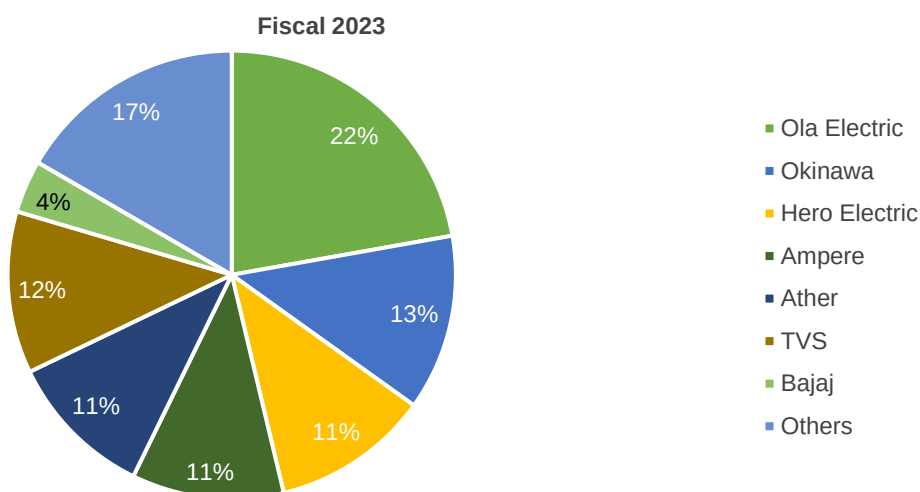
Two-wheelers

EV penetration within domestic two-wheeler industry



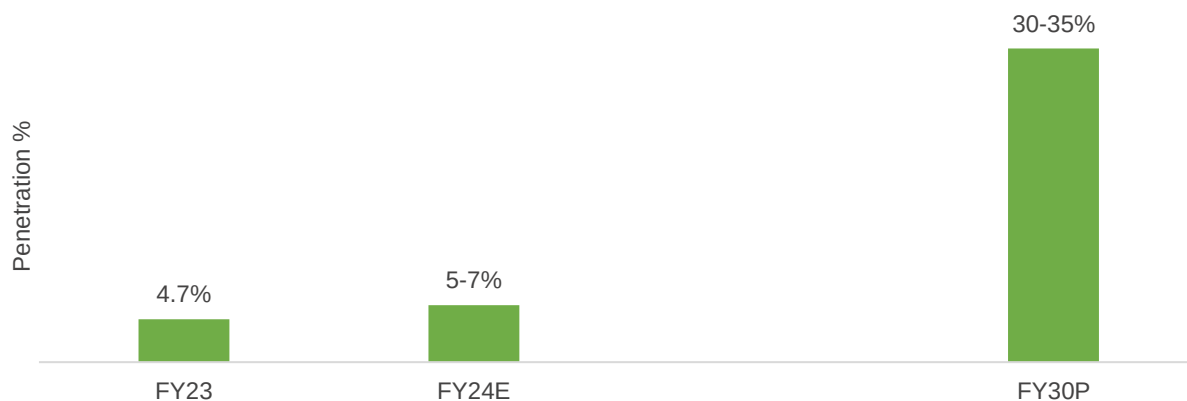
(20) Note: High-speed vehicles have been considered in the analysis; VAHAN figures exclude Telangana and Lakshadweep
Source: SIAM, SMEV, VAHAN, CRISIL MI&A

Player-wise share in EV retail sales



Source: VAHAN, CRISIL MI&A

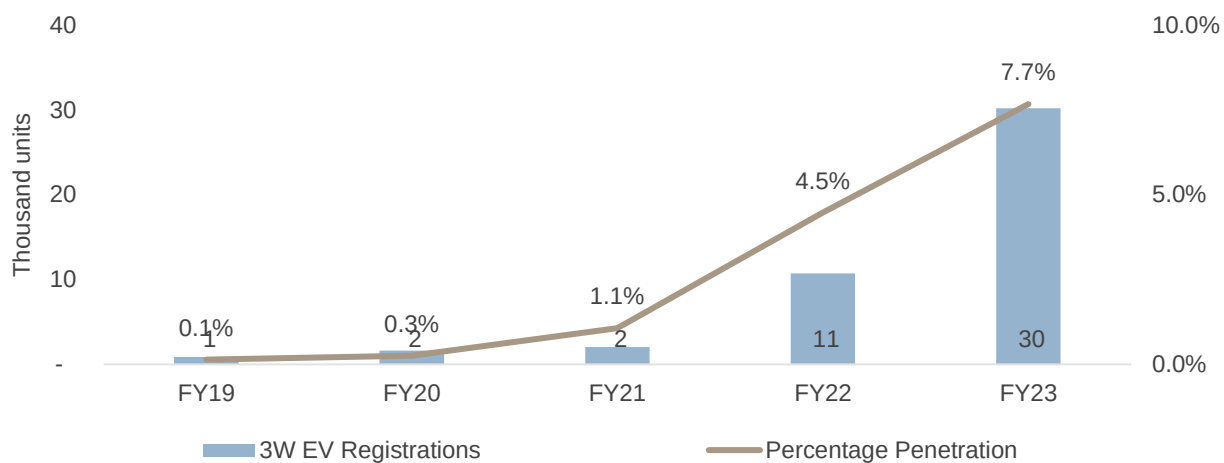
Long-term outlook for EV penetration



Source: VAHAN, CRISIL MI&A

Three-wheelers

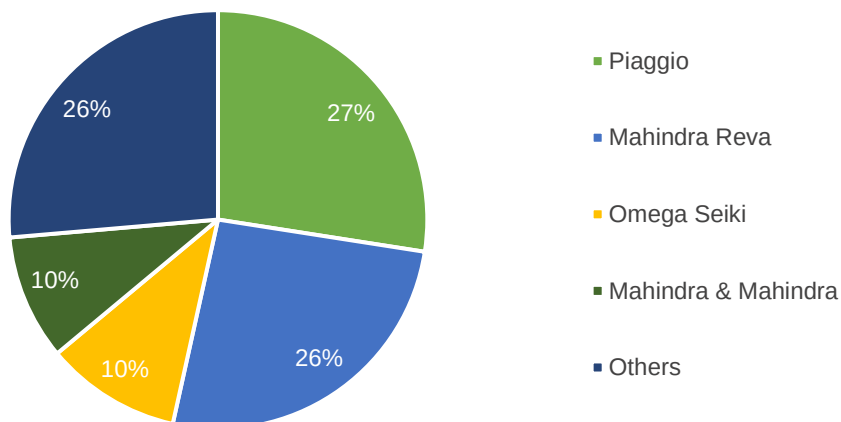
EV penetration within domestic three-wheeler industry



(21) Note: E-rickshaw has not been considered in the analysis; VAHAN figures exclude Telangana and Lakshadweep
Source: SIAM, SMEV, VAHAN, CRISIL MI&A

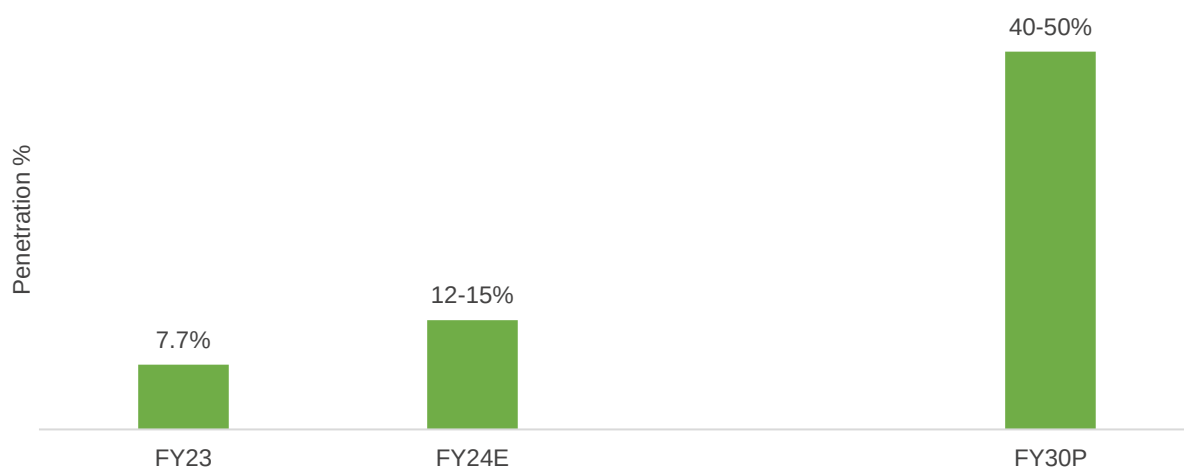
Player-wise share in EV retail sales

Fiscal 2023



Source: VAHAN, CRISIL MI&A

Long-term outlook for EV penetration

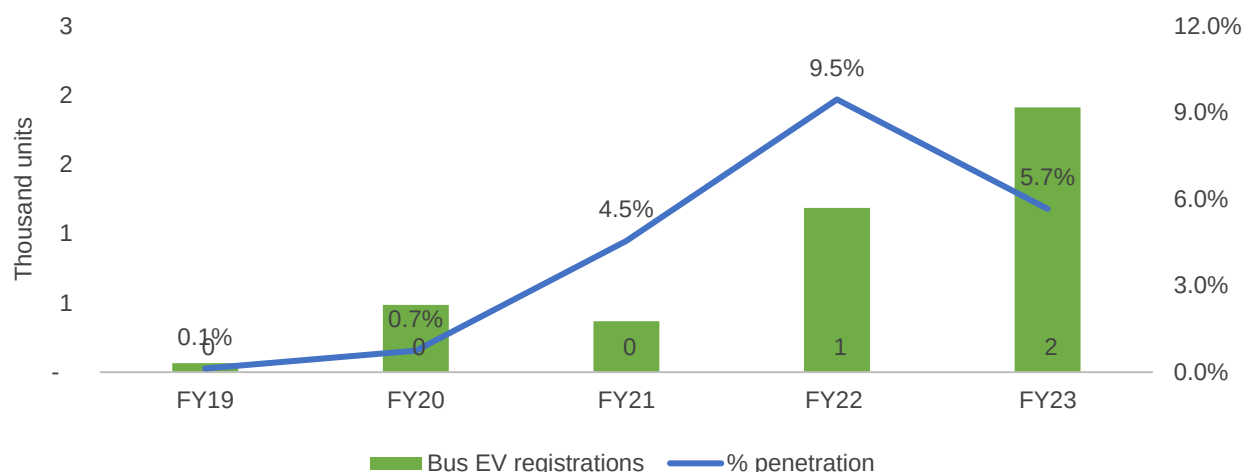


Source: VAHAN, CRISIL MI&A

Commercial vehicles

Within the commercial vehicle segment, significant electrification has happened in the bus sub-segment. However, EV penetration in the LCV and MHCV segments is still insignificant. Limited availability of EV options in these segments has restricted EV penetration.

EV penetration within domestic commercial vehicle industry (buses)



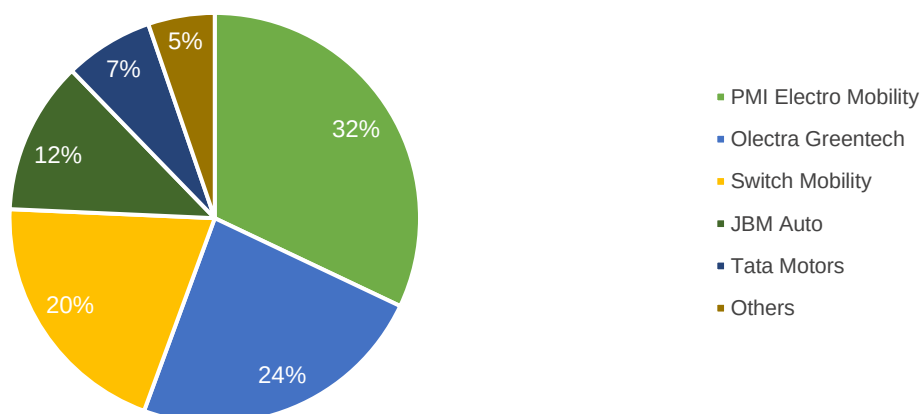
(22) Note: VAHAN figures exclude Telangana and Lakshadweep
Source: MoRTH, CRISIL MI&A

21. New-age players lead electrification in bus segment

The EV bus industry in India is characterised by the presence of both legacy ICE vehicle players such as Tata Motors and Ashok Leyland (Switch Mobility) and relatively new players such as PMI, Olectra Greentech, and JBM. Other players such as EKA (a subsidiary of Pinnacle Industries) are making new strides in this space. During fiscal 2023, PMI and Olectra catered to more than half of the e-bus demand.

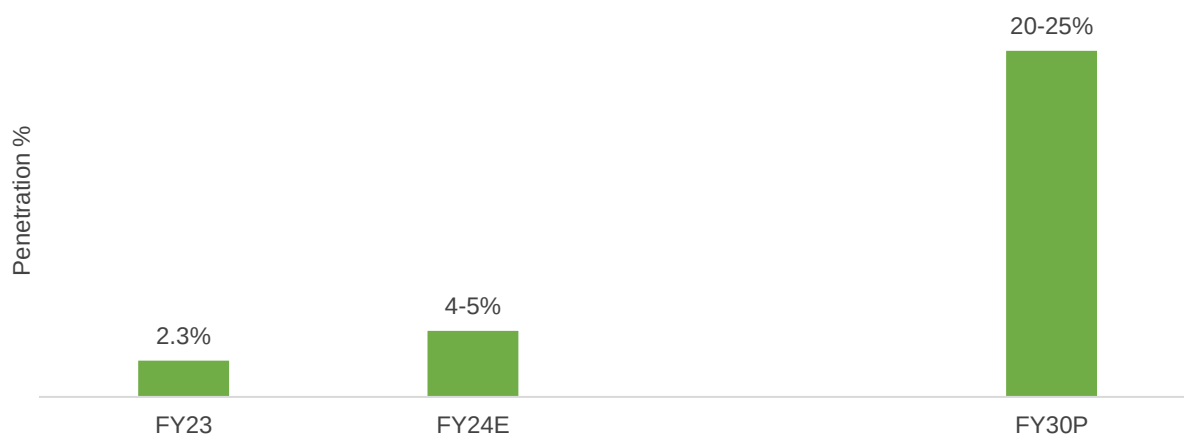
Player-wise share in EV retail sales

Fiscal 2023



Source: VAHAN, CRISIL MI&A

EV penetration long-term outlook



Note: Total passenger CV segment has been considered for calculating the penetration
Source: VAHAN, CRISIL MI&A

(B) Automobile dealership industry in India

Dealerships form an intrinsic part of the automobile sector, playing the role of an intermediary between the customers and the manufacturers. The dealership plays an indispensable role in the overall vehicle supply chain, providing a local vehicle distribution channel based on a contract with an automaker. It also plays a key role in the aftermarket space by providing maintenance services and supplying spares/automotive parts and accessories.

From manufacturers' perspective, dealers play the crucial role of retail distribution at regional, city and local levels, and provide manufacturers with customer insights that are useful in the production planning of manufacturers.

Dealers support customers from the initial phase with guidance on vehicle selection and also assist in the necessary vehicle financing. They facilitate a smooth transfer of vehicle from manufacturer to customer, assisting in registration and required insurance formalities. Additionally, dealers provide the required support for accessorising and vehicle customisation.

For financial institutions, dealerships provide a huge business opportunity in the form of retail finance as well as inventory funding. Even for insurance providers, dealerships act as an easy avenue for new customer acquisitions.

A dealership is a one-stop shop for all the below requirements:

- Buying a new vehicle
- Vehicle repair and servicing
- Regular maintenance/ AMC
- Buying necessary spares/ lubricants
- Vehicle accident repair
- Buying a pre-owned vehicle
- Selling/ exchanging an old vehicle
- Availing required financing
- Buying vehicle insurance
- Renewing vehicle insurance
- Vehicle registration
- Vehicle customisation/ beautification
- Buying accessories
- Insurance claims (for accident repair)

- Availing additional services such as anti-rust coating, paint protection, and interior clean-up

As of last fiscal, there were around 20,000 dealerships with nearly 70,000 touchpoints (including sub-dealerships, customer outreach centres, and authorised representatives of the dealer) across India catering to customers of two-wheelers, PVs, CVs, three-wheelers and tractors.

Typically, two-wheelers dominate the number of dealerships (with 55-60% share), followed by PVs (~15%) and CVs (8-10%) — three-wheelers and tractors account for the rest.

Dealership scenario in India

In India, a typical dealer is associated with one or more manufacturers across vehicle segments: CVs, PVs, two-wheelers, three-wheelers, and tractors. While smaller dealers associate with one particular manufacturer of a single vehicle segment, larger dealers associate with multiple manufacturers across segments, diversifying their investments.

Dealers normally have three types of outlets: sales-service-spares (3S), only sales (1S), and only workshops. Most large dealers have multiple outlets or touchpoints with a few 3S outlets and many workshops/ service stations across the city. They also have a large sub-dealer network that works under the umbrella dealership and caters to smaller semi-urban/ rural areas nearby. A few dealers also have ARDs (authorised representatives of the dealer) that provide the minimal required services to customers in rural areas. ARDs are more prominent in the two-wheeler segment.

For PV dealers, the main dealer has a few 3S dealership outlets in major cities, complemented by a large number of workshops catering to service and maintenance demand. Moreover, PV dealers have an affiliated OEM franchised dealership for pre-owned vehicles, such as True Value, H-Promise, and U Trust.

CV dealers typically have their 3S dealerships outside the city, while the smaller, only sales outlets (especially for LCVs) are located within the city. They also have a large number of workshops on the major highways, providing service support. Separate affiliated pre-owned vehicle dealerships are not common in the CV segment.

Small dealers normally have 1-3 sales outlets and 2-4 workshops in one particular city or town. Large dealers have 10-15 outlets in multiple cities across 1-2 states, with 20-40 service outlets and a network of sub-dealers.

Larger dealerships offer significant advantages and better profitability to dealers in terms of economies of scale, better negotiation with manufacturers, increased workshop revenue, better insurance finance deals, and higher customer retention. These advantages have been discussed in detail in subsequent chapters.

Currently, there are only a handful of very large dealerships in India with more than 100 outlets and a presence across 4-5 states, compared with global dealership giants such as Penske Automotive (320 outlets across the US and the UK), AutoNation (over 340 outlets across the US) and Group 1 Automotive (~200 outlets across the US and UK). Indian dealerships are still in the development stages with significant room for expansion. A large size helps global dealerships expand their top line as well as bottom line, earning a few billion dollars in revenue and 8-20% in gross profits.

In CY2022, Autonation registered \$26.9 billion (10.5% gross margin), Penske Automotive earned \$22.3 billion in revenue (21% EBITDA), while Group 1 Automotive clocked \$16.2 billion (17.2% gross margin).

These global dealerships also have a significant contribution (~30% by revenue, compared with 5-15% for their Indian counterparts) from their pre-owned vehicle business. In volume terms, for global dealerships, 50-55% of vehicles sold are pre-owned, compared with only 20-25% for Indian dealers.

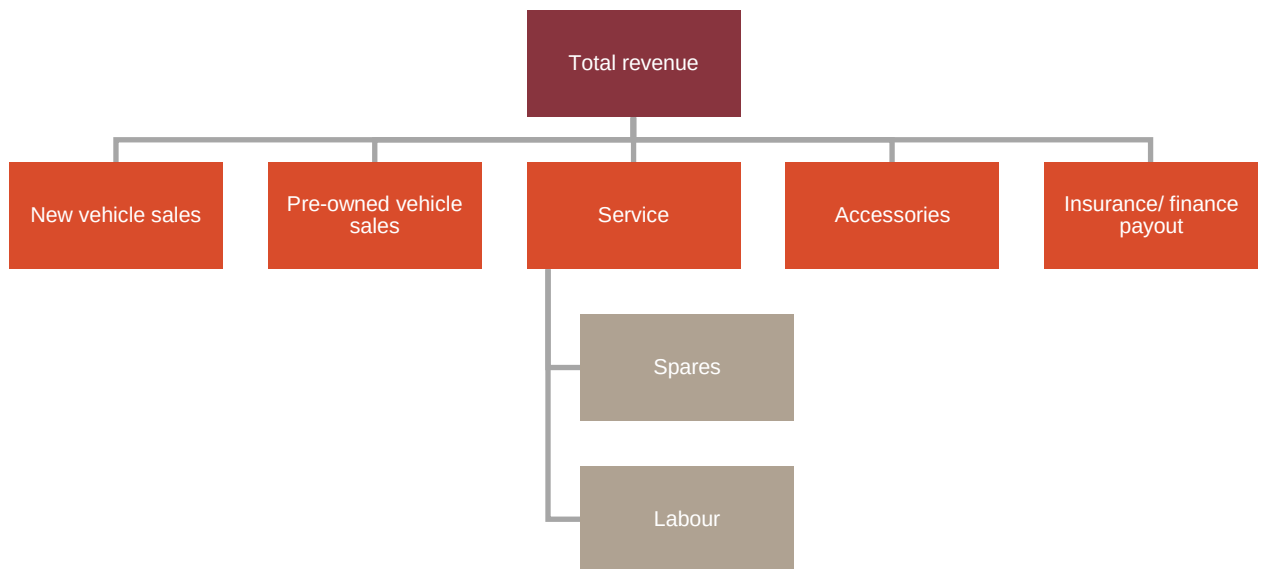
The Indian pre-owned vehicle market (predominant in PVs) is still in a nascent stage, with significant room for growth. The pre-owned PV segment is covered in detail in a separate section.

22. Dealership income

An automotive dealer has five major income/ revenue streams: vehicle sales (new and pre-owned), service, accessories sale, and commission from financing and insurance.

Vehicle sales remain the primary source of income, accounting for 60-70% of revenue. It is followed by service (regular maintenance and repair), which accounts for 20-25%. Sale of accessories and insurance/ finance commission account for the remaining 2-7% (for PVs).

Revenue streams for a dealership

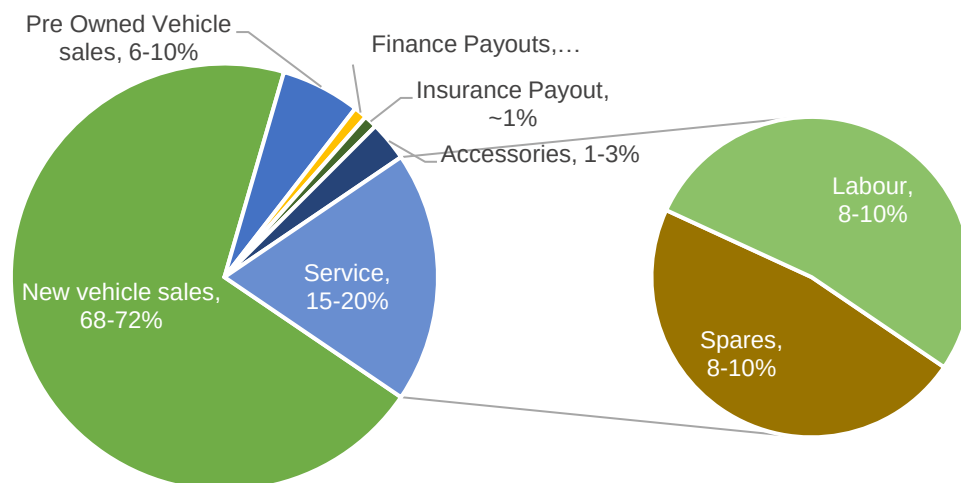


PV dealership landscape

Dealer revenue

For a typical PV dealership, there are five major revenue streams.

Typical revenue break-up for a PV dealer

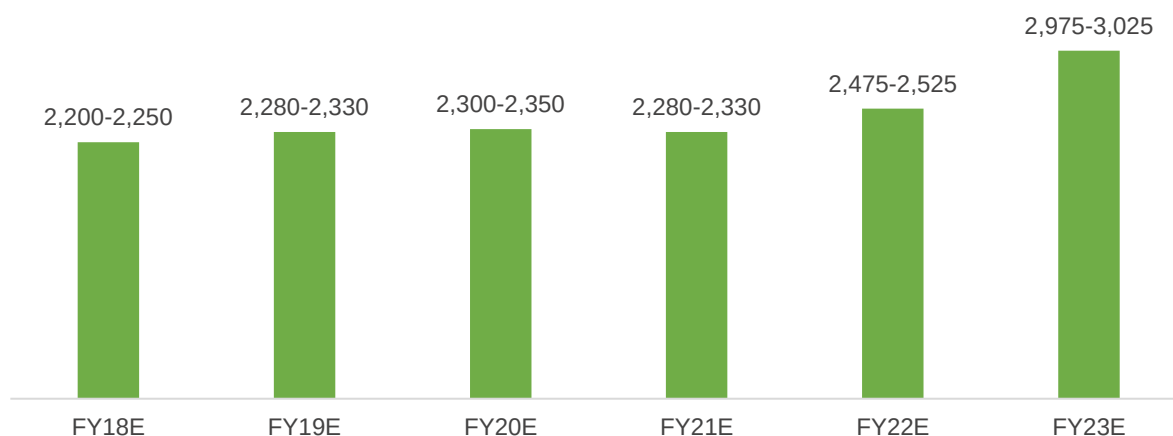


Source: Industry, CRISIL MI&A

23. Dealer additions

PV dealerships formed ~15% of overall dealerships in India last fiscal.

Trend in number of dealerships

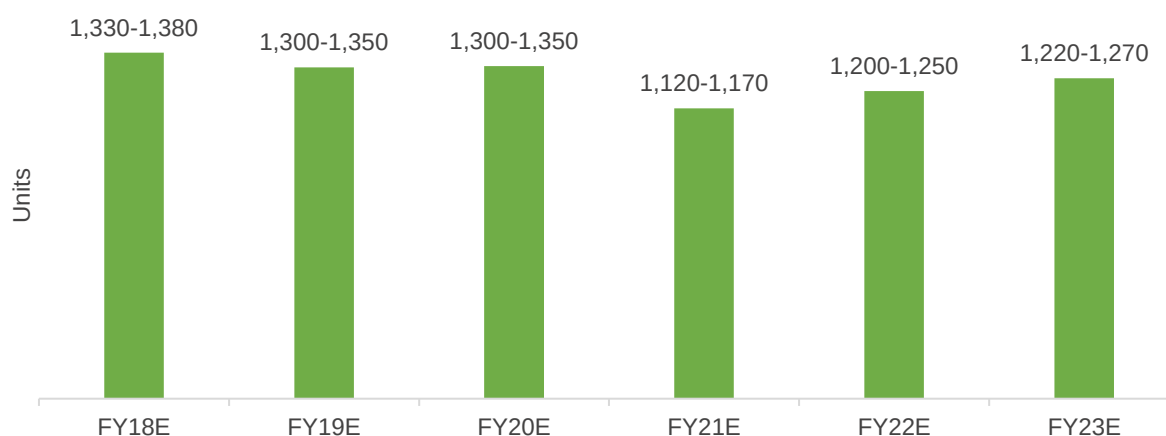


Source: Industry, CRISIL MI&A

24. Average dealership sales

For a PV dealer, revenue from new vehicle sales forms a dominant 68-72% share of total revenue

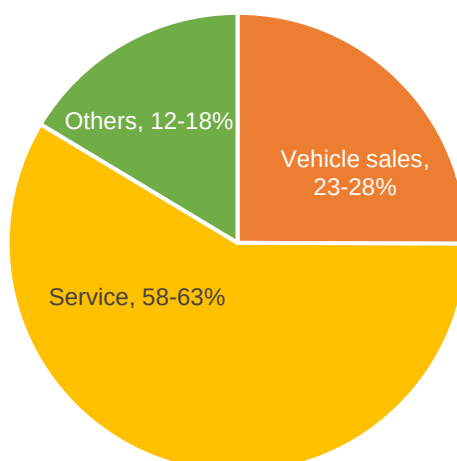
Average sales per dealership trend for PV dealers



(23) Note: These represent the average retail sales per dealership, which are nearly 3x the average sales per touchpoint
Source: Industry, VAHAN, SIAM, CRISIL MI&A

25. Dealer profitability

Typical segment-wise share in gross profits



(24) Note: Vehicle sales include new and pre-owned PV sales; others include accessories, finance pay-outs and insurance pay-outs
Source: Industry, CRISIL MI&A

Dealer returns

Operating margins for PV dealers are typically in the range of 2-5%. Large dealers, given higher economies of scale, operate at 3.5-5% margins, while smaller dealers operate at 2-3%. Return on capital employed (ROCE) for PV dealers is generally in the range of 10-15% (as per fiscal 2022 performance).

26. Dealership growth drivers

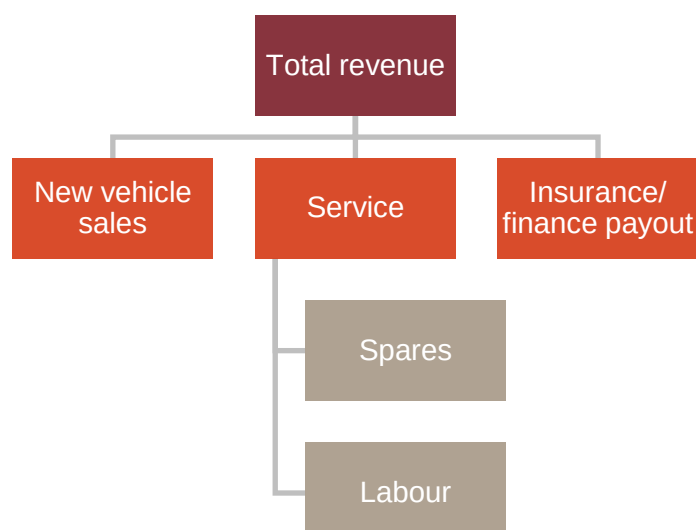
- Estimated growth in new PV sales
- Continued traction for pre-owned vehicles
- Rise in average vehicle prices
- Shift towards authorised workshops
- Rising financial penetration
- Digital technology aiding revenue and margin growth

27. Added advantage for large dealers

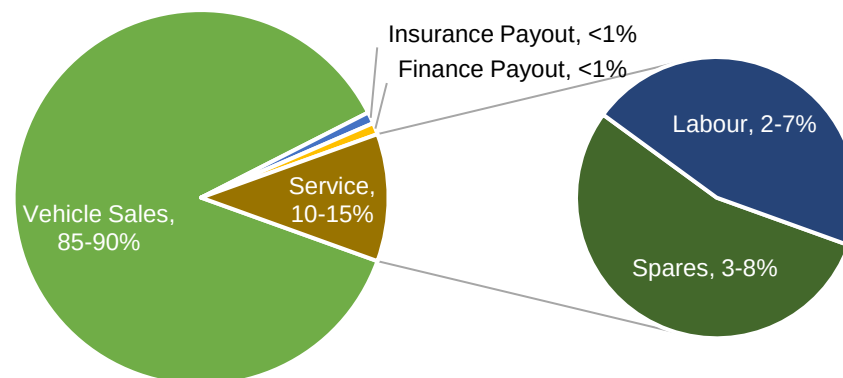
Large dealers, given the sheer size of the business, enjoy added benefits as well as higher economies of scale backing their better finances. Some major advantages are:

- Better negotiation with manufacturers
- Favourable allotment of new dealerships
- Better deals with vendors
- Greater share of service revenue
- Better insurance/ finance deals
- Higher customer retention
- Higher enquiry generation
- Value-added services
- Multiple brand dealerships at single location
- Others: Large dealers also benefit from centralisation of their services as well as better utilisation of their shared services like call centres, IT backend services, HR and admin. CV dealership landscape

For a typical CV dealership, there are three major revenue streams.



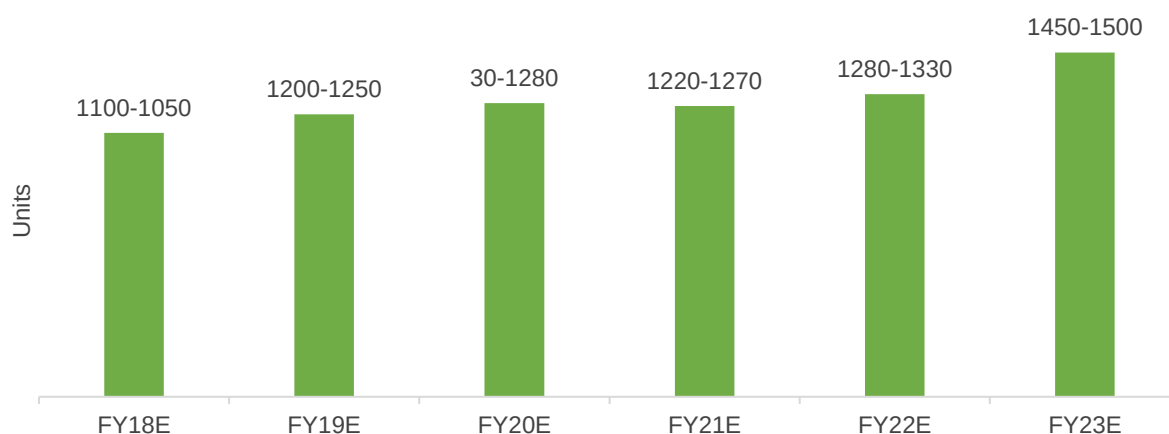
Typical revenue break-up for a CV dealer



Source: Industry, CRISIL MI&A

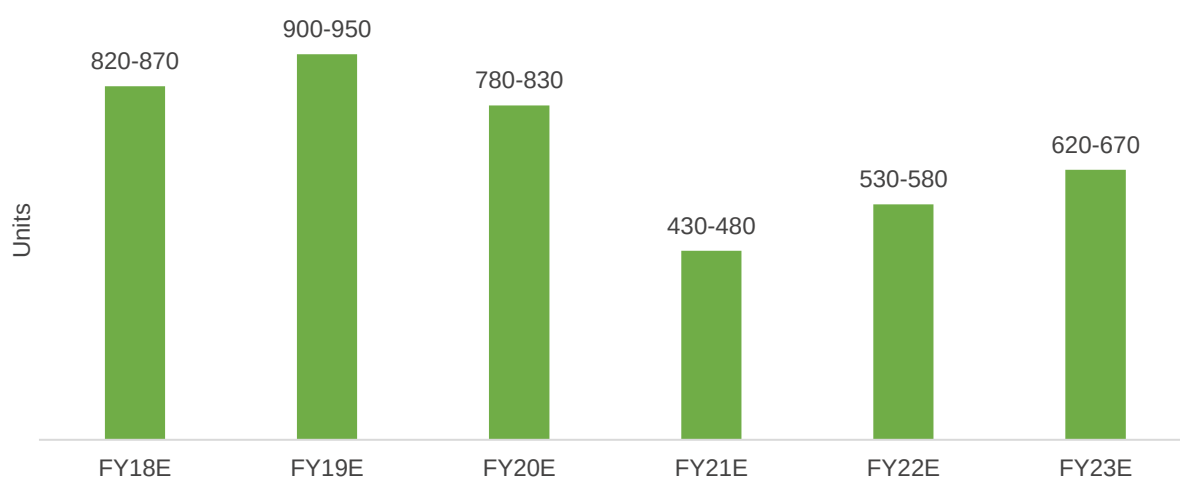
28. Dealership additions

Number of dealerships



Source: Industry, CRISIL MI&A

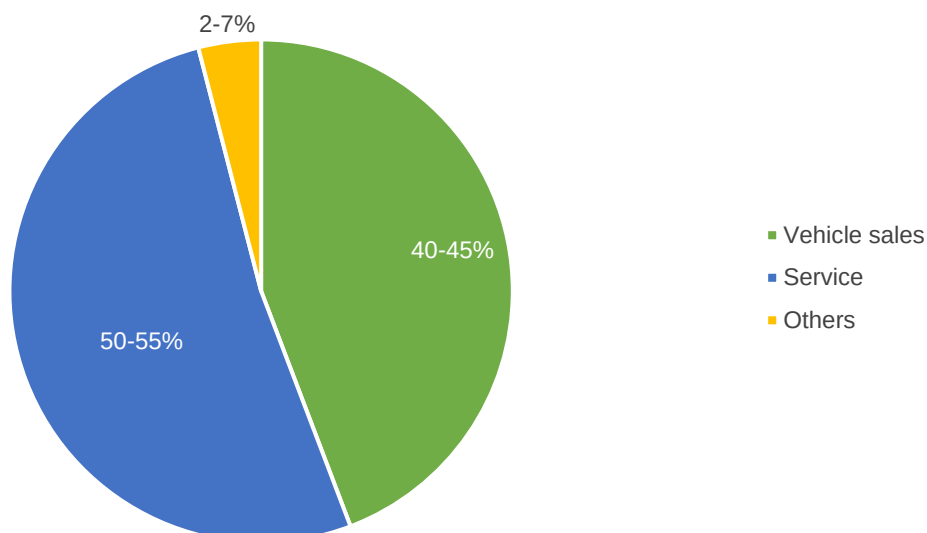
Average sales per dealership for CV dealers



(25) Note: These represent average retail sales per dealership, which are 3x of the average sales per touchpoint
Source: Industry, VAHAN, CRISIL MI&A

29. Dealer profitability

Typical segment-wise share in gross profit



Source: Industry, CRISIL MI&A

Dealer returns

CV dealers have relatively high fixed costs given the larger size of their workshops and the higher inventory costs. Also, they have limited room to add value to the end product, which limits their EBITDA margins in a modest range of 2-5%.

30. Dealership growth drivers

- Estimated growth in new CV sales
- Rise in average vehicle prices
- Shift towards authorised workshops
- Rising financial penetration
- Digital technology aiding revenue and margin growth

31. Added advantages for large dealers

- Better negotiation with manufacturers
- Better deals with vendors
- Higher share of service revenue
- Better insurance/finance deals
- Higher customer retention
- Multiple brand dealerships at a single location
- Others: Large dealers also benefit from centralisation of their services and better utilisation of their shared services such as call centres, IT back-end services, human resources, and administration.

(C) Player comparison

The tables below compare a few of the noteworthy large PV and CV dealership groups in India. Most of these groups have dealerships of multiple OEMs, comprising the PV, luxury PV and CV segments. However, a few dealers such as Indus Motor, Sai Service and Pebco Motors represent only one manufacturer.

All the below-mentioned dealers are regional players with a stronghold in a few major states. Kataria Automobiles, Sai Service and Navnit Motors are concentrated in western India. Popular Group, Indus Motor and VST Motors dominate southern India.

Player dominance also varies with vehicle segment. For example, Popular Group is among the top three Maruti dealers in Kerala for PVs, while it is the top Tata Motors dealer in the state for CVs¹.

Player-wise OEM presence

	Player	Popular Vehicles and Services	Sai Service	Bhandari Automobiles	Kataria Automobiles	Landmark Cars	Navnit Motors	Competent Automobiles	Pebco Motors	Indus Motor	VST Motors
PV	Maruti	✓	✓	✓	✓		✓	✓	✓	✓	
	Hyundai										
	Tata (PV)										✓
	Mahindra										
	Honda	✓				✓					
	Renault					✓					
	VW					✓					
	Jeep					✓					
	JLR	✓					✓				
	Mercedes					✓					
	BMW						✓				
	Ferrari						✓				
	Mini						✓				
CV	Porsche				✓		✓				
	Tata (CV)	✓		✓							✓
	Bharat Benz	✓			✓						
	Ashok Leyland					✓					
2W	Ather	✓									
3W	Piaggio	✓									

Source: Industry, company website, CRISIL MI&A

Player-wise service offerings

Particulars	Popular Vehicles and Services	Sai Service	Bhandari Automobiles	Kataria Automobiles	Landmark Cars	Navnit Motors	Competent Automobiles	Pebco Motors	Indus Motor	VST Motors
New vehicle sales	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pre-owned vehicle sales	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pre-owned vehicle purchase	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Service	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Spares	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Accident repair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Source: Industry, company website, CRISIL MI&A

Player-wise financial comparison (fiscal 2023)

Particulars	Popular Vehicles and Services	Sai Service	Landmark Cars#	Competent Automobiles	Pebco Motors	VST Motors
Operating revenue (Rs bn)	48.8	37.6	33.8	17.3	1.8	13.9
Type (national/regional)	Regional (South)	Regional (West and South)	Regional (west)	Regional (North)	Regional (East)	Regional (south)

¹ Based on audited sales figures provided by Popular Group and the corresponding state-level sales/registration details for Maruti Suzuki India Limited and Tata Motors reported by SIAM and MoRTH.

Particulars	Popular Vehicles and Services	Sai Service	Landmark Cars#	Competent Automobiles	Pebco Motors	VST Motors
OEM	Maruti (PV), Honda (PV), JLR (PV), Tata Motors (CV), Bharat Benz (CV), Ather (2W), Piaggio (3W)	Maruti (PV)	Honda (PV), Renault, VW, Jeep, Mercedes (PV), BharatBenz (CV)	Maruti (PV)	Maruti (PV)	Tata Motors (CV and PV)
No. of Outlets	150+	70+	115+	25+	10+	20+
OP. margin (%)	4.5	6.0	7.1	3.7	4.0	5.2
PAT margin (%)	1.3	3.4	2.5	1.4	2.9	2.6
ROCE (3-year moving average) (%)	19	24	22	10	12	20
Return on Tangible Networth (%)	20	14	21	8	7	21
Gearing Ratio	1.6	0	0.7	0.5	0.1	1.0

(26) Note:

(27) Number of outlets as of January 2024 based on company websites

(28) Fiscal 2023 financials not available for other players.

(29) Return on Tangible Network: PAT/ Tangible Network; Gearing is calculated as Total Debt/ Tangible Network

#: Proforma Revenue (As per company Annual Report) for fiscal 2023 was Rs 45.9 billion. Proforma Revenue includes reported revenue + value of cars sold under Mercedes Benz Agency Model less Agency Commission

Source: Ministry of Corporate Affairs, Annual Reports, CRISIL MI&A

Player-wise financial comparison (fiscal 2022)

Particulars	Popular Vehicles and Services	Sai Service	Bhandari Automob iles	Kataria Automob iles	Landma rk Cars#	Navnit Motors	Compete nt Automob iles	Pebco Motors	Indus Motor	VST Motors
Operating revenue (Rs bn)	34.7	26.8	19.7	23.5	29.8	8.8	12.5	1.5	19.8	10.8
OP. margin (%)	4.7	7.5	3.0	3.5	5.9	5.4	4.4	4.8	2.5	5.4
PAT margin (%)	1.0	3.9	0.2	0.9	2.2	3.1	1.6	8.1##	0.6	2.8
ROCE (3-year moving average) (%)	15	25	11	11	14	5.3	12	12	9	13
Return on Tangible Networth (%)	12	14	6	14	38	NM	7	18	15	22
Gearing Ratio	1.4	0	6.9	3.4	1.8	NM	0.5	0.1	3.2	1.2

(30) Note:

#: Proforma Revenue (As per company Annual Report) for fiscal 2022 was Rs 33.7 billion. Proforma Revenue includes reported revenue + value of cars sold under Mercedes Benz Agency Model less Agency Commission

(31) ##: Non-operating income including profit on sale of investments, profit on sale of assets and rental income pushed PAT in fiscal 2022

Source: Ministry of Corporate Affairs, Annual Reports, CRISIL MI&A

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward Looking Statements” on page 24 for a discussion of the risks and uncertainties related to those statements and also the section titled “Risk Factors” on page 26 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the twelve months period ended March 31 of that year.

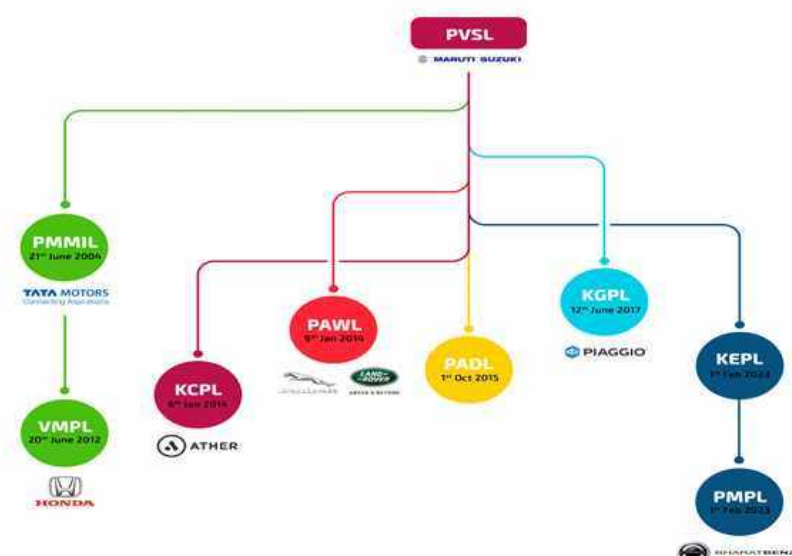
Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information included in this Prospectus on page 255. Certain information contained in this section is derived from the CRISIL Report titled “Industry Assessment of Automobile Dealership industry in India” dated January 2024, which was commissioned and paid for by our Company exclusively for the Offer (“**CRISIL Report**”), for the purpose of understanding the industry in connection with this Offer. A copy of the CRISIL Report was made available on our Company’s website at www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/ from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. See “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data” and “Risk Factors - Internal Risk Factors – This Prospectus contains information from industry sources including the industry report commissioned from CRISIL exclusively for the Offer and paid for by the Company. Investors are advised not to place undue reliance on such information” on pages 22 and 50, respectively.

Unless otherwise indicated or the context otherwise requires, in this section, references to “the Company” or “our Company” are to Popular Vehicles and Services Limited on a standalone basis, and references to “the Group”, “we”, “us”, “our”, are to Popular Vehicles and Services Limited and its Subsidiaries on a consolidated basis.

Overview

We are a diversified automobile dealership in India in terms of revenue as of Fiscal 2023, (Source: CRISIL Report) having a fully integrated business model. We cater to the complete life cycle of vehicle ownership, right from the sale of new vehicles, servicing and repairing vehicles, distributing spare parts and accessories, to facilitating sale and exchange of pre-owned vehicles, operating driving schools and facilitating the sale of third-party financial and insurance products. We categorise our automobile dealership business into three key segments, namely, (a) passenger vehicles including luxury vehicles, (b) commercial vehicles and (c) electric two-wheeler and three-wheeler vehicles, which contributed to our revenue from operations aggregating to ₹16,918.51million, ₹9,616.33 million and ₹450.41 million, respectively, during the six months period ended September 30, 2023.

We operate (a) passenger vehicle dealerships covering economy, premium and luxury vehicles across our dealerships for the following OEMs: (i) Maruti Suzuki India Limited (“**Maruti Suzuki**”) for both Arena and Nexa, through our Company, (ii) Honda Cars India Limited (“**Honda**”) through our Subsidiary, VMPL, and (iii) Jaguar Land Rover India Limited (“**JLR**”) through our Subsidiary, PAWL; (b) commercial vehicle dealerships of (i) Tata Motors Limited (“**Tata Motors (Commercial)**”), through our Subsidiary, PMMIL and (ii) Daimler India Commercial Vehicles Private Limited (“**BharatBenz**”), through our Subsidiary, PMPL; and (c) electric three-wheeler vehicle dealership of Piaggio Vehicles Private Limited, including commercial and cargo vehicles (“**Piaggio**”), through our Subsidiary, KGPL and electric two-wheeler vehicle dealership of Ather Energy Private Limited (“**Ather**”), through our Subsidiary, KCPL. The chart below shows the various dealerships operated by our Company and our Subsidiaries along with the date of acquisition of our Subsidiaries by our Company:



The table below shows the details of all the dealerships operated by our Company and our Subsidiaries as on the date of this Prospectus:

Name of OEM	Name of brand under which the dealership is operated	Entity under which the dealership is operated	Exclusive/ non-exclusive agreement	Restriction in area of operations	Date of agreement	Tenure of agreement/ termination date	Notice period for termination of agreement
Maruti Suzuki	'Popular' brand	Company	Non-exclusive	Yes	August 5, 2021 for Nexa agreement	3 years from April 1, 2021 for the Nexa agreement	90 days
					January 1, 2022 for Arena agreement	3 years from January 1, 2022 for the Arena agreement	
Honda	'Vision' brand	VMPL	Non-exclusive	Yes	July 19, 2023	9 months from July 1, 2023	30 days
JLR	'Marqland' brand	PAWL	Non-exclusive	Yes	November 30, 2017	Valid until terminated	12 months
Tata Motors (Commercial)	'Popular Mega Motors' brand	PMMIL	Non-exclusive	Yes	April 20, 2021	5 years from April 1, 2021	90 days
BharatBenz	'Prabal Trucking' brand	PMPL	Non-exclusive	Yes	November 1, 2018	Valid until terminated	12 months
Piaggio	'Ecomarq' brand	KGPL	Non-exclusive	Yes	July 9, 2021	2 years from August 1, 2023	30 days
Ather	'Ecomarq' brand	KCPL	Non-exclusive	Yes	April 27, 2022	Valid until terminated	60 days

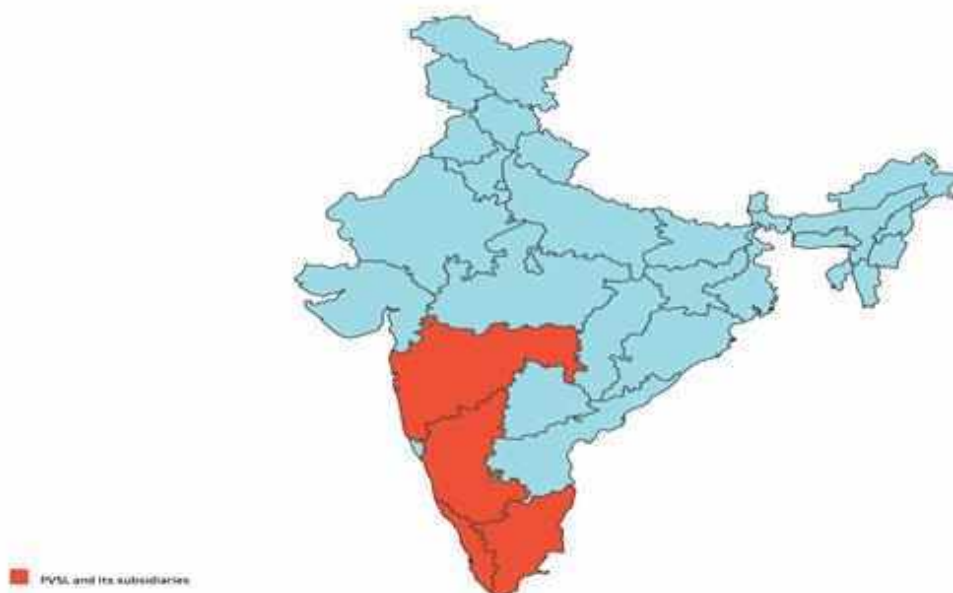
Our presence across vehicle categories, including passenger vehicles, commercial vehicles, and electric two-wheeler and three-wheeler vehicles, further diversifies our revenue streams. The revenue generated by each of our key segments as a percentage of our revenue from operations in the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, is as follows:

(in percentages)

Key segments	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Passenger vehicles including luxury vehicles	59.68	61.83	67.52	71.56
Commercial vehicles	33.92	32.21	27.67	23.87
Electric two-wheeler and three-wheeler vehicles	1.59	1.15	0.15	N.A.

In Fiscal 2023, passenger vehicle sales in India were concentrated in a few major states. The top 5 states are Maharashtra, Uttar Pradesh, Gujarat, Karnataka, and Tamil Nadu. These states cumulatively contributed to more than 40.00% of national sales. In Fiscal 2023, Kerala, Tamil Nadu and Maharashtra featured in the top 10 contributing states of the country, contributing 23.00% to the national sales. In line with the overall domestic market, Maruti Suzuki dominated sales in all these states. (Source: CRISIL Report)

As of December 31, 2023, we operated through our network of 61 showrooms, 133 sales outlets and booking offices, 32 pre-owned vehicle showrooms and outlets, 139 authorised service centres, 43 retail outlets, and 24 warehouses located across 14 districts of Kerala, 8 districts in Karnataka, 12 districts in Tamil Nadu and 9 districts in Maharashtra. While our sales outlets and booking offices complement our sales through our showrooms, our retail outlets facilitate sale and distribution of spare parts and accessories. The map below shows our geographical presence in India:



The automobile industry is one of the primary contributors to the Indian economy. Its contribution to India's GDP has increased from 2.80% in Fiscal 1993 to approximately 7.10% in Fiscal 2023. India's domestic automobile market is one of the largest automobile markets in the world, with annual domestic sales of over 20 million vehicles in Fiscal 2023. Further, in Fiscal 2023, domestic automobile industry was dominated by the two-wheeler vehicle sub-segment which contributed more than 70.00% to the overall automobile industry, followed by passenger vehicles contributing 18.00% of automobile sales volume in Fiscal 2023. Tractors, commercial vehicles and three-wheeler vehicles contributed the rest 10.00%. (Source: CRISIL Report) With the growth of the automobile industry, we have achieved significant organic growth in our revenue from sales over the past three Fiscals.

We acquired 11 service centres and 2 showrooms from a dealer of Maruti Suzuki in Kerala in 2021. Further, we acquired 8 showrooms, 17 service centres and 3 sales outlets and booking offices of BharatBenz in Tamil Nadu and Maharashtra. We have also expanded our post-sale services and repair verticals in the last three Fiscals. Our revenue from servicing of passenger vehicles and commercial vehicles has seen a significant increase, from ₹3,651.64 million and ₹675.06 million in Fiscal 2021 to ₹5,716.13 million and ₹1,418.65 million in Fiscal 2023, respectively. In Fiscal 2023, we were ranked 'All India Highest in the Bodyshop Load' for Maruti Suzuki. Further, the number of electric two-wheeler and three-wheeler vehicles sold by us has also increased from 252 in Fiscal 2022 to 3,381 in Fiscal 2023.

Our key segments are as follows:

1. *Passenger Vehicles*

We operate passenger vehicle dealerships of Maruti Suzuki, Honda and JLR. Our passenger vehicle offerings cover a complete spectrum of vehicles ranging from economy to premium and luxury vehicles including electric vehicles. Our product and brand mix is well-suited to what customers demand in the markets where we operate. During the six months period ended September 30, 2023, we sold an aggregate of 16,476 passenger vehicles across our dealerships.

The first dealership in Kerala for Maruti Suzuki vehicles was awarded to our Company in 1984 and formed part of the first batch of dealerships awarded by Maruti Suzuki across India. Our Maruti Suzuki dealerships are operated under the 'Popular' brand and cater to economy and premium passenger vehicles under the brands, 'Arena' and 'Nexa'. Our Maruti Suzuki dealerships are operated through 20 showrooms, 81 sales outlets and booking offices, 29 pre-owned vehicle showrooms and outlets and 74 authorised service centres located across Kerala and Tamil Nadu, as of December 31, 2023. In Fiscal 2023, we were recognised as the seventh largest selling Maruti Suzuki dealership in India under the Arena network (by volume), and the ninth largest selling Maruti Suzuki dealership in India under the Nexa network (by volume). Maruti Suzuki was the highest contributor to sales of passenger vehicles in Kerala and Tamil Nadu, accounting for 49.00% and 37.00%, respectively, of the total sales volume mix in these states in Fiscal 2023. (Source: CRISIL Report)

We commenced our Honda dealership in 2008 in Kerala. Our Honda dealership is operated under the 'Vision' brand and caters to the premium vehicle sub-segment of our passenger vehicle offerings. Our Honda dealership was operated through 8 showrooms, 3 sales outlets and booking offices and 8 authorised service centres located across 6 districts in Kerala as of December 31, 2023. In Fiscal 2023, we were recognised as the sixth largest Honda dealership in India in terms of volume of sales. As of September 30, 2023, we contributed to the sale of 32.82% of Honda's total sales volume mix in Kerala.

We commenced our JLR dealership in 2010 in Karnataka. Our JLR dealership is operated under the 'Marqland' brand and caters to the luxury vehicle sub-segment of our passenger vehicle offerings. Our JLR dealership was operated through 2 showrooms and 3 authorised service centres and 1 pre-owned vehicle outlet in Karnataka as of December 31, 2023. In Fiscal 2023, our total revenue from sale of luxury passenger vehicles was ₹1,873.02 million.

2. *Commercial Vehicles*

We operate commercial vehicle dealerships of Tata Motors (Commercial) and BharatBenz.

We were awarded our first commercial vehicle dealership by Tata Motors (Commercial) in 1997. Our Tata Motors (Commercial) dealership is operated under the 'Popular Mega Motors' brand and caters to a wide range of commercial vehicles offered by Tata Motors. Our Tata Motors (Commercial) dealership was operated through 13 showrooms, 32 sales outlets and booking offices and 27 authorised service centres across 14 districts of Kerala and 5 districts of Tamil Nadu as of December 31, 2023. We were the fourth largest commercial vehicle dealership of Tata Motors (Commercial) in terms of sales volumes in Fiscal 2023. As of September 30, 2023, we contributed to the sale of 76.73% and 48.02% of the total Tata Motors (Commercial) vehicles sold in Kerala and Tamil Nadu, respectively.

Our BharatBenz dealership is operated under the 'Prabal Trucking' brand and caters to a range of commercial vehicles. As of December 31, 2023, our BharatBenz dealership was operated through 8 showrooms, 12 sales outlets and booking offices and 17 authorised service centres, across 9 districts in Maharashtra and 8 districts in Tamil Nadu. As of September 30, 2023, we sold 793 BharatBenz vehicles.

We also sell commercial vehicles of Maruti Suzuki since February 2019, and sold 85 commercial vehicles, as of September 30, 2023.

3. *Electric Two-Wheeler and Three-Wheeler Vehicles*

We entered the electric two-wheeler and three-wheeler vehicles segment in 2021 and we operate our electric two-wheeler and three-wheeler vehicle dealerships of Ather and Piaggio, respectively.

Our Piaggio dealership is operated under the 'Ecomarq' brand and caters to a wide range of electric three-wheeler vehicles. Our Piaggio dealership was operated through 7 showrooms and 7 authorised service centres across 6 districts in Kerala as of December 31, 2023. As of September 25, 2023, KGPL was recognised as the biggest dealer of Piaggio electric three-wheeler vehicles in Kerala and the fifth largest dealer at an all-India level.

Our Ather dealership is operated under the 'Ecomarq' brand and caters to a wide range of electric two-wheeler vehicles. Our Ather dealership was operated through 3 showrooms, 5 sales outlets and booking offices, and 3 authorised service centres across 2 districts in Kerala and 1 district in Tamil Nadu as of December 31, 2023.

The total number of showrooms, sales outlets and booking offices and authorised service centres, across our three business segments is as follows:

Particulars	As of December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres
Passenger Vehicles								
Maruti Suzuki (New Vehicles)	101	74	97	68	96	63	84	48
Maruti Suzuki (Pre-Owned)	29	N/A	30	N/A	27	N/A	22	N/A
Honda	11	8	11	8	9	8	8	7
JLR	3	3	2	3	2	3	3	3
Commercial Vehicles								
Tata Motors	45	27	48	27	44	25	41	25
Bharat Benz	20	17	10	17	N/A	N/A	N/A	N/A
Electric Two-wheeler and Three-wheeler								
Piaggio	7	7	6	5	5	4	N/A	N/A
Ather	8	3	7	2	1	N/A	N/A	N/A
Totals	224	139	211	130	184	103	158	83

Our other business verticals are as follows:

Services and Repairs: Our services, repairs and maintenance under each of our dealerships include work undertaken during warranty period, outside warranty period paid by the customer, running repair and collision repair services. During the six months period ended September 30, 2023, we serviced 419,729 passenger vehicles including 2,762 luxury vehicles, 103,116 commercial vehicles, 4,118 electric two-wheeler vehicles and 883 electric three-wheeler vehicles through our network of 137 authorised service centres across our dealerships. The table below shows our rankings in terms of volume of services/ service satisfaction index and volume of sales for Fiscal 2023:

Name of OEM	Ranking in terms of volume of service/ service satisfaction index	Ranking in terms of volume of sales
Maruti Suzuki	Number one at national level, in terms of volume of services (Arena and Nexa) handled for Maruti Suzuki	Seventh largest passenger vehicle dealership for Maruti Suzuki in terms of sales by volume
Honda	Number one dealership for Honda in terms of volume of services in Kerala	Sixth largest car dealership for Honda in terms of sales by volume
JLR	Third largest retailer of JLR in terms of the service volume, by the combined service volume of both outlets at Bangalore and Mangalore	Fifth largest retailer for JLR in terms of retail sales by volume
Tata Motors (Commercial)	Third largest commercial vehicle dealership group for Tata Motors in terms of services handled	Fourth largest commercial vehicle dealership group for Tata Motors in terms of sales volume
BharatBenz	First, on a national level, in terms of the service satisfaction index for BharatBenz	Second, on a national level in terms of volume of sales handled for BharatBenz
Piaggio	Fifth biggest dealer, all India level, for Piaggio	Fifth biggest dealer, all India level, for Piaggio
Ather	Twenty seventh on a national level in terms of volume of services handled for Ather	Ninth on a national level in terms of volumes of sale handled for Ather

Pre-Owned Vehicles: We deal in the exchange, acquisition and sale of pre-owned passenger vehicles across our vehicle dealerships. During the six months period ended September 30, 2023, we sold an aggregate of 5,611 pre-owned vehicles through 32 dedicated pre-owned vehicle showrooms and sales outlets and booking offices and 30 of our new passenger vehicles showrooms in Kerala, Tamil Nadu and Karnataka.

Spare Parts and Accessories Distribution: We commenced our spare parts and accessories distribution business in 2005, through our Subsidiary, PADL. As on December 31, 2023, our spare parts and accessories distribution business was operated through 69 touch points comprising of 2 multi-brand pre-owned vehicle retail outlet under the brand name 'Kartrenz', 43 retail outlets and 24 warehouses across Kerala and Karnataka. We have catered to 3,200 customers including active sellers, independent workshops, authorised service centres and vehicle dealers over the last 18 years.

Facilitating the Sale of Third-party Financial and Insurance Products: As part of our bouquet of offerings, we also facilitate the sale of various third-party finance and insurance products in relation to the vehicles sold by us, extended warranty and maintenance contracts, as well as replacement and aftermarket services for automobile products. During the six months period

ended September 30, 2023, we facilitated the sale of 21,131 and renewal of 119,803 third-party insurance policies, aggregating to a gross premium of ₹1,394.16 million and facilitated financial assistance aggregating to ₹10,790.47 million to our customers through our empanelled lenders.

Driving Schools: We set up our first driving school in Ernakulam in the year 2006. Over the years, we expanded our network of driving schools by setting up a total of 7 driving schools across Kerala.

With diversified automobile dealerships and a fully integrated business model, the Kuttukaran Group (the group of entities and business operated by our Promoters and their immediate relatives) has over 70 years of experience in the automobile industry. John K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. He is currently the President of the Kerala Automobiles Dealers Association. Francis K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. Naveen Philip, our Managing Director and one of our Promoters has over 26 years of experience in the automobile industry. The experience and diversity of our management team and our Promoters and the long-standing presence of the Kuttukaran Group in the automobile industry have enabled us to become valued partners of each of our OEMs giving us a distinct competitive advantage in the industry in which we operate and has also helped us expand our business considerably by making strategic acquisitions over the years.

We have demonstrated financial performance, with our PAT growing from ₹324.55 million in Fiscal 2021, to ₹640.74 million in Fiscal 2023. A snapshot of our key performance indicators for the six months ended September 30, 2023 and Financial Years ended 2023, 2022 and 2021 are set out below:

Sr. No.	Metric	Unit	Six-month period ended September 30, 2023	Financial Year ended 2023	Financial Year ended 2022	Financial Year ended 2021
1.	Sales Volumes					
	-Number of new vehicles sold	#	23,993	47,820	37,871	35,105
	-Number of pre-owned vehicles sold	#	5,611	11,806	10,594	10,098
	-Number of vehicles serviced	#	5,27,846	957,148	721,400	646,280
2.	Revenue from Operations	₹ million	28,349.97	48,750.02	34,658.79	28,935.25
	-Sales of new vehicles	₹ million	19,411.07	33,305.06	23,222.61	19,395.41
	-Sale of spare parts and accessories	₹ million	4,115.54	6,820.19	4,687.13	3,783.64
	-Sale of pre-owned vehicles	₹ million	1,938.74	3,705.97	2,872.81	2,473.08
	-Sale of services	₹ million	1,605.84	2,872.91	2,183.97	1,803.63
	-Other Operating income	₹ million	1,278.78	2,045.89	1,692.27	1,479.49
3.	Total Income	₹ million	28,482.08	48,926.28	34,841.99	29,192.52
4.	Profit for the period/year	₹ million	400.44	640.74	336.69	324.55
5.	Earnings Per Share					
	- Basic	₹	6.38**	10.22	5.37	5.17
	- Diluted	₹	6.38**	10.22	5.37	5.17
6.	Inventory turnover days	days	103**	38	45	47
7.	Working capital days	days	95**	34	37	35
8.	Net cash generated from operating activities	₹ million	(1,611.02)	1,088.93	696.92	951.74
9.	Gross Profit	₹ million	4,334.04	7,324.03	5,491.10	4,604.97
10.	Gross Margin	%	15.29%	15.02%	15.84%	15.91%
11.	EBITDA	₹ million	1,459.09	2,348.46	1,786.63	1,748.53
12.	Adjusted EBITDA	₹ million	1,443.04	2,348.46	1,786.63	1,748.53
13.	EBITDA Margin	%	5.12%	4.80%	5.13%	5.99%
14.	PAT Margin	%	1.41%	1.31%	0.97%	1.11%
15.	RoE	%	10.42%**	18.68%	12.03%	13.19%
16.	RoCE	%	8.83%**	18.32%	16.79%	17.09%
17.	Net Debt / EBITDA	times	5.00**	2.03	1.97	1.68
18.	Debt to Equity	times	1.99	1.47	1.33	1.44
19.	Net worth	₹ million	3,842.11	3,430.44	2,798.86	2,460.02

** Not annualised

Below are the details of income generated from our sales of vehicles and services provided:

Particulars	Six Months period ended, September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income
Sales								
Sale of new vehicle	19,411.07	68.15%	33,305.06	68.07%	23,222.61	66.65%	19,395.41	66.44%
Sale of Accessories	439.42	1.54%	771.22	1.58%	433.59	1.24%	336.69	1.15%
Insurance commission &	237.07	0.83%	395.15	0.81%	286.02	0.82%	272.04	0.93%

Particulars	Six Months period ended, September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income
Finance Commission								
Income from schemes and incentives	701.34	2.46%	1,049.48	2.15%	956.26	2.74%	803.52	2.75%
Others	192.81	0.68%	340.94	0.70%	193.50	0.56%	138.20	0.47%
Services								
Labour Income	1,605.17	5.64%	2,871.91	5.87%	2,367.73	6.80%	1,818.50	6.23%
Sale of spare parts	2,406.52	8.45%	3,879.05	7.93%	2,577.39	7.40%	2,144.98	7.35%
Insurance commission	110.32	0.39%	192.52	0.39%	167.59	0.48%	172.11	0.59%
Income from schemes and incentives	60.88	0.21%	114.04	0.23%	91.46	0.26%	72.97	0.25%
Others	41.88	0.15%	84.20	0.17%	121.51	0.35%	117.87	0.40%

Strengths

Long standing presence in the automobile industry and well-established relationships with leading OEMs

The Kuttukaran Group entered the automobile industry in 1953 with the commencement of the automobile spare parts and accessories business. We have since forayed into the automobile dealership business by partnering with various leading OEMs. Maruti Suzuki and Honda represented approximately 41.00% and 2.00% of the passenger vehicles market share in India in Fiscal 2023, respectively. Tata Motors (Commercial) represented 40.00% of the commercial vehicles market share in India in Fiscal 2023. Piaggio and Ather represented 27.00% and 11.00% of electric three-wheeler and electric two-wheeler vehicles market share (retail sales) in India in Fiscal 2023, respectively. (Source: CRISIL Report)

We set up the first Maruti Suzuki showroom in Trivandrum, Kerala in 1984 under the “Popular” brand. We have since then strategically expanded our dealership network across the value-chain, from economy to premium to luxury vehicles, by partnering with Honda and JLR in 2008 and 2010, respectively, and subsequently partnering with Ather and Piaggio in 2021. We also entered the commercial vehicle dealership space in 1997 by partnering with Tata Motors (Commercial). We have further diversified our operations within the automobile dealership space by commencing our spare parts and accessories distribution business in 2005.

We believe that our long-term association with our OEMs and our strong business capabilities have resulted in us becoming a valued partner of these OEMs. Further, we have been able to form new dealership associations with commercial vehicle manufacturers such as BharatBenz. Our dealerships have consistently been validated by majority of OEMs by various awards and accreditations. For instance, we have been categorised within the “Royal Platinum Band” by Maruti Suzuki for our Arena dealership in Kerala, “Gold Band” by Maruti Suzuki for Arena dealership in Chennai, and “Alpha Band” by Maruti Suzuki for our Nexa dealership in Fiscal 2023. Further, we believe that each of our brands, namely, “Popular”, “Vision”, and “Marqland” under which we operate our Maruti Suzuki, Honda and JLR dealerships, respectively, is widely recognised in South India by our customers. Kuttukaran Group obtained third rank at India’s coveted ET auto top dealers list 2022 from the Economic Times. We also received the ‘Top Dealer of the Year – South’ award from ET Auto in 2023, our Marqland dealership was also recognised as the ‘Best Luxury Car Dealership’ at the Times Business Awards in 2018.

Penetration in markets in which we operate complemented by innovative marketing strategies

As of December 31, 2023, our network comprised of 30 showrooms and 84 sales outlets and booking offices for sale of new passenger vehicles, 21 showrooms and 44 sales outlets and booking offices for sale of commercial vehicles, 85 authorised service centres for servicing and repair of passenger vehicles and 44 authorised service centres for servicing and repair of commercial vehicles; and 10 dedicated showrooms and 22 sales outlets and booking offices for sale of pre-owned passenger vehicles. The break-up of our sales and services network of our Maruti Suzuki, Honda, JLR, Tata Motors (Commercial), BharatBenz, Piaggio and Ather dealerships as of December 31, 2023, is set out below:

OEM	Showrooms	Sales Outlets and Booking Offices	Service Centres	Showrooms and Sales Outlets and Booking Offices only for Pre-Owned Vehicles
Passenger Vehicles				
Maruti Suzuki	20	81	74	29
Honda	8	3	8	-
JLR	2	-	3	1
Subtotal – Passenger Vehicles	30	84	85	30

OEM	Showrooms	Sales Outlets and Booking Offices	Service Centres	Showrooms and Sales Outlets and Booking Offices only for Pre-Owned Vehicles
Commercial Vehicles				
Tata Motors (Commercial)	13	32	27	-
BharatBenz	8	12	17	-
Subtotal – Commercial Vehicles	21	44	44	-
Electric Two-wheeler and Three-wheeler Vehicles				
Piaggio	7	-	7	-
Ather	3	5	3	-
Subtotal – Electric 2W and 3W Vehicles	10	5	10	-
Total	61	133	139	30

We have a deep penetration in semi-urban and rural areas in the states we operate in, which is attributable to several innovative models adopted by us including the “hub and spoke” model in respect of Maruti Suzuki and Tata Motors (Commercial) dealerships in Kerala, wherein our showrooms serve as a “hub” to our sales outlets and booking offices located in small towns and rural areas under the showroom. Our sales outlets and booking offices are typically operated out of smaller premises showcasing one or more vehicle models and are each managed by designated sales representatives with all other operational support being provided by our showrooms. Our showrooms, sales outlets and booking offices are present in almost all district of Kerala. We have 113 sales outlets and booking offices spread across 14 districts in Kerala, which significantly contributes towards increasing our brand recall among potential buyers across the state of Kerala. Similarly, the number of showrooms, sales outlets and booking offices, authorised service centres, and pre-owned vehicles showrooms and sales outlets as of December 31, 2023, are set out below:

State	Showrooms	Sales Outlets and Booking Offices	Service Centres	Showrooms and Sales Outlets and Booking Offices only for Pre-Owned Vehicles
Kerala	43	113	104	29
Tamil Nadu	15	16	25	2
Karnataka	2	-	3	1
Maharashtra	1	4	7	-

As of December 31, 2023, as part of our Maruti Suzuki dealership operations, we had 432 field sales executives in semi-urban and rural areas in Kerala who conduct field campaigns in order to increase our penetration in such areas. 34.14%, 31.52%, 34.52% and 35.49% of our sales under our Maruti Suzuki dealership for the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, respectively, were attributed to our sales outlets and booking offices. Given our deep penetration in semi-urban and rural areas in Kerala, we believe that we are well poised to meet such increase in demand.

We have also introduced innovative marketing strategies to improve customer engagement and increase footfalls at each of our showrooms, sales outlets and booking offices and service stations. We have dedicated online portals through which customers can browse through our offerings, make bookings and book test drives. We organise regular customer meets, print advertisements and online contests that adds to our brand recall.

Our Subsidiaries also have innovative marketing strategies. For instance, one of our Subsidiary, PMMIL, has also set up mobile service centres that can reach our customers’ location for routine maintenance and minimizing downtime. PMMIL also offers comprehensive in-person driver training programs, emphasizing safety features and focusing on fuel efficiency to demonstrate how our vehicles can contribute to cost savings through reduced fuel consumption. In addition to this, PMMIL also has additional features such as advanced telematics installed in the commercial vehicles, which demonstrate how our customers can track fleets, schedule maintenance, and enhance overall operational efficiency. PMMIL also conducts fleet management webinars on efficient fleet management practices which showcases how commercial vehicles can contribute to cost savings and increased productivity.

Our expansive network of touch points, coupled with innovative marketing strategies, has helped us expand our reach in the markets in which we operate and tap into underserved geographies.

Fully integrated business model leading to business stability and higher margin

We believe that our diversified automobile dealerships and a fully integrated business model contributes to our position as a leading automobile dealership player. In addition to benefiting from the inherent synergies arising out of our business verticals, our diversified income streams also contribute to higher profitability margins at our dealerships. Our PAT increased from ₹324.55 million in Fiscal 2021 to ₹640.74 million in Fiscal 2023. Further, we have marked an increase in our revenue from sales due to an increase in the sales of Nexa vehicles in Fiscal 2023. Increasing demand and sales of electric vehicles and a consistent growth in the sale of electric two-wheeler and three-wheeler vehicles, in India in Fiscal 2023, has also contributed significantly towards our growth. In Fiscal 2023, we have also entered into an arrangement with Kochi Metro Rail Limited, a joint venture of the Government of India and the Government of Kerala, for the sale of electric three-wheeler vehicles for convenient transportation of their employees within the state. For details of our rankings in terms of volume of services/ service satisfaction index and volume of sales for Fiscal 2023, see “- Overview” on page 170.

We offer fully integrated services through our authorised service centres that contribute to higher-margin revenues at each of our dealerships and helps mitigate the cyclicity that has historically impacted some elements of the automobile sector. Our authorised service centres contributed to 14.83%, 14.60%, 15.29%, and 14.82% of our total revenue and 46.60%, 55.48%, 54.10%, and 53.44% of our EBITDA during the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively; and our spare parts and accessories distribution vertical contributed to 7.19%, 7.39%, 7.70%, and 6.24% of our EBITDA during the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively. We serviced 419,729 passenger vehicles and 103,116 commercial vehicles, through our network of 127 authorised service centres during the six months period ended September 30, 2023.

We serviced 22 vehicles, for each new vehicle sold by us during the six months period ended September 30, 2023. Our services and repair vertical at each of our dealerships comprise of work undertaken during warranty period, outside warranty period paid by the customer, running repair and collision repair services. For our Maruti Suzuki dealership, collision repair services contribute to higher margins under our services and repairs vertical and formed a significant portion of services and repair work undertaken by us in the six months period ended September 30, 2023 and the last three Fiscals comprising 21.67%, 21.47%, 20.13%, and 19.19% of all services and repairs and 76.71%, 76.22%, 63.43%, and 54.19% of service and repairs EBITDA undertaken by us during six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively.

Further, our service centres act as points of renewal for vehicle insurance policies from the second year onwards. Out of the total vehicles sold, 56.19% are brokered by us for finance and 88.07% are insured by insurance policies facilitated by us. As part of our after sales services, during the six months period ended September 30, 2023, we have facilitated the sale of 21,131 and renewal of 119,803 third-party insurance policies, aggregating to a gross premium of ₹1,394.16 million and facilitated financial assistance aggregating ₹10,790.47 million to our vehicle customers from our empanelled lenders. Sale of such extended finance and insurance products also helps increase our service and spare parts business by building a customer base for future repair work at our locations.

Our OEMs offer maintenance programs packaged with the vehicle sale and permit warranty work to be performed only at authorised service centres such as ours. In addition, our emphasis on selling extended service contracts has bolstered our service and repairs vertical in each of our dealerships by ensuring customer stickiness beyond the term of the standard manufacturer warranty period. We believe that our brand mix, distribution reach and the complexity of modern vehicles, combined with our investment in trained technicians and advanced facilities and our emphasis on selling extended service contracts and synergies across our business segments and verticals have bolstered our business growth.

Proven ability to identify and capture inorganic as well as organic growth opportunities

As part of our strategic plan to expand our business into other territories and states, we acquired the entire operations of a sizeable spare parts distributor in Karnataka, in Fiscal 2019, which helped us gain established business channels and a steady foothold in Karnataka. The business division acquired by us contributed to a total turnover of ₹174.60 million and contributed to 12.02% of our total turnover and 7.26% of the total EBITDA of the Company during the six months period ended September 30, 2023. We took over eleven service centres and two showrooms from a dealer for Maruti Suzuki in Kerala in 2021. Further, as of July 31, 2023, we acquired 8 showrooms, 17 service centres and 3 sales outlets and booking offices for BharatBenz in Tamil Nadu and Maharashtra. Such strategic acquisitions were made considering the consequent geographic and dealership addition to our business operations. Post such acquisitions, we carry on the business under our own brand name. We have successfully been able to integrate the businesses acquired through such strategic acquisitions.

We have also achieved organic growth by identifying underserved locations, including through consultation with OEMs, and by setting up new outlets in such areas. We have added 22 showrooms, 23 sales outlets and booking offices and 47 service stations across all our dealerships from Fiscal 2021 to Fiscal 2023.

Consistent track record of profitable financial performance and increasing growth

We reported a total income of ₹ 28,482.08 million, ₹48,926.28 million, ₹34,841.99 million and ₹29,192.52 million for the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively. Our EBITDA was ₹ 1,459.09 million, ₹2,348.46 million, ₹1,786.63 million and ₹1,748.53 million for the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively. Our profit was ₹400.44 million, ₹640.74 million, ₹336.69 million and ₹324.55 million for the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively.

While our growth is driven by the growth of the OEMs, growth through addition of new OEMs like BharatBenz, Piaggio and Ather to our portfolio has benefited us in recent years. Further expansion of business through increase in touchpoints across all the states in which we have presence and creating a presence in new states, like Maharashtra, has attributed to increase in the sales in new geographies. The growth in the premium category of passenger vehicles for our existing OEMs like Maruti Suzuki through increase in Nexa sales in the last three years general growth of our OEMs like Maruti Suzuki and Honda being the biggest automobile dealerships of our Company in the passenger vehicle segment, has helped us expand our business and strengthen our growth. Further, general growth in demand for electric vehicles in the Indian market and increase in production of electric vehicles by our OEMs, coupled with the growth in the electric two-wheeler and three-wheeler vehicle sales and services segment has further attributed to the growth of our business.

We believe our ability to consistently demonstrate growth in our business has led to a consistent track record of profitable financial performance.

Experienced promoters and management team

The Kuttukaran Group (the group of entities and business operated by our Promoters and their immediate relatives) has over 70 years of experience in the automobile industry. John K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. He is currently the President of the Kerala Automobiles Dealers Association. Francis K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. Naveen Philip, our Managing Director and one of our Promoters has over 26 years of experience in the automobile industry.

We believe that the experience, and diversity of our management team and our Promoters and the long standing presence of the Kuttukaran Group in the automobile industry have enabled us to become valued partners of each of our OEMs giving us a distinct competitive advantage in the industry in which we operate. Commencing with the establishment and operation of our first showroom in Trivandrum in 1984 and the subsequent expansion of our network in South India, we believe that our management team has gained significant and unique experience in establishing and operating an expansive network of automobile dealerships.

Strategies

Sustained growth of our higher margin services and repair business, sale of pre-owned passenger vehicles and facilitation of sale of third-party financial products

We intend to sustain and increase the growth of our services and repair vertical through a combination of measures including increasing the number of authorised service centres, focussing on customer retention, raising awareness about preventive maintenance amongst customers, selling vehicle service contracts in conjunction with vehicle sales and efficient management of parts inventory. We intend to add incremental service bays and additional authorised service centres in the markets in which we operate in order to cater to additional customers and further enhance our higher-margin service and repair revenues. We also propose to leverage the linkages between our showrooms, sales outlets and booking offices and authorised service centres to retain customers of our new and pre-owned vehicles as continuing clients of our service departments. To accomplish this end, we use database systems and analytics that track the vehicle owners' maintenance records and provide advance notice to them when their vehicles are due for periodic service. We continue to train our service personnel to establish relationships with their service clients to promote long-term business relationships.

India's pre-owned passenger vehicle segment is expected to grow at a CAGR of 12.00%-14.00% between Fiscal 2023 and Fiscal 2028 and reach 8.3-8.8 million vehicle sales by Fiscal 2028. Increased need for personal mobility, growing disposable income, lowering replacement cycles and increasing financial penetration is expected to drive this growth. (*Source: CRISIL Report*) Our scale and market presence places us at an advantage to capture this opportunity. We intend to leverage on our early mover advantage in this space by increasing the number of showrooms and outlets catering to the sale of pre-owned passenger vehicles under our dealerships and employ robust analytical tools to better manage and optimise our pre-owned passenger vehicle procurement and sales processes. We also propose to provide consumers with tools to help compare new and pre-owned vehicles and obtain proprietary valuation estimates to facilitate their purchase or sale of a vehicle.

Given our scale of operations, we tie up with various lenders and insurers to provide financing and insurance coverage for new vehicles as well as pre-owned vehicles sold at our showrooms and sales outlets and booking offices. As on December 31, 2023, we have empanelled 20 insurers and 13 financial institutions, the sale of whose products we facilitated at our dealerships. We intend to continue to engage with a wider range of lenders and insurers in order to provide our customers with varied options. In order to improve facilitation of sales of third-party financial products such as vehicle insurance policies and vehicle financing, we propose to continue to focus on enhancing our salesperson training program and increasing our product offerings.

Continue to increase sales at our existing dealerships

Given that vehicle sales is a key driver for generating income under our other business verticals including our services and repairs business, we intend to capitalise on the expected growth in demand for automobiles (including electric vehicles) in India by increasing sales of our passenger vehicles, commercial vehicles and electric vehicles at each of our existing showrooms and sales outlets and booking offices through targeted marketing efforts/strategies, operational efficiencies, as well as capital investments designed to support our growth targets.

To increase awareness and footfalls at our showrooms and sales outlets and booking offices, we shall continue to use a combination of traditional, digital and social media to reach potential customers. We propose to continue to focus on enhancing our enquiry capabilities, and workshop conversions. Our marketing strategies are customised to the specific segment of customers which we intend to cater to. Given that a major thrust of the growth in the automobile retail sector is expected to come from the younger population, we intend to increase customer engagement in the digital space, by adopting a comprehensive marketing strategy that encompasses all avenues of customer engagement including websites, social media, video, mobile, email marketing, online advertising, search engine optimization, branding, and content. In this regard, we have introduced digital brochures.

Expansion of our network and diversification of our product portfolio

Domestic passenger vehicles sales are expected to increase by 6.00%-8.00% CAGR over Fiscal 2023 to Fiscal 2028. (*Source: CRISIL Report*) Further, pre-owned passenger vehicle segment is expected to grow at a CAGR of 12.00%-14.00% between

Fiscal 2023 and Fiscal 2028 and reach 8.3-8.8 million vehicle sales by Fiscal 2028. (Source: CRISIL Report) Over mid to long-term, moderate macroeconomic growth, increasing disposable income, modest increase in the cost of vehicle acquisition are likely to drive demand for passenger vehicles. Other factors that would aid demand are increasing urbanization, government support to farm incomes. (Source: CRISIL Report)

We intend to capitalise on the increasing demand for new and pre-owned passenger vehicles by adding new showrooms, sales outlets and booking offices and authorised service centres to our existing network of 30 showrooms, 84 sales outlets and booking offices, 29 pre-owned showrooms and outlets and 85 authorised service centres for passenger vehicles as of December 31, 2023 and partnering with well-known OEMs. Our expansion plans are evaluated on the basis of factors unique to that opportunity such as expected investment and financial returns, location, concentration of the same brands in the area and the catchment area served.

Going forward, dealership additions are expected to be in sync with the economic growth as well as estimated growth in passenger vehicle sales. New entrants are expected to continue their network expansion, especially in tier 2/ tier 3 cities. (Source: CRISIL Report) Demand for vehicles is expected to increase in the rural areas on the back of a rise in finance penetration in the long term, as banks and NBFCs continue to focus on semi-rural and rural areas and improvements in rural infrastructure which is likely to bolster rural incomes. (Source: CRISIL Report) Given our early-mover advantage in catering to the semi-urban and rural areas through our significant network of sales outlets and booking offices, we believe we are well placed to take advantage of the expected growth in this sector. We intend to continue to increase our penetration in these areas by the addition of newer showrooms and sales outlets and booking offices. Further, we intend to expand our Maruti Suzuki business in Karnataka starting with Bangalore.

We also monitor trends in customer preferences and adapt to changing preferences by managing our inventory and diversifying our portfolio. For instance, we anticipated the increasing demand for premium and luxury vehicles in the markets that we operate, and added vehicles manufactured by Maruti Suzuki under the 'Nexa' brand to our portfolio in 2015 and vehicles manufactured by Honda and JLR. We intend to continue to increase our presence and offerings in these segments by expanding our existing dealerships as well as setting up new dealerships for our existing OEMs in the relevant segments.

We intend to continue to strategically diversify our portfolio, and will thus, continue to evaluate prospects of introducing additional brands to our existing portfolio to meet changing customer preferences.

Grow through strategic acquisitions

We believe that attractive expansion opportunities exist for well-capitalized dealership groups with experience in identifying, acquiring and integrating dealerships. As of December 31, 2023, our network comprised of 30 showrooms and 84 sales outlets and booking offices for new passenger vehicles, 21 showrooms and 44 sales outlets and booking offices for commercial vehicles, 85 authorised service centres for passenger vehicles, 44 authorised service centres for commercial vehicles and 32 showrooms and sales outlets and booking offices for pre-owned passenger vehicles through which we seek to offer an optimal mix of our products and services within our key markets.

We generally seek to acquire dealerships with high-growth automobile brands which may or may not be part of our existing portfolio in highly concentrated or growing demographic areas that will benefit from our management expertise, manufacturer relations and scale of operations, as well as smaller, single location dealerships that can be effectively integrated into our existing operations. We have made strategic acquisitions, considering the consequent geographic and dealership addition to our business operations and continue to look for opportunities for inorganic growth through strategic acquisitions and undertake the same for continued growth. We have in the past achieved inorganic growth through strategic acquisitions. For instance, we acquired 11 service centres and 2 showrooms from a dealer for Maruti Suzuki in Kerala in 2021. Additionally, we acquired 8 showrooms, 17 service centres and 3 sales outlets and booking offices for BharatBenz in Tamil Nadu and Maharashtra. Our Subsidiary, PADL, has also executed a term sheet dated January 16, 2024 to invest in an automotive aggregator.

Invest in technology and increase our digital presence

The internet is primarily influencing the choices of customers with respect to new and pre-owned vehicle purchase decisions. The internet is generating better-informed customers and improving the efficiency of the sales process. (Source: CRISIL Report) We intend on enhancing our digital and online presence, by investing in technology, to make it more user friendly and informative about the products and services offered by us, latest launches by our OEM partners, discounts, features and related information etc.

Using our proprietary software, our website, www.popularmaruti.com, and the websites of our OEMs including, www.marutisuzuki.com, www.hondacarindia.com and www.tatamotors.com, we intend to create awareness among the internet users about the various new and pre-owned vehicle models available in our inventory to be able to make subsequent purchases from us. Customers will also be able to track their vehicle maintenance schedules and reach out to us for any complaints or queries. We have also entered into lead referral agreements with online portals to lead customer inquiries to our website. We also intend to employ specially trained internet sales personnel at our dealerships to respond to customer inquiries online.

This, we believe, will help customers make more informed decisions, enhance our brand recall with customers and encourage them to make a purchase from us, enabling us to expand our network of customers. As of January 24, 2024, we had 0.23 million followers on Facebook, and 0.02 million followers on Instagram.

OUR BUSINESS OPERATIONS

Our key automobile dealership segments operated by us under our Company and our Subsidiaries, are as follows:

I. Passenger Vehicle Dealerships

Our Company operates passenger vehicle dealership of Maruti Suzuki and our Subsidiaries, VMPL and PAWL, operate passenger vehicle dealerships of Honda and JLR, respectively.

As of December 31, 2023, our passenger vehicle dealership network was spread across 14 districts in Kerala, 2 districts in Tamil Nadu and 2 districts in Karnataka. As of December 31, 2023, our network comprised of 30 showrooms and 84 sales outlets and booking offices for new passenger vehicles, 85 authorised service centres and 30 dedicated showrooms and sales outlets and booking offices for pre-owned passenger vehicles. The break-up of our sales and services network as of December 31, 2023 is set out below:

OEMs	Showrooms	Sales outlets and Booking offices	Authorised service centres	Showrooms and outlets for pre-owned vehicles
Maruti Suzuki	20	81	74	29
Honda	8	3	8	-
JLR	2	-	3	1
Total	30	84	85	30

We offer a wide spectrum of passenger vehicles (covering economy vehicles, premium vehicles, and luxury vehicles), internal combustion engine (“ICE”) vehicles and electric vehicles, manufactured by Maruti Suzuki, Honda and JLR. We believe our brand mix is well-suited to the customer demand in the markets that we serve.

In respect of the sale of passenger vehicles, our range of offerings under the Maruti Suzuki, Honda and JLR dealerships along with the number of units sold during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Passenger vehicle segment	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of units sold				
Maruti Suzuki				
Mini	2,432	7,382	7,257	7,664
Compact	9,440	17,014	13,180	13,153
Mid-Size	50	183	239	263
Utility vehicles	2,870	5,249	4,134	3,621
Vans	613	1,120	1,332	1,422
Total (A)	15,405	30,948	26,142	26,123
Honda				
B segment				
B+ segment	2	169	418	268
LC segment	562	1,060	1,163	1,169
UC segment	264	1,304	1,270	755
Mid sport utility vehicles	-	62	88	122
Sport utility vehicles	106	-	-	-
Multi utility vehicles				
Total (B)	934	2,595	2,939	2,314
JLR				
Luxury vehicles	137	138	148	164
Total (C)	137	138	148	164
Total (A)+(B)+(C)	16,476	33,681	29,229	28,601
Revenue from sale of new passenger vehicles (₹ in million)	12,146.19	21,072.67	16,368.65	14,790.84
EBITDA Margin from sale of new passenger vehicles	330.30	455.21	346.37	373.14

In respect of the services and repairs vertical for passenger vehicles, the number of services and repairs delivered during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Services and Repairs	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of services and repairs delivered	419,729	791,360	611,639	549,023
Revenue from services and repairs (in ₹ million)	3,012.25	5,716.13	4,405.00	3,651.64

Services and Repairs	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
EBITDA Margin*	595.92	1,222.19	920.57	862.54

* EBITDA = Profit before tax, Depreciation and Amortisation and Finance Cost. EBITDA Margin is % of EBITDA to Total Revenue

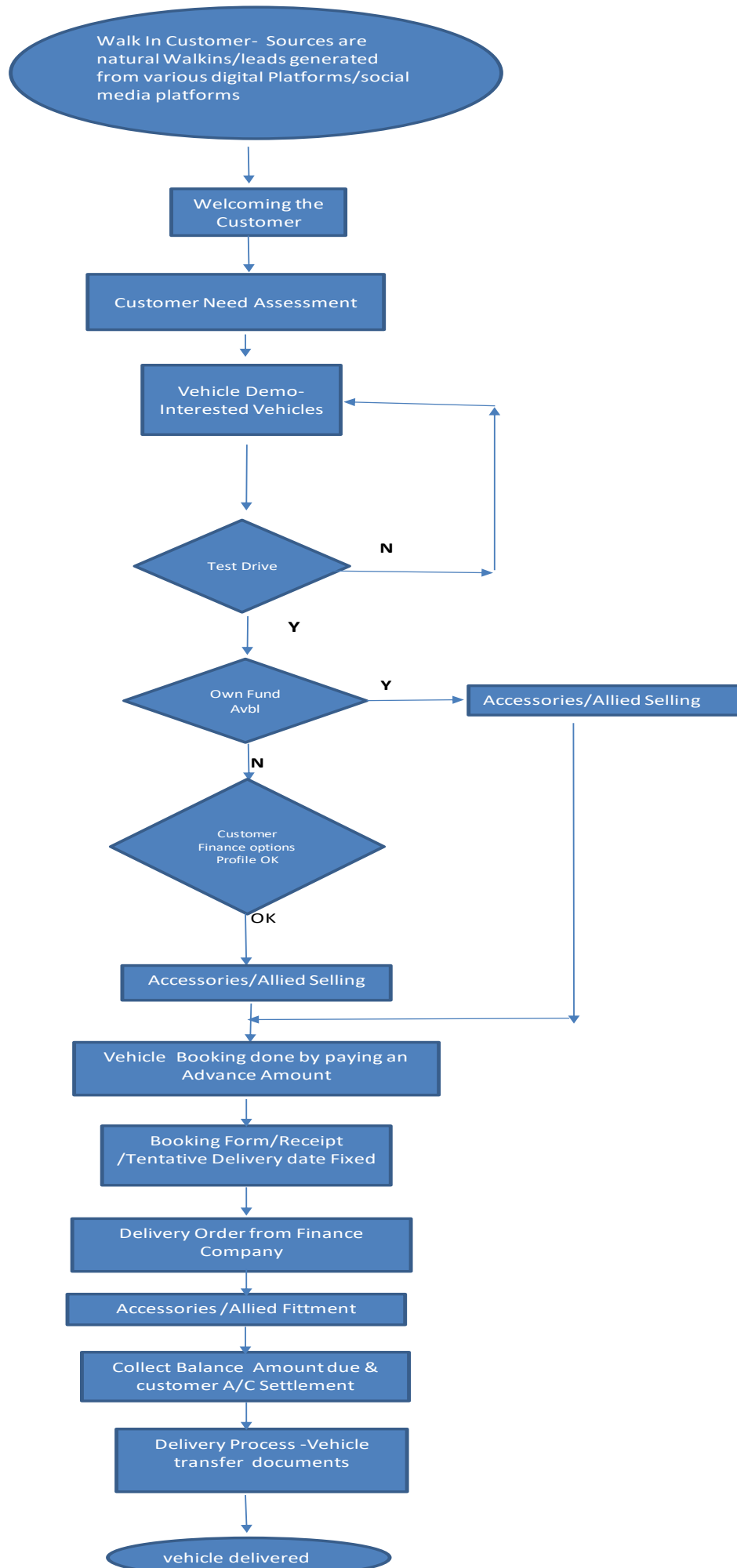
In respect of the sale of pre-owned passenger vehicles, the number of units sold during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Pre-owned vehicles	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of units sold	5,510	11,674	10,573	10,098
Revenue (in ₹ million)	1,842.93	3,551.99	2,798.96	2,471.50

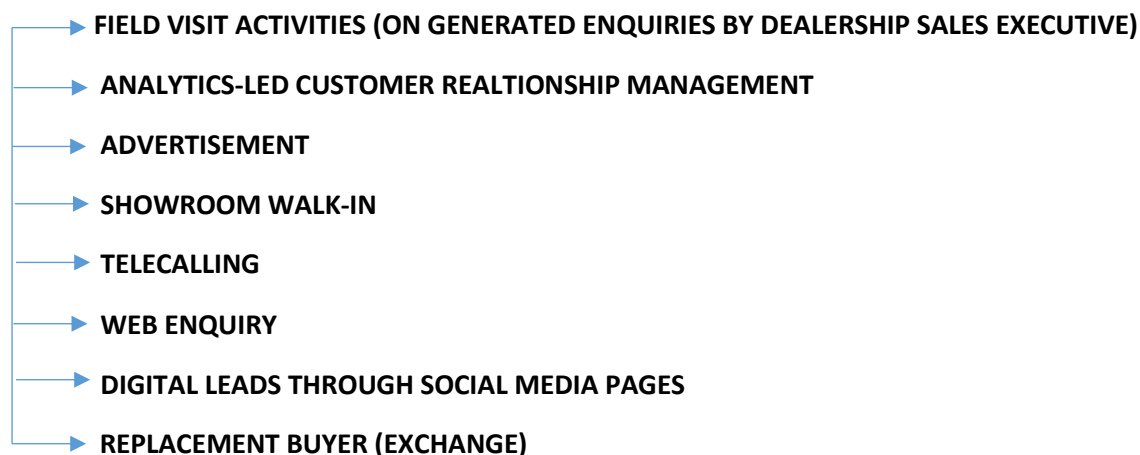
With respect to the facilitation of sale of third-party financial and insurance products in relation to passenger vehicles, the number of units in respect of which we have facilitated sale of financial products during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Other Operating Revenue	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of passenger vehicles insured	140,013	265,968	219,298	225,951
No. of passenger vehicles financed	9,078	22,355	16,503	17,591
Revenue (in ₹ million)	323.82	588.68	450.21	444.51

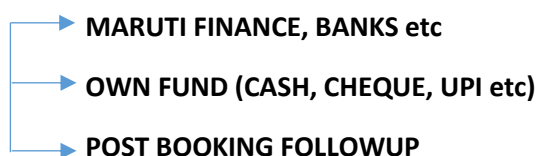
Our pre-owned car sales include retail sales and wholesales. During the six months ended September 30, 2023, 78.20% of our pre-owned car sales was retail sales directly to customers and 21.80% was wholesales to other dealers/broker channels. The following chart shows the process of sales of our vehicles and sale of pre-owned vehicles:



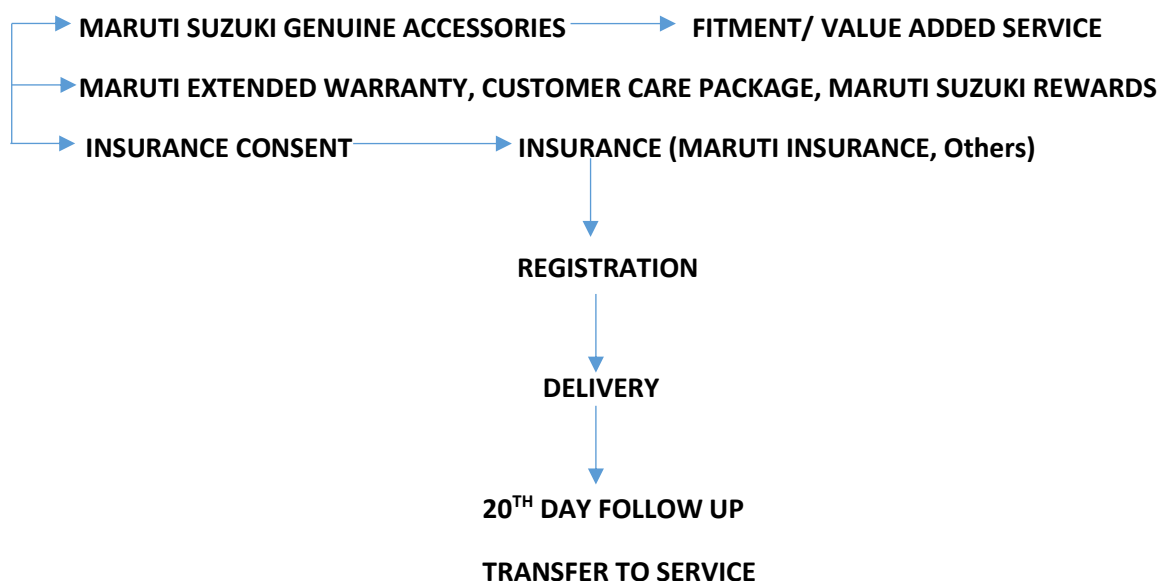
ENQUIRY



BOOKING



RETAIL



Maruti Suzuki Dealership

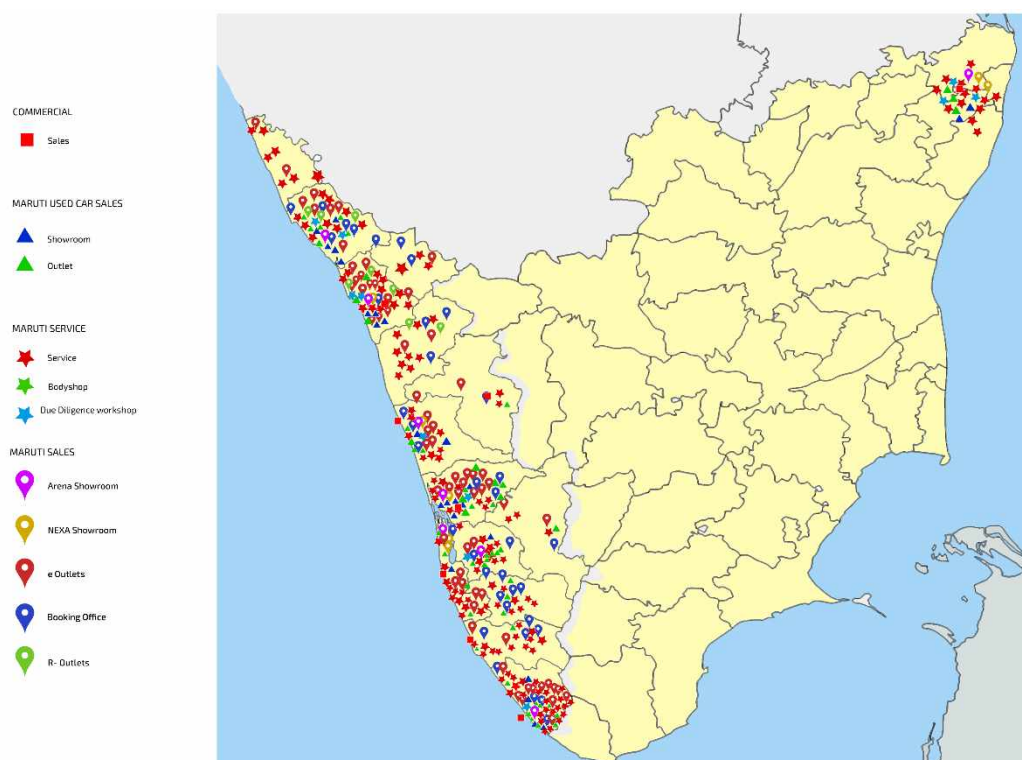
The first dealership in Kerala for Maruti Suzuki vehicles was awarded to our Company in 1984. We operate our Maruti Suzuki dealership under the “Popular” brand and sell new passenger vehicles manufactured by Maruti Suzuki through our network of ‘Arena’ and ‘Nexa’ dealerships, in various districts of Kerala and Tamil Nadu. We also facilitate the sale of pre-owned vehicles under the ‘Maruti True Value’ brand and provide servicing and repairs for vehicles manufactured by Maruti Suzuki. We also operate 7 driving schools under the ‘Maruti Driving School’ brand in Kerala.

Our Company has entered into two dealership agreements with Maruti Suzuki dated August 5, 2021 (“**Nexa Agreement**”) and January 1, 2022 (“**Arena Agreement**”), collectively with Nexa Agreement, the “**Maruti Dealership Agreements**”), respectively. The Nexa Agreement is valid for a term of three years from April 1, 2021 and is renewable for a successive term of three years with the mutual consent of both parties. The Arena Agreement is valid for a term of three years from January 1, 2022 and is renewable for successive terms of three years with the mutual consent of both parties. Pursuant to the Maruti Dealership Agreements, we have been appointed as authorised dealers of Maruti Suzuki passenger vehicles, on a non-exclusive and non-transferable basis, to sell passenger vehicles,

spare parts and accessories of the passenger vehicles and provide services and repairs for the passenger vehicles manufactured by Maruti Suzuki in various districts of Kerala and in Chennai of Tamil Nadu. Maruti Suzuki has also granted a non-exclusive, non-assignable and personal right to our Company to use their name and marks for the purpose of or in connection with the identification, advertising, promotion, sale, supply or servicing of passenger vehicles of Maruti Suzuki during the currency of the agreement. The Maruti Dealership Agreements may be terminated by Maruti Suzuki without cause by providing a notice of 90 days. Further, Maruti Suzuki also has the right to terminate the Maruti Dealership Agreements on account of breach of the terms of the agreement by us or, *inter alia*, upon us becoming bankrupt or committing fraud in connection with the agreements. Pursuant to the terms of the agreements, we are required to ensure that our dealerships comply with the specified operational procedures, our technicians are trained as per Maruti Suzuki's requirements and also comply with restrictions relating to inventory levels, working capital levels, marketing and branding, among other things. For details of how our OEMs can influence our operations, see *"Risk Factors – We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company's consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships."* on page 27.

We are also required to ensure that our facilities, including the showrooms, authorised service centres and sales outlets and booking offices, meet the specifications prescribed by the OEMs. Further, expansion of our dealership to new locations would be subject to the consent and sole discretion of Maruti Suzuki. Similarly, entering into agreements with new OEMs would require the prior consent of Maruti Suzuki. For further details in relation to restrictions imposed on us in this regard, see *"Risk Factors – We may fail to successfully implement our growth strategy, which includes acquiring existing dealerships, diversifying our portfolio and penetrating deeper into existing geographic locations which may adversely affect our financial condition and results of operations."* on page 34.

The map below sets out details of the presence of our Company in Kerala and Tamil Nadu, as of December 31, 2023.



Sale of new passenger vehicles

We are the seventh largest passenger vehicles dealership for Maruti Suzuki, in terms of sales by volume, in India, in Fiscal 2023. During the six months ended September 30, 2023, we sold 15,405 new passenger vehicles of Maruti Suzuki. Our Maruti Suzuki dealership contributed towards the sale of 93.50%, 91.89%, 89.44% and 91.34% of the total number of passenger vehicles sold by us in the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021, respectively.

Our 'Arena' showrooms sell Alto K10, Spresso, Celerio, Wagon R, Eeco, Swift, Dzire, Ertiga and Brezza models of passenger vehicles and our 'Nexa' showrooms sell the Baleno, Ciaz, XL6, Ignis, Grand Vitara, Jimny, Fronx and Invicto models of passenger vehicles.

We purchase our new vehicle inventory directly from Maruti Suzuki. We place orders fortnightly with Maruti Suzuki for passenger vehicles based on our internal assessment of customer demand., Maruti Suzuki generally allocates new

vehicles to us based on availability, monthly sales level market area demand and our order forecast. Accordingly, we rely on Maruti Suzuki to provide us with vehicles that meet consumer demand at dealership locations, in appropriate quantities and prices. However, if certain models of vehicles, or vehicles with certain option configurations are in short supply, we attempt to exchange these vehicles among our own showrooms to accommodate customer demand and to balance inventory. We receive monetary incentives from Maruti Suzuki for meeting certain targets set by Maruti Suzuki for sale of specific models of vehicles.

Services and Repairs

We were ranked number one, on a national level, in terms of volume of services, for Maruti Suzuki (Arena and Nexa) in Fiscal 2023. Our Company was ranked the 'All India Second Highest Paid Service Load' for Fiscal 2023 among Maruti Suzuki dealerships. Services and repairs at our Maruti Suzuki dealerships accounted for 13.62% of our total passenger vehicle dealership revenue and 41.46% of our passenger vehicle dealership EBITDA, during the six months ended during the six months ended September 30, 2023. Our maintenance and repair services under our dealerships include warranty work, customer paid work, running repair and collision repair services.

New passenger vehicles sold by Maruti Suzuki are covered under manufacturer warranty for a period of two years or 40,000 kilometres, whichever is met earlier. We also sell extended warranty contracts to customers which will cover periods of up to one year or 60,000 kilometres, two years or 80,000 kilometres and three years or 100,000 kilometres, whichever is met earlier. We also offer periodic maintenance packages and road-side assistance in case of emergencies.

We strive to make each customer making a purchase from our showrooms or sales outlets and booking offices also a customer of our services and repairs offering. Our dealerships keep detailed records of our customers' maintenance and service histories, and promptly follow up with customers when vehicles are due for periodic maintenance or service. Several of our authorised service centres have extended evening and weekend service hours and also offer vehicle pick up and drop services for the convenience of our customers. We also offer express repair services such as paint-less dent removal, plastic repair, headlight reconditioning and quick body repair service at most of our facilities in order to offer our customers the convenience of one-stop shopping for all of their automobile requirements. We also provide 24 hour break down/ accident assistance to our customers.

As of December 31, 2023, we had 64 body shops across Kerala and Tamil Nadu, where we provide collision repair services which included services covered under vehicle insurance claims as well as cash payments made by customers. Our Company was ranked 'All India Highest in the Bodyshop Load' for Fiscal 2023 for Maruti Suzuki.

Pre-owned Vehicle Sales

We operated 29 showrooms and outlets under the 'Maruti True Value' brand as of December 31, 2023. During the six months ended September 30, 2023, we sold 5,151 pre-owned vehicles through our 'Maruti True Value' showrooms, which generated 9.36% of the passenger vehicle dealership revenue of our Company and 4.47% of the passenger vehicle dealership EBITDA of our Company.

We acquire pre-owned vehicles of all manufacturers by way of trade-ins from customers in connection with their purchase of a new vehicle from us, as well as from the open market including vehicle auction brokers, online portals and other dealers. To improve customer confidence in our pre-owned vehicle inventory, certain pre-owned vehicles sold by us, which meet certain specified criteria are certified by Maruti Suzuki under its pre-owned car certification programme, 'Maruti True Value'. If certified, the pre-owned vehicle owner is typically provided benefits and warranties similar to those offered to customers purchasing new Maruti Suzuki vehicles.

Vehicle Finance and Insurance Sales

Facilitating sale of third-party financial products including insurance policies and vehicle finance through our Maruti Suzuki dealerships represented 1.63% of the passenger vehicle dealership revenue of our Company, during the six months ended September 30, 2023. Our dealerships are also equipped to arrange third-party financing and insurance coverage in connection with purchase of new vehicles at our customers' option. Further, our authorised service centres also facilitate renewal of insurance for our customers. During the six months ended September 30, 2023, as part of our after sales services, we have facilitated the sale of 14,530 new insurance policies and renewal of 110,795 insurance policies, aggregating to a gross premium of ₹1,057.66 million. Further, during the six months ended September 30, 2023, we have also facilitated financial assistance aggregating to ₹5,533.21 million to our vehicle customers, through our Maruti Suzuki dealerships. Third-party financing and insurance options offered by us are based on a list of lenders and insurers empanelled by Maruti Suzuki which is uniform for all Maruti Suzuki dealerships. We typically receive a portion of the cost of financing paid/ sum assured by the customer for each transaction as a fee from such empanelled finance/ insurance companies.

Honda Dealership

As of March 31, 2023, we were amongst the top six passenger vehicles dealership for Honda, in terms of sales by volume, in India. We commenced our dealership with Honda in the year 2008 through our Subsidiary, VMPL, under the 'Vision' brand in Kerala. As of December 31, 2023, we operated 8 showrooms, 3 sales outlets and booking offices

and 8 authorised service centres in Kerala. As of September 30, 2023, we sold 32.82% of all passenger vehicles sold by Honda in Kerala.

Through our Honda dealership, we sell and service a wide range of automobiles in Kerala. We deal in various models of vehicles, ranging from economy vehicles to premium vehicles. The Honda pre-owned vehicles are sold through specified locations by the Company under the “Auto Terrace” brand.

Our Subsidiary, VMPL, has entered into a dealership agreement with Honda dated July 19, 2023 (“**Honda Dealership Agreement**”). Pursuant to the terms of the Honda Dealership Agreement, VMPL has been authorised as a dealer on a non-exclusive and non-transferable basis, to sell and service passenger vehicles manufactured by Honda in identified and pre-approved locations of Kerala. The Honda Dealership Agreement is valid for a term of nine months from July 1, 2023 and is renewable for a period of six months with the mutual consent of both parties. In accordance with the Honda Dealership Agreement, VMPL’s sales office, showroom, workshop, spare parts and accessories shop and parking facilities are required to be located at one contiguous piece of land in the same location. Any splitting of the facility will require a prior consent to be obtained from Honda. Further, any expansion of VMPL’s business activities in terms of setting up new branches, extended outlets, relocation of existing facilities or setting up sub-operations in other locations engaging in the business of *inter alia*, procuring, advancing and/or selling the competing products of any other suppliers or entering into agreements with new OEMs, will require prior consent from Honda. Under the Honda Dealership Agreement, VMPL is required to adhere to the corporate identity norms and operating standards prescribed by Honda from time to time for usage of Honda’s corporate logo types, trademarks, combination marks and signages. The Honda Dealership Agreement also covers business processes, operational standards and procedures that VMPL is required to comply with, for enhancing operational efficiency and ensuring desired customer experience. Additionally, VMPL is also required to furnish a bank guarantee to Honda which needs to remain valid for the duration of the agreement. As per the terms of the Honda Dealership Agreement, Honda may terminate the agreement without prior notice on the occurrence of any exceptional event or breach of terms of the Honda Dealership Agreement including, *inter alia*, upon VMPL becoming bankrupt or undergoing a change in control or ownership without the prior consent from Honda or undertaking actions which could bring disrepute to the name of Honda. For details of how our OEMs can influence our operations, see “*Risk Factors – We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company’s consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.*” on page 27.

In addition to the above, VMPL can also deal in used cars in the name and style of “Auto Terrace”, under the Honda Dealership Agreement. Sale of vehicles for use as taxis, car rentals or as a reward in any competition is subject to the prior consent of the OEMs. We are also required to ensure that our facilities, namely, the showrooms, authorised service centres, sales office etc. meet the specifications prescribed by the OEM.

The map below sets out details of our showrooms, sales outlets and booking offices and authorised service centres across Kerala as of December 31, 2023:



Sale of new passenger vehicles

As of September 30, 2023, we sold 934 new passenger vehicles through our Honda dealership. We were within the top six with respect to our dealership with Honda in terms of sales by volume, across India as of March 31, 2023. Our Honda dealership contributed towards the sale of 5.67%, 7.70%, 10.06%, and 8.09% of the total number of passenger vehicles sold by us in the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively.

We purchase our new vehicle inventory and in certain cases, the spare parts and accessories inventory, directly from Honda. However, if certain models of vehicles, or vehicles with certain option configurations, are in short supply, we attempt to exchange such vehicles with other showrooms within our dealership of Honda and also among our own showrooms, to accommodate customer demand. New vehicles and parts are sold by us at prices decided by us provided that the prices are not above the maximum sale price issued to us by Honda.

Service and Repairs

We were ranked the number one dealership in terms of volume of services handled in Kerala for Honda and we were also the sixth largest dealer for Honda in terms of sales by volume handled as of March 31, 2023. Service and repairs at our Honda dealership accounted for 33.67% of our Honda dealership revenue and 111.38% of our Honda dealership EBITDA margin during the six months ended September 30, 2023. New passenger vehicles sold by us through our Honda dealership are covered under manufacturer warranty for a period typically ranging from two to three years or in certain cases, based on kilometres. We generate services and repair revenue in connection with warranty as well as non-warranty work performed at each of our authorised service centres. We also offer roadside assistance in case of emergencies and periodic maintenance packages.

Our dealership keeps detailed records of our customers' maintenance and service histories, and promptly follow up with customers when vehicles are due for periodic maintenance or service. Many of our authorised service centres have extended evening and weekend service hours and also offer vehicle pick up and drop services for the convenience of our customers. We also offer express repair services such as paint-less dent repair, headlight reconditioning and

quick body repair service at 8 of our facilities in order to offer our customers the convenience of one-stop shopping for all of their automobile requirements.

Pre-Owned Vehicle Sales

We deal in pre-owned passenger vehicles under various brands through our existing Honda showrooms. We believe that this business helps in promoting new vehicle sales through exchange of pre-owned vehicles. The Honda pre-owned vehicles are sold through specified locations by the Company under the brand name “Auto Terrace”. Further, to improve customer confidence in our pre-owned vehicle inventory, pre-owned vehicles that meet certain specified criteria are sold as certified vehicles under various programs of Honda.

Vehicle Finance and Insurance Sales

Facilitating sale of third-party financial products including insurance policies and vehicle finance through our Honda dealership represented 0.16% of the passenger vehicle dealership revenue of our Company, during the six months ended September 30, 2023. Our dealership is also equipped to arrange third-party financing and insurance coverage in connection with new vehicle purchases at our customers’ option.

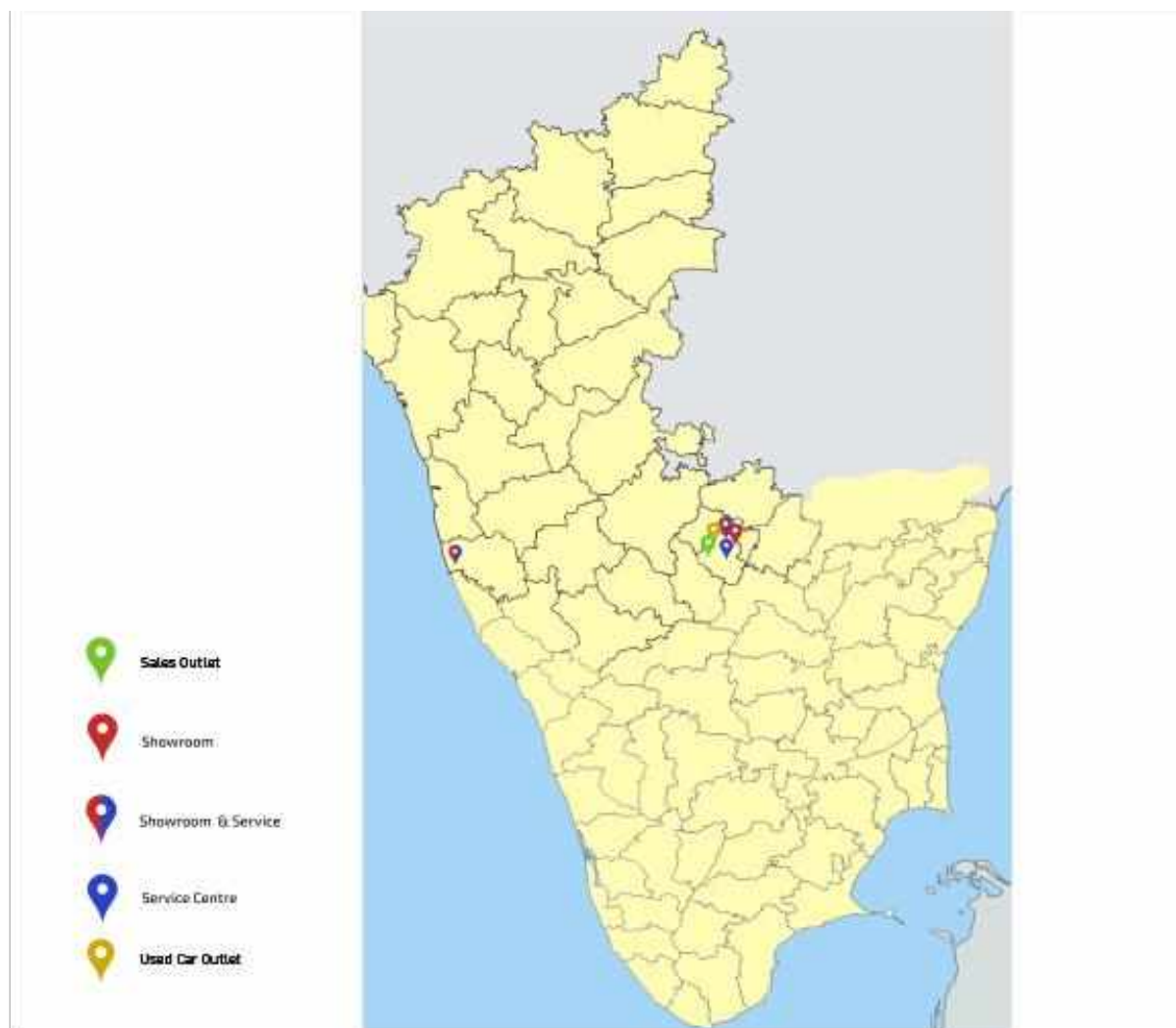
Further, our authorised service centres also facilitate renewal of insurance for our customers. As part of our after sales services, we have facilitated the sale of 813 new insurance policies and renewal of 6523 insurance policies, aggregating to a gross premium of ₹109.14 million. Additionally, we have also facilitated financial assistance aggregating ₹473.78 million to our vehicle customers during the six months ended September 30, 2023, through our Honda dealership. Third-party financing and insurance options offered by us are based on a list of lenders and insurers empanelled by Honda which is uniform for all Honda dealerships. We receive a portion of the cost of financing paid/ sum assured by the customer for each transaction as a fee from such empanelled finance/ insurance companies.

JLR Dealership

Our JLR dealership is operated by our Subsidiary, PAWL, under the ‘Marqland’ brand in Karnataka through which we sell and service new passenger vehicles in the luxury passenger vehicle sub-segment. We also deal in pre-owned passenger vehicles through our existing showrooms. We commenced our JLR dealership in 2010 in Karnataka. We operated 2 showrooms, 3 authorised service centres and 1 pre-owned vehicle outlet in Karnataka, as of December 31, 2023.

PAWL has entered into a dealership agreement with JLR dated November 30, 2017 (“**JLR Dealership Agreement**”). The JLR Dealership Agreement has been effective from November 30, 2017 and will remain valid until terminated earlier by any of the parties by giving a twelve months’ prior notice to the other party for such termination. Pursuant to the JLR Dealership Agreement, PAWL has been appointed as the authorised seller and repairer of JLR on a non-exclusive basis, to sell and service passenger vehicles manufactured by JLR in the defined market area in Karnataka. The JLR Dealership Agreement may be terminated unilaterally by JLR for breach of the terms thereof or, *inter alia*, upon PAWL failing to comply with repayment terms of its debt documentation and contravening applicable laws and regulations. The JLR Dealership Agreement covers business processes, operational standards and procedures that PAWL needs to comply with, for enhancing operational efficiency and ensuring desired customer experience at dealerships. Further, under the JLR Dealership Agreement, PAWL is subject to numerous operational requirements and restrictions relating to inventory levels, working capital levels, sales process, marketing and branding, showroom and service facilities, signage, personnel, changes in management, and monthly financial reporting, among other things. PAWL is also required to adhere to certain service and customer satisfaction levels prescribed by JLR in operating its dealerships and the failure to do so may lead to termination of the JLR Dealership Agreement. Further, outside the market area as defined in the agreement, PAWL cannot maintain additional sales or delivery outlets, solicit new customers by personalized advertising or otherwise or entrust third parties with distribution or servicing of JLR vehicles. For details of how our OEMs can influence our operations, see “*Risk Factors – We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company’s consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.*” on page 27. We are also required to ensure that our facilities, namely, the showrooms, authorised service centres, sales outlets and booking offices etc. meet the specifications prescribed by the OEM.

The map below sets out details of our showrooms, pre-owned vehicle showrooms and authorised service centres in Karnataka as of December 31, 2023:



Sale of new passenger vehicles

During the six months ended September 30, 2023, we sold 137 JLR vehicles. We were the fifth largest retailer with respect to our dealership with JLR in terms of sales by volume, across India as of March 31, 2023. Our JLR dealership contributed towards the sale of 0.83%, 0.41%, 0.51%, and 0.57% of the total number of passenger vehicles sold by us in the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021, respectively.

We purchase our new vehicle inventory and in certain cases, the spare parts and accessories inventory, directly from JLR. We place orders for vehicles on a monthly basis with JLR based on our internal assessment of customer demand (which is based on past trends). However, JLR allocates new vehicles to us based on availability, monthly sales levels and market area demand. Accordingly, we rely on JLR to provide us with vehicles that meet consumer demand at suitable locations, in appropriate quantities and prices.

Prices for all models of vehicles and related accessories are fixed by JLR. Additionally, discount schemes and other offers are announced by JLR periodically.

Service and Repairs

We were ranked third in terms of volume of services handled for JLR as of March 31, 2023. Service and repairs at our JLR dealership accounted for 12.60% of our JLR dealership revenue and 22.16% of our JLR dealership EBITDA margin during the six months ended September 30, 2023. New passenger vehicles sold by us through our JLR dealership are covered under: (i) manufacturer warranty for a period typically ranging two years or in certain cases, based on kilometres, and (ii) default manufacturer's warranty for a period of three years and unlimited kilometres. Further, our customers can extend the warranty for a period of two years and 125,000 kilometres by paying an additional amount. Our dealership keeps detailed records of our customers' maintenance and service histories, and promptly follow up with customers when vehicles are due for periodic maintenance or service. Many of our authorised service centres have extended evening and weekend service hours and also offer vehicle pick up and drop services for the convenience of our customers. We also offer express repair services such as paint-less dent repair, headlight reconditioning and quick body repair service at most of our facilities in order to offer our customers the convenience of one-stop shopping for all of their automobile requirements.

Pre-owned Vehicle Sales

We deal in pre-owned passenger vehicles through our existing showrooms. We believe that this business helps in promoting new vehicle sales through exchange of pre-owned vehicles. Further, to improve customer confidence in our pre-owned vehicle inventory, pre-owned vehicles that meet certain specified criteria are sold as certified vehicles under various programs of all vehicles.

Vehicle Finance and Insurance Sales

Facilitating sale of third-party financial products including insurance policies and vehicle finance through our JLR dealership represented 0.11% of the passenger vehicle dealership revenue of our Company during the six months ended September 30, 2023. At our customers' option, our dealership can arrange third-party financing and insurance coverage in connection with new vehicle purchases. Further, our authorised service centres also facilitate renewal of insurance for our customers.

As part of our after sales services, we have facilitated the sale of 113 new insurance policies and renewal of 196 insurance policies, aggregating to a gross premium of ₹46.13 million. We have also facilitated financial assistance aggregating ₹720.51 million to our vehicle customers during the six months ended September 30, 2023, through our JLR dealership. Third-party financing and insurance options offered by us are based on a list of lenders and insurers empanelled by JLR which is uniform for all JLR dealerships. We typically receive a portion of the cost of the financing paid/ sum assured by the customer for each transaction as a fee from such empanelled finance / insurance companies.

II. Commercial Vehicle Dealership

We operate our commercial vehicle dealership of Tata Motors (Commercial) through our Subsidiary, PMMIL, and BharatBenz through our Subsidiary, PMPL.

Our Tata Motors (Commercial) dealership network is spread across 13 showrooms, 32 sales outlets and booking offices and 27 authorised service centres for commercial vehicles in Kerala and Tamil Nadu. Our BharatBenz dealership network is spread across 8 showrooms, 12 sales outlets and booking offices and 17 authorised service centres for commercial vehicles in Maharashtra and Tamil Nadu. We also commenced sale of commercial vehicles of Maruti Suzuki in February 2019 through our showroom in Thrissur, Kerala. The break-up of our sales and services network as on December 31, 2023 is set out below:

OEM	Showrooms	Sales Outlets and Booking Offices	Authorised Service Centres
Tata Motors (Commercial)	13	32	27
BharatBenz	8	12	17
Total	21	44	44

We offer new commercial vehicles ranging from small commercial vehicles, light commercial vehicles, intermediate commercial vehicles and medium and heavy commercial vehicles manufactured by Tata Motors (Commercial) and BharatBenz. We also commenced sale of commercial vehicles of Maruti Suzuki in February 2019 through our showroom in Thrissur, Kerala.

Our total revenue from sale of commercial vehicles for the six months period ended September 30, 2023 and Fiscals 2023, 2022, and 2021 is ₹ 9,694.21 million, ₹15,745.50 million, ₹9,648.26 million and ₹7,007.32 million respectively. Our range of offerings under the Tata Motors (Commercial) dealership and BharatBenz dealership along with the number of units sold during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Commercial vehicle segment	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Tata Motors (Commercial)				
No. of units sold				
SCV Cargo and Pickups	2,441	5,718	5,097	4,275
SCV Passenger	246	303	63	32
Light Commercial Vehicles	253	637	672	522
Intermediate Commercial Vehicles	382	949	968	584
M& HCV	869	1,941	1,251	937
Buses and Vans	366	819	339	154
BharatBenz				
No. of units sold				
Intermediate Commercial Vehicles	146	63	-	-
M& HCV	588	295	-	-
Buses and Vans	59	33	-	-
Total	5,350	10,758	8,390	6,504

Commercial vehicle segment	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from sale of new commercial vehicles (in ₹ million)	8,399.32	14,237.67	8,675.14	6,155.01
EBITDA Margin from sale of new commercial vehicles (in ₹)	233.29	348.75	300.50	271.49

In respect of the services and repair vertical, the number of services delivered during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

Services and Repairs vertical	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of services delivered	103,116	163,013	109,761	97,257
Revenue from services (in ₹ million)	1,227.96	1,418.65	920.68	675.06
EBITDA Margin* (in ₹)	85.55	85.60	46.05	71.80

* EBITDA = Profit before tax, Depreciation and Amortisation and Finance Cost. EBITDA Margin is % of EBITDA to Total Revenue

With respect to the facilitation of third-party financial products for commercial vehicles, the number of units in respect of which we have facilitated sale of financial products during the six months period ended September 30, 2023 and the last three Fiscals is as set out below:

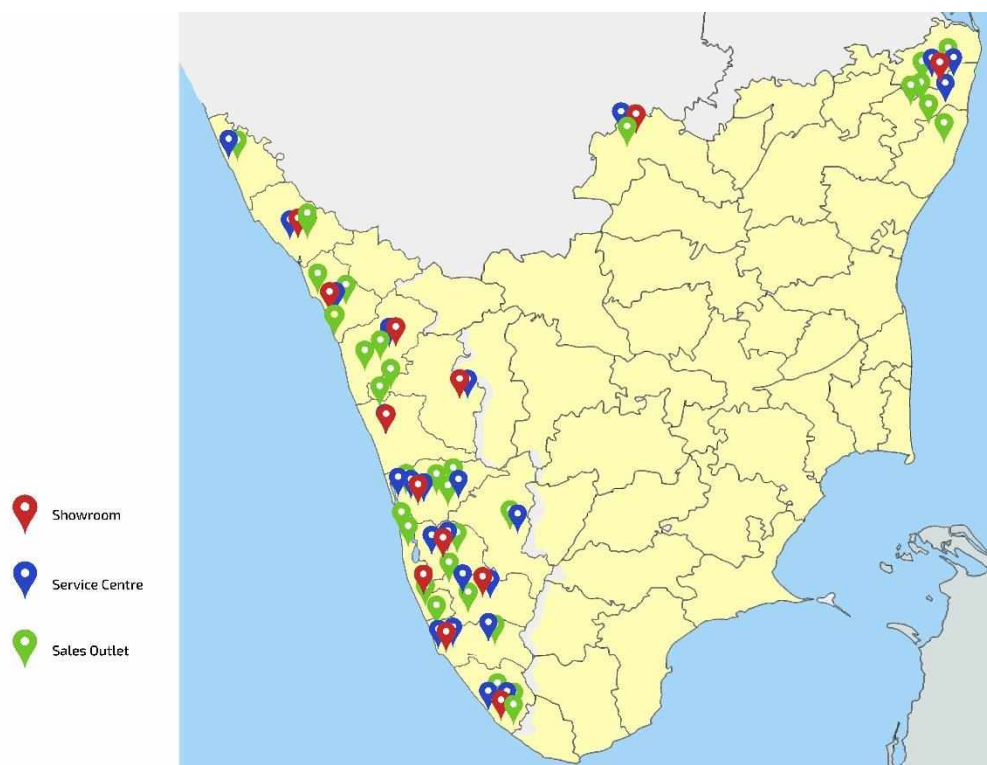
Other Operating Revenue	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
No. of commercial vehicles insured	5,943	10,039	5,429	8,302
No. of commercial vehicles financed	3,655	5,649	2,796	5,023
Revenue (in ₹ million)	30.53	21.04	16.38	11.48

Tata Motors (Commercial) Dealership

Our Tata Motors (Commercial) vehicles dealership is operated by one of our Subsidiaries, PMMIL, under the “Popular Mega Motors” brand in Kerala and Tamil Nadu. We sell a wide range of commercial vehicles manufactured by Tata Motors (Commercial) as well as operate services and repairs departments, providing a wide range of after sale services. We commenced our first Tata Motors (Commercial) dealership in 1997 in Kottayam. We operated 13 showrooms, 32 sales outlets and booking offices, and 27 authorised service centres across each of the 14 districts of Kerala and also in Chennai, Chengalpet, Dharmapuri, Krishnagiri and Thiruvallur in Tamil Nadu, as of September 30, 2023.

PMMIL has entered into dealership agreements with Tata Motors Limited pursuant to which we have been authorised as a dealer of Tata Motors (Commercial) on a non-exclusive and non-transferable basis, to sell vehicles, distribute spare parts and accessories, and provide after sales services and value added services but in a defined territory as included in the dealership agreements, in identified parts of Kerala and Tamil Nadu. PMMIL cannot deal in Tata Motors (Commercial) products outside of the territory defined in the dealership agreement without the prior written approval from Tata Motors (Commercial). Further, PMMIL is required to establish additional sales offices, showrooms, display and workshop facilities, service-centres and the spare parts and accessories distribution outlets within the territory, as per the requirements of Tata Motors (Commercial). The agreements are valid for a term of five years and are renewable with the mutual consent of both parties unless terminated earlier by either party with a notice of 90 days. The agreements may be terminated unilaterally by the OEM for breach of the terms thereof or, *inter alia*, upon us failing to comply with repayment terms of our debt documentation and for contravention of applicable laws and regulations. Pursuant to the terms of the agreement, we are subject to numerous operational requirements and restrictions relating to inventory levels, working capital levels, the sales process, marketing and branding, showroom and service facilities, signage, personnel, changes in management, and financial reporting, among other things. Further, expansion of our dealership to new locations would be subject to the consent and sole discretion of the OEM. Similarly, entering into agreements with new OEMs would require the prior consent of Tata Motors (Commercial). For details of how our OEMs can influence our operations, see “Risk Factors – We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company’s consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.” on page 27. We are required to adhere to certain service and customer satisfaction levels prescribed by the OEM in operating our dealership and the failure to do so may lead to termination of the agreement. We are also required to ensure that our facilities, namely, the showrooms, authorised service centres, sales outlets and booking office etc. meet the specifications prescribed by the OEM.

The map below sets out details of our showrooms, sales outlets and booking offices and authorised service centres in Kerala and Tamil Nadu as of December 31, 2023:



Sale of Commercial Vehicles

Our Tata Motors (Commercial) dealership offer a complete range of commercial vehicles (including small commercial vehicles, light commercial vehicles, intermediate commercial vehicles and medium and heavy commercial vehicles and electric vehicles).

We are the fourth largest commercial vehicle dealership group for Tata Motors (Commercial) in terms of sales by volume, during Fiscal 2023. During the six months ended September 30, 2023, we sold 4,557 Tata Motors (Commercial) vehicles.

We purchase our inventory directly from Tata Motors (Commercial). While we place orders with Tata Motors (Commercial) for vehicles on a monthly basis based on our internal assessment of customer demand (which is based on past trends), Tata Motors (Commercial) generally allocates new vehicles to us based on availability, monthly sales levels and market area demand.

Tata Motors (Commercial) in its absolute discretion, advises on the maximum price for all models of vehicles and related accessories sold by us. Specifically, for the spare parts and related accessories, Tata Motors (Commercial) establishes a maximum retail price on a uniform maximum retail price basis. We are restricted from selling the vehicles at a price higher than the maximum price fixed by Tata Motors (Commercial). However, we are authorised to sell vehicles at prices lower than the maximum price.

Services and Repairs

Our Company was ranked third in terms of volume of services handled for Tata Motors (Commercial). Service and repairs at our Tata Motors (Commercial) dealership accounts for 7.37% of our commercial vehicle dealership revenue and 14.10% of our commercial vehicle dealership EBITDA during the six months ended September 30, 2023. We generate service and repair revenue in connection with warranty and non-warranty work performed at each of our authorised service centres. New passenger vehicles sold by Tata Motors (Commercial) are covered under manufacturer warranty. The structure of manufacturer warranties provided by Tata Motors (Commercial) is set out in the table below:

Tata Motors (Commercial) General Warranty Structure				
Particulars	Months	Kilometres	Hours	Additional Warranty
SCV	24	72,000	-	-
PICKUP	36	300,000	-	-
ILCV	36	300,000	-	-
MCV	36	300,000	3,000	Additional 200,000 kilometres or 2000 hours of paid extended warranty
HCV	72	600,000	6,000	

Tata Motors (Commercial) General Warranty Structure				
Particulars	Months	Kilometres	Hours	Additional Warranty
Buses (LCV, ICV, M7HCV BS6)	48	400,000	-	-
Fully Built School Buses	60	500,000	-	-
Ace EV	36	125,000	-	Battery warranty of 5 years

We also offer road-side assistance in case of emergencies and periodic maintenance packages.

Vehicle Finance and Insurance Sales

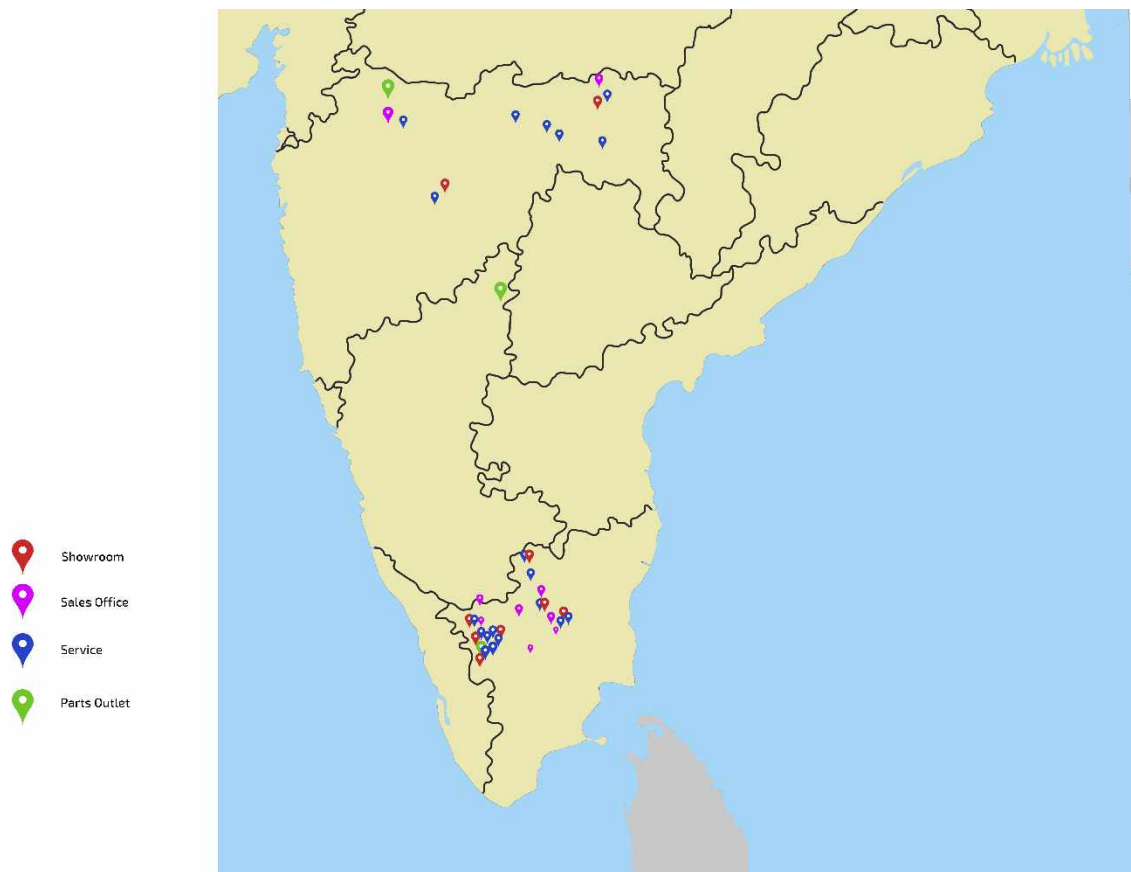
Facilitating sale of third-party financial products including insurance policies and vehicle finance through our Tata Motors (Commercial) dealership represented 0.28% of the commercial vehicle dealership revenue of our Company, during the six months ended September 30, 2023. At our customers' option, our dealership can arrange third-party financing and insurance coverage in connection with new vehicle purchases. Further, our authorised service centres also facilitate renewal of insurance for our customers. As part of our after sales services, we have facilitated the sale of 3,353 new insurance policies and renewal of 1,669 insurance policies, aggregating to a gross premium of ₹160.53 million and facilitated financial assistance aggregating ₹3,951.46 million to our vehicle customers from our empanelled lenders through our Tata Motors (Commercial) dealership during the six months ended September 30, 2023. Third-party financing and insurance options offered by us are based on a list of lenders and insurers empanelled by Tata Motors (Commercial) which is uniform for all Tata Motors (Commercial) dealership. We typically receive a portion of the cost of the financing paid/ sum assured by the customer for each transaction as a fee from the finance/ insurance companies

BharatBenz Dealership

Our BharatBenz vehicles dealership is operated by PMPL, one of our Subsidiaries, under the 'Prabal Trucking' brand in Maharashtra and Tamil Nadu. We sell a wide range of commercial vehicles manufactured by Daimler India Commercial Vehicles Private Limited ("**Daimler**") through our BharatBenz dealership the brand name 'Prabal Trucking' as well as operate services and repairs departments, providing a full range of repair services.

PMPL has entered into a dealership agreement with Daimler pursuant to which it has been appointed as the non-exclusive dealer for the sale and service of vehicles manufactured by Daimler to body manufacturers for the purposes of mounting bodies and end users of vehicles and service commercial vehicles manufactured by Daimler in identified parts of Maharashtra and Tamil Nadu. PMPL cannot sell vehicles, maintain sale branches or service stations or workshops or depots or solicit customers, or engage sub-dealers/sales agents, outlets or workshops to sell or service vehicles, without the prior consent of Daimler. The agreement is valid for an indefinite period unless terminated earlier by either party with a notice of 12 months. We are required to adhere to standards prescribed by the OEM in operating our dealership and the failure to do so may lead to termination of the agreement. We are also required to ensure that our facilities, namely, the showrooms, authorised service centres, sales office etc. meet the specifications prescribed by the OEM. For details of how our OEMs can influence our operations, see "*Risk Factors – We are subject to the significant influence of our OEMs. Our top two OEMs i.e., Maruti Suzuki and Tata Motors (commercial), account for more than 80% of our Company's consolidated revenue in the six months period ended September 30, 2023 and each of Fiscal 2023, 2022 and 2021. Such significant influence of our OEMs and restrictions imposed by them pursuant to the terms of our dealership agreements may adversely impact our business, results of operations, financial condition and prospects, including our ability to expand into new territories and acquire additional dealerships.*" on page 27.

The map below sets out details of our showrooms, sales outlets and booking offices and authorised service centres in Maharashtra and Tamil Nadu as of December 31, 2023:



Sale of commercial vehicles

We commenced our first BharatBenz dealership in 2012 in Tamil Nadu. We operated 8 showrooms, 12 sales outlets and booking offices, and 17 service centres across 9 districts in Maharashtra and 8 districts in Tamil Nadu, as of September 30, 2023. During the six months ended September 30, 2023, we sold 793 BharatBenz vehicles.

We purchase our inventory directly from Daimler. While we place orders with Daimler for vehicles on a monthly basis based on our internal assessment of customer demand (which is based on past trends), Daimler generally allocates new vehicles to us based on availability, monthly sales levels and market area demand.

Daimler advises in its absolute discretion, the maximum price for all models of vehicles and related accessories sold by us. We are restricted from selling the vehicles at a price higher than the maximum price fixed by Daimler. However, we are authorised to sell vehicles at prices lower than the maximum price.

Services and Repairs

Service and repairs at our BharatBenz dealership accounts for 5.29% of our commercial vehicle dealership revenue and 9.62% of our commercial vehicle dealership EBITDA, during the six months ended September 30, 2023. We generate service and repair revenue in connection with warranty and non-warranty work performed at each of our service centres. We also sell extended warranty contracts to customers which will cover periods of up to 8 Years/ 8 lakh km for HDT-R/TT, 6 Years/ 12000 hours for HDT-C and 6 Years unlimited km for MDT-R, whichever is met earlier. We also offer road-side assistance in case of emergencies and periodic maintenance packages.

Vehicle Finance and Insurance Sales

Facilitating sale of third-party financial products including insurance policies and vehicle finance through our BharatBenz dealership represented 0.04% of the commercial vehicle dealership revenue of our Company, during the six months ended September 30, 2023. As part of our after sales services, we have facilitated the sale of 366 new insurance policies and renewal of 555 insurance policies, aggregating to a gross premium of ₹13.19 million.

III. Electric Two-wheeler and Three-wheeler Vehicles Dealership

We operate our electric two-wheeler vehicle dealership of Ather through KCPL, one of our Subsidiaries, and electric three-wheeler vehicle dealership of Piaggio through KGPL, one of our Subsidiaries.

Our Ather dealership network is spread across 3 showrooms, 5 sales outlets and booking offices and 3 authorised service centres for electric two-wheeler vehicles in Kerala and Tamil Nadu. Our Piaggio dealership network is spread across 7 showrooms, and 7 authorised service centres for electric three-wheeler vehicles in Kerala. The break-up of our sales and services network as on December 31, 2023 is set out below:

OEM	Showrooms	Sales Outlets and Booking Offices	Authorised Service Centres
Ather	3	5	3
Piaggio	7	-	7
Total	10	5	10

Our total revenue of the electric two-wheeler and three-wheeler vehicles for the six months period ended September 30, 2023 and Fiscals 2023, 2022, is ₹ 450.82 million, ₹559.72 million and ₹50.78 million respectively.

In respect of the electric two-wheeler and three-wheeler vehicles, our range of offerings under the Ather and Piaggio dealerships along with the number of units sold during the six months ended September 30, 2023 and the last two Fiscals is as set out below:

Commercial vehicle segment	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022
Ather			
No. of units sold			
Electric two-wheeler passenger vehicles	1,771	2,886	163
Piaggio			
No. of units sold			
Electric three-wheeler commercial vehicles	396	495	89
Total	2,167	3,381	252
Revenue from sale of new electric two-wheeler and three-wheeler vehicles (₹ in million)	436.99	552.76	50.78
EBITDA Margin from sale of new electric two-wheeler and three-wheeler vehicles (in ₹)	7.97	7.92	(4.96)

Our total revenue from the sale of electric two-wheeler and three-wheeler vehicles for the six months period ended September 30, 2023 and Fiscals 2023 and 2022, is ₹ 450.82 million, ₹559.72 million and ₹50.78 million respectively. In respect of the services and repair vertical, the number of services delivered as of September 30, 2023, is as set out below:

Services and Repairs vertical	Six months period ended September 30, 2023
No. of services delivered	5,001
Revenue from services (₹ in million)	13.83
EBITDA Margin* (in ₹)	(1.57)

* EBITDA = Profit before tax, Depreciation and Amortisation and Finance Cost. EBITDA Margin is % of EBITDA to Total Revenue

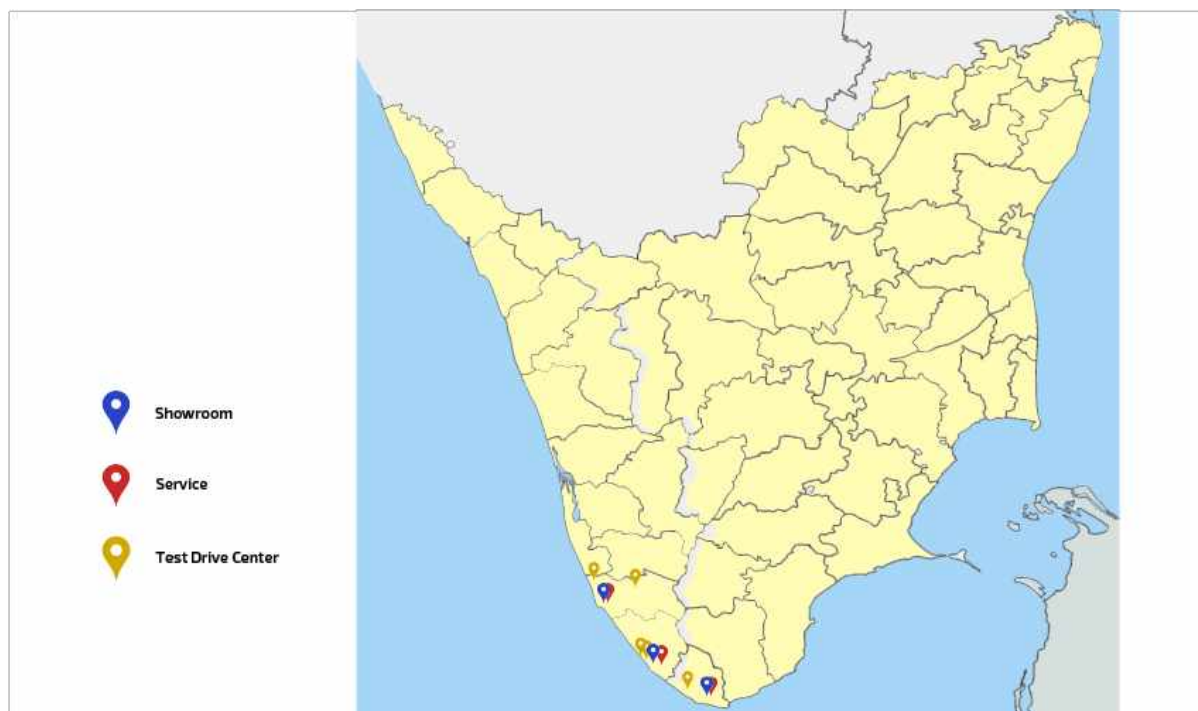
Ather Dealership

Our Ather electric two-wheeler vehicles dealership is operated by KCPL, one of our Subsidiaries, under the “Ecomarq” brand in Kerala and Tamil Nadu. We sell a wide range of electric two-wheeler vehicles manufactured by Ather as well as operate services and repairs department, providing a full range of services.

KCPL has entered into a dealership agreement with Ather pursuant to which it has been appointed as the authorised selling partner for marketing, sale and service of the electric two-wheeler vehicles manufactured by Ather and providing services in the territory from the location ascribed under the dealership agreement, in identified parts of Kerala and Tamil Nadu, on a non-exclusive basis. KCPL is required to provide a security deposit to Ather under the dealership agreement. Further, KCPL is required to run, operate and manage the premises for the sale and service of the electric two-wheeler vehicles from its principal place of business. KCPL cannot change the location of the premises or appoint any other person as its agent/ sub-retail partner, without prior written authorization from Ather. Additionally, Ather has granted permission to KCPL to use Ather’s trademarks and corporate logo as they appear on the actual product or product packaging of Ather during the term of the dealership agreement. The agreement shall remain valid from the date of execution, until (i) KCPL terminating the agreement any time after 3 years with 6 months written notice to Ather or (ii) Ather terminating the agreement without cause by giving 60 days prior notice to KCPL. . The agreements may be terminated unilaterally by the OEM for breach of the terms thereof or, *inter alia*, upon us failing to comply with our obligations under the agreement.

We commenced our Ather dealership in Fiscal 2022 in Kerala. We operated 3 showrooms, 5 sales outlets and booking offices, and 3 authorised service centres across 2 districts in Kerala and 1 district in Tamil Nadu as of December 31, 2023.

The map below sets out details of our showrooms, sales outlets and booking offices and service centres in Kerala and Tamil Nadu as of December 31, 2023:



Sale of electric two-wheeler vehicles

Our Ather dealership offers a complete range of electric two-wheeler passenger vehicles.

We purchase our inventory directly from Ather. While we place orders with Ather for electric two-wheeler vehicles on a monthly basis based on our internal assessment of customer demand (which is based on past trends), Ather generally allocates new electric two-wheeler vehicles to us based on availability, monthly sales levels and market area demand.

Services and Repairs

We commenced the services and repair vertical in 2023. Service and repairs at our Ather dealership accounted for 3.65% of our electric two-wheeler vehicle dealership revenue during the six months ended September 30, 2023.

Vehicle Finance and Insurance Sales

Facilitating sale of third-party financial products including insurance policies and vehicle finance through our Ather dealership represented 0.93% of the electric two-wheeler and three-wheeler vehicle dealership revenue of our Company during the six months ended September 30, 2023. As part of our after sales services, we have facilitated the sale of 1,720 new insurance policies, aggregating to a gross premium of ₹5.08 million and facilitated financial assistance aggregating ₹107.23 million to our vehicle customers from our empanelled lenders through our Ather dealership during the six months ended September 30, 2023.

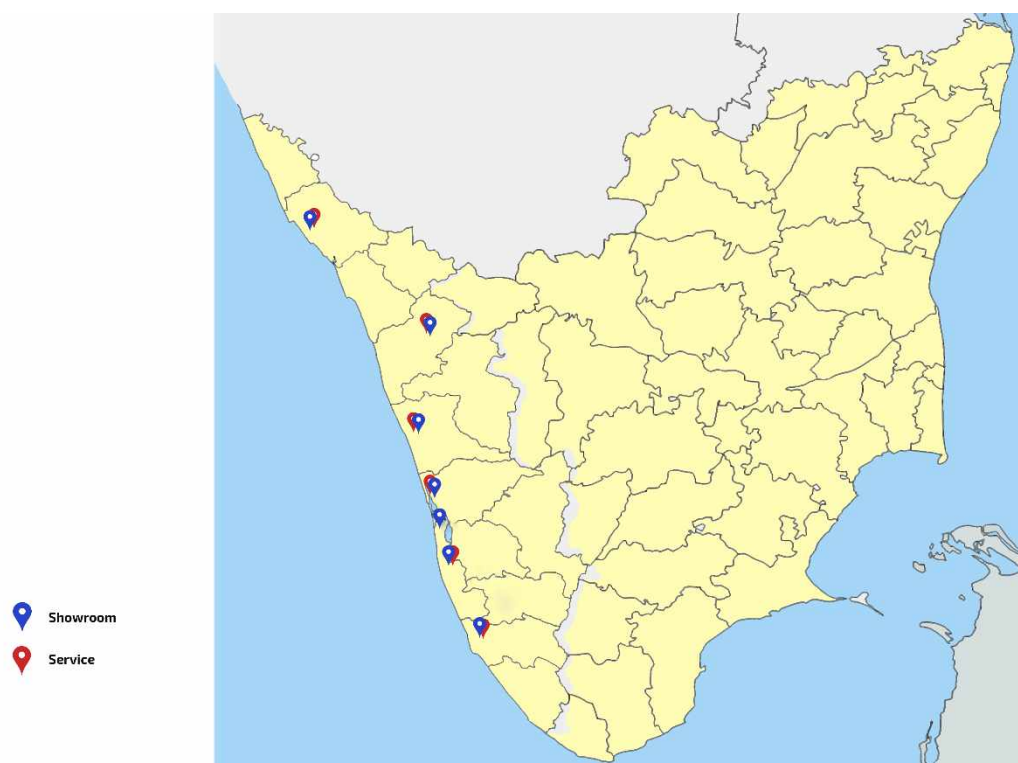
Piaggio Dealership

Our Piaggio electric three-wheeler vehicle dealership is operated by KGPL, one of our Subsidiaries, under the “Ecomarq” brand in Kerala. We sell a range of electric three-wheeler commercial vehicles, including passenger and cargo vehicles, as well as operate services and repairs department, providing a full range of services including distribution of spare parts, merchandise and accessories.

KGPL has entered into a dealership agreement with Piaggio pursuant to which it has been appointed as the authorized dealer for the Ape electric range of vehicles (including passenger vehicles and cargo vehicles) manufactured by Piaggio under the brand ‘Ape Elektrik’, spare parts, merchandise and accessories thereof manufactured by Piaggio and such other products as notified by Piaggio from time to time, during the term of the dealership agreement, for marketing and selling them in the identified area of concentration in Kerala, on non-exclusive basis. KGPL needs to maintain all the requisite infrastructure facilities, including the infrastructure facility required for sale and after-sale service as communicated to KGPL by Piaggio from time to time, and detailed in the dealership agreement. Further, KGPL has been granted the non-exclusive limited license to emboss the intellectual property of Piaggio solely in connection with the distribution, sale and servicing of the vehicles supplied to KGPL by Piaggio. The agreement is valid for a term of 24 months from August 14, 2023 and is renewable with the mutual consent of both parties unless terminated earlier by either party with notice of 30 days. The agreements may be terminated unilaterally by the OEM for breach of the terms thereof or, *inter alia*, upon us failing to comply with our obligations under the agreement.

We commenced our Piaggio dealership in Fiscal 2022 in Ernakulam. We operated 7 showrooms and 7 authorised service centres across 6 districts in Kerala as of December 31, 2023.

The map below sets out details of our showrooms, sales outlets and booking offices and authorised service centres in Kerala as of December 31, 2023:



Retail of commercial vehicles

Our Piaggio dealership offers a wide range of electric three-wheeler vehicles including passenger and cargo vehicles. We purchase our inventory directly from Piaggio based on our internal assessment of customer demand. As of September 25, 2023, we were the biggest dealer of Piaggio electric three-wheeler vehicles in Kerala and the fifth largest dealer at an all India level. We have been specifically recognised for our efforts towards electric three-wheeler market development activities.

Services and Repairs

We commenced the services and repair vertical in 2023. Service and repairs at our Piaggio dealerships account for 2.09% of our two-wheeler and three-wheeler vehicle dealership revenue as of September 30, 2023.

Vehicle Finance and Insurance Sales

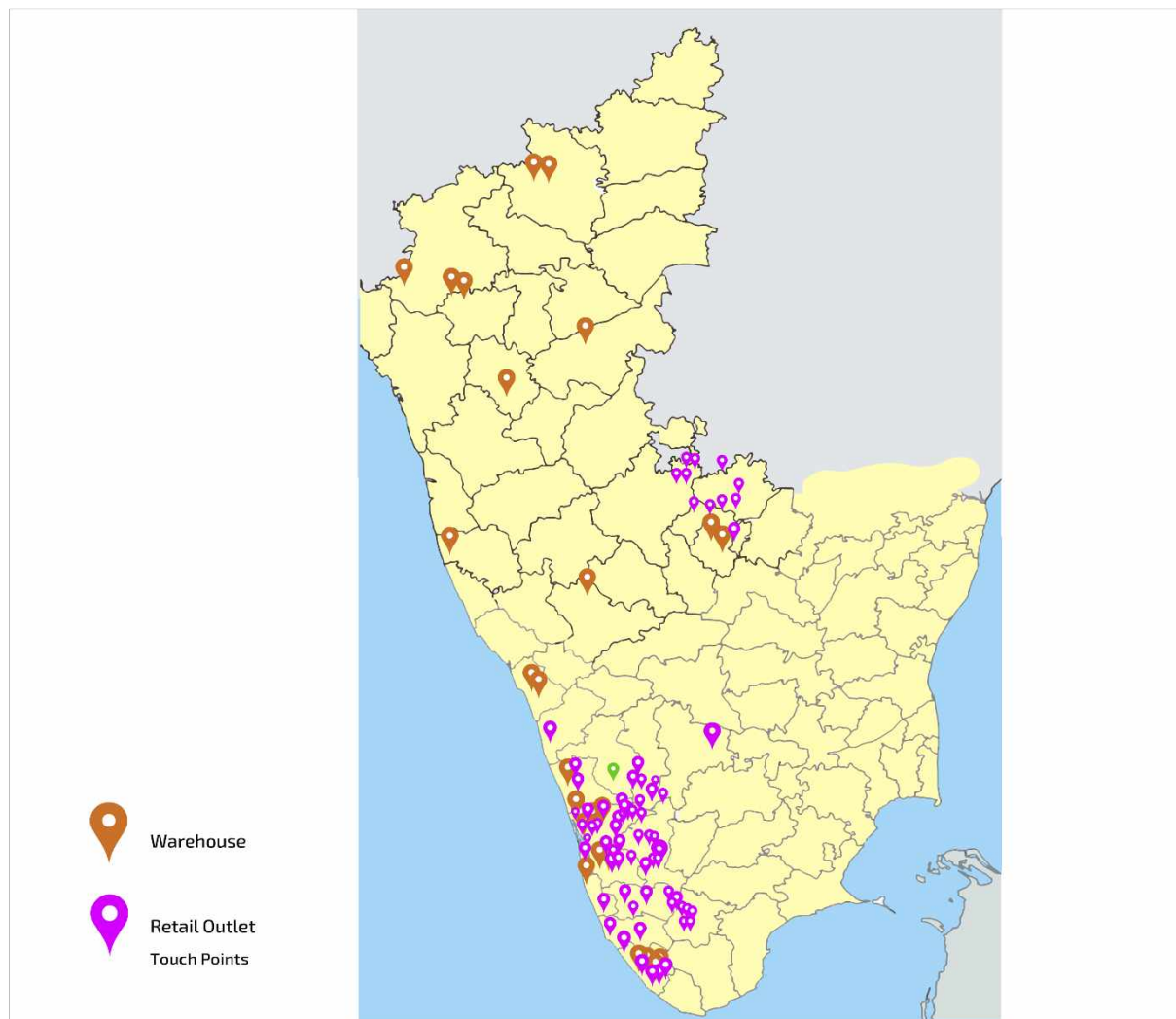
Facilitating sale of third-party financial products including insurance policies and vehicle finance through our Piaggio dealership represented 0.24% of the two-wheeler and three-wheeler vehicle dealership revenue of our Company as of September 30, 2023. As part of our after sales services, we have facilitated the sale of 236 new insurance policies, aggregating to a gross premium of ₹2.44 million and facilitated financial assistance aggregating ₹4.27 million to our vehicle customers from our empanelled lenders through our Piaggio dealership during the six months ended September 30, 2023.

Spares Parts Distribution

We ventured into the spare parts and accessories distribution business in 2005. Our spare parts and accessories distribution business is operated by PADL, one of our Subsidiaries. PADL has entered into distributorship agreements with the OEMs. As on December 31, 2023, our spare parts and accessories distribution business operated through 69 touch points which comprises of 43 retail outlets, 2 pre-owned vehicle outlet and 24 warehouses. Further, as on December 31, 2023, we operate our spare parts distributorship across Kerala and Karnataka and cater to around 3,200 customers including active sellers, independent workshops, authorised service centres and vehicle dealers. 17.69% of the total spares and parts sold by us as of September 30, 2023 were to independent customers.

As on December 31, 2023, we had around 9,200 walk-ins on a monthly basis. We cater to more than 800 customers on a daily basis. The spare parts and accessories are distributed from warehouses through a fleet of 22 vehicles to various sellers and independent workshops in addition to other logistic providers.

The map below sets out details of our distribution network as of December 31, 2023:



Summary of our dealership agreements

The table below indicates the tenure of the dealership agreements entered with our OEMs, conditions for termination of dealership agreements with our OEMs, total number of vehicles sold, percentage contribution of each OEM towards the total number of vehicles sold by us and the percentage contribution of such sales to our consolidated revenue, in the six months period ended September 30, 2023:

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
Maruti Suzuki	3 years from April 1, 2021 for the Nexa agreement	- Insolvency of our Company; - Incapability of our Company to comply with the OEM agreement in the opinion of the OEM; - Commission of fraud by our Company; - Our Company being a limited company, without prior written consent, altering the existing shareholding of our Company or diluting control of existing	15,405	64.21	48.15
	3 years from January 1, 2022 for the Arena agreement				

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		shareholders or changes the management of our Company in any manner whatsoever; ▪ Default in the due payment of any sums that may be payable for, or in connection with, the supply, delivery, possession, sale or servicing of Products or rendering of any Services and any other costs or expenses that are the responsibility of our Company under the agreement, ▪ Lawful authority ordering the OEM to terminate the agreement, ▪ In case of any serious and continuing breach of our Company's obligations under the agreement, ▪ Dispute, disagreement or controversy arising directly or indirectly, between any of the persons interested in the management, control or ownership of our Company's business which in the opinion of the OEM may adversely affect the interest of our Company or the OEM, ▪ If our Company requests reimbursements or receives or claims financial benefits under the bonus scheme, promotional activity or other incentive arrangements operated by the OEM, ▪ If our Company buys, sells, uses, keeps or supplies parts other than parts for the vehicles, ▪ If, in the opinion of the OEM, our Company is providing services to the customer in such a manner that does not promote or maintain customer confidence or causes dissatisfaction among the customers.			
Honda	9 months from July 1, 2023	▪ if VMPL is adjudged bankrupt or a resolution/order is passed for dissolution/liquidation/winding up of the firm; ▪ in the event of any adverse change in any applicable laws, the policy of the Government of India etc. which makes it impossible for Honda and/or VMPL to continue operations; ▪ in the event VMPL, without prior written consent of Honda: (i) merges with any other company, firm, or corporation; or (ii) disposes or mortgages substantially any of its assets or business to any third party; ▪ upon the liquidation or winding up of VMPL (whether voluntarily or compulsory) if the dealer is a company or the appointment of a receiver or manager of any of the dealer's assets;	934	3.89	4.75

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		▪ if VMPL appoints or removes any director, or the control / ownership/ constitution of VMPL changes without prior permission of Honda; ▪ if VMPL fails to renew the agreement; ▪ if VMPL fails to submit bank guarantee as per the format; ▪ if VMPL inputs, wilfully or otherwise, incorrect or inaccurate data including but not limited to product, customer, sale, service, customer satisfaction, customer retention, etc into any of the software provided by Honda. ▪ in the event the VMPL commits any act or omission, which brings or is likely to bring, Honda and/or its products into disrepute, or which, in Honda's opinion, is prejudicial to the interests of Honda; ▪ if VMPL is not, in the opinion of Honda, producing adequate sales coverage and representation of Honda's products; ▪ if VMPL assumes directly or indirectly any obligation or undertakes any activity which may at any time impede or interfere with the proper performance of the Agreement by VMPL; ▪ if any person, firm or Company on whom Honda relies to promote its interest shall sever his or its connection with VMPL or there is any change after the date of this Agreement in the constitution of VMPL or in the circumstances of VMPL which Honda deems material to its interests. ▪ If VMPL in the opinion of Honda has omitted or failed to carry out any of his obligations under the Agreement or has committed a breach of any of the terms and conditions of the Agreement or has otherwise mis-conducted himself in any manner.			
JLR	Valid until terminated	No specific conditions for termination. The termination right is given to both parties via mutual agreement in writing.	137	0.57	6.58
Tata Motors (Commercial)	5 years from April 1, 2021	▪ If PMMIL fails to observe or perform any of the terms, conditions or obligations stipulated to be observed and performed by them. ▪ If PMMIL contravenes any law or regulations of Government or any local authority, or; ▪ If PMMIL fails in any year to sell of such number and quantity of the products and render services as Tata Motors (Commercial) in its absolute discretion considers necessary, or; ▪ If the management or control of PMMIL's business is so changed that in Tata Motors (Commercial)'s	4,557	18.99	24.13

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		opinion such change is not in Tata Motors (Commercial)'s interest; ▪ If the value of business effected by Tata Motors (Commercial) or the conduct of its business as such is in the opinion of Tata Motors (Commercial) not satisfactory, ▪ Involvement in unlawful activities or indictment in criminal cases, or ▪ If PMMIL has not paid, or is not likely to pay, its debts in the course of his business, ▪ If PMMIL dies or commits any acts of insolvency, ▪ Have an insolvency proceedings instituted against PMMIL, or ▪ If proceedings for liquidation of PMMIL has been taken, ▪ A meeting to pass a resolution for the winding up of PMMIL has been called or, ▪ If any receiver or a trustee has been appointed for any part of PMMIL's property, ▪ Any part of PMMIL's property has been seized or attached in distress of execution or under process of law. Provided that Tata Motors (Commercial) may, instead of terminating the Agreement, in respect of either the territory or the range of the products or services assigned to PMMIL, in their entirety, terminate the Agreement to the extent of either a part of the territory or one of the products or a model out of the said range, either after giving due notice or without giving any notice; ▪ If PMMIL is in breach of the covenants and any of the representations or the warranties mentioned in the Agreement; ▪ If PMMIL fails to comply with the principles set out in Tata Code of Conduct; ▪ If PMMIL fails to conduct the business in an ethical manner as required under the Agreement			
BharatBenz	Valid until terminated	▪ PMPL is in breach of any obligation under the agreement despite having been given due warning by BharatBenz and despite having given sufficient opportunity and time to remedy that breach. No warning is necessary if the violation of material obligations under the agreement is so grave that the PMPL cannot reasonably be expected to continue the contractual relationship any longer; ▪ If the PMPL is in breach of any representations or warranties expressly set forth in the agreement; ▪ If the PMPL makes any fraudulent statement or submission, or any	793	3.31	9.75

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		material misrepresentation to BharatBenz; ▪ If the PMPL or any of its officers, employees, agents or representatives has misrepresented any material facts which were relied upon by BharatBenz in entering into the agreement and that BharatBenz would not have entered into the agreement, had it known of that misrepresentation; ▪ If voluntary or involuntary proceedings are filed against the PMPL under bankruptcy or insolvency laws, liquidation, dissolution, receivership or similar procedures, or if the PMPL seeks or consents to similar relief or remedies without proceedings and, in the case of involuntary proceedings, they are not dismissed within forty-five days; ▪ If a court, arbitral tribunal or government authority having jurisdiction declares invalid or refuses to enforce any provision of the agreement, that provision is a material term of the agreement to BharatBenz and the parties cannot reach an agreement on a replacement provision for the void or non-enforceable provision; ▪ a force majeure event preventing the PMPL from performing its obligations under the agreement for more than ninety days and such failure to perform is continuing when notice of termination is given; ▪ If the PMPL, for any reason whatsoever, cannot reasonably be expected to continue the contractual relationship until ordinary termination becomes effective. ▪ If PMPL fails to comply with any of the obligations mentioned under the letter(s) of intent. ▪ If PMPL fails to reach the minimum sales volume and/or objectives as agreed under the Annual Development Plan. ▪ If PMPL fails to pay to BharatBenz any amount due under the agreement or any sales agreement and if such payment default is not cured by PMPL within 30 days of the date the amount in question became due and payable to BharatBenz; ▪ If PMPL substantially ends its sales and service activities under the agreement; ▪ If PMPL is merged into another entity, dissolved, expropriated, sequestered or nationalized, or PMPL's legal existence is suspended or revoked;			

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		▪ If the PMPL has not notified and requested the approval of BharatBenz at least sixty days prior to any proposed change in management control of PMPL or the legal or beneficial ownership of any of PMPL's voting securities or other ownership interests, the name or form of PMPL's legal entity, or the location of PMPL's place of business; ▪ If the individual named under the heading "Key Personnel", stops participating actively, substantially and continuously in PMPL's business operations under this Agreement and either a replacement is appointed without BharatBenz's prior consent or a replacement acceptable to BharatBenz is not appointed within a reasonable time; ▪ If the PMPL's legal and/or beneficial shareholders or owners or its or their officers or managers, or any individual or entity under the headings "Management and Signatory Authority", "Key Personnel" and "Ownership Interests", are in repeated disagreement among each other and those disagreements seriously endanger the fulfilment of the agreement; or ▪ If PMPL is in breach of its obligations under the trade and service marks licensing clauses.			
Piaggio	2 years from August 1, 2023	▪ The death or incapacity of the principal officer or a partner of the KGPL if in the opinion of Piaggio the principal officer or partner was mainly responsible to look after the obligations of the KGPL; ▪ Any sale, transfer or relinquishment, of any interest of the KGPL or any change in the ownership or management including in the case of a limited liability company, any change in the composition of the Board of Directors of the KGPL which has not been approved by the Company or any dispute, disagreement or controversy among partners, managers, officers or stock-holders of the KGPL, which, in the opinion of Piaggio may adversely affect the management or business of the KGPL; ▪ The abandonment or suspension of business without any reasonable cause, for more than ten (10) days by the KGPL; ▪ The failure of the KGPL to obtain or keep in effect any license or permit required by State or local laws for performance of the KGPL's obligation hereunder or suffers	396	1.65	0.59

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		violation of any law, ordinance, rule or regulation of any governmental agency in connection with the operation of the KGPL's business or the sale of the Products; ▪ The failure of the KGPL to comply with and/or breach of any of the terms of the agreement and requirements communicated by Company from time to time including without limitation the failure of the KGPL, in the Company's sole judgment, to develop the sales potential of the products in the area of concentration or breach of any IPR related obligation; ▪ The filing of or conviction of the KGPL or any of its partners or principal officers or officers or managers of any crime involving moral turpitude or felony or any other crime or offense that is likely to adversely affect the reputation of Piaggio or the products; or ▪ Assignment or an attempt to assign any or all the rights granted to KGPL by Piaggio under the agreement without Piaggio's prior written consent. ▪ The insolvency of KGPL, the filing of a voluntary petition for insolvency by KGPL, the filing of a petition to have KGPL declared as an insolvent, the appointment of a receiver or trustee for KGPL, provided such appointment is not vacated within three (3) days of the date of such appointment, the execution by KGPL of an assignment for the benefit of creditors; or ▪ The representations and warranties made by the KGPL under the agreement are false or misleading. ▪ If either party shall require a license or permit of any governmental and/or other relevant authority for the performance of its obligations under the Agreement or in connection with the Agreement in any state or jurisdiction where the Agreement is to be performed, and if any party fails to secure or maintain or renew such license or permit shall be suspended or revoked, irrespective of the cause or reason thereof, the other party may immediately terminate the Agreement by giving written notice of such termination. ▪ Piaggio and KGPL shall be entitled to terminate the Agreement without assigning reasons or without compensation, at any time during the term of the Agreement, by			

Particulars	Tenure of dealership agreements	Conditions for termination of agreements	Total number of vehicles sold in the six months period ended September 30, 2023	% of total number of vehicles sold in the six months period ended September 30, 2023	% of consolidated revenue in the six months period ended September 30, 2023
		giving the other party 30 days' written notice of its intention to terminate.			
Ather	Valid until terminated	- In the event of breach of any provisions of the agreement by Kuttukaran Cars ("KC"), - In the event KC is, in the opinion of Ather, incapable of performing its obligations under the agreement or is adjudged insolvent or makes a composition with its creditors or goes into liquidation either voluntarily or compulsorily or the financial position of KC in the opinion of Ather is found to be unsound or if there is any change of Control of KC without the prior written consent of Ather, - In the event KC commits fraud on Ather in connection with the agreement or it is found that KC is supplying to its customers, products which are not procured from Ather or are counterfeit or spurious or if any lawful authority orders Ather to terminate the agreement, - Failure of KC to continue to operate any of KC's Premises in the usual manner for a period of five consecutive days, unless caused by a force majeure event.	1,771	7.38	0.99

Sales and marketing

Sales and marketing activities for our dealerships are carried out by our sales and marketing personnel at each of our dealerships. As on December 31, 2023, we had a total of 2,194 sales and marketing personnel at our dealerships. Our marketing strategy focuses on our individual businesses to capitalize on local branding, as well as corporate programs and web presence. This allows us to leverage scale and brand recognition. We align ourselves with the marketing implemented by our OEMs for their respective brands and integrate those initiatives and resources across the brands we represent.

The table below shows the details of marketing and sales incentive programs conducted by our OEMs in Fiscals 2023, 2022 and 2021:

Sr. No	Name of marketing/ sales incentive program organised by OEM's	Details of marketing and sales incentive program
Our Company		
1	Monthly incentive (dealer trade discount scheme)	These are the incentives provided by the OEM for achieving monthly wholesale targets as declared by the OEM (separately for Kerala and Chennai) in the beginning of the month and the payments are released on a monthly/ quarterly basis.
2	Quarterly incentives (Maruti achievers club trade discount scheme, annual consistency bonus, star bonus, government e-marketplace sales incentive scheme quarterly incentive, early bird scheme)	These are the incentives provided by OEMs for achieving quarterly wholesale targets on the group parent level (separately for Kerala and Chennai). The whole sale target for quarterly incentive scheme is communicated to us by respective regional offices on a monthly basis and the incentive-based payments are released on quarterly basis.
3	Balance score card and Nexa score card incentive scheme	This aims to strengthen dealership basics, digital transformation, capacity building of manpower and excellence in the sales quality and customer satisfaction. The OEM releases the payment on a yearly basis.
4	Maruti genuine accessory incentives	The OEM provides incentives for achieving monthly wholesale targets related to sale of Maruti genuine

Sr. No	Name of marketing/ sales incentive program organised by OEM's	Details of marketing and sales incentive program
		accessories and releases the incentives accrued on monthly/ quarterly basis.
5	Dealer rebate fund	Dealer rebate fund is a trade discount received from OEM for the entire wholesale of vehicles irrespective of any target base and OEM releases the payment on a half yearly basis.
6	True Value achievers' club trade discount scheme (quarterly incentive for POC vehicles)	Aims to enhance the number of accepted (approved) exchange cases of vehicles in True Value division and the pay outs pursuant to the scheme are also released on quarterly basis.
7	Joint advertisement & sales promotion claims	Support is extended to conduct various promotional activities like displays, advertisements and customer meets etc. wherein the OEM and the dealer jointly incur the expenses in relation to this scheme.
8	Exchange bonus	Exchange bonus is an additional support extended by the OEM to its customers for exchanging their existing vehicle and purchasing new vehicle. Payments under this incentive is released on monthly/ quarterly basis.
9	Additional retail support schemes	These are various discount schemes from the OEM to attract the customers for improving retail volume for the month where major cost is shared by the OEM and the payments are released on monthly/Quarterly basis.
10	Institutional sales/ rural sales claims	This scheme is designed to attract the customers from various corporate institutions with an eligibility criteria announced by the OEM in the beginning of each month.
11	Maruti extended warranty commission/ customer convenient package commission/Maruti Suzuki rewards	There are various commissions provided by the OEM for enhancing the penetration of the OEM's extended warranty, customer convenient package and other rewards on a monthly basis.
12	Director general of sales and disposal commission	A commission is provided by the OEM for the vehicles which we deliver/process the sale of vehicles to various governmental departments through direct sales from the OEM.
13	MSIL special support	These are retail support provided by the OEM to customers purchasing Arena and all commercial models of vehicles of the OEM.
VMPL		
14	Target incentive	Monthly target incentive based on retail target achievement provided by the OEM
15	Dealers' excellence award	Dealers' Excellence awards is given by the OEM to dealers upon achievement of certain criteria such as delivery targets, dealer profitability, sales targets and customer satisfaction on an annual basis.
16	Target linked trade discount	Consumer scheme discount support by the OEM
17	Exchange bonus	Support on exchange vehicle scheme by the OEM
18	Loyalty bonus	Support on exchange vehicle scheme by the OEM
19	Corporate benefit	50% support by the OEM on additional offered discount
PAWL		
20	Variable retail margin incentive	Incentive based on the OEM parameter achievement such as purchase of vehicle/ parts/ accessories, sale of vehicles, customer satisfaction, mystery shopping and other specified criteria
21	Demo support	Demo vehicle support received from the OEM for customer test drive vehicles
22	Digital marketing	Digital outdoor hoarding and car aggregators
23	Event & print advertisements	Personalised event at certain hotels etc.
PMPL		
24	Dealer excellence incentive	A pay out, based on the SPADE audit conducted by the OEM, is paid every quarter based on audit score against certain parameter such as (people, process, performance and facility upkeep). This is also subject to volume offtake achievement.
25	Variable variant wise volume target achievement	It is based on achieving certain variant wise target given by the OEM from time to time.
PMMIL		
26	Support based on channel partner score card	An incentive scheme from the OEM, which is settled on a quarterly basis, wherein slab wise targeted scores are fixed and the OEM releases support payment based on actual achievement of scores.
27	Offtake target linked discount scheme	These are incentives provided by the OEM which are linked to the achievement of offtake/retail targets on a monthly/quarterly basis

Sr. No	Name of marketing/ sales incentive program organised by OEM's	Details of marketing and sales incentive program
28	Market share incentives	These incentives are provided to dealers on achievement of market share and assessment of eligibility on the basis of the achievement of market share in comparison to other OEMs/ brands
29	Schemes for small vehicles & bulk deal supports to customers	These are various schemes normally gets declared in advance. Apart from this, support is provided on a case to case basis to the customers, wherein the major cost is shared by the OEM.
30	Marketing/ sales promotion schemes	These are support extended to conduct promotional activities like demos, business to business trials, brochures and promotional materials, advertisement campaigns, customer meets etc., wherein the OEM and the dealer jointly incur the expenses to conduct promotional activities.
KCPL		
31	Retail incentive	Slab wise target based incentive on retail achievement.
32	Offtake incentive	Target based monthly incentive scheme.
33	Early bird incentive	Additional incentive to the retail incentive which is awarded if the 50% of retail target is achieved by the dealer within the stipulated time period, provided the dealer achieves a minimum of 80% retail target.

We carry out targeted marketing campaigns under each of our dealerships focusing on various segments of customers such as corporates, exchange buyers etc. to support our sales and marketing team, including test drive campaigns and exchange campaigns. We also carry out targeted marketing campaigns by targeted displays at luxury apartment complexes and luxury malls, as well as by sponsoring events including fashion shows. Additionally, we undertake advertising campaigns on various platforms including print, television, radio and social media, to enhance our brand image and visibility. We undertake digital marketing activities through four broad streams (i) marketing through in-house digital assets such as our websites, social media campaigns, the 'My Popular App' etc.; (ii) in house campaigns targeted at lead generation through our social media as well as internet advertising; (iii) hyper-local OEM specific campaigns on our OEM websites; (iv) advertisements on third party lead aggregator websites. We have also tapped into online video conferencing platforms to stay in touch with our customers and organised various awareness sessions and customer meets.

We have dedicated online portals through which customers can browse through our offerings, make bookings and book test drives. We have also introduced virtual reality headsets which permits customers to view, and virtually experience our vehicles from the comfort of their homes.

During the six months ended September 30, 2023, we sold an aggregate of 16,476 new passenger vehicles, 5,350 new commercial vehicles and 2,167 new electric two-wheeler and three-wheeler vehicles, through our network of 61 showrooms, 133 sales outlets and booking offices located across Kerala, Tamil Nadu, Karnataka and Maharashtra, respectively.

Customer Care

We prioritise customer feedback across our dealerships. Customer care managers at each of our dealerships are responsible for taking feedback from customers at various stages, right from the time of booking the vehicle up to delivery of the vehicle which is further followed up by post sales feedback. Each of our dealerships have dedicated helplines which address customer grievances.

We also have centralised customer call centres for our Maruti Suzuki and Honda dealerships. As on December 31, 2023, we had 6 customer call centres for our Maruti Suzuki dealerships with 246 customer service personnel; and 3 call centre for our Honda, Tata Motors (Commercial) and JLR dealerships, with 17, 21, and 6 customer service personnel, respectively, to handle customer queries including queries in post booking, sales and post sales, insurance, referrals, etc. The centralised customer call centres help us in ensuring standardized customer care protocols. Our customer call centres also aid in promoting various revenue generating services by tapping into external customer databanks.

Training

We have training managers and human resource managers who co-ordinate the training needs of our workforce. Several of our senior team members have enrolled in various educational institutions to attend various management development programmes. Our staff are trained periodically in sales and service. Specific training sessions are organised at the time of introduction of changes to existing models of vehicles or introduction of new models or sales schemes. Our staff members are also required to undergo specific periodic training sessions each year with the

respective OEMs as per the terms of the dealership agreements or retailer and repairer agreement entered into by us with them.

Information Technology

Our IT systems are vital to our dealership and services business. As on December 31, 2023, we had 11 employees focused on applications and 38 employees focused on IT infrastructure.

We use Google Workspaces for enhancing our productivity, Wings ERP Software for comprehensive business management, BI and Analytical Reporting Software for enhanced analytical reporting, Customized CRM Software for sales excellence, Voyon HRMS Software for efficient human resource management, GRC and Procurement Solutions for streamlining our purchase needs, e-Commerce enabled Company website for customer convenience, Used Car website for pricing intelligence, robust security measures with Fortigate Firewalls, SDWAN for efficient network management and Cloud Services for scalability and accessibility. These tools and softwares helps enhance our productivity and results of operations.

Intellectual Property

Our Company has registered our “Popular Vehicles and Services” logo  as a trademark.

Our Company has executed a brand license agreement dated November 1, 2015 with Kuttukaran Trading Ventures, a partnership firm, in which two of our Promoters and certain Promoter Group members are partners, for a non-exclusive and assignable license to use the trademarks “Kuttukaran Group”, “Kuttukaran”, “Popular”, “POPULAR”,

“Kuttukaran” (logo) and “Kuttukaran journeys with you” (logo) . Kuttukaran Trading Ventures has obtained trademark registration for the marks, “Kuttukaran”, “Kuttukaran” (logo), “Kuttukaran journeys with you” (logo), “Popular” and “POPULAR”. For use of these marks, we have paid a one-time license consideration fee of ₹53.00 million. For further details, please see “Risk Factors – We have licensed certain trademarks that we use as part of our operations from Kuttukaran Trading Ventures. We do not have control on the other activities of Kuttukaran Trading Ventures under the same brand name, i.e. “Popular”. Any change in operation of this entity could adversely affect our reputation and results of operations.” on page 43.

Our Company has obtained trademark registration for the mark “Popular Vehicles and Services”. Further, our Subsidiary, PAWL has obtained trademark registration for the mark, “Marqland”. Similarly, our Subsidiary, KGPL has obtained trademark registration for the mark “Ecomarq”. Furthermore, while some of our OEM agreements provide for specific licensing arrangements for its marks, others have given us authorisation to use their relevant marks for our operations. These authorisations and licenses to use marks are non-exclusive, non-assignable and limited to the geographical territory of our outlets, and the business for which we use the marks. Similarly, for our pre-owned vehicles retail business, we have the right to use the marks ‘Maruti True Value’ and ‘Auto Terrace’, owned by Maruti Suzuki and Honda, respectively. For further details, please see “Risk Factors – We use certain brands which are not registered trademarks, or specifically licensed to us. Any subsequent registration of this brand as a registered trademark by a third party would adversely affect our operations.” on page 44.

Employees

As of December 31, 2023, we had 10,468 employees across our business verticals. The following table sets out the details of our employees, including contractual employees, across our different dealerships as of December 31, 2023:

Category	Maruti Suzuki Dealership	Tata Motors (Commercial) Dealership	Honda	JLR	Bharat Benz	Spare Parts and Accessories Distribution	Piaggio	Ather	Total
New Vehicle Sales	1,932	523	187	28	128	337	43	73	3,251
Pre-owned Vehicle Sales	286	-	19	10	3	24	-	-	342
Service	4,209	1,118	464	90	577	-	29	40	6,527
Corporate office	160	85	28	20	36	11	5	3	348
Total	6,587	1,726	698	148	744	372	77	116	10,468

We also enter into agreements with third-party service providers in relation to ancillary services such as security services and housekeeping services.

The table below indicates the number and attrition rates of our permanent employees and contractual employees for the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

Particulars	Six months period ended September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)	Number of employees	Attrition rate (%)
Permanent employees	8,736	23.62%	8,133	28.25%	7,107	22.90%	6,553	18.62%
Contractual employees	1,732	39.12%	2,061	42.07%	2,741	39.23%	2,230	34.14%

The details of the statutory dues paid to the employees as of December 31, 2023 and the last three Fiscals, is as follows:

<i>(in ₹ million, unless otherwise specified)</i>				
Fiscal/Period	Number of employees (in numbers)*	Provident fund*	ESIC*	Income tax*
As of December 31, 2023	10,468	222,077,444	30,447,883	34,733,052
2023	10,194	249,710,075	35,645,952	46,641,544
2022	9,848	216,176,917	32,596,131	36,403,342
2021	8,783	192,242,236	30,618,111	24,339,183

* On a consolidated basis.

Competition

We operate in a highly competitive industry. We believe that the principal competitive factors in the automobile retail business are trust, service, selection, location and price. Each of our markets includes a number of well capitalized competitors that have extensive automobile retail managerial experience, retail locations and facilities. We face competition from several public and private companies that operate numerous automobile retail stores on a regional or national basis and online and mobile sales platforms. We compete with other dealerships that sell the same vehicle brands that we sell, as well as dealers and certain manufacturers that sell other vehicle brands that we do not represent in a particular market. Other dealerships have agreements with various OEMs and, as such, generally have access to new vehicles on the same terms as we have. We also compete with other dealers for qualified employees, particularly for general managers and sales and service personnel. Under most of our dealership agreements with the OEMs, acquisition of multiple dealerships of a given vehicle brand within a particular market or dealerships of a new vehicle brand is subject to obtaining the prior consent of the OEM.

We also compete with independent automobile service shops and service centre chains. We believe that the principal competitive factors in the parts and service business are customer service, expertise with the particular vehicle lines, location and price. We believe that the principal competitive factors in the finance and insurance business are product selection, convenience, price, contract terms, special offers from other institutions and the ability to finance vehicle protection and aftermarket products.

We believe that our long-standing presence in the automobile industry coupled with our presence across the automobile retail value chain has enabled to us to become a valued partner of each of our OEMs and a trusted brand for our customers. Our dealerships have consistently been validated by our OEMs by various awards and accreditations. For instance, we have been categorised within the “Royal Platinum Band” by Maruti Suzuki for our Arena dealership in Kerala, “Gold Band” for our Arena dealership in Chennai, and “Alpha Band” for our Nexa dealership in Fiscal 2023. Further, we believe that each of our brands, namely, Popular”, “Vision”, and “Marqland” under which we operate our Maruti Suzuki, Honda and JLR dealerships, respectively, is widely recognised in South India by our customers. Kuttukaran Group obtained third rank at India’s coveted ET auto top dealers list 2022 from the Economic Times. We also received the ‘Top Dealer of the Year – South’ award from ET Auto in 2023, our Marqland dealership was also recognised as the ‘Best Luxury Car Dealership’ at the Times Business Awards in 2018.

Insurance

We maintain insurance coverage for anticipated risks which are standard for the automobile retail and service industry, including risks of fire, accident, and burglary. We have obtained insurance for our showrooms, sales outlets and booking offices, authorised service centres, retail outlets, warehouses, parking yards, driving schools and our registered corporate office. Our insurance policies cover buildings, plant and machinery, fixed assets, vehicles stored in open and in showrooms, spare parts, and inventories, both owned by us and in our custody, for example, for servicing or repair.

We have insured our showrooms and service centres to protect us against loss and damage to vehicles, spare parts, equipment and machinery in case of fire, special perils, burglary and housebreaking. Additionally, we have obtained insurance coverage for risks during transit of products, public liability coverage, fidelity insurance, money insurance

for cash, and coverage for directors' and officers' liability. Additionally, most of our Subsidiaries have obtained group mediclaim policies for its employees and coverage for medical expenses of employees.

Similarly, we have insured our spare parts retail outlets, parking yards and warehouses to protect vehicles, spare parts, equipment and others against fire, burglary, natural disasters, etc. Additionally, we have obtained marine insurance for transit of goods, plate glass insurance policy for accidental breakage of fixed plate glass in our showrooms, service centres and other outlets, and fidelity guarantee for insurance against infidelity of employees across all outlets.

The table below shows the total amount of our insurance coverage and its percentage contribution to our total assets in the six months period ended September 30, 2023 and Fiscals 2023, Fiscal 2022, and Fiscal 2021, respectively:

Period	Amount of insurance coverage (in ₹ million)	% contribution of insurance coverage to total assets
Six months ended September 30, 2023	16,121	83.02
Fiscal 2023	13,615	90.54
Fiscal 2022	11,820	93.57
Fiscal 2021	12,061	107.79

The book value of all our Gross Fixed assets and Closing Inventory was ₹ 11,701.34 million, ₹9,096 million, ₹7,536 million, and ₹6,702 million in the six months period ended September 30, 2023 and Fiscal 2023, Fiscal 2022, and Fiscal 2021 respectively. Consequently, our insurance cover for book value of all our Gross Fixed assets and Closing Inventory was ₹16,121 million, ₹13,615 million, ₹11,820 million, and ₹12,061 million in the six months period ended September 30, 2023 and Fiscal 2023, Fiscal 2022, and Fiscal 2021 respectively. We have not had any instances where our insurance claim amount exceeded our insurance coverage amount. These insurance policies are generally valid for a year and are renewed annually. In our experience, the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India. For further details, please see “*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.*”

Regulations and Approvals

For details of regulations and approvals applicable to our Company and Material Subsidiaries and our business and of the pending licences and approvals, see the sections “*Key Regulations and Policies*”, “*Government and other Approvals*” and “*Risk Factors – Our operations are subject to various governmental laws and regulations and certain state specific notifications and guidelines. If we are found to be in violation of or subject to liabilities under any of these laws or regulations, or if new laws or regulations are enacted that adversely affect our operations, our business, operating results, and prospects could suffer.*” on pages 214, 388 and 39, respectively.

Awards, Recognitions and Accreditation

For details of awards, recognitions and accreditations received by our Company, see “*History and Certain Corporate Matters*” on page 219.

Our Properties

Our registered and corporate office is situated at Kuttukaran Centre, Mamangalam, Kochi, Ernakulam 682 025, Kerala, India and is held by us on a leasehold basis.

As of the date of this Prospectus, our Company owned the premises for 2 of our Arena showrooms, and one vacant land in Kannur, Kerala. In addition, our Company owns one authorised service centre in Kollam, which has been leased to PMMIL. Certain of our showrooms and authorised service centres, and a warehouse are located on premises that are held by our Promoters on a freehold basis.

All related party transactions with our Promoters and Promoter Group have been undertaken at arm's length and in compliance with applicable law.

Details of the properties owned by our Company and our Subsidiaries and leased from our Promoter and members of Promoter Group are as follows:

Properties owned by the Company:

Company	Property owned	Consideration paid (in ₹million)	Registered/ Unregistered
PVSL	Showroom in Kottayam, Kerala	7.10	Registered
PVSL	Showroom in Thrissur, Kerala	55.50	Registered
PVSL	Service Center in Kollam, Kerala	11.37	Registered
PVSL	Vacant land in Kannur, Kerala	33.41	Registered

Properties leased from our Promoter and members of our Promoter Group:

Company	Property description	Leased from (Promoter/Promoter Group)	Lease term	Security deposit (₹)	Rent per Month as on September 30, 2023 (₹)	Registered/Unregistered
PVSL	Warehouse in Oullukkara Village, Thrissur, Kerala	Property leased by our Company from our Promoter, John K. Paul	9 years	Nil	78,200	Unregistered
PVSL	Service centre in Ollukkara Village, Thrissur, Kerala	Property leased by our Company from our Promoter, Francis. K Paul	5 years	Nil	117,852	Unregistered
PMMIL	Showroom & service centre in Pramadam Village, Pathanamthitta, Kerala	Property leased by our Subsidiary, PMMIL, from our Promoter, Naveen Philip	15 years	1,500,000	80,614	Unregistered
VMPL	Showroom & Service centre in Pramadam Village, Pathanamthitta, Kerala	Property leased by our Subsidiary, VMPL, from our Promoter, Naveen Philip	5-15 years	195,000	202,132	Registered
VMPL	Service centre in Ollukkara Village, Thrissur, Kerala	Property leased by our Subsidiary, VMPL, from our Promoter, Francis K. Paul	4-9 years	Nil	346,295	Unregistered
PVSL	Showroom (Arena) in Kozhikode, Kerala.	Property leased by our Company from Kuttukaran Trading Venture (Promoter Group)	5 years	Nil	123,510	Unregistered
PVSL	Showroom (Arena) in Kuttukaran Centre, Mamangalam, Ernakulam, Kerala	Property leased by our Company from Kuttukaran Trading Ventures (Promoter Group)	3 years	Nil	506,000	Unregistered
PVSL	Service Centre in Edapally South & North Village, Edapally, Ernakulam, Kerala	Property leased by our Company from Kuttukaran Homes LLP (Promoter Group)	10 years	2,400,000	529,000	Unregistered
PVSL	Directors Residence in St Benedict Road, Ernakulam, Kochi-18, Kerala	Property leased by our Company from Kuttukaran Trading Venture (Promoter Group)	3 years	Nil	320,000	Unregistered
PVSL	Service Centre in Ollukkara Village, Thrissur, Kerala	Property leased by our Company from Kuttukaran Trading Venture (Promoter Group)	5 years	Nil	203,010	Unregistered
PVSL	Service Centre in Thycaud Village, Thiruvananthapuram, Kerala	Property leased by our Company from Kuttukaran Homes LLP (Promoter Group)	10 years	2,100,000	462,875	Unregistered
PVSL	Showroom (Arena) in Manacaud village, Thiruvananthapuram, Kerala	Property leased by our Company from Kuttukaran Homes LLP (Promoter Group)	10 years	3,000,000	661,250	Unregistered
PVSL	Corporate Office in Kuttukaran Centre, Mamangalam, Kochi-25, Kerala	Property leased by our Company from Kuttukaran Trading Venture (Promoter Group)	3 years	Nil	198,375	Unregistered

Company	Property description	Leased from (Promoter/Promoter Group)	Lease term	Security deposit (₹)	Rent per Month as on September 30, 2023 (₹)	Registered/Unregistered
PVSL	Maruti Driving School in Kuttukaran Centre, Mamangalam, Kochi -25,Kerala	Property leased by our Company from Kuttukaran Trading Venture (Promoter Group)	6 years	Nil	27,500	Unregistered
PMMIL	Showroom & Service centre in Pallichal Village, Thiruvananthapuram, Kerala	Property leased by our Subsidiary, PMMIL from Kuttukaran Homes LLP (Promoter Group)	10 years	1,500,000	330,050	Unregistered
PMMIL	Directors Residence in Elamkulam village, Ernakulam, Kerala	Property leased by our Subsidiary, PMMIL, from Rushil John (Promoter Group)	11 months	300,000	69,998	Unregistered

All our other showrooms, sales outlets and booking offices, authorised service centres, retail outlets, warehouses and driving schools, across Kerala, Tamil Nadu, Karnataka and Maharashtra, are located on lease hold, leave and license and licensed premises. All our leased properties are in the name of our Company or our Subsidiaries. The term of our leases ranges from 11 months to 30 years. For further details, please see “*Risk Factors – We are subject to risks associated with leasing space subject to lease agreements, sub-leasing and rental models and we may not be able to operate our dealerships and our showrooms, sales outlets and booking offices, authorized service centres, retail outlets and warehouses successfully. Further, we may incur higher expenses as a result of leasing spaces which can lead to lower margins in our business operations.*”

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this section has been obtained from publications available in the public domain. The regulations and their descriptions set out below may not be exhaustive and are only intended to provide general information to the bidders and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

We operate in the automotive dealership business through our locations/units spread across Kerala, Maharashtra, Tamil Nadu and Karnataka. For details, see “Our Business” on page 170.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Subsidiaries are required to obtain and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 388.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

INDIAN LAWS APPLICABLE TO OUR COMPANY

I. Key laws applicable to our business operations

The key laws applicable to the automotive industry include:

The Battery Waste Management Rules, 2022 (“Battery Rules”)

The Battery Rules are framed under the EPA and apply to every producer, dealer, consumer, entities involved in collection, segregation, transportation, re-furbishment and recycling of waste battery. The Battery Rules prescribe the functions of a producer, consumer, refurbisher, recycler and dealers of the batteries as well as lay down the action on violations and imposition of environmental compensation. The rules cover all types of batteries, viz. electric vehicle batteries, portable batteries, automotive batteries and industrial batteries. The Battery Rules function based on the concept of ‘extended producer responsibility’ (“EPR”), where the producers (including importers) of batteries are responsible for collection and recycling or refurbishment of waste batteries and use of recovered materials from wastes into new batteries. To meet the EPR obligations, producers may engage themselves or authorise any other entity for collection, recycling or refurbishment of waste batteries. Every person or an entity involved in manufacturing of batteries shall register with Central Pollution Control Board (“CPCB”) in accordance with the procedure provided in the Battery Rules.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered as prescribed. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holiday, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employee. Our locations/units have to be registered under the shops and establishments legislations of the state where they are located.

Legal Metrology Act, 2009 (“LM Act”)

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The LM Act makes it mandatory to obtain a license from the Controller of Legal Metrology by any person who manufactures sells or repairs any weight or measure. All weights or measures in use or proposed to be used in any transaction, are required to be verified and stamped at such place and during such hours as the Controller of Legal Metrology may specify, on payment of prescribed fees. Various penalties have been provided for contravention of the provisions of the LM Act. The penalty of using a non-standard weight or measure may attract a fine of up to ₹20,000 and a subsequent offence may lead to penalties and imprisonment extending to three years along with fine. In case a person imports any weight or measure without being registered under the LM Act, he may be punished with fine which may extend to ₹25,000. The LM Act also provides for provisions relating to compounding of offences.

Sale of Goods Act, 1930 (the “Sale of Goods Act”)

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one, or based on certain conditions. The Sale of Goods Act, 1930 contains provisions in relation to the essential aspects of such contracts,

including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Motor Vehicles Act, 1988 (“MVA”) and Central Motor Vehicles Rules, 1989 (“CMV Rules”)

The MVA read with the CMV Rules is an umbrella legislation which regulates all aspects of road transport vehicles including licensing of drivers and conductors, registration of motor vehicles, control of motor vehicles through permits, licensing of driving schools, special provisions relating to state transport undertakings, traffic regulation and insurance. As per MVA and the CMV Rules, no person shall drive any motor vehicle in any public place or in any other place unless the vehicle is registered with the registering authority and the vehicle carries a registration mark displayed in the manner as specified in the MVA and the CMV Rules. The MVA and the CMV Rules also state that no person shall establish or maintain any driving school or establishment for imparting instructions for hire or reward in driving motor vehicles without a license in Form 11 granted by the licensing authority.

(“IT Act”) and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability. Including fines and imprisonment, for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

Digital Personal Data Protection Act, 2023 (“DPDP Act”)

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data, with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual and a notice has to be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

II. Laws governing foreign investments

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the DPIIT from time to time.

Under the current consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT including any modifications thereto or substitutions thereof, issued from time to time, 100% FDI through automatic route is permitted in the trading sector.

Under the FDI policy, FDI up to 100% is permitted in the services sector, under the automatic route, subject to compliance with the specified conditions.

III. Key applicable intellectual property laws

The Copyright Act, 1957 (“Copyright Act”)

The Copyright Act governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

Trade Marks Act, 1999 (“Trade Marks Act”)

The Trademarks Act provides for the application and registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement of such marks. Application for the registration of trademarks has to be made Controller-General of Patents, Designs and Trade Marks who is a Registrar of Trademarks for the purposes of the Trade Marks Act. The Trademarks Act prohibits registration of deceptively similar trademarks. It also provides for penalties for infringement, falsifying and falsely applying trademarks and using them to cause confusion among the public.

IV. Environment Regulations

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be kept renewed.

Environment Protection Act, 1986 (“EPA”) and Environment (Protection) Rules, 1986

The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the GoI is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, *inter alia*, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to ₹100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) and Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the central and state pollution control board. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the state pollution control board may cause the local magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines and/or imprisonment.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the respective state pollution control boards. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board, prior to establishing or operating such industrial plant. The state pollution control board may then grant consent, subject to mentioned conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, (“Hazardous Wastes Rules”)

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste to deploy safe and environmentally sound measures for handling of hazardous waste generated at such facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of disposal facility are liable for damages to the environment or third party resulting from the improper handling and disposal of hazardous waste.

Fire prevention and life safety measures

We are subject to the fire control and safety rules and regulations framed by the State Governments of Kerala, Tamil Nadu and Karnataka under the Kerala Fire Force Act, 1962, Tamil Nadu Fire Service Act, 1985, and the Karnataka Fire Force Act, 1964 respectively.

V. Tax Legislations

The tax related laws that are applicable to our Company include the Central Goods and Services Tax Act, 2017, Kerala Goods and Services Tax Act, 2017, Tamil Nadu Goods and Services Tax Act, 2017, Karnataka Goods and Services Tax Act, 2017, Income Tax Act, 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years, along with the applicable rules framed thereunder.

VI. Labour laws and Regulations

In respect of our business and operations, our Company and Subsidiaries are also required to obtain licences and registrations and make timely payments as prescribed under various labour laws and regulations including, *inter alia*,

- Child Labour (Prohibition and Regulation) Act, 1986;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;****
- Employees’ State Insurance Act, 1948;****
- Factories Act, 1948;**
- Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;***
- Industrial Employment (Standing Orders) Act, 1946;***
- Maternity Benefit Act, 1961;****
- Minimum Wages Act, 1948;*
- Motor Transport Workers Act, 1961;
- Payment of Bonus Act, 1965;*
- Payment of Gratuity Act, 1972;****
- Payment of Wages Act, 1936;*
- Equal Remuneration Act, 1976;*
- Employee’s Compensation Act, 1923;
- The Tamil Nadu Industrial Establishments (National And Festival Holidays) Act, 1958; and
- The Tamil Nadu Industrial Establishments (National And Festival Holidays) Rules 1959.

* *The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government vide notification dated December 18, 2020, notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board. The remaining provisions of this code will be brought into force on a date to be notified by the Central Government.*

** *The Government of India enacted ‘The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on April 1, 2021. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The code proposes to provide for inter alia standards for health, safety and working conditions for employees of the establishments. The provisions of this code will be brought into force on a date to be notified by the Central Government.*

*** *The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on April 1, 2021. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

**** *The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on April 1, 2021. It proposes to subsume several separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996*

VII. Other Regulations

Consumer Protection Act, 2019 (“Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, *inter alia*, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of the consumers against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by the Consumer Protection Act is the inclusion of the e-commerce industry under the ambit of the Consumer Protection Act, with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. The Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ₹1,000,000. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between ₹100,000 to Rupees ₹1,000,000 depending upon the nature of injury to the consumer.

VIII. Applicable Plans and Policies

The Automotive Mission Plan, 2016-2026

The Automotive Mission Plan, 2016-2026 (“**Automotive Mission Plan**”) was released by the Department of Heavy Industry jointly with Indian Automobile Industries in September 2015, and it seeks to define the path of evolution of the automotive ecosystem in India including specific regulations and policies that govern research, design, technology, testing, manufacturing, imports/exports, sales, use, repair, and recycling of automotive vehicles, components and services. The Automotive Mission Plan aims to achieve various objectives including *inter alia*, to make the Indian automotive industry a top job creating industry and the prime mover of manufacturing sector as well as of the “Make in India” programme, and to promote safe, efficient and comfortable mobility, with an eye on environmental protection and affordability through both public and personal transport options. The Automotive Mission Plan recommends increasing the export of vehicles by 5 times and components by 7.5 times and also highlights the need of a coordinated and stable policy regime for the automotive sector. Under the Automotive Mission Plan, specific interventions are envisaged to sustain and improve manufacturing competitiveness and to address challenges of environment and safety.

Bharat Stage (BS) VI Emission Standards (“BS-VI Standards”)

The Indian Ministry of Road Transport and Highways issued a draft notification of Bharat Stage (BS) VI emission standards for all major on-road vehicle categories in India in February 2016. The adoption of these standards seeks to bring the Indian motor vehicle regulations into alignment with European Union regulations for light-duty passenger cars and commercial vehicles, heavy-duty trucks and buses, and two-wheeled vehicles. Taking a leap from the Bharat Stage-V emission standards, these standards were enforced amid the lockdown on April 1, 2020. The BS-VI Standards set forth emission standards, type approval requirements, on-board diagnostic systems specifications, and durability levels for all major vehicle categories in India. Additionally, the BS-VI standards also have specifications for reference and commercial fuels.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as Popular Vehicles and Services Limited on July 5, 1983 at Kochi, Ernakulam, Kerala, India as a public limited company under the Companies Act, 1956 and received its certificate for commencement of business on July 14, 1983, issued by RoC. Our Company was converted to a private limited company pursuant to a special resolution passed by our Shareholders at the EGM held on December 29, 2014 and the name of our Company was changed to Popular Vehicles and Services Private Limited. A fresh certificate of incorporation consequent upon conversion of our Company to a private limited company was issued on March 24, 2015 by the RoC. Our Company was subsequently converted into a public limited company pursuant to a special resolution passed by our Shareholders at the EGM held on June 11, 2018 and the name of our Company was changed to Popular Vehicles and Services Limited. A fresh certificate of incorporation consequent upon conversion of our Company to a public limited company was issued on July 10, 2018 by the RoC.

Changes in the Registered and Corporate Office

Except as disclosed below, there has been no change in the registered and corporate office of our Company since the date of incorporation:

Date of change of Registered and Corporate Office	Details of change in the address of Registered and Corporate Office
July 1, 1986	From House No. XXXVII/3000, Banerji Road, Cochin 682 031, Kerala, India to Kuttukaran Centre, Mamangalam, Cochin, Ernakulam 682 025, Kerala, India

The change in the Registered and Corporate Office was made to facilitate operational convenience, to explore better synergy, proximity and rationalize costs.

Main objects of our Company

- "1. To carry on the business of dealing in, importing, exporting, manufacturing, assembling, repairing, servicing of and acting as agents in respect of Motor cars, Trucks, Vans, Jeeps, Tractors, Motor Cycles, Scooters, Three Wheeler Vehicles and Motor Launches and Boats and their Spare Parts.*
- 2. To carry on the business of manufacture of light, medium and heavy engineering goods and equipments.*
- 3. To import, export, purchase, sell, manufacture or otherwise deal in machinery, plant and equipment including precision machine tools and testing instruments and tools of every description used for the manufacture of auto parts.*
- 4. To carry on the business of body builders of motor vehicles and trucks.*
- 5. To carry on the business of hires, repairers, cleaners and stores of motor-cars, motor-buses, motor-lorries, motor –cycles, scooters, other two wheelers, motor boats, motor –launches, aero planes and other conveyances of all descriptions.*
- 6. To carry on the business of mechanical engineers, electrical engineers, filters, founders, painters and upholsteries.*
- 7. To act as agents, dealers, hire purchase, jobbers and otherwise of motor vehicles and their spare parts.*
- 8. To carry on the business of manufacture, fabricating, assembling and dealing in automobile parts for cars, trucks, buses, tractors, vans, jeeps, lorries, agricultural implements and engineering goods.*
- 9. To carry on the business of online shopping, net marketing, selling and marketing of consumer and other goods, internet advertising and marketing, creating virtual malls, stores, shops, providing secured payment processing, online trading in and outside India but does not include banking and money circulating business."*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to our MoA in the last 10 years:

Date of Shareholders' Resolution	Particulars
December 29, 2014	Pursuant to the change in the name of our Company from Popular Vehicles and Services Limited to Popular Vehicles and Services Private Limited, Clause 1 of the Memorandum of Association was amended to replace the words 'Popular Vehicles and Services Limited' with the words 'Popular Vehicles and Services Private Limited'
September 30, 2015	Clause 5 of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹20,000,000 comprising of 2,000,000 Equity Shares of face value of ₹10 each to ₹50,000,000 comprising of 5,000,000 Equity Shares of face value of ₹10 each

Date of Shareholders' Resolution	Particulars
May 18, 2018	Clause 3(a) of the Memorandum of Association was amended to align the Memorandum of Association with Table A to the Companies Act, 2013
June 11, 2018	Clause 1 of the MoA was amended to reflect the change in name of our Company from Popular Vehicles and Services Private Limited to Popular Vehicles and Services Limited, due to the conversion of our Company from a private limited company to a public limited company
August 6, 2018	Clause 5 of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹50,000,000 comprising of 5,000,000 Equity Shares of face value of ₹10 each to ₹150,000,000 comprising of 15,000,000 Equity Shares of face value of ₹10 each
December 10, 2019	Alteration of the Main Object Clause of the Memorandum of Association by inserting a new sub clause (9) under the main object clause (3) (a), as set out below: <i>“To carry on the business of online shopping, net marketing, selling and marketing of consumer and other goods, internet advertising and marketing, creating virtual malls, stores, shops, providing secured payment processing, online trading in and outside India but does not include banking and money circulating business”</i>
September 8, 2023	Clause 5 of the Memorandum of Association was amended to reflect the sub-division of face value of Equity Shares from ₹10 to ₹2. The authorized share capital of our Company was amended from ₹150,000,000 divided into 15,000,000 Equity Shares of face value of ₹10 each to ₹150,000,000 divided into 75,000,000 Equity Shares of ₹2 each

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Particulars
1984	Our Company commenced automobile dealership business with setting up their first Maruti Suzuki showroom in Trivandrum, Kerala
1997	Our Subsidiary, PMMIL commenced its first dealership in Kerala for Tata commercial vehicles
2002	Our Company commenced the ‘Popular Motors’ dealership in Chennai, Tamil Nadu, for Maruti Suzuki passenger vehicles
2005	Our Subsidiary, PADL commenced spare parts distribution business in Kerala
2006	Our Subsidiary, PMMIL commenced the ‘Popular Motors’ dealership in Tamil Nadu for Tata Motors (Commercial) commercial vehicles
2008	Our step-down Subsidiary, VMPL commenced our ‘Vision Motors’ dealership in Kottayam, Kerala for Honda passenger vehicles
2015	Investment by BanyanTree in our Company
2021	Our Subsidiary, KGPL, entered into a dealership agreement with Piaggio Vehicles Private Limited to operate dealerships for three-wheeler electric vehicles in Ernakulam
2021	Our Subsidiary, KCPL, entered into a letter of intent with Ather Energy Private Limited to operate the two-wheeler electric vehicles dealership in Trivandrum
2022	Our Subsidiary KCPL, entered into a letter of intent with Ather Energy Private Limited to operate the two-wheeler electric vehicles dealership in Nagercoil, Tamil Nadu
2023	Our step-down Subsidiary PMPL*, entered into a slump sale agreement to acquire BharatBenz dealership business in Maharashtra
2023	Our Company received an in-principle approval for Maruti Suzuki dealership (Arena Channel) at Bangalore, Karnataka

* As on date of the acquisition of BharatBenz dealership business by PMPL, PMPL was not our subsidiary as per the Companies Act, 2013.

Awards, accreditations and accolades received by our Company and our Subsidiaries

Calendar Year	Awards and Accreditations
2003	PMMIL received the first ISO 9001:2015 certification
2004	Our Company was declared as the winner of the All India Best HR Practices Award in the Maruti Suzuki Dealers’ Conference 2003-04.
2005	Our Company was declared as the winner of the All India Best HR Practices Award (Category A) in the Maruti Suzuki Dealers’ Conference 2004-05.
2007	Our Company was declared as the winner of the All India Best HR Practices Award (Category A) in the Maruti Suzuki Dealers’ Conference 2006-07.
2008	Our Company was declared as the runner up of the Sales Award for Excellence in Sales and Best HR Practices (Category A) in the Maruti Suzuki Dealers Conference.
2013	PAWL was recognised as the National Dealer Champion by JLR at the Dealer Excellence Awards 2012-2013.
2014	PAWL was recognised as the National Dealer Champion by JLR at the Dealer Excellence Awards 2013-2014.
2014	PADL received the Product Champion Brakes from Maruti Suzuki in Parts Distributor Meet 2014
2015	PAWL was recognised as the National Champion for Overall Sales by JLR at the Dealer Excellence Awards 2014-15. PMMIL received the “Best Dealer in Commercial Vehicles” Award in the first Apollo CV Awards 2015
2016	PAWL was recognised as the Jaguar Land Rover Overall Champion Category A – at the JLR Dealer Excellence Awards 2015-16.
2017	Our Company was declared as the top ten city dealers’, runner up of the Dealer Group with the Highest Sales Volume of S-Cross Award at the NEXA Awards for Innovation & Excellence, 2017. Our Company was declared as the all India second runner up as Dealer Group with the Highest Sales Award at the NEXA Awards for Innovation & Excellence.

Calendar Year	Awards and Accreditations
	Our Company was awarded the Best Corporate Presentation award along with an Excellence Award for Best Innovative Training Practice under Corporate Category at the National Trainers Summit 2017 jointly awarded by the Indian Society for Training and Development (ISTD), Jan Shikshan Sansthaan (JSS) and T4Trainer.com. Kuttukaran Group received the Dhanam Best Retailer 2016 award in automobiles at the Dhanam Retail Summit & Award Nite 2017 VMPL showrooms in Pathanamthitta and Muvattupuzha received the Honda President's Award and were declared as the top performers, ranked as 2nd and 3rd, respectively, by Honda for their all-round consistency of performance in all 3 fields of sales, service and spares.
2018	Our Company was declared as the runner up of the All India Highest Sales Award (Arena Channel) in the Maruti Suzuki Dealer Conference. PMMIL was awarded the Excellence Award for highest sale of SCV Passenger by Tata Motors (Commercial). PMMIL was awarded the Excellence Award and was declared as the third ranked dealer in the Tata Genuine Parts Business by Tata Motors (Commercial). PMMIL was awarded the Excellence Award and was declared as the third ranked dealer in the Tata OK-Pre Owned Vehicles Business by Tata Motors (Commercial). PAWL (Marqland) was recognised as the Best Luxury Car Dealership at the Times Business Awards. PADL received the Best Marketer- Independent Workshop award from Maruti Suzuki. PADL was awarded Retail Outlet Champion from Maruti Suzuki in Parts Distributor meet 2018 PADL was awarded the Highest Growth in Retail Sales in Parts Distributor meet 2018
2019	PADL was awarded the Outstanding Distributor in the Parts Distributor Meet 2019 held at Kathmandu, Nepal by Maruti Suzuki PADL was awarded the Best Infrastructure & Warehouse Facility in the Parts Distributor Meet 2019 held at Kathmandu, Nepal by Maruti Suzuki. PADL received the most enterprising CEO award by Maruti Suzuki
2020	Our Company was categorised within the "Alpha Band" in Nexa score card 2019-20 from Maruti Suzuki for Kerala and Chennai in Nexa Our Company was categorised within the "Platinum Band" in balance score card 2019-20 by Maruti Suzuki for Kerala in Arena. PMMIL received Global Awards for Retail Excellence Dealership with maximum Branches- South Asia-Africa-GCC Retail Shopping Centre Congress & Awards 16th Edition by ET Now News. PMMIL was awarded the Best in Channel Partner Score Card (CPSC) by Tata Motors (Commercial) at the Regional Excellence Award H1 2019-20 PMMIL was awarded the Outstanding Market Share Performance in SCV Cargo & PU by Tata Motors (Commercial) at the Regional Excellence Award H1 2019-20 PMMIL was awarded the Best all Round Performance— South by Tata Motors (Commercial) at the Regional Excellence Award H1 2019-20 VMPL was recognised as a great workplace by Great Place to Work Institute, India from March, 2020 till February 2021 PAWL was recognised as a great workplace great workplace by Great Place to Work Institute, India from March, 2020 till February, 2021 PMMIL received the 'Safety Award – 2020' from the Government of Kerala for outstanding performance in industrial safety PADL received the Highest Retail Growth 2019-20 by Maruti Suzuki.
2021	Our Company was categorised within the "Alpha Band" in Nexa score card 2020-21 from Maruti Suzuki for Kerala and Chennai in Nexa VMPL was recognised as a great workplace by Great Place to Work Institute, India from April, 2021 till March, 2022 Our Company has achieved the coveted 'Platinum Band' in balance score card 2020-21 by Maruti Suzuki for Kerala in Arena Our Company has achieved the coveted 'Gold Band' in balance score card 2020-21 by Maruti Suzuki for Chennai in Arena PAWL was recognised great workplace by Great Place to Work Institute, India from April, 2021 till March, 2022 PADL was awarded the 'Certificate of Excellence' by TATA Motors Limited for the month of July, 2021 and August 2021
2022	Our Company was awarded the 'award of excellence' at the Maruti Suzuki Dealers Conference, 2022 The Kuttukaran Group obtained 3rd rank at ETAuto Top 100 Power Dealers List 2022 PAWL was recognised as 'India's Great Mid-Size Workplace' with a rank of 68 by Great Place to Work VMPL was recognised as 'Star Dealer' at the Honda President's Award 2021 organised at the Annual Dealers Convention, 2022 VMPL has received 'Gold Award' for retention products by Honda organised at the Annual Dealers Convention, 2022 VMPL has been recognised for its outstanding performance for renewal target achievement by SMC Insurance Brokers Private Limited VMPL has been recognised as a 'great workplace' for the period between March 2022 to March 2023 by Great Places to Work PAWL was awarded the Retailer Excellence Award 2021- 22 by Jaguar Land Rover India Our Company achieved the coveted Royal Platinum Band in Balance Score Card 2021-22 from Maruti Suzuki for Kerala in Arena Our Company achieved the coveted Platinum Band in Balance Score Card 2021-22 from Maruti Suzuki for Chennai in Arena Our Company achieved the Alpha Band in Nexa Score Card 2021-22 from Maruti Suzuki for Kerala and Chennai in Nexa
2023	Our Company achieved the "Royal Platinum Band" by Maruti Suzuki for its Arena dealerships in Kerala, "Gold Band" for Arena dealerships in Chennai, and "Alpha Band" for Nexa dealerships in FY 2023 Our Company has received ET Auto Retail Award 2023, for being the Top Dealer of the Year (South) PAWL was recognised as the most Trusted Dealer – Marqland Jaguar Landrover- Bangalore by Economic Times business

Calendar Year	Awards and Accreditations
	PAWL has been recognised as a 'great workplace' for the period between February 2023 to February 2024 by Great Place to Work
	VMPL was awarded the KMA Excellence Award 2023, for Innovative HR Initiatives Service Sector
	VMPL was recognised as a 'great workplace' for the period between February 2023 till February 2024 by Great Place to Work
	PMMIL was awarded a certificate of excellence for implementation of Model Workshop Safety Practice
	KGPL was awarded the "Best Dealer in Government Sales 2023" by Piaggio

Time and cost over-runs

There have been no instances of time and cost overruns in the development of any of our locations or units.

Defaults or re-scheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders. None of our outstanding loans with financial institutions/banks have been converted into equity shares. For details of our outstanding facilities as on December 31, 2023, see "*Financial Indebtedness*" on page 369.

Significant financial and/or strategic partners

As of the date of this Prospectus, our Company does not have any significant financial or strategic partners.

Corporate profile of our Company

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, launch of key products, entry into new geographies or exit from existing markets, suppliers, customers, location of facilities and managerial competence, see "*Our Business*", "*Our Management*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Government and Other Approvals*" on pages 170, 230, 338, and 388, respectively.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years

Except as disclosed below, our Company and Subsidiaries has not acquired any business or undertaking and has not undertaken any merger, amalgamation or revaluation of assets, in the last ten years.

Share transfer agreement dated February 4, 2023, entered into between John K. Paul, Francis K. Paul, Naveen Philip and our Company ("*Share Transfer Agreement*")

Our Company has entered into a Share Transfer Agreement whereby John K. Paul Francis K. Paul and Naveen Philip (collectively, the "**Transferors**") transferred 948,000 equity shares of ₹10 each, forming the whole of the issued and paid-up equity share capital of KEPL, to our Company and its nominee ("**Transferee**"), for a price of ₹318 per equity share aggregating to ₹30.14 million with effect from February 17, 2023. In terms of the Share Transfer Agreement, the beneficial ownership of one equity share shall be transferred to Naveen Philip, nominee of our Company. As on the date of this Prospectus, PMPL is a wholly owned subsidiary of KEPL. Pursuant to the Share Transfer Agreement, transfer of the equity shares to the Transferee is absolute and includes all rights and obligations connected to the equity shares including but not limited to all rights to dividends, capital and voting rights, dividends which are due to the Transferee.

Agreement for Sale of Undertaking on an as-is where-is slump sale basis between Provincial Trucking Private Limited ("*PTPL*") and Prabal Motors Private Limited ("*Slump Sale Agreement I*")

Our Subsidiary, PMPL (authorized dealers of BharatBenz trucks, carrying on business under the trade name 'Prabal Trucking' in Tamil Nadu), entered into a slump sale agreement dated January 1, 2023 pursuant to which PMPL purchased BharatBenz dealership business in Maharashtra including all its scheduled assets, (excluding land and building situated in Gondkhairi, Nagpur which will continue to be owned by PTPL), buildings/ leasehold improvements, electrical fittings, office equipment, plant and machinery, tools and equipment, furniture and fixture, motor vehicles and all the diagnostic software and hardware user access, computer and accessories attached to the aforesaid business, digital and virtual assets as described in the Slump Sale Agreement, on a slump sale basis ("**Business Undertaking**"). The aggregate sale consideration, i.e., a lump sum value for the Business Undertaking, is ₹90.00 million. Additionally, PMPL agreed to purchase the complete inventories including, vehicles below 6 months ageing, spare parts and vehicle accessories for a consideration not exceeding ₹60.00 million excluding GST. The parties have mutually agreed that the consideration shall be paid by PMPL in tranches and on dates as agreed in the Slump Sale Agreement 1.

Further, with the objective of facilitating unhindered operations of the Business Undertaking, among other actions to be completed within period of 30 days or 60 days from the day the agreement was entered into by the parties ("**Transition Period**"), PMPL will enter into licensing agreement with PTPL relating to any old customer vehicles that are left in the various sales branch and service centres forming part of the business mentioned under schedule I of the Slump Sale Agreement 1. Further, in terms of the slump sale agreement, PTPL will within the Transition Period prescribed in the agreement, it shall

transfer and assign all its rights, title and interest over the Business Undertaking, free of all claims, liens, charges and encumbrances to PMPL. PTPL will also share details relating to the existing employees and the tracker of all the current licenses and registrations under various labour laws, transfer the provident fund, employees' state insurance of the employees, the status of the full and final settlement of resigned/ exited employees. PMPL will take over all the existing employees of the PTPL and the contract employees, after executing a formal agreement on mutual terms.

Agreement for Sale of Undertaking on an as-is where-is slump sale basis between Malayalam Automobiles Private Limited ("MAPL") and Vision Motors Private Limited ("VMPL") ("Slump Sale Agreement 2")

Our Subsidiary, VMPL, entered into a slump sale agreement with Malayalam Automobiles Private Limited dated February 10, 2016, whereby MAPL agreed to transfer its business as a going concern and business undertaking of authorised dealership of Honda cars in Kerala including all its movable assets, including tools, equipments, computers, stock of vehicles and demo vehicles, deposits attached to the business, excluding payment outstanding to Honda Cars India Limited on a slump basis for an aggregate sale consideration of ₹128.20 million ("**Purchase Consideration**") to VMPL. The parties within 30 days ("**Transition Period**") shall transfer and assign all its rights, title, and interest over the business undertaking including unexpired lease rights free of all claims, liens, charges and encumbrances and all liabilities in respect of the business and business undertaking arising prior to February 2, 2016 ("**Effective Date**"). MAPL has obtained written consent from all the employees and has to pay all the applicable taxes and duties in respect of the business carried in. The parties have mutually agreed that the consideration shall be paid by VMPL in three tranches and upon receipt of the complete consideration, VMPL shall be in valid and legal possession of MAPL.

Agreement pursuant to slump sale between Prerana Motors Private Limited ("Prerana") and Popular Auto Dealers Private Limited ("PADL") ("Agreement pursuant to Slump Sale")

Our Subsidiary, PADL, entered into an agreement pursuant to slump sale dated January 9, 2021, whereby the PADL agreed to pay an amount of ₹11.80 million (including GST) as consideration ("**Goodwill Consideration**") to Prerana for a slump sale that took place on April 1, 2019, of its sole distributorship of the spare parts/ accessories of Tata Motors vehicles in Bangalore region ("**Sole Distributorship Business**"), along with the warehouse premise in Bangalore, to PADL for Goodwill Consideration. As per the Agreement pursuant to Slump Sale, Prerana will not, in collaboration with any other party, carry on similar business of spare parts/ accessories of Tata Motors vehicles in the same region. Prerana will use best endeavour to promote the Sole Distributorship Business taken over by PADL and provide PADL with full support and advantage of the connections and customers. Prerana will keep the proprietary information comprising part of the transaction confidential.

Scheme of Arrangement between Prabal Motors Private Limited ("PMPL") and Popular Kuttukaran Cars Private Limited as approved by the National Company Law Tribunal, Chennai ("Scheme")

The dealership with BharatBenz, along with all activities performed for cars manufactured under the brand BharatBenz, was being operated by our Subsidiary, Kuttukaran Cars Private Limited ("**KCPL**" formerly known as Prabal Motors Private Limited pursuant to a name swap under the Scheme) was demerged into Prabal Motors Private Limited ("**Prabal**" formerly known as Popular Kuttukaran Cars Private Limited pursuant to a name swap under the Scheme) pursuant to a scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956. On an application made by the PMPL the High Court of Judicature at Ernakulam, by an order dated March 31, 2016, directed for convening the meeting of the equity shareholders and secured creditors of both the companies. Subsequently, the High Court of Judicature at Ernakulam by an order dated June 23, 2017 transferred the petition to the National Company Law Tribunal, Chennai which sanctioned the Scheme. The appointed date for the Scheme was April 1, 2016. Pursuant to this Scheme, *inter alia*, all estate, assets, properties, debts, outstandings, credits, liabilities, employees, duties and obligations of KCPL in relation to the dealership with BharatBenz were transferred to and vested in Prabal. As consideration for the transfer, Prabal issued and allotted 20,000 0.01% non-cumulative redeemable preference shares of face value ₹10 each to shareholders of KCPL, amounting to ₹0.20 million, to be redeemed at the end of 20 years from the date of allotment. Further, pursuant to the Scheme, the erstwhile names of KCPL and Prabal were interchanged.

Compulsory Convertible Debenture Subscription Agreement dated February 5, 2024, entered into between Arun Agarwal, PADL, Niraj Agarwal, Puneeth P, Raghuram Patrao Patnala, Vinod Rathi (together, the "CCD Investors"), Svan Autotech Private Limited ("Svan Autotech"), Shaleen Agarwal, Sahil Rally and Varun Agarwal ("Svan Autotech DSA")

Pursuant to the Svan Autotech DSA, Svan Autotech has agreed to issue and allot an aggregate of 55,400 compulsory convertible debentures having a face value of ₹100 to the CCD Investors, of which 15,000 such compulsory convertible debentures shall be issued and allotted to PADL.

Holding Company

Our Company does not have a holding company.

Our Subsidiaries

As of the date of this Prospectus, our Company has six Subsidiaries and two step down Subsidiaries.

Direct Subsidiaries

1. **Popular Mega Motors (India) Private Limited (“PMMIL”)**

Corporate Information

PMMIL was incorporated on September 2, 1997 under the Companies Act, 1956 as a public limited company under the name of Motor World (India) Limited and received its certificate for commencement of business on September 29, 1997. The name of the company was subsequently changed to Popular Mega Motors (India) Limited and a fresh certificate of incorporation consequent upon change of name was issued on February 26, 1998. PMMIL was subsequently converted to a private limited company and a fresh certificate of incorporation consequent upon conversion to a private limited company was issued on March 24, 2015. PMMIL has its registered office at Door No. 32/2571 Kuttukaran Centre Mamangalam Kanayannur Taluk, Ernakulam 682 025 Kerala, India.

PMMIL is authorized to engage in, *inter alia*, the business of dealing in, importing, exporting, assembling, repairing, servicing and acting as distributors, franchisees or agents for all kinds of vehicles and vessels and their spare parts and accessories.

Capital Structure

The authorised share capital of PMMIL is ₹70,000,000 divided into 7,000,000 equity shares of ₹10 each and the issued and paid-up share capital of PMMIL is ₹69,439,630 divided into 6,943,963 equity shares of ₹10 each.

Shareholding

Our Company directly holds 6,943,962 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of PMMIL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of PMMIL as a nominee, on behalf of our Company.

For financial summary derived from the audited financial information of PMMIL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

2. **Popular Autoworks Private Limited (“PAWL”)**

Corporate Information

PAWL was incorporated on June 15, 2009 under the Companies Act, 1956 as a private limited company. It has its registered office at 32/2571-H, Kuttukaran Centre Mamangalam, Palarivattom, P.O., Ernakulam 682 025, Kerala, India.

PAWL is authorized to engage in, *inter alia*, the business of dealing in, importing, exporting, manufacturing, assembling, repairing, servicing and acting as distributors, franchisees or agents for all kinds of new and used passenger vehicles, commercial vehicles and vessels and their spare parts and accessories.

Capital Structure

The authorised share capital of PAWL is ₹280,000,000 divided into 28,000,000 equity shares of ₹10 each and the issued and paid-up share capital of PAWL is ₹251,117,800 divided into 25,111,780 equity shares of ₹10 each.

Shareholding

Our Company directly holds 25,111,779 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of PAWL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of PAWL as a nominee, on behalf of our Company.

For financial summary derived from the audited financials of PAWL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

3. **Kuttukaran Cars Private Limited (“KCPL”)**

Corporate Information

KCPL was incorporated on October 10, 2011 under the Companies Act, 1956 as a private limited company under the name of Prabal Motors Private Limited. The name of the company was subsequently changed to Kuttukaran Cars Private Limited, pursuant to a scheme of arrangement between Prabal and KCPL dated April 5, 2018, and a fresh

certificate of incorporation consequent upon change of name was issued on August 31, 2018. For details in relation to the scheme of arrangement, see “- *Scheme of Arrangement between Prabal Motors Private Limited and Popular Kuttukaran Cars Private Limited as approved by the National Company Law Tribunal, Chennai*” on page 223.

KCPL has its registered office at Door No. 32/2571-H, Kuttukaran Centre Mamangalam, Kanayannur Taluk, Ernakulam 682025, Kerala, India.

KCPL is authorized to engage in *inter-alia* the business of dealing in, importing, exporting, manufacturing, assembling, repairing, servicing and acting as distributors, franchisees or agents for all kinds of new and used passenger vehicles, commercial vehicles and vessels and their spare parts and accessories.

Capital Structure

The authorised share capital of KCPL is ₹60,000,000 divided into 4,000,000 equity shares of ₹10 each and 20,000 redeemable preference shares of ₹1,000 each. The issued and paid-up share capital of KCPL is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each. As of date, there are no redeemable preference shares that are outstanding.

Shareholding Pattern

Our Company directly holds 1,999,999 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of KCPL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of KCPL as a nominee, on behalf of our Company.

For financial summary derived from the audited financials of KCPL, please see section “*Other Financial Information—Details derived from the audited financial statements of our Subsidiaries*” on page 335.

4. Popular Auto Dealers Private Limited (“PADL”)

Corporate Information

PADL was incorporated on September 28, 2005 under the Companies Act, 1956 as a private limited company. It has its registered office at 40/1506, Kuttukaran Centre Mamangalam Palarivattom, P.O., Ernakulam 682 025, Kerala, India.

PADL is authorized to engage in, *inter alia*, the business of dealing in, importing, exporting, assembling, repairing, servicing and acting as distributors, or agents for all kinds of vehicles and vessels and their spare parts and accessories.

Capital Structure

The authorised share capital of PADL is ₹6,500,000 divided into 60,000 equity shares of ₹100 each and 5,000 redeemable preference shares of ₹100 each and the issued and paid-up share capital of PADL is ₹5,103,400 divided into 51,034 equity shares of ₹100 each. As of date, there are no redeemable preference shares that are outstanding.

Shareholding

Our Company directly holds 51,033 equity shares of ₹100 each aggregating to 99.99% of the issued and paid-up share capital of PADL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of PADL as a nominee, on behalf of our Company.

For financial summary derived from the audited financials of PADL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

5. Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited) (“KGPL”)

Corporate Information

KGPL was incorporated on June 14, 2017 under the Companies Act, 2013 as a private limited company under the name Kuttukaran Pre Owned Cars Private Limited. Subsequently, the name was changed to Kuttukaran Green Private Limited pursuant to a fresh certificate of Incorporation dated May 17, 2021. It has its registered office at Door No.40/3397, 1st Floor, Kuttukaran Centre, Mamangalam NA, Kochi, Ernakulam 682025, Kerala, India.

KGPL is authorised to engage in, *inter alia*, the business of buying, selling and marketing of multi brand used cars, as well as the parking, selling and refurbishment of the same, and dealing in, importing, exporting manufacturing, repairing, assembling, servicing and acting as agents in respect of all kinds of vehicles, spare parts and their accessories.

Capital Structure

The authorised share capital of KGPL is ₹30,100,000 divided into 1,010,000 equity shares of ₹10 each and 20,000 redeemable preference shares of ₹1,000 each. The issued and paid-up share capital of KGPL is ₹5,099,500 divided into 509,950 equity shares of ₹10 each and preference share capital is ₹15,000,000 divided into 15,000 redeemable preference shares of ₹1,000 each. As of date, 15,000 redeemable preference shares of ₹1,000 each are outstanding.

Shareholding Pattern

Our Company directly holds 509,949 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of KGPL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of KGPL as a nominee, on behalf of our Company.

For financial summary derived from the audited financials of KGPL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

6. Keracon Equipments Private Limited (“KEPL”)

Corporate Information

KEPL was incorporated on August 17, 2011 under the Companies Act, 1956 as a private limited company. It has its registered office at 32/2571, Kuttukaran Centre Mamangalam Palarivattom, P.O., Ernakulam 682 025, Kerala, India. KEPL is authorized to engage in, inter alia, the business of dealing in, importing, exporting, manufacturing, assembling, repairing, servicing and acting as distributors, franchisees or agents for all kinds of passenger vehicles, commercial vehicles and vessels and their spare parts and accessories.

Capital Structure

The authorised share capital of KEPL is ₹10,000,000 divided into 10,00,000 equity shares of ₹10 each and the issued and paid-up share capital of KEPL is ₹94,80,000 divided into 9,48,000 equity shares of ₹10 each.

Shareholding

Our Company directly holds 9,47,999 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of KEPL. One of our Promoters and Non-Executive Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of KEPL as a nominee, on behalf of our Company.

For financial summary derived from the audited financials of KEPL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

Step-down Subsidiaries

1. Vision Motors Private Limited (“VMPL”)

Corporate Information

VMPL was incorporated on March 14, 2008 under the Companies Act, 1956 as a private limited company. It has its registered office at 32/2571, Kuttukaran Centre Mamangalam, Palarivattom, P.O. Ernakulam 682 025 Kerala, India.

VMPL is authorized to engage in the business of dealing in, importing, exporting, manufacturing, assembling, repairing, servicing and acting as distributor, franchisees or agents in respect of motor cars, trucks, vans, jeeps, tractors, motor cycles, scooters, three wheeler vehicles and motor lunches and boats and their spare parts and accessories.

Capital Structure

The authorised share capital of VMPL is ₹155,000,000 divided into 15,500,000 equity shares of ₹10 each and the issued and paid-up share capital of VMPL is ₹146,766,660 divided into 14,676,666 equity shares of ₹10 each.

Shareholding

Our Subsidiary, PMMIL, holds 14,676,665 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of VMPL. One of our Promoters and Managing Director, Naveen Philip holds one equity share out of the issued and paid-up share capital of VMPL as a nominee, on behalf of PMMIL.

For financial summary derived from the audited financials of VMPL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

2. ***Prabal Motors Private Limited (“PMPL”)***

Corporate Information

PMPL was incorporated on February 01, 2006 under the Companies Act, 1956 as a private limited company. It has its registered office at 32/2571 H, II Floor, Kuttukaran Towers, Mamangalam, Palarivattom, P.O. Ernakulam 682 025 Kerala, India.

PMPL is authorized to engage in the business of dealing in, importing, exporting, assembling, fabricating, converting, altering, modifying, stocking, distributing, selling, servicing, repairing and acting as franchisees or agents in respect of motor cars, passenger cars and other vehicles and their spare parts and accessories.

Capital Structure

The authorised share capital of PMPL is ₹500,000 divided into 30,000 equity shares of ₹10 each and 20,000 non-cumulative redeemable preference shares of ₹10 each and the issued and paid-up share capital of PMPL is ₹300,000 divided into 10,000 equity shares of ₹10 each and 20,000 non-cumulative redeemable preference Shares of ₹10 each. As on date, 20,000 non-cumulative redeemable preference shares of ₹10 each are outstanding.

Shareholding

Our Subsidiary, KEPL, holds 9,999 equity shares of ₹10 each aggregating to 99.99% of the issued and paid-up share capital of KEPL. One of our Promoters and Non-Executive Director, John K. Paul holds one equity share out of the issued and paid-up share capital of PMPL as a nominee, on behalf of KEPL.

For financial summary derived from the audited financials of PMPL, please see section “*Other Financial Information – Details derived from the audited financial statements of our Subsidiaries*” on page 335.

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Financial Information.

Common Pursuits between our Subsidiaries and our Company

Except PMMIL, VMPL, KGPL and PMPL, that are in the same line of business as that of our Company, there are no common pursuits between our Subsidiaries and our Company. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Joint Ventures

Our Company does not have any Joint Ventures as on the date of filing of this Prospectus.

Shareholders’ agreements and other agreements

Share subscription agreement dated October 13, 2015 entered into amongst our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree (“SSA”)

Our Company entered into the SSA pursuant to which BanyanTree subscribed to 100 Equity Shares of face value of ₹10 each and 0.01% 6,500 cumulatively compulsorily convertible debentures of the Company, each having a face value of ₹100,000 each, for an aggregate consideration of ₹650,010,000. Subsequently, the cumulative compulsorily convertible debentures of the Company were converted to Equity Shares on March 9, 2017. For details, see “*Capital Structure – Notes to the capital structure – Share Capital History of our Company*” on page 77.

Shareholders’ agreement dated October 13, 2015 entered into amongst our Company, Promoters and BanyanTree (“SHA”) as amended by the deed of amendment executed on November 30, 2015 and letter dated September 5, 2018, between our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree (“SHA Amendment Agreement”, and together with the SHA, the “Shareholders’ Agreement”)

Our Company, our Promoters and BanyanTree have entered into the SHA *inter-alia* recording their rights and obligations in relation to the operation and management of our Company. This SHA was entered pursuant to BanyanTree subscribing to 6,500 cumulative compulsorily convertible debentures (“**CCDs**”) in terms of the SSA for an aggregate consideration of ₹ 650,010,000 (“**Consideration**”). Pursuant to the terms of the SHA, the Promoters have agreed among others, that they shall not directly or indirectly compete with the business of the Company during the term of the SHA, shall not make any material change in or extend its business or diversify without the prior written consent of BanyanTree, shall not do any act that restricts BanyanTree from enforcing their respective rights, shall use the Consideration amount solely for (i) setting up new automobile showrooms, workshops etc (ii) acquisition of entities engaged in similar businesses (iii) working capital for growth.

Pursuant to the SHA, the CCDs had to be converted into Equity Shares at the option of BanyanTree at any time and from time on or after issuance of the CCDs but prior to the last date on which applicable law requires conversion of the CCDs in connection with an IPO (“**Mandatory Conversion Date**”), and any remaining CCDs had to be automatically and compulsorily converted into Equity Shares by: (i) tenth anniversary of the issuance date or (ii) by Mandatory Conversion Date. The conversion of CCDs will be as per the conversion method as provided under the SHA. As on the date of this Prospectus, the outstanding CCDs have been converted to 1,333,233 Equity Shares in the ratio of 205 equity shares for every one CCD held by BanyanTree at an issue price of ₹487.54. For further details see, “*Capital Structure – Notes to the capital structure – Share capital history of our Company*” beginning on page 77.

Additionally, pursuant to the SHA, BanyanTree is entitled to nominate one director and appoint one observer on the Board of the Company and the Promoters are entitled to appoint the remaining directors. The presence of the director nominated by BanyanTree is required to constitute valid quorum at Board and Shareholders’ meetings. BanyanTree is also entitled to appoint one member in each committee constituted by the Board. Further, BanyanTree is also entitled to certain affirmative rights including in respect of issuance of securities, amending the business plan, entering into related party transactions etc. BanyanTree is also entitled to pre-emptive rights in respect of any issuance of securities, periodic information rights in respect of the activities and performance of the Company. Transfer of Equity Shares by our Promoters are subject to certain transfer restrictions including *inter-alia* the consent of BanyanTree and tag along rights except inter-se transfers in between Promoters. Further, our Company and Promoters are required to provide BanyanTree with an exit before the completion of the sixth anniversary of the closing date, i.e. December 31, 2021 by way of a qualified initial public offering or a trade sale or a secondary sale pursuant to which all the shares held by BanyanTree are purchased by a third party for cash consideration equivalent to or greater than 22% of internal rate of return or 2.5x money multiple of the consideration. Further, BanyanTree has certain event of default rights, i.e., buy back, investor put option and drag along rights in the event that our Company, our Subsidiaries or our Promoters fail to comply with their obligations under the Shareholders’ Agreement. Further, in case our Company issues new Equity Shares or other instruments that are convertible into or exchangeable for Equity Shares at consideration per Equity Share on a fully converted basis which is less than the conversion price, as per the SHA, (such proposed lower price is referred to as the “**Lowest Offered Price**”), the Investor shall be entitled to receive additional Equity Shares from the Company such that the average subscription price of the Investor for all Equity Shares (then held by the Investor) is reduced to the Lowest Offered Price. Our Company, our Promoters and BanyanTree have entered into the SHA Amendment Agreement, which *inter alia*, states that at no point shall BanyanTree hold more than 40% of the total issued and paid-up equity share capital of the Company on a fully diluted basis. The SHA Amendment Agreement also clarified that BanyanTree shall, in lieu of payment of the consideration, only be deemed to be entitled to such equity shares of the Company as are equivalent to 40% of the total issued and paid-up equity share capital of the Company on a fully diluted basis.

Waiver cum termination agreement dated September 15, 2023 entered into amongst our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree and further amended by Second Waiver Cum Termination Agreement dated February 3, 2024 (“Waiver Cum Termination Agreement”)

Our Company has entered into a Waiver Cum Termination Agreement with our Promoters and BanyanTree which provides for the termination of the Shareholders’ Agreement, as amended, upon receipt of listing and trading approval of the Equity Shares of the Company on the Stock Exchanges pursuant to the Offer. However, the right of BanyanTree, in terms of the Waiver Cum Termination Agreement, to appoint one Director on the Board of the Company shall survive post listing, for so long as it holds at least 5% of the issued and paid-up share capital of the Company (calculated on a fully diluted basis), applicable laws and receipt of shareholders’ approval through a special resolution by the shareholders, in passed on the earlier of: (a) the first general meeting convened after the Offer, and (b) before the expiry of 90 days from completion of the Offer. Pursuant to the terms of the Waiver Cum Termination Agreement, the parties have also agreed to amend certain clauses setting out the exit rights of BanyanTree as per the terms of the agreement. Further, BanyanTree has agreed that its information and inspection rights in relation to the Company shall fall away from the date of filing of the Red Herring Prospectus. Pursuant to the terms of the Waiver Cum Termination Agreement, each party has consented to the issue and transfer of equity shares pursuant to the Offer and waived their respective pre-emptive and anti-dilutive rights and transfer restrictions in this regard. The Waiver Cum Termination Agreement shall *ipso facto* terminate if the bid/offer opening date of the Offer does not occur within a period of 12 months from the date of the final observations issued on the DRHP by SEBI or an earlier date on which the Board decides not to undertake the Offer.

Brand license agreement dated November 1, 2015, entered into between Kuttukaran Trading Ventures and our Company (“Brand License Agreement”)

Our Company has entered into a Brand License Agreement whereby Kuttukaran Trading Ventures has provided a non-exclusive and assignable license to our Company for a period of 15 years to the brand names and brand marks as detailed out in the Brand License Agreement (“**Brand Marks**”) including “Kuttukaran Group”, “Kuttukaran”, “Popular”, “POPULAR”, “Kuttukaran” (logo) and “Kuttukaran journeys with you” (logo), for a one-time license fee of ₹53.00 million. As per the terms of the Brand License Agreement, our Company as well as our Subsidiaries are permitted to make full use of the Brand Marks for the purposes of business for a period of 15 years (“**License Period**”) from November 1, 2015. In the event Kuttukaran Trading Ventures is in breach of its obligations under the Brand License Agreement during the License Period, it has agreed to indemnify our Company for the same. Any dispute in relation to the terms of the Brand License Agreement is required to be settled by way of arbitration, with the arbitration venue being Kochi, India.

Deed of assignment dated February 21, 2022, entered into between Regiis Cars Private Limited (“Regiis”) and PAWL (“Deed of Assignment”)

Our Subsidiary, PAWL has entered into a deed of assignment whereby Regiis has assigned its title interest and appurtenant goodwill in the trademark “CARMARQ” (“**Mark**”), assigned to Regiis by KGPL by way of assignment deed November 9, 2020, to PAWL, for consideration of the sum ₹25,000. As per the terms of the Deed of Assignment, PAWL owns the entire right, title, interest and appurtenant goodwill in and to the Mark and is entitled to use the Mark absolutely and forever. PAWL is also entitled to use the Mark in the class it has been registered by Regiis and any other class it may intend to without any objection or interruption by Regiis or any person claiming through them. Regiis warrants that it has no residuary rights, title or goodwill in the Mark, charge or encumbrance or any pending proceeding in courts or tribunals in relation to the Mark. Deed shall be governed by Indian laws and courts at Aluva will have exclusive jurisdiction for any adjudication of disputes.

Memorandum of Understanding to take over the Maruti Outlets (as defined below) on rental basis between our Company, Hercules Automobiles International Private Limited and Hercules Hospitalities Private Limited (“Hercules I and II”) (“MoU”)

Our Company entered into a memorandum of understanding with Hercules Automobiles International Private Limited and Hercules Hospitalities Private Limited dated August 25, 2021, whereby Hercules I and II agreed to hand over legal possession of a sale outlet and 11 service centres (collectively, “**Maruti Outlet(s)**”) as agreed in the MoU. Our Company has agreed to pay an advance security deposit amount of ₹100 million in tranches, as agreed by parties or re-negotiate such amount at the time of executing individual lease/ sub-lease agreement for each Maruti Outlet. Hercules I and II agrees to hand over the Maruti Outlets subject to covenants including, our Company, *inter alia*, will (i) pay applicable rents as mentioned in the MoU, (ii) lease/ sub lease agreements of each Maruti Outlets only after Hercules I and II hand over (a) all statutory licenses, approvals, consents, clearances and/ or permits of the respective Maruti Outlets; (b) all title deeds, revenue documents including but not limited to, latest tax receipts for land and buildings, up-to-date encumbrance certificates, possession certificates etc. and upon convincing on the legal title and possession of the respective Maruti Outlets; and (iii) rent payments shall start after seeking MSIL approval and upon signing of individual lease/ sub-lease agreements. Our Company shall have the right terminate the lease/ sub-lease agreements, in case of any business loss, by serving a six months advance notice in writing to the Hercules I and II. Hercules I and II shall have no rights to terminate the said lease/ sub-lease agreements for the whole lease periods. Upon the expiry of the termination notice period and upon vacating the respective Maruti Outlets by our Company, either of Hercules I and II shall refund the security deposit amount with respective terminated lease/ sub-lease agreement.

Share purchase agreement dated February 6, 2024, entered into amongst our Company, BanyanTree and our Promoters (the “BT-Promoter SPA”) read with the amendment agreement to the BT-Promoter SPA dated February 14, 2024 (“BanyanTree SPA”)

Pursuant to the BanyanTree SPA, BanyanTree has transferred a total of 2,291,211 Equity Shares to the Promoters of the Company. Out of the total of 2,291,211 Equity Shares transferred, the Promoters purchased 763,737 Equity Shares each at an agreed consideration of ₹57 per Equity Share amounting to an aggregate consideration of ₹130.60 million subject to the terms and conditions as set out in the BanyanTree SPA. For details of the shareholding of our Promoters further to the BanyanTree SPA, please see “*Capital Structure – History of the Equity Share capital held by our Promoters – Build-up of the shareholding of our Promoters in our Company*” on page 91.

Other Agreements

Other than as disclosed above, there are no inter se agreements/ arrangements, clauses/ covenants, other agreements, including any deed of assignment, acquisition agreement, shareholders’ agreement, agreements of like nature, to which the Company, the Promoters and the Shareholders are a party, which are material and which are required to be disclosed. Further, we confirm that there are no other clauses or covenants which are material, adverse or pre-judicial to the interest of the minority/ public shareholders. For details with respect to agreements in relation to the business and operations of our Company, see “*Our Business*” on page 170.

Details of guarantees given to third parties by our Promoters who are participating in the Offer for Sale

None of the Promoters are participating in the Offer for Sale. For further details see “*Our Promoters and Promoter Group - Material guarantees given by our Promoters to third parties with respect to Equity Shares of our Company*” on page 252.

Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoter or any other employee

Other than as disclosed in “*– Shareholders’ agreements and other agreements*” on page 227, there are no agreements entered into by a Key Managerial Personnel, Senior Management Personnel, Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three and not more than 15 Directors including Independent Directors with at least one woman Director. As on the date of this Prospectus, our Board comprises of seven Directors, including three Executive Directors, one Non-Executive Non-Independent Director and three Non-Executive Independent Directors including one woman Non-Executive Independent Director.

The following table sets forth details regarding our Board of Directors:

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship and DIN	Age (years)	Other directorships
1.	Jacob Kurian Designation: Chairman and Non-Executive Independent Director Date of Birth: February 9, 1956 Address: 104 Tefilah Tranquille 154 Wheeler Road, Near Sameer House Fraser Town Bangalore 560 005 Karnataka, India Occupation: Service Term: With effect from January 16, 2024 for a period of five consecutive years Period of directorship: Director since January 16, 2019 DIN: 00213259	68	Popular Mega Motors (India) Private Limited
2.	John Kuttukaran Paul (“John K. Paul”)[#] Designation: Whole-time Director Date of Birth: March 28, 1953 Address: 42/1058 Kuttukaran House St. Benedict Road Ernakulam, Kochi 682 018 Kerala, India Occupation: Business Term: With effect from June 15, 2022 until March 31, 2024 and liable to retire by rotation* Period of directorship: Director since July 5, 1983 DIN: 00016513	70	- Bluetimbre Music Private Limited - Keracon Equipments Private Limited - Kuttukaran Cars Private Limited - Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited) - Memorytrain Creatives Private Limited - Popular Auto Dealers Private Limited - Popular Auto Spares Private Limited - Popular Autoworks Private Limited - Prabal Motors Private Limited - Regiis Insurance Broker Private Limited
3.	Francis Kuttukaran Paul (“Francis K. Paul”) Designation: Whole-time Director Date of Birth: February 9, 1948 Address: 34/542, A1 Kuttukaran House N.H. Bye Pass Road Padivattom, Edapally. P.O. Ernakulam 682 024 Kerala, India Occupation: Business	76	- Bluetimbre Music Private Limited - Keracon Equipments Private Limited - Kuttukaran Cars Private Limited - Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited) - Memorytrain Creative Private Limited - Popular Auto Dealers Private Limited - Popular Auto Spares Private Limited - Popular Autoworks Private Limited - Prabal Motors Private Limited

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship and DIN	Age (years)	Other directorships
	Term: With effect from April 1, 2022 for a period of two consecutive years and liable to retire by rotation** Period of directorship: Director since July 5, 1983 DIN: 00018825		Regiis Insurance Broker Private Limited
4.	Naveen Philip Designation: Managing Director Date of Birth: March 15, 1970 Address: Valiyathottathil House Dewans Road, Kochi, M.G. Road, Ernakulam 680 016 Kerala, India Occupation: Business Term: With effect from June 15, 2022 for a period of five consecutive years, liable to retire by rotation Period of directorship: Director since April 1, 2018 DIN: 00018827	53	- Bluetimbre Music Private Limited - Haeal Enterprises Private Limited - Keracon Equipments Private Limited - Kuttukaran Cars Private Limited - Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited) - Memorytrain Creatives Private Limited - Popular Auto Dealers Private Limited - Popular Autoworks Private Limited - Popular Mega Motors (India) Private Limited - Regiis Insurance Broker Private Limited - Vision Motors Private Limited
5.	Preeti Reddy Designation: Non-Executive Independent Director Date of Birth: October 31, 1958 Address: Gautam Nellore, C 478, Second Floor Defence Colony, Lajpat Nagar South Delhi 110 024 Delhi, India Occupation: Professional Term: With effect from January 16, 2024 for a period of five consecutive years Period of directorship: Director since January 16, 2019 DIN: 07248280	65	- ICICI Prudential Asset Management Company Limited; - Kantar India Foundation;
6.	George Joseph Designation: Non-Executive Independent Director Date of Birth: April 26, 1949 Address: Melazhakath, Idukki, Arakulam 685591 Kerala, India Occupation: Service Term: With effect from July 1, 2021 for a period of five consecutive years Period of directorship: Director since July 1, 2021 DIN: 00253754	74	Creditaccess Grameen Limited
7.	Rakesh Kumar Bhutoria	57	Kanakadurga Finance Limited

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship and DIN	Age (years)	Other directorships
	Designation: Non-Executive Nominee Director[^] Date of Birth: November 14, 1966 Address: Flat 1102, Satguru Sanskar Plot 19, 3rd Rd, TPS-IV Bandra West Mumbai 400 050 Maharashtra, India Occupation: Service Term: With effect from August 14, 2023 for a period of five consecutive years Period of directorship: Director since August 14, 2023 DIN: 08449728		Mahaveer Finance India Limited

* Pursuant to Board resolution dated June 20, 2023, and a special resolution passed by the Shareholders of our Company dated August 18, 2023, the tenure of John K. Paul has been extended from April 1, 2024 to March 31, 2026 and is appointed as a director liable to retire by rotation.

** Pursuant to Board resolution dated June 20, 2023, and a special resolution passed by the Shareholders of our Company dated August 18, 2023, the tenure of Francis K. Paul has been extended for the period from April 1, 2024 to March 31, 2026 and is appointed as a director liable to retire by rotation.

Appointment of John K. Paul as the Whole-time Director of our Company is subject to receipt of central government approval. For details, please see "Risk Factor – Our Company has not received the required approval from the Central Government for appointment of John K. Paul as a Whole-time Director of our Company. We cannot assure you that such approval will be received in a timely manner" on page 29.

[^] Nominee of BanyanTree

Family relationship between our Directors, Key Managerial Personnel and Senior Management Personnel

None of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other, except as stated below:

- John K. Paul and Francis K. Paul are brothers; and
- Naveen Philip is the nephew of John K. Paul and Francis K. Paul

Brief Biographies of Directors

Jacob Kurian is the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree in electrical engineering from the University of Madras. He also holds a post-graduate diploma in business management from Xavier Labour Relations Institute, Jamshedpur. Prior to joining our Company, he was the country manager at TATA Unisys Limited and also worked at TATA Services Limited and Titan Industries Limited.

John K. Paul is the Whole-time Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut. He is responsible for the Maruti Suzuki dealership operations of the group. He has more than 49 years of experience in automobile industry. He is currently the president of Kerala Automobiles Dealership Association and currently a member of Federation of Automobile Dealers Association's Executive Committee and Governing Council. He is also a trustee of the Lawrence School Lovedale Alumni Foundation.

Francis K. Paul is a Whole-time Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut. He is responsible for corporate social responsibility activities and other policy matters of our Company. He has more than 49 years of experience in the automobile sector.

Naveen Philip is a Managing Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut and a postgraduate diploma in management from the Xavier Institute of Management, Bhubaneswar. He has more than 26 years of experience in the automobile industry. He is a member of the Federation of Automobile Dealers Association's Governing Council. Previously, he held the position of a manager at Godrej Telecom Limited.

Preeti Reddy is a Non-Executive Independent Director of our Company. She holds a bachelor's degree in arts from the University of Delhi and an honours diploma in business management from Xavier Labour Relations Institute, Jamshedpur. She is the chairperson South Asia at Kantar Consumer Insights organisation. She has previously served as a senior vice president at IMRB International Limited. She has previously worked in consumer consulting as a vice president at KSA Technopak (I) Pvt Ltd and has worked as Market Research Manager at VST Industries Limited.

George Joseph is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Kerala. He is a certificated associate of the Indian Institute of Bankers. He has also completed a banking diploma from the Institute of Bankers, London. He retired as chairman and managing director of Syndicate Bank. He was associated

with Canara Bank for a period of over 36 years and resigned as general manager in 2006. He has also served as chairman, whole time director and joint managing director of Wonderla Holidays Limited. He has in the past served as the independent director of Muthoot Finance Ltd and ESAF Small Finance Bank Limited.

Rakesh Kumar Bhutoria is the Non-Executive Nominee Director of our Company. He holds a bachelor's degree in chemical engineering from Jadavpur University and master's degree in management studies from University of Bombay. He has also previously worked as a managing director of Standard Chartered Bank UAE and group executive vice president in commercial banking at IDFC Bank Limited. He has been appointed as a Non-Executive Nominee Director of our Company pursuant to the Shareholders' Agreement.

Confirmations

None of our Directors is or was a director of any listed company during the five years preceding the date of this Prospectus, whose shares have been, or were suspended from being traded on any of the stock exchanges during his/her tenure.

None of our Directors are appearing in the list of directors of companies struck-off by any registrar of companies or ministry of corporate affairs under Section 248 of the Companies Act.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Terms of appointment of Executive Directors

John K. Paul

John K. Paul was first appointed as our Managing Director pursuant to a Board resolution dated April 1, 2010, and was last redesignated as a Whole-time Director pursuant to the Board resolution dated June 14, 2022 and a special resolution passed by the Shareholders of our Company dated July 14, 2022 for the period from June 15, 2022 to March 31, 2024 and liable to retire by rotation.

Further, his tenure as a Whole-time Director, liable to retire by rotation, has been extended pursuant to Board resolution dated June 20, 2023, and a special resolution passed by the Shareholders of our Company dated August 18, 2023 for the period from April 1, 2024 to March 31, 2026. The details of remuneration governing his appointment as approved by the Board in their meeting held on June 14, 2022 and the Shareholders in their meeting held on July 14, 2022, is provided below.

Particulars	Remuneration
Basic Salary	₹0.73 million per month on an annual increment as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee, from time to time, subject to a maximum ceiling of 10% increase per annum.
Performance Incentives*	As determined by the Board based on consolidated net profits of the Company in the following category: - upto ₹200 million - Nil - between ₹200 million - ₹300 million – 1% of the achievement in this slab; - over and above the above slabs milestone based incentive for every ₹50 million - at ₹350 million, 0.16% for ₹50 million; - at ₹400 million, 0.33% for ₹100 million; - at ₹450 million, 0.50% o for ₹150 million; and - at ₹500 million and multiples of every ₹50 million after that, 0.67% of ₹200 million along with additional 0.67% of every ₹50 million achieved, over and above of ₹500 million
Perquisites	The following perquisites are provided (valuated as per Income Tax Rules, wherever applicable and at actual cost to Company in other cases): - Use of Company's furnished accommodation - Gas, electricity, water and furnishings

Particulars	Remuneration
	• Club fees • Life and health insurance • Use of car and telephone facilities at residence • Leave and travel concessions • Educational benefits • Gratuity: Up to half a month's salary for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972 • Perquisites and tax deducted at source falling under section 194 R of the Income Tax Act 1961**

* Pursuant to the Board resolution dated June 14, 2022, John K. Paul is entitled for a performance linked incentive of ₹1 million

** With retrospective effect pursuant to Shareholders' resolution dated August 18, 2023.

Francis K. Paul

Francis K. Paul was first appointed as our Whole-time Director pursuant to a Board resolution dated April 1, 2010 and was last reappointed as a Whole-time Director, liable to retire by rotation, pursuant to the Board resolution dated August 31, 2021 and a special resolution passed by the Shareholders of the Company dated September 28, 2021, from April 1, 2022 to March 31, 2024. Subsequently, his tenure as a Whole-time Director, liable to retire by rotation, was extended pursuant to Board resolution dated June 20, 2023 and a special resolution passed by the Shareholders of our Company dated August 18, 2023 for the period from April 1, 2024 to March 31, 2026. The details of remuneration governing his reappointment as approved by the Board in their meeting held on August 31, 2021 and the Shareholders in their meeting held on September 28, 2021, is provided below.

Particulars	Remuneration
Basic Salary	₹0.73 million per month on an annual increment as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee, from time to time, subject to a maximum ceiling of 10% increase per annum.
Performance Incentives	As determined by the Board, based on consolidated net profits of the Company being: • upto ₹200 million - Nil • between ₹200 million - ₹300 million – 1% of the achievement in this slab; • over and above the above slabs milestone based incentive for every ₹50 million a. at ₹350 million, 0.16% for ₹50 million; b. at ₹400 million, 0.33% for ₹100 million; c. at ₹450 million, 0.50% o for ₹150 million; and d. at ₹500 million and multiples of every ₹50 million after that, 0.67% of ₹200 million along with additional 0.67% of every ₹50 million achieved, over and above of ₹500 million
Perquisites	The following perquisites are provided (valuated as per Income Tax Rules, wherever applicable and at actual cost to Company in other cases): • Use of Company's furnished accommodation • Gas, electricity, water and furnishings • Club fees • Life and health insurance • Use of car and telephone facilities at residence • Leave and travel concessions • Educational benefits

Particulars	Remuneration
	- Gratuity: Up to half a month's salary for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972 - Perquisites and tax deducted at source falling under section 194 R of the Income Tax Act 1961**

* Pursuant to the Board resolution dated June 14, 2022, Francis K. Paul is entitled for a performance linked incentive of ₹1 million.

** With retrospective effect pursuant to Shareholders' resolution dated August 18, 2023.

Naveen Philip

Naveen Philip was first appointed as additional Director pursuant to a Board resolution dated September 5, 2018 and pursuant to Shareholders' resolution dated September 29, 2018, and was last re-appointed as a Managing Director pursuant to the board resolution dated June 14, 2022 and a special resolution passed by the Shareholders of the Company dated July 14, 2022.

As on the date of this Prospectus, our Company is not paying remuneration to Naveen Philip. The total remuneration inclusive of salary and performance incentive payable to Naveen Philip is being paid by PMMIL. The details of remuneration as set out below are effective from April 1, 2022:

Particulars	Remuneration
Basic Salary	₹0.73 million per month on an annual increment as may be decided by the board, subject to a maximum ceiling of 10% increase per annum.
Performance Incentives	As determined by the board based on consolidated net profits of PMMIL being: - upto ₹200 million - Nil - between ₹200 million - ₹300 million – 1% of the achievement in this slab; - over and above the above slabs milestone based incentive for every ₹50 million a. at ₹350 million, 0.16% for ₹50 million; b. at ₹400 million, 0.33% for ₹100 million; c. at ₹450 million, 0.50% o for ₹150 million; and d. at ₹500 million and multiples of every ₹50 million after that, 0.67% of ₹200 million along with additional 0.66% of every ₹50 million achieved, over and above of ₹500 million
Perquisites	The following perquisites are provided: - Use of Company's furnished accommodation - Gas, electricity, water and furnishings - Club fees - Life and health insurance - Use of car and telephone facilities at residence - Leave and travel concessions - Educational benefits - Gratuity: Up to half a month's salary for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972 - Perquisites and tax deducted at source falling under section 194 R of the Income Tax Act 1961*

* With retrospective effect pursuant to resolution passed by shareholders of PMMIL dated August 3, 2023.

Payment of benefit to Directors of our Company and Subsidiaries

Other than as disclosed below, none of our Directors are entitled to remuneration from our Company and our Subsidiaries. Except as disclosed below, our Company and our Subsidiaries have not paid any remuneration or granted any benefit to any of our Directors (including contingent and deferred compensation) in any capacity during Financial Year 2023:

1. Executive Directors:

The details of the remuneration paid to our Executive Directors during the Financial Year 2023 is as follows:

S. No.	Name of the Director	Remuneration (₹ in million)
1.	John K. Paul	9.78
2.	Francis K. Paul	11.75
3.	Naveen Philip	8.78*

* Received for holding directorships in PMMIL in FY 2023

2. Non-Executive Non-Independent Directors:

Our Company has not paid any remuneration to its Non-Executive Non-Independent Directors in FY 2023.

3. Non-Executive Independent Directors:

Our Non-Executive Independent Directors are entitled to a sum of ₹100,000 for attending each meeting of the Board and committees, in addition to reimbursement of actual expenses incurred for attending the meetings. Details of the remuneration paid to the Non-Executive Independent Directors in the FY 2023 is set forth below:

S. No.	Name of the Director	Amount (₹ in million)
1.	Jacob Kurian	1.40
2.	Preeti Reddy	1.20
3.	George Joseph	1.40

Our Company, pursuant to Board resolution dated August 31, 2021 and Shareholders' resolution dated September 28, 2021, may also pay a commission of up to 1% of net profits of our Company to its Non-Executive Directors including Independent Directors for period of five year with effect from April 1, 2021.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except Rakesh Kumar Bhutoria, who has been appointed as a Non-Executive Nominee Director of BanyanTree pursuant to the Shareholders' Agreement there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on the Board. For details see "History and other Corporate Matters – Shareholders' agreements and other agreements" on page 227.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of filing of this Prospectus is set forth below:

Name of Director	Number of Equity Shares	Percentage Shareholding (%)
John K. Paul	14,519,362	23.15
Francis K. Paul	14,519,362	23.15
Naveen Philip	14,519,362	23.15

Interest of Directors

All our Directors may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof. For further details, see "– Terms of Appointment of our Executive Director" and "– Payment of benefit to Directors of our Company and Subsidiaries" on pages 233 and 236, respectively. Some of our Directors may also hold positions as directors on the board of directors of our Subsidiaries and as heads of certain business verticals. In consideration for these services, they paid managerial remuneration in accordance with the provisions of applicable law. Further, our Directors, John K. Paul, Francis K. Paul and Naveen Philip receive payments towards repayment of unsecured interest-free borrowings provided by them to certain Subsidiaries and towards rent for property leased by them to the Company and Subsidiaries. For details, see "Other Financial Information - Related Party Transactions" and "Our Promoters and Promoter Group – Interests of Promoters" on pages 337 and 250, respectively.

Other than as disclosed in "Other Financial Information – Related Party Transactions" and "Our Promoters and Promoter Group – Interests of Promoters" on page 337 and 250, respectively, no amount or benefit has been paid or given within the

two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration, commission and sitting fees for services rendered as Directors.

Our Directors have no interest in any property acquired by our Company or proposed to be acquired by our Company, nor do our Directors have any interest in transaction for the acquisition of land, construction of building and supply of machinery in relation to the Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or their relatives or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them.

Except for John K. Paul, Francis K. Paul and Naveen Philip, who are our Promoters as on the date of this Prospectus, none of our other Directors have any interest in the formation or promotion of our Company other than in the ordinary course of business.

No sum has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or otherwise for services rendered by such Directors or by such firms or companies in connection with the promotion or formation of our Company.

None of the Directors have availed any loan from our Company.

Other than the performance linked incentives given to our Managing Director and Whole-time Directors and commission paid to Independent Directors, none of our Directors are party to any bonus or profit-sharing plan of our Company.

No Directors have entered into any service contract with our Company pursuant to which such Directors are entitled to any benefits upon termination of employment.

Changes in Board in the last three years

Name of the Director	Date of Appointment/ Change/ Cessation	Reason for change in Board	Reason for resignation
Rakesh Kumar Bhutoria	August 14, 2023	Appointed as Non-Executive Nominee Director	N.A.
Abhishek Girdharlal Poddar	June 19, 2023	Resignation as Non-Executive Nominee Director	Resignation due to personal reasons
Abhishek Girdharlal Poddar	September 27, 2022	Appointment as Non-Executive Nominee Director	N.A.
Rahul G. Kurup	September 27, 2022	Resignation as Non-Executive Nominee Director	Resignation due to personal reasons
Naveen Philip	June 15, 2022	Redesignated as Managing Director	N.A.
John K. Paul	June 15, 2022	Redesignated as Whole-time Director	N.A.
George Joseph	July 1, 2021	Appointment as Non-Executive Independent Director	N.A.

Borrowing Powers of our Board

In accordance with our Articles and pursuant to a resolution passed by the Shareholders of our Company on September 27, 2014, the Board is authorised to borrow such sum of money (including by way of debentures, bonds, secured or unsecured loans or otherwise) at any time or from time to time as may be required for the purposes of business of the Company in excess the aggregate of paid-up capital and its free reserves, that is to say, reserve not set apart for any specific purpose, subject to the condition that such conditions such borrowings together with the money which is already borrowed (apart from the temporary loans obtained by the Company from its bankers/other entities in the ordinary course of business) shall not exceed ₹5,000 million apart from the loan obtained by the Company from its bankers/other entities in the ordinary course of its business.

Corporate Governance

The Corporate Governance provisions of the SEBI ICDR Regulations and SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Companies Act, SEBI ICDR Regulations and SEBI Listing Regulations in respect of corporate governance including constitution of the Board and committees thereof and formulation of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, the SEBI ICDR Regulations, SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas.

Currently, our Board has seven Directors comprising three Executive Director, four Non-Executive Directors of whom three are Independent Directors (including one woman Independent Director).

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. George Joseph, *Chairman*
2. Jacob Kurian
3. Preeti Reddy
4. Naveen Philip

The Audit Committee was constituted by a meeting of the Board of Directors held on January 16, 2019 and was last reconstituted in the meeting of the Board of Directors held on July 1, 2021. The terms of reference were revised in the meeting of the Board of Directors held on August 14, 2023. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI Listing Regulations and its terms of reference include the following:

The Audit Committee shall have powers, which should include the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee of the Company;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

The role of the Audit Committee, *inter alia*, shall include the following:

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 1. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 2. changes, if any, in accounting policies and practices and reasons for the same;
 3. major accounting entries involving estimates based on the exercise of judgment by management;
 4. significant adjustments made in the financial statements arising out of audit findings;
 5. compliance with listing and other legal requirements relating to financial statements;
 6. disclosure of any related party transactions;
 7. modified opinion(s) in the draft audit report;
- (e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (j) scrutiny of inter-corporate loans and investments;
- (k) valuation of undertakings or assets of the Company, wherever it is necessary;
- (l) evaluation of internal financial controls and risk management systems;
- (m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (n) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (o) discussion with internal auditors of any significant findings and follow up there on;
- (p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (q) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (r) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (s) to review the functioning of the whistle blower mechanism;
- (t) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (u) carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (v) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments; and
- (w) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses;
- (d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (e) statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- (f) To review the financial statements, in particular, the investments made by any unlisted subsidiary; and

- (g) Such information as may be prescribed under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Audit Committee is required to meet at least four times in a year and not more than 120 days are permitted to elapse between two meetings under the terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Preeti Reddy, *Chairperson*
2. Jacob Kurian
3. George Joseph
4. Rakesh Kumar Bhutoria

The Nomination and Remuneration Committee was constituted by the Board of Directors held on January 16, 2019 and was last reconstituted on August 14, 2023, and the terms of reference were revised in the meeting of the Board of Directors held on August 14, 2023. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee shall include the following:

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees (“**Remuneration Policy**”). The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:
 - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - (i) use the services of an external agencies, if required;
 - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (iii) consider the time commitments of the candidates.
- (d) devising a policy on Board diversity;
- (e) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- (f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- (h) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013 and the SEBI Listing Regulations, as and when amended from time to time.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. George Joseph, *Chairman*
2. Naveen Philip
3. Preeti Reddy
4. Rakesh Kumar Bhutoria

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on June 14, 2022 and was last reconstituted on August 14, 2023. The scope and functions of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee include the following:

- a) To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reports of such statements.
- b) To review measures taken for effective exercise of voting rights by the shareholders.
- c) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and shares transfer agent.
- d) To review the various measures initiative taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
- e) Carrying out such other functions as may be specified by the board from time to time or specified/ provided under the Companies Act or the SEBI LODR Regulations, each as amended, or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Francis K. Paul, *Chairman*
2. John K. Paul
3. Jacob Kurian
4. Rakesh Kumar Bhutoria

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on May 20, 2014 and was last reconstituted on August 14, 2023. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

Risk Management Committee

The members of the Risk Management Committee are:

1. Naveen Philip, *Chairman*
2. Jacob Kurian
3. Francis K. Paul
4. Preeti Reddy
5. George Joseph

The Risk Management Committee was constituted by our Board of Directors at their meeting held on June 10, 2021 and was last reconstituted on July 1, 2021. The terms of reference of the Risk Management Committee of our Company include the following:

- a) To formulate a detailed risk management policy which shall include:

- i. a framework for identification of internal and external risks specifically faced by a listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risks as may be determined by the committee;
 - ii. measures for risk mitigation including systems and processes for internal control of identified risks
 - iii. business continuity plan
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 - c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 - d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 - e) To keep the board of directors informed about the nature and its contents of discussions, recommendations and actions to be taken;
 - f) To review the appointment, removal and terms of remuneration of the chief risk officer (if any); and
 - g) To carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, or the SEBI LODR Regulations, each as amended or by any other regulatory authority.

IPO Committee

The members of the IPO Committee are:

1. Naveen Philip, *Chairman*
2. John K. Paul;
3. Francis K. Paul;
4. Rakesh Kumar Bhutoria

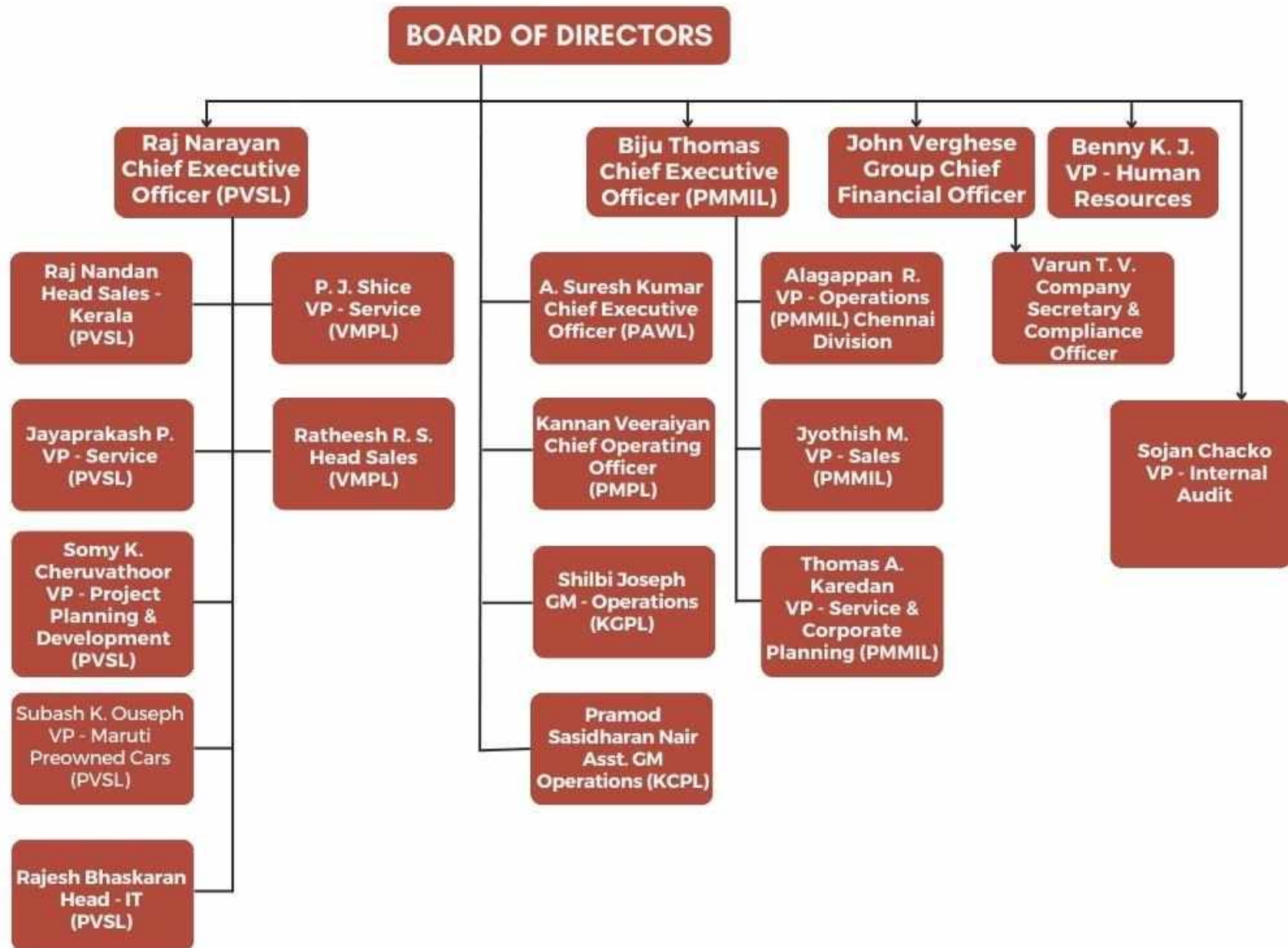
The IPO Committee was constituted by our Board of Directors at their meeting held on August 14, 2023. The terms of reference were revised in the meeting of the Board of Directors held on February 5, 2024. The terms of reference of the IPO Committee include the following:

1. to decide in consultation with the BRLMs the actual size of the Offer and taking on record the number of equity shares (the “**Equity Shares**”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and all the terms and conditions of the Offer, including without limitation timing, opening and closing dates of the Offer, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
2. to appoint, instruct and enter into agreements with the BRLMs, and in consultation with BRLMs appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, industry expert, legal counsels, depositories, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and offer agreement with the BRLMs, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
3. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”), the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“**Stock Exchanges**”), the Registrar of Companies, Kerala at Ernakulam (“**Registrar of Companies**”), institutions or bodies;
4. to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case the Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

5. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), Companies Act, 2013, as amended and other applicable laws;
6. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
7. to open separate escrow accounts as the escrow account to receive application monies from anchor investors/ underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Offer and in respect of which a refund, if any will be made;
8. to open account with the bankers to the Offer to receive application monies in relation to the Offer in terms of Section 40(3) of the Companies Act, 2013, as amended;
9. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, share escrow agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, Stock Exchanges, BRLMs and other agencies/ intermediaries in connection with Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
10. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), Registrar of Companies, and such other statutory and governmental authorities in connection with the Offer, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
11. to make in-principle and final applications for listing and trading of the Equity Shares on one or more stock exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
12. to determine and finalize, in consultation with the BRLMs, the price band for the Offer and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Offer, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
13. to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
14. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
15. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company’s lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer in accordance with the applicable laws;
16. to determine the price at which the Equity Shares are offered, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
17. to settle all questions, difficulties or doubts that may arise in relation to the Offer, as it may in its absolute discretion deem fit;
18. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Offer;
19. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Offer;

20. to withdraw the DRHP or RHP or to decide not to proceed with the Offer at any stage in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and applicable laws;
21. to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant stock exchange(s) where the Equity Shares are to be listed;
22. to authorize and empower officers of the Company (each, an “**Authorized Officer(s)**”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories’ agreements, the offer agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, the stabilization agreement, the share escrow agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing; and
23. To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company

Management Organisation Chart



Key Managerial Personnel

The details of our Key Managerial Personnel are as follows:

John K. Paul is the Whole-time Director of our Company. For details in relation to John K. Paul, see “– *Brief Biographies of Directors*” on page 232.

Francis K. Paul, is the Whole-time Director of our Company. For details in relation to Francis K. Paul, see “– *Brief Biographies of Directors*” on page 232.

Naveen Philip is the Managing Director of our Company. For details in relation to Naveen Philip, see “– *Brief Biographies of Directors*” on page 232.

Varun T.V is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since May 15, 2018. Pursuant to resolution passed by our Board on August 31, 2023, he has been appointed as the Compliance Officer for the Offer and is in charge of the corporate compliance and secretarial of the entire Kuttukaran Group. He holds a bachelor's degree in commerce from the Mahatma Gandhi University and a master's degree in business administration from Anamalai University. He is as an associate member of the Institute of Company Secretaries of India. Prior to joining our Company he was working as a company secretary with Joyalukkas India Limited and as a company secretary and compliance officer with Muthoot Capital Services Limited. During FY 2023, he was paid a gross compensation of ₹2.69 million.

Raj Narayan is the Chief Executive Officer of our Company. He has been associated with our Company since October 10, 2022 and is in charge of the entire divisions of Maruti dealership business of our Company. He holds a bachelor's degree in commerce from the University of Kerala and holds a master's degree in business administration from the Institute of Chartered Financial Analysts of India University, Tripura. Prior to joining our Company, he was the director, retail sales and distribution at Globacom Limited. During FY 2023, he was paid a gross compensation of ₹5.59 million.

John Verghese is the Group Chief Financial Officer of our Company. He has been associated with our Company as Chief Financial Officer since July 31, 2018. He was appointed to this post with effect from April 1, 2022 and is responsible for the entire finance divisions of the Kuttukaran Group. He holds a bachelor's degree in commerce from University of Calcutta. He is an associate member of the Institute of Chartered Accountants of India. Prior to joining our Company, he worked as a chief financial officer with Plant Lipids Private Limited and as the president with Rane NSK Steering Systems Limited. Prior to his current appointment, he has served in our Company from September 2012 to March 2015. During FY 2023, he was paid a gross compensation of ₹6.98 million.

Biju Jose Thomas is the chief executive officer of PMMIL. He has been associated with PMMIL since January 3, 2022 and is in charge of the operations of Tata Motors business. He has completed a programme on 'managing retailing' from Indian Institute of Management, Ahmedabad and holds a bachelor's degree in commerce from Mahatma Gandhi University, Kottayam. He is an associate member of the Institute of Chartered Accountants of India with multiple years of experience in *inter alia* business operations and finance. Prior to joining PMMIL, he worked with Vasudev Adigas Fast Food Private Limited as the managing director and chief executive officer, with Blue Ocean Beverages Private Limited as the chief executive officer, with Aditya Birla Retail Limited as a general manger – finance and accounts and with Supplyco as the additional general manager. During FY 2023, he was paid a gross compensation of ₹3.63 million.

A. Suresh Kumar is the chief executive officer of PAWL, our Subsidiary. He has been associated with PAWL since July 10, 2019 and is in charge of the entire operations of JLR dealership business. He holds a post graduate diploma, a master's degree in science in anthropology from the Mysore University and holds a master's degree in business administration from the Karnataka State Open University. Prior to joining PAWL, he worked at Olympus Motors Private Limited as the head of sales, as the chief operating officer for A. K. Capital Finance Private Limited, as a deputy sales manager at Saud Bahwan Automatic LLC and as a sales manager at Sundaram Motors. During FY 2023, he was paid a gross compensation of ₹4.76 million.

Senior Management Personnel

P. Jayaprakash, is the Vice President Service of our Company. He has been associated with our Company since June 1, 1998 and is in charge of the service division of Maruti dealership business. He completed the pre-degree examination from the University of Calicut. During FY 2023, he was paid a gross compensation of ₹2.69 million.

Subhash K. Ouseph, is the Vice President – pre-owned cars of our Company. He has been associated with our Company since August 1, 2000 and is in charge of the Maruti True Value division of our Company. He holds a diploma in computer science from Datapro Information and Technology, a bachelor's degree in commerce from the Mahatma Gandhi University and holds a master's degree in business administration from the National Institute of Business Management. During FY 2023, he was paid a gross compensation of ₹1.95 million.

Sojan Chacko, is the Vice President - Internal Audit. He has been associated with our Company since May 17, 2016 and is in charge of the internal audit division of the Kuttukaran Group. He holds a bachelor's degree in commerce from the Mahatma Gandhi University, an executive post graduate diploma in management from the Indian Institute of Management, Kozhikode Society, and is a fellow member of the Institute of Chartered Accountants of India. He received the Valiaveedan Award from St. Berchman's College, Changanacherry, for securing the highest rank in the bachelor's of commerce degree examination.

Prior to joining our Company, he worked with Vertex Securities Limited, Ideal Marine Products LLC, Peninsular Capital Market Limited and Kitex Garments Limited. During FY 2023, he was paid a gross compensation of ₹2.56 million.

Raj Nandan is the Head Sales – Kerala of our Company. He has been associated with our Company since June 21, 2023 and is in charge of the sales division of Maruti dealership business of our Company. He holds a bachelor's degree in science (agriculture) from Kerala Agricultural University, Thrissur, Kerala and post graduate diploma in management from Amrita Institute of Management, Coimbatore, Tamil Nadu. Prior to joining our Company, he worked with Abu Dhabi branch of Alliance Insurance (Public Shareholding Company) as a branch manager and with Tata Realty and Infrastructure Limited as a general manager – sales and marketing (sales). Since he was appointed on June 21, 2023, he has not received any remuneration in FY 2023 from our Company.

Somy K. Cheruvathoor is Vice President – project planning and development of our Company. He is associated with our Company since September 17, 1997 and is in charge of the projects and new expansions of the Company. He holds post graduate diploma in management administration from School of Communication and Management Studies. During FY 2023, he was paid a gross compensation of ₹2.62 million.

Benny K. J., is the Vice President - human resource of our Company. He has been associated with our Company since October 14, 2019 and is in charge of the overall Human Resource function of the Kuttukaran Group. He holds a master's degree of arts in social work with specialization in human resource management from the University of Madras. Prior to joining our Company, he worked as the chief people officer at Rasi Seeds Private Limited, as the senior general manager human resource development at VKL Seasoning Private Limited and as the assistant general manager human resource at Videocon Telecommunications Limited. During FY 2023, he was paid a gross compensation of ₹3.04 million.

Rajesh Bhaskaran, is the Head of Information Technology of our Company. He has been associated with our Company since November 2, 2015 and is in charge of the IT division of the Kuttukaran Group. He holds a bachelor's degree in commerce from the Municipal College, Rourkela and holds an honours diploma in systems management from the National Institute of Information Technology. He has also successfully completed the project management training from the Project Management Training Institute. He has also completed a course in Linux from CMC Limited. He also successfully completed a course in oracle from the Software Technology Group International Limited. Prior to joining our Company, he worked as the general manager for information technology with Granules India Limited, DGM-IT for Carnation Auto India Private Limited, manager-information system for Suzuki Motorcycle India Private Limited and as the assistant manager-IT for Panasonic India Private Limited. During FY 2023, he was paid a gross compensation of ₹3.17 million.

Alagappan R is the vice president – operations (Chennai division) at PMMIL, our Subsidiary. He has been associated with PMMIL since December 17, 2012 and is in charge of the Tamil Nadu operations of Tata dealership business. He holds a bachelor's degree in engineering from Madurai Kamaraj University, Palkalai Nagar and master's degree in business administration from Anna University, Madras. Prior to joining PMMIL, he worked as the head of sales operations at DSC Motors Private Limited. During FY 2023, he was paid a gross compensation of ₹2.32 million.

Jyothish M., vice president - sales, of PMMIL, our Subsidiary. He has been associated with PMMIL since May 3, 1998 and is in charge of the sales division in Kerala. He holds a bachelor's degree in Commerce from the Mahatma Gandhi University. During FY 2023, he was paid a gross compensation of ₹2.19 million.

Thomas A Karedan, is the vice president - service and corporate planning at PMMIL, our Subsidiary. He has been associated with our Company since January 24, 2000 and is in charge of the service division of Kerala. He holds a bachelor's degree in engineering from the Mangalore University. Prior to joining PMMIL, he worked in the position of trainee engineer, assistant engineer and site engineer with Techni Bharathi Private Limited and as a mechanical engineer for Galfar Engineering and Contracting, LLC. During FY 2023, he was paid a gross compensation of ₹2.29 million.

P. J. Shice, is the vice president service of VMPL, our Subsidiary. He has been associated with VMPL since January 4, 2016 and is in charge of the service division of Honda dealership business. He holds a bachelor's degree in industrial and production engineering from the Bangalore University. Prior to joining VMPL, he worked with MRF Limited, Oman Marketing and Services Co and Platino Classic Motors India Private Limited. He also worked as the deputy general manager at Rajasree Motors Private Limited. During FY 2023, he was paid a gross compensation of ₹2.41 million.

Ratheesh R S Thampi, is the head sales of VMPL, our Subsidiary. He has been associated with VMPL since March 8, 2021 and is in charge of the sales division of Honda business. He holds a master's degree in business administration from Faculty of Social Sciences, Bharathiar University. Prior to joining VMPL, he worked with AVG Motors Limited as a general manager-sales and with Bahwan International Group Holding LLC as a manager. He was previously associated with us from October 2007 till March 2013. During FY 2023, he was paid a gross compensation of ₹1.28 million.

Pramod Sasidharan Nair is the assistant general manager - operations at KCPL, our Subsidiary. He has been associated with KCPL since June 21, 2022 and is in charge of the entire operations of Ather dealership business. He holds a post graduate diploma in management from School of Communications and Management Studies. Prior to joining KCPL, he worked as a sales and marketing manager at ASAP International F.Z.E., as a regional manager at Sansco Technologies (Kerala) Private Limited (formerly Oppo Electronics Kerala Private Limited). He also worked as the state head – Kerala and Karnataka at Fone4

Communications (India) Private Limited and with Avery Dennison and Pacman (M.E.) LLC as sales and marketing manager. During FY 2023, he was paid a gross compensation of ₹0.79 million.

Shilbi Joseph is the general manager – operations at KGPL, our Subsidiary. He has been associated with KGPL since November 1, 2021 and is in charge of the entire operations of Piaggio dealership business. He holds a bachelor's degree of technology in engineering from Calicut University and post graduate diploma in business management from Institute of Management, Bhubaneswar. Prior to joining KGPL, he worked at PMMIL as the assistant general manager – new business. He also worked at Alaa Industrial Equipment Factory, Qatar as a sales manager. During FY 2023, he was paid a gross compensation of ₹1.34 million.

Kannan Veeraiyan is the chief operating officer at PMPL, our Subsidiary. He has been associated with PMPL since May 15, 2018 and is in charge of the operations of BharatBenz business. He holds a bachelor's degree in science from the University of Madras and a master's degree in business administration from the University of Bombay. Prior to joining PMPL, he worked at Wattayah Motors LLC as the sales manager. He also worked at Nixynova Motoren Private Limited as the head of sales. He also worked at VST Titanium Motors Private Limited as the vice president – operation for Mercedes Benz. During FY 2023, he was paid a gross compensation of ₹2.76 million.

Relationship between our Key Managerial Personnel, Senior Management Personnel and Directors

Except for John K. Paul and Francis K. Paul, who are brothers and Naveen Philip, who is the nephew of John K. Paul and Francis K. Paul, none of the Key Managerial Personnel and Senior Management Personnel are related to each other.

Status of Key Managerial Personnel and Senior Management Personnel

All the Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company or our Subsidiaries.

Shareholding of Key Managerial Personnel and Senior Management Personnel

For details of the Equity Shares held by the Key Managerial Personnel and Senior Management Personnel in our Company, see “*Capital structure - Details of Equity Shares held by our Directors, Key Managerial Personnel and Senior Management Personnel, Promoters and members of our Promoter Group*” on page 102.

Bonus or profit sharing plans for our Key Managerial Personnel and Senior Management Personnel

None of the Key Management Personnel and Senior Management Personnel are party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to our Key Management Personnel, John K. Paul, Francis K. Paul and Naveen Philip.

Interests of Key Managerial Personnel and Senior Management Personnel

Except as stated in “*Our Management – Interest of Directors*” on page 236 and other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business, the Key Managerial Personnel and Senior Management Personnel do not have any interest in our Company. The Key Managerial Personnel and Senior Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in the Company, if any. Further, while some of our Key Managerial Personnel and Senior Management Personnel may hold positions as directors on boards of our Subsidiaries, these Key Managerial Personnel and Senior Management Personnel do not receive any remuneration or fee for being director of the subsidiaries/joint ventures in which they are directors.

There is no contingent or deferred compensation payable to the Key Managerial Personnel and Senior Management Personnel.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and Senior Management Personnel was selected as Key Managerial Personnel and Senior Management Personnel.

None of our Key Managerial Personnel and Senior Management Personnel have availed any loan from our Company.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

No Key Managerial Personnel and Senior Management Personnel have entered into a service contract with our Company pursuant to which such Directors are entitled to any benefits upon termination of employment.

Changes in the Key Managerial Personnel and Senior Management Personnel

The changes in the Key Managerial Personnel and Senior Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change in KMPs/ SMPs	Reason for resignation
Pramod Sasidharan Nair	Assistant general manager - operations of KCPL	October 1, 2023	Designated as assistant general manager - operations of KCPL	N.A.
Thomas A Karedan	Vice president - service and corporate planning of PMMIL	October 1, 2023	Designated as vice president - service and corporate of PMMIL	N.A.
Varun T.V.	Company Secretary and Compliance Officer	August 31, 2023	Designated as Compliance Officer	N.A.
Somy K. Cheruvathoor	Vice president – project planning and development	July 1, 2023	Designated as Vice President – project planning and development	N.A.
Dinesh A.	Vice president sales	June 26, 2023	Resigned as vice president sales	Resignation due to receipt of an offer from another entity
Raj Nandan	Head sales - Kerala	June 21, 2023	Appointed as Head sales- Kerala	N.A.
Shilbi Joseph	General manager – operations of KGPL	November 1, 2022	Designated as general manager – operations of KGPL	N.A.
Raj Narayan	Chief Executive Officer	October 10, 2022	Appointed as Chief Executive Officer	N.A.
Subhash K. Ouseph	Vice president - pre-owned cars	September 1, 2022	Designated as vice president - pre-owned cars	N.A.
Asoka Kumar K.	Vice president sales of VMPL	July 12, 2022	Resigned as vice president sales of VMPL	Resignation due to receipt of an offer from another entity
Pramod Sasidharan Nair	Senior manager operation of KCPL	June 21, 2022	Appointed as senior manager operation of KCPL	N.A.
John Verghese	Group Chief Financial Officer	April 1, 2022	Designated as Group Chief Financial Officer	N.A.
Ratheesh R S Thampi	Head sales of VMPL	July 1, 2022	Designated as head sales of VMPL	N.A.
Biju Jose Thomas	chief executive officer of PMMIL	January 3, 2022	Appointment as chief executive officer of PMMIL	N.A.
Philip Chacko M.	Chief executive officer of the Company and PAWL	January 7, 2022	Resignation as chief executive officer of the Company and PAWL	Resignation due to receipt of an offer from another entity
Alagappan P	Vice president – operation of PMMIL	January 1, 2022	Designated as vice president – operation of PMMIL	N.A.

The rate of attrition of our Key Managerial Personnel and our Senior Management is not high in comparison to the industry in which we operate. For further details, see “*Risk Factor – We are highly dependent on our Key Managerial Personnel and our Senior Management Personnel for our business. The loss of or our inability to attract or retain such persons could have a material adverse effect on our business performance*” on page 40.

Payment or Benefit to Key Managerial Personnel and Senior Management Personnel of our Company

As on date of this Prospectus, no non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s employees including the Key Management Personnel and Senior Management Personnel within the two preceding years.

Employees Stock Options

As on the date of this Prospectus, our Company has not instituted any employee stock option plan or scheme.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

John K. Paul, Francis K. Paul and Naveen Philip are the Promoters of our Company. Our Promoters currently hold an aggregate of 43,558,086 Equity Shares, aggregating to 69.45% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details, see “*Capital Structure – Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel, Promoters and members of our Promoter Group*” on page 102.



John K. Paul

Our Promoter, John K. Paul is the Whole-time Director of our Company. For further details in respect of his age, date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, other ventures and business and financial activities, see “*Our Management – Board of Directors*” on page 230.

His permanent account number is AFFPP1585F.

John K. Paul holds 14,519,362 Equity Shares in our Company.



Francis K. Paul

Our Promoter, Francis K. Paul, is the Whole-time Director of our Company. For further details in respect of his age, date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, other ventures and business and financial activities, see “*Our Management – Board of Directors*” on page 230.

His permanent account number is AFFPP1584E.

Francis K. Paul holds 14,519,362 Equity Shares in our Company.



Naveen Philip

Our Promoter, Naveen Philip, is the Managing Director of our Company. For further details in respect of his age, date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, other ventures and business and financial activities see “*Our Management – Board of Directors*” on page 230.

His permanent account number is AFHPP3516N.

Naveen Philip holds 14,519,362 Equity Shares in our Company.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of John K. Paul, Francis K. Paul and Naveen Philip have been submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Changes in control

There has been no change in control of our Company in the five years immediately preceding the date of this Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they are promoters of our Company and to the extent of their shareholding and their relatives’ shareholding in the Company and dividend payable, if any, and other distributions in respect of the Equity Shares held by them. For details, see “*Capital Structure*” on page 77.

Our Promoters, John K. Paul, Francis K. Paul and Naveen Philip receive payments towards repayment of unsecured interest-free borrowings provided by them to certain Subsidiaries. Our Promoters also received payments towards rent for the following properties leased by them to the Company and its Subsidiaries:

- i. Our Company has entered into a lease agreement dated July 1, 2016 with John K. Paul (“**Lease Agreement I**”) for a term of 9 years in respect of the property leased by us for the purposes of setting up a warehouse for storage of spare parts and accessories associated with the business of our Company. Our Company is liable to pay fixed deposits and

monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement I.

- ii. Our Company has entered into a lease agreement dated September 21, 2020 with Francis K. Paul (“**Lease Agreement II**”) for a term of five years starting from October 1, 2020, in respect of the property leased by us for the purposes of, *inter alia*, operating an authorised automobile service centre for Maruti vehicles, for parking of vehicles. Our Company is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement II.
- iii. Our Subsidiary, VMPL, has entered into a lease agreement dated June 20, 2019 with Francis K. Paul (“**Lease Agreement III**”) for a term of five years starting from April 1, 2019, in respect of the property leased by VMPL for the purposes of, *inter alia*, parking of vehicles which form part of its business dealership in vehicles. VMPL is liable to pay monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement III.
- iv. Our Subsidiary, VMPL, has entered into a lease agreement dated July 1, 2016 with Francis K. Paul (“**Lease Agreement IV**”) for a term of 9 years starting from May 1, 2016, in respect of the property leased by VMPL for the purposes of, *inter alia*, operating automobile service centre. VMPL is liable to pay monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement IV.
- v. Our Subsidiary, VMPL, has entered into a lease agreement dated October 21, 2021 with Francis K. Paul (“**Lease Agreement V**”) for a term of four years starting from November 1, 2021, in respect of the property leased by VMPL for the purposes of, *inter alia*, parking vehicles which form part of its dealership in vehicles. VMPL is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement V.
- vi. Our Subsidiary, VMPL, has entered into a lease agreement dated September 20, 2022 with Francis K. Paul (“**Lease Agreement VI**”) for a term of six years starting from September 15, 2022, in respect of the property leased by VMPL for the purposes of, *inter alia*, operating an automobile service centre. VMPL is liable to pay monthly rents for the leased property, with the monthly rents subject to increase by 15% after the first year of the lease period, as stipulated in Lease Agreement VI.
- vii. Our Subsidiary, PMMIL, has entered into a lease agreement dated December 1, 2014 with Naveen Philip (“**Lease Agreement VII**”) for a term of 15 years in respect of the property leased by PMMIL for purposes of, *inter alia*, sales. PMMIL is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 5% every year, as stipulated in Lease Agreement VII.
- viii. Our Subsidiary, VMPL, has entered into a lease agreement dated March 20, 2018 with Naveen Philip (“**Lease Agreement VIII**”) for a term of 10 years starting from March 20, 2018, in respect of the property leased by VMPL for the purposes of, *inter alia*, constructing an automobile body building work center. VMPL is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 5% every year, as stipulated in Lease Agreement VIII.
- ix. Our Subsidiary, VMPL, has entered into a lease agreement dated June 25, 2014 with Naveen Philip (“**Lease Agreement IX**”) for a term of 15 years starting from December 1, 2014, in respect of the property leased by VMPL for the purposes of, *inter alia*, constructing and automobile sales and service center. VMPL is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 15% every three years, as stipulated in Lease Agreement IX.
- x. Our Subsidiary, VMPL, has entered into a lease agreement dated January 9, 2014 with Naveen Philip (“**Lease Agreement X**”) for a term of 15 years in respect of the property leased by VMPL for the purposes of, *inter alia*, constructing and automobile service center. VMPL is liable to pay fixed deposits and monthly rents for the leased property, with the monthly rents subject to increase by 5% every year, as stipulated in Lease Agreement X.

For details, see “Our Business” and “Other Financial Information – Related Party Transactions” on pages 170 and 337, respectively.

Our Promoters may also hold positions as directors on the board of directors of our Subsidiaries and as heads of certain business verticals. Further, our Promoters are also interested in our Company to the extent of remuneration, reimbursements and/or sitting fee received by them from our Company in their capacity as Directors. For details, see “Our Management – Payment of benefit to Directors our Company and Subsidiaries” on page 236.

Our Promoters have no interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as a

member in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by such Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Payment of benefits to our Promoters or our Promoter Group

Kuttukaran Trading Ventures, Kuttukaran Homes LLP and Rushil John, who are part of our Promoter Group, receive payments towards rent for the properties leased by them to our Company and our Subsidiary, PMMIL.

Except for the above and as stated in “*Other Financial Information - Related Party Transactions*” and “*– Interests of Promoters*” on pages 337 and 250, respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

Other considerations

Superseding the letters dated September 28, 2023 and dated February 5, 2024, our Company, BanyanTree and our Promoters have entered into a share purchase agreement dated February 6, 2024 (“SPA”), pursuant to which BanyanTree has transferred (i) 763,737 Equity Shares to John K. Paul; (ii) 763,737 Equity Shares to Francis K. Paul; and (iii) 763,737 Equity Shares to Naveen Philip, aggregating to 3.66% of the pre-Offer share capital of our Company at an agreed consideration of ₹57 per Equity Share amounting to an aggregate consideration of ₹130.60 million in terms of the SPA. For details, see “*History and Certain Corporate Matters – Shareholders’ agreements and other agreements*” on page 227.

Material guarantees given by our Promoters to third parties with respect to Equity Shares of our Company

Our Promoters have not given any material guarantees to third parties with respect to the Equity Shares of our Company as on the date of this Prospectus.

Other Confirmations

None of our Promoter or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act. Further, none of the entities forming part of our Promoter Group are appearing in the list of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act.

Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not disassociated with any company or firm during the three years preceding the filing of this Prospectus.

S.No.	Name of the Promoter	Name of Company/firm	Reasons for disassociation	Date of disassociation
1.	Naveen Philip	Kartel Ventures LLP	Sale of Investment	August 8, 2021

Our Promoter Group

In addition to the Promoters named above and the Subsidiaries, the following individuals and entities form a part of the Promoter Group.

A. Natural persons who are part of the Promoter Group

Name of Promoter	Name of relative	Relationship
John K. Paul	Shalet John	Spouse
	Mary John	Sister
	Leela Philip	Sister
	Susan Varghese	Sister
	Susheela George	Sister
	Francis K. Paul	Brother
	Serah John	Child
	Elizabeth Zachariah	Child
	Paul Kuttukaran John	Child
	Rita Mathew	Spouse’s sister
	Shirley Thomas	Spouse’s sister
	Merina S. Mohan	Spouse’s sister
	Paul Mathew	Spouse’s brother
Francis K. Paul	Susan Francis	Spouse
	Mary John	Sister
	Leela Philip	Sister
	Susan Varghese	Sister
	Susheela George	Sister

Name of Promoter	Name of relative	Relationship
	John K. Paul	Brother
	Mariam Kuttukaran Francis	Child
	Paul Francis Kuttukaran	Child
	Ronnie Joseph	Spouse's brother
	Donnie Abraham	Spouse's brother
	Sonnie Joseph	Spouse's brother
Naveen Philip	Mailini Eapen	Spouse
	Leela Philip	Mother
	Nileena Koshy	Sister
	Rushil John	Child
	Mridul Eapen	Spouse's mother
	Ansuiya Eapen	Spouse's sister

B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

- Auto House
- Bluetimbre Music Private Limited;
- Francis and John Family Trust;
- Francis Paul Daughters Trust;
- Francis Paul Heirs Trust;
- Francis Paul Trust;
- John Paul Daughters Trust;
- John Paul Heirs Trust;
- John Paul Trust;
- K.P. Paul Foundation;
- Kuttukaran Family Trust;
- Kuttukaran Foundation;
- Kuttukaran Homes LLP;
- Kuttukaran Mobility Services LLP;
- Kuttukaran Trading Ventures;
- Kuttukaran Trust;
- Leela Philip Family Trust;
- Memorytrain Creatives Private Limited;
- Naveen Philip Trust;
- Popular Auto Spares Private Limited;
- Regiis Insurance Brokers Private Limited;
- Saju Thomas Daughters Trust;
- Saju Thomas Heirs Trust; and
- Susheela George Family Trust.

DIVIDEND POLICY

The dividend policy was adopted and approved by our Board in their meeting held on June 10, 2021 (“**Dividend Policy**”). Pursuant to the policy, the declaration and payment of dividends, if any, will be recommended by the Board and approved by the Shareholders at their discretion, subject to the provisions of the Articles of Association, the Companies Act, 2013 and other applicable law.

In terms of the dividend policy, the dividend, if any, will depend on a number of internal and external factors, which, *inter alia*, includes:

- (a) the future expansion plans and capital requirements;
- (b) profit earned during the Financial Year;
- (c) liquidity and applicable taxes including dividend distribution tax payable by our Company;
- (d) regulatory changes;
- (e) state of economy and capital markets; and
- (f) applicable taxes.

Our Company has not paid any dividend during the six months period ended September 30, 2023 and Financial Years 2023, 2022 and 2021. Further, our Company has not declared any dividend from October 1, 2023 till the date of this Prospectus. There is no guarantee that any dividends will be declared or paid in the future. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business. Future dividends, if any, shall depend on various factors such as our revenues, profits, cash flow, financial condition, contractual restrictions, and capital requirements of our Company. Additionally, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loans or financing arrangements our Company is currently availing or may enter to finance our fund requirements for our business activities. For details, see “*Restated Financial Information*” and “*Risk Factors – Our ability to pay dividends in the future will depend on our financial condition, results of operations, cash flows, capital requirements, capital expenditures and restrictive covenants of our financing arrangements*” on pages 255 and 57, respectively.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Popular Vehicles and Services Limited
Kuttukaran Centre,
Mamangalam,
Cochin 682 025

Dear Sirs,

1. We B S R & Associates LLP, Chartered Accountants (“we” or “us” or “B S R”) have examined the attached restated consolidated financial information of Popular Vehicles and Services Limited (the “Company” or the “Issuer”) and its subsidiaries (the Company and its subsidiaries together referred to as the “Group”), comprising the restated consolidated balance sheet as at 30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the six months period ended 30 September 2023 and years ended 31 March 2023, 31 March 2022 and 31 March 2021, the summary statement of significant accounting policies, and other explanatory information (collectively, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 05 February 2024 for the purpose of inclusion in the Red Herring Prospectus (“RHP”) and the Prospectus (collectively referred to as “Offer Documents”) prepared by the Company in connection with its proposed initial public offer of equity shares (“IPO”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the relevant stock exchanges where the equity shares of the Company are proposed to be listed and Registrar of Companies, Kerala, situated at Ernakulam in connection with the IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 of Annexure V to the Restated Consolidated Financial Information.

The responsibility of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 16 January 2024 in connection with the proposed IPO of equity shares of the Issuer;
- b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
- d) The requirements of Section 26 of the Act, the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the Company's management from:

- (i) the audited special purpose consolidated interim financial statements of the Group as at and for the six months period ended 30 September 2023 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "interim consolidated financial statements"), which have been approved by the Board of Directors at their meeting held on 05 February 2024.
- (ii) the audited consolidated financial statements of the Group as at and for the years ended 31 March 2023, 31 March 2022 and 31 March 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "consolidated financial statements"), which have been approved by the Board of Directors at their meeting held on 20 June 2023, 14 June 2022 and 1 July 2021 respectively.

5. For the purpose of our examination, we have relied on:

- a. Auditor's report issued by us dated 05 February 2024 on the interim consolidated financial statements of the Group as at and for the six months period ended 30 September 2024 as referred in Paragraph 4 (i) above.

The auditor's report on the Special Purpose Consolidated Interim Financial Statement of the Group as at and for the six months ended 30 September 2023 included the following Emphasis of Matter paragraph (as referred in Annexure VII of the Restated Consolidated Financial Information):

Emphasis of matter:

We draw attention to Note 2.1 to the special purpose consolidated interim financial statements, which describes the basis of accounting. The special purpose consolidated interim financial statements have been prepared by the Company for the purpose of preparation of Restated Consolidated Financial Statements, which will be included in the RHP and Prospectus in connection with the proposed initial public offer of equity shares ("IPO") of the Company. Accordingly, the special purpose consolidated interim financial statement may not be suitable for any other purpose.

Our opinion on the special purpose interim financial statements is not modified in respect of this matter.

- b. Auditors' reports issued by us dated 20 June 2023, 14 June 2022 and 1 July 2021 respectively on the consolidated financial statements of the Group as at and for the six months period ended 30 September 2023 and years ended 31 March 2023, 31 March 2022 and 31 March 2021 respectively as referred in Paragraph 4 (ii) above.

The auditor's report on the consolidated financial statements of the Group as at and for the year ended 31 March 2021 included the following Emphasis of Matter paragraph (as referred in Annexure VII of the Restated Consolidated Financial Information):

Emphasis of Matter:

"As more fully described in Note 39 to the audited consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter."

6. As indicated in our audit reports referred in paragraph 5 above:

We did not audit the financial statements of seven subsidiaries included in the Group as of and for the six months period ended 30 September 2023, eight subsidiaries included in the Group as of and for year ended 31 March 2023, six subsidiaries included in the Group as of and for the year ended 31 March 2022 and seven subsidiaries included in the Group as of and for the year ended 31 March 2021 whose share of total assets, total revenues and net cash inflows / (outflows), before consolidation adjustments, included in the consolidated financial statements, for the relevant period/ years is tabulated below, which have been audited by other auditors as mentioned in Appendix I, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Rs in million)

Particulars	As at/ for the six months period ended 30 September 2023	As at/ for the year ended 31 March 2023	As at/ for the year ended 31 March 2022	As at/ for the year ended 31 March 2021
Total assets	7,185.52	7,557.54	5,342.74	5,087.29
Total revenue	11,959.42	22,558.79	16,190.07	12,163.43
Net cash inflows / (outflows)	48.70	20.61	(65.66)	(36.45)

Our opinion on the consolidated financial statements is not modified in respect of the matters above.

These other auditors of the subsidiaries, as mentioned in Appendix II, have examined the restated standalone financial information of respective entities included in the Restated Consolidated Financial Information for the respective period / years and have confirmed that the restated standalone financial information of respective entities:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended 30 September 2023;
 - b) does not contain any qualifications requiring adjustments. Moreover, those qualifications in the Companies (Auditor's Report) Order, 2020 and 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditors for the respective subsidiaries, we report that the Restated Consolidated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended 30 September 2023;
 - b) does not contain any qualifications requiring adjustments to the Restated Consolidated Financial Information. Moreover, those qualifications in the Companies (Auditor's Report) Order, 2020 and 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have not audited any financial statements of the Group as of any date or for any period subsequent to 30 September 2023. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to 30 September 2023.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India and the stock exchanges where the equity shares of the company are proposed to be listed and the Registrar of Companies, Kerala, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

for B S R & Associates LLP

Chartered Accountants

ICAI Firm's Registration No: 116231W/W-100024

Baby Paul

Partner

Membership No. : 218255

ICAI Unique Document Identification Number : 24218255BKFWFD3010

5 February 2024

Kochi

Appendix I

i) List of subsidiaries of Popular Vehicles and Services Limited

Si. No	Name of the entity	Relationship	Country of Incorporation
1	Popular Mega Motors (India) Private Limited	Subsidiary	India
2	Popular Auto Dealers Private Limited	Subsidiary	India
3	Popular Auto Works Private Limited	Subsidiary	India
4	Kuttukaran Cars Private Limited	Subsidiary	India
5	Keracon Equipments Private Limited (w.e.f. 1 February 2023)	Subsidiary	India
6	Avita Insurance Broking LLP (till 29 October 2021)	Subsidiary	India
7	Kuttukaran Green Private Limited	Subsidiary	India
8	Vision Motors Private Limited	Step-down subsidiary	India
9	Prabal Motors Private Limited (w.e.f. 1 February 2023)	Step-down subsidiary	India

ii) Details of entities for the period / years not audited by us and name of the auditor for the respective period / year

Name of the entity	Name of Auditors	Year/ period of their Audit
Popular Mega Motors (India) Private Limited	P S D Y and Associates	31 March 2023 31 March 2022 31 March 2021
Popular Mega Motors (India) Private Limited	R G N Price & Co	30 September 2023
Popular Auto Dealers Private Limited	A.S Narayanamoorthy *	30 September 2023 31 March 2023 31 March 2022 31 March 2021
Popular Auto Works Private Limited	A.S Narayanamoorthy *	30 September 2023 31 March 2023 31 March 2022 31 March 2021
Kuttukaran Cars Private Limited	R G N Price & Co	30 September 2023 31 March 2023 31 March 2022 31 March 2021
Vision Motors Private Limited	P S D Y and Associates	31 March 2023 31 March 2022 31 March 2021
Vision Motors Private Limited	R G N Price & Co	30 September 2023

Appendix I**i) Details of entities for the period / years not audited by us and name of the auditor for the respective period / year (continued)**

Name of the entity	Name of Auditors	Year/ period of their Audit
Avita Insurance Broking LLP	R G N Price & Co	31 March 2021
Keracon Equipments Private Limited	R G N Price & Co	30 September 2023 31 March 2023
Prabal Motors Private Limited	R G N Price & Co	31 March 2023
Kuttukaran Green Private Limited	R G N Price & Co	30 September 2023 31 March 2023 31 March 2022 31 March 2021

* As informed to us by the management, the auditor does not hold a valid peer review certificate as issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India'.

Appendix II**ii) Details of subsidiaries where the examination report is issued by other auditors and relied by us**

Name of the entity	Name of Auditors
Popular Mega Motors (India) Private Limited	R G N Price & Co
Popular Auto Dealers Private Limited	R G N Price & Co
Popular Auto Works Private Limited	R G N Price & Co
Kuttukaran Cars Private Limited	R G N Price & Co
Vision Motors Private Limited	R G N Price & Co
Prabal Motors Private Limited <i>(for the financial year ended 31 March 2023)</i>	R G N Price & Co
Keracon Equipments Private Limited	R G N Price & Co
Kuttukaran Green Private Limited	R G N Price & Co

Popular Vehicles and Services Limited
Annexure I - Restated Consolidated Balance Sheet
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Notes	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Assets					
Non-current assets					
Property, plant and equipment	1	3,094.28	2,935.35	2,464.05	2,244.20
Capital work-in-progress	1	19.60	77.26	123.28	173.09
Right-of-use assets	30	3,807.89	3,479.87	3,129.94	2,329.47
Goodwill	2	115.47	115.47	11.80	11.80
Other intangible assets	2	159.36	182.28	39.05	49.87
Intangible assets under development	2	5.60	2.42	-	-
Financial assets					
Investments	3	79.44	57.69	44.31	49.21
Other financial assets	4	396.02	379.17	329.37	277.57
Deferred tax assets (net)	24	171.58	161.22	157.69	177.84
Other tax assets (net)	24	79.87	97.60	85.46	67.73
Other non-current assets	5	301.58	193.26	176.90	143.19
Total non-current assets		8,230.69	7,681.59	6,561.85	5,523.97
Current assets					
Inventories	6	6,746.27	4,349.47	3,620.38	3,116.83
Financial assets					
Investments	3	4.40	2.24	15.89	-
Trade receivables	7	2,996.50	2,237.84	1,766.01	1,607.27
Cash and cash equivalents	8	302.20	238.25	183.96	555.08
Bank balances other than cash and cash equivalents	9	44.95	43.35	19.56	38.92
Other financial assets	4	53.61	44.73	58.93	46.36
Other current assets	5	1,039.14	424.91	390.88	285.51
Total current assets		11,187.07	7,340.79	6,055.61	5,649.97
Assets classified as held for sale	34	-	15.42	15.42	15.42
Total assets		19,417.76	15,037.80	12,632.88	11,189.36
Equity and liabilities					
Equity					
Equity share capital	10	125.44	125.44	125.44	125.44
Other equity		3,716.67	3,305.00	2,673.42	2,334.58
Total equity		3,842.11	3,430.44	2,798.86	2,460.02
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	11	803.65	911.32	880.55	893.29
Lease liabilities	30	4,407.78	3,998.02	3,570.07	2,665.08
Provisions	13	60.80	59.43	62.79	48.19
Deferred tax liabilities (net)	24	1.30	-	-	-
Non-current tax liabilities (net)	24	-	2.46	1.05	2.09
Other non-current liabilities	14	-	-	97.14	204.48
Total non-current liabilities		5,273.53	4,971.23	4,611.60	3,813.13
Current liabilities					
Financial liabilities					
Borrowings	11	6,842.48	4,138.74	2,838.55	2,637.13
Lease liabilities	30	345.06	335.39	269.94	304.35
Trade payables	15				
- Total outstanding dues of micro and small enterprises		32.67	45.80	27.67	1.94
- Total outstanding dues of creditors other than micro and small enterprises		1,677.17	861.94	840.63	661.49
Other financial liabilities	12	223.52	228.00	164.16	156.90
Other current liabilities	14	1,134.44	981.27	1,054.34	1,114.76
Provisions	13	28.80	32.70	27.13	36.49
Current tax liabilities	24	17.98	12.29	-	3.15
Total current liabilities		10,302.12	6,636.13	5,222.42	4,916.21
Total equity and liabilities		19,417.76	15,037.80	12,632.88	11,189.36

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the restated consolidated financial information appearing in Annexure VI and Statement of adjustments to the restated consolidated financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN:U50102KL1983PLC003741

Baby Paul
Partner
Membership No.: 218255

Naveen Philip
Managing Director
DIN: 00018827

Francis K Paul
Whole Time Director
DIN: 00018825

Raj Narayan
Chief Executive Officer

Kochi
5 February 2024

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no. 22044

Kochi
5 February 2024

Popular Vehicles and Services Limited
Annexure II - Restated Consolidated Statement of Profit and Loss
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Notes	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Income					
Revenue from operations	16	28,349.97	48,750.02	34,658.79	28,935.25
Other income	17	132.11	176.26	183.20	257.27
Total income		28,482.08	48,926.28	34,841.99	29,192.52
Expenses					
Purchases of stock-in-trade	18	26,412.73	41,751.51	29,671.24	24,573.83
Changes in inventories of stock-in-trade	19	(2,396.80)	(325.52)	(503.55)	(243.55)
Employee benefits expenses	20	1,858.79	3,082.06	2,420.12	2,035.07
Finance costs	21	476.14	705.34	608.60	551.10
Depreciation and amortisation	22	444.19	794.45	692.57	724.91
Impairment loss on financial assets and contract assets	29	1.13	30.53	9.42	24.76
Other expenses	23	1,163.19	2,039.24	1,458.13	1,053.88
Total expenses		27,959.37	48,077.61	34,356.53	28,720.00
Profit before tax and exceptional item		522.71	848.67	485.46	472.52
Exceptional item	34	16.05	-	-	-
Profit before tax		538.76	848.67	485.46	472.52
Tax expense	24				
Current tax (including MAT)		151.25	240.10	129.42	99.86
Deferred tax (credit) / charge		(12.93)	(32.17)	19.35	48.11
Total tax expense		138.32	207.93	148.77	147.97
Profit for the period / year		400.44	640.74	336.69	324.55
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of net defined benefit plan income / (loss)		15.10	(12.47)	2.94	9.09
Income tax (credit) / charge relating to the above		(3.87)	3.31	(0.79)	(1.34)
Other comprehensive income / (loss) for the period / year, net of income tax		11.23	(9.16)	2.15	7.75
Total comprehensive income for the period / year		411.67	631.58	338.84	332.30
Profit attributable to :					
Owners of the Company		400.44	640.74	336.69	324.55
Non-controlling interest		-	-	-	-
Profit for the period / year		400.44	640.74	336.69	324.55
Other comprehensive (loss) / income attributable to :					
Owners of the Company		11.23	(9.16)	2.15	7.75
Non-controlling interest		-	-	-	-
Other comprehensive (loss) / income for the period / year, net of income tax		11.23	(9.16)	2.15	7.75
Total comprehensive income attributable to :					
Owners of the Company		411.67	631.58	338.84	332.30
Non-controlling interest		-	-	-	-
		411.67	631.58	338.84	332.30
Earnings per share (equity share of face value of Rs. 2 each)					
	26				
Basic (in INR)		6.38	10.22	5.37	5.17
Diluted (in INR)		6.38	10.22	5.37	5.17

Earnings per share for the period 1 April 2023 to 30 September 2023 has not been annualised.

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the Restated consolidated financial information appearing in Annexure VI and Statement of adjustments to the restated consolidated financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN:U50102KL1983PLC003741

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Partner
Membership No.: 218255

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Managing Director
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Francis K Paul
Whole Time Director
DIN: 00018825

Raj Narayan
Chief Executive Officer

Kochi
5 February 2024

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no. 22044

Kochi
5 February 2024

A. Equity share capital

Particulars	Note	Equity shares (in millions)	Amount
Balance as at 1 April 2020		12.54	125.44
Share issued during the year	10	-	-
Balance as at 31 March 2021		12.54	125.44
Share issued during the year	10	-	-
Balance as at 31 March 2022		12.54	125.44
Share issued during the year	10	-	-
Balance as at 31 March 2023		12.54	125.44
Share issued during the period	10	-	-
Balance as at 30 September 2023*		62.72	125.44

* The number of shares have increased on account of share split undertaken by the Company. Refer Note 10(f) for other details.

B Other equity

Particulars	Reserves and surplus							Total other equity attributable to equity owners of the Company
	Securities premium	General reserve	Other reserves	Capital reserve	Retained earnings	Non-controlling interest	Items of other comprehensive income	
							Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2020	636.68	43.41	(16.82)	21.75	1,317.26		-	2,002.28
Total comprehensive income for the year								
Profit for the year	-	-	-	-	324.55		-	324.55
Other comprehensive income, net of tax	-	-	-	-	-		7.75	7.75
Total comprehensive income	-	-	-	-	324.55		7.75	332.30
Transferred to retained earnings	-	-	-	-	7.75		(7.75)	-
Balance as at 31 March 2021	636.68	43.41	(16.82)	21.75	1,649.56		-	2,334.58
Balance as at 1 April 2021	636.68	43.41	(16.82)	21.75	1,649.56	-	-	2,334.58
Total comprehensive income for the year								
Profit for the year	-	-	-	-	336.69		-	336.69
Other comprehensive loss, net of tax	-	-	-	-	-		2.15	2.15
Total comprehensive income	-	-	-	-	336.69		2.15	338.84
Transferred to retained earnings	-	-	-	-	2.15		(2.15)	-
Balance as at 31 March 2022	636.68	43.41	(16.82)	21.75	1,988.40		-	2,673.42
Balance as at 1 April 2022	636.68	43.41	(16.82)	21.75	1,988.40	-	-	2,673.42
Total comprehensive income for the year								
Profit for the year	-	-	-	-	640.74		-	640.74
Other comprehensive loss, net of tax	-	-	-	-	-		(9.16)	(9.16)
Total comprehensive income	-	-	-	-	640.74		(9.16)	631.58
Transferred to retained earnings	-	-	-	-	(9.16)		9.16	-
Balance as at 31 March 2023	636.68	43.41	(16.82)	21.75	2,619.98		-	3,305.00
Balance as at 1 April 2023	636.68	43.41	(16.82)	21.75	2,619.98	-	-	3,305.00
Total comprehensive income for the period								
Profit for the period	-	-	-	-	400.44		-	400.44
Other comprehensive loss, net of tax	-	-	-	-	-		11.23	11.23
Total comprehensive income	-	-	-	-	400.44		11.23	411.67
Transferred to retained earnings	-	-	-	-	11.23		(11.23)	-
Balance as at 30 September 2023	636.68	43.41	(16.82)	21.75	3,031.65		-	3,716.67

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

a) Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

b) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

c) Other reserve

This reserve represents the difference between the value of net asset acquired and the consideration paid on account of acquisition of minority interests.

d) Capital reserve

This reserve represents the difference between the value of net asset transferred from the Group and the consideration received on account of scheme of demerger.

e) Retained earnings

This represents the profits / losses of the Group earned till date, net of appropriations.

f) Remeasurement of net defined benefit liability/ (asset)

Remeasurement of net defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the restated consolidated financial Information appearing in Annexure VI and Statement of adjustments to the restated consolidated financial information appearing in Annexure VII.

As per our examination report of even date attached.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of

Popular Vehicles and Services Limited

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5 February 2024

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no. 22044

Kochi
5 February 2024

Popular Vehicles and Services Limited
Annexure IV - Restated Consolidated Statement of Cash Flows

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities				
Profit before tax and exceptional item	522.71	848.67	485.46	472.52
Adjustments:				
Finance costs	476.14	705.34	608.60	551.10
Depreciation and amortisation	444.19	794.45	692.57	724.91
Impairment loss on financial assets and contract assets	1.13	30.53	9.42	24.76
Liabilities/ provisions no longer required written back	(72.47)	(66.40)	(60.01)	(56.67)
Interest income	(10.78)	(19.03)	(31.98)	(26.13)
Rent concession received	-	-	(34.82)	(70.35)
Gain on derecognition of right-of-use assets	(0.41)	(36.21)	(0.78)	(28.10)
Net gain on financial assets measured at fair value through profit and loss	(12.76)	(0.64)	(6.89)	(19.24)
(Gain) / loss on sale of property, plant and equipment (net)	(4.14)	11.24	(8.20)	(20.74)
Operating cash flow before working capital changes	1,343.61	2,267.95	1,653.37	1,552.06
Working capital movements:				
Increase in inventories	(2,396.80)	(325.52)	(503.55)	(243.55)
Increase in trade receivables	(759.79)	(394.47)	(168.16)	(543.12)
(Increase) / decrease in loans and other financial assets and other assets	(689.87)	(30.04)	(236.19)	604.90
Increase / (decrease) in liabilities and provisions	1,022.12	(175.76)	102.79	(423.10)
Cash generated from operations	(1,480.73)	1,342.16	848.26	947.19
Income taxes (paid) / refund, net	(130.29)	(253.23)	(151.34)	4.55
Net cash generated from operating activities (A)	(1,611.02)	1,088.93	696.92	951.74
Cash flows from investing activities				
Sale / (acquisition) of investments (net)	(11.15)	0.91	(4.10)	81.85
Interest received	10.78	19.03	31.98	15.68
Acquisition of property, plant and equipment	(310.39)	(540.20)	(478.57)	(273.41)
Acquisition of intangible assets including intangible assets under development	(4.23)	(26.86)	(2.47)	(20.87)
Proceeds from sale of property, plant and equipment	18.29	36.76	39.32	130.25
Acquisition of subsidiary net of cash	-	(285.84)	-	-
Net cash used in investing activities (B)	(296.70)	(796.20)	(413.84)	(66.50)
Cash flows from financing activities				
Finance costs paid	(252.94)	(332.46)	(286.70)	(277.86)
Long-term borrowings availed	142.73	352.19	266.43	638.99
Long-term borrowings repaid	(200.42)	(359.89)	(250.32)	(194.67)
Short-term borrowings availed / (repaid), (net)	2,653.76	762.87	172.57	(404.82)
Interest on lease liabilities	(209.03)	(363.40)	(322.57)	(280.92)
Principal payment of lease liabilities	(162.43)	(297.75)	(231.94)	(187.48)
Net cash used in financing activities (C)	1,971.67	(238.44)	(652.53)	(706.76)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	63.95	54.29	(369.45)	178.48
Cash and cash equivalents at the beginning of the period / year	238.25	183.96	553.41	374.93
Cash and cash equivalents at the end of the period / year	302.20	238.25	183.96	553.41

(Refer to note 8- Cash and cash equivalents)

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

Particulars	As at 1 April 2023	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment on lease liability	On account of acquisition	Other non cash changes	As at 30 September 2023
Non current borrowings including current maturities (refer note 11)	1,279.04	(55.84)	-	-	-	-	1,223.20
Current borrowings (refer note 11)	3,771.02	2,651.91	-	-	-	-	6,422.93
Lease liabilities (refer note 30)	4,333.41	-	(162.43)	(209.03)	-	790.89	4,752.84

Particulars	As at 1 April 2022	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment on lease liability	On account of acquisition	Other non cash changes	As at 31 March 2023
Non current borrowings including current maturities (refer note 11)	1,184.89	(7.70)	-	-	101.85	-	1,279.04
Current borrowings (refer note 11)	2,534.21	762.87	-	-	473.94	-	3,771.02
Lease liabilities (refer note 30)	3,840.01	-	(297.75)	(363.40)	268.76	885.79	4,333.41

Particulars	As at 1 April 2021	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment of lease liability	On account of acquisition	Other non cash changes	As at 31 March 2022
Non current borrowings including current maturities (refer note 11)	1,168.78	16.11	-	-	-	-	1,184.89
Current borrowings (refer note 11)	2,361.64	172.57	-	-	-	-	2,534.21
Lease liabilities (refer note 30)	2,969.43	-	(231.94)	(322.57)	-	1,425.09	3,840.01

Particulars	As at 1 April 2020	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment of lease liability	On account of acquisition	Other non cash changes	As at 31 March 2021
Non current borrowings including current maturities (refer note 11)	724.46	444.32	-	-	-	-	1,168.78
Current borrowings (refer note 11)	2,766.46	(404.82)	-	-	-	-	2,361.64
Lease liabilities (refer note 30)	2,961.46	-	(187.48)	(280.92)	-	476.37	2,969.43

(Refer to note 8 - Cash and cash equivalents)

The above Annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, Notes to the restated consolidated financial information appearing in Annexure VI and Statement of adjustments to the restated consolidated financial information appearing in Annexure VII.

As per our examination report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN:U50102KL1983PLC003741

Baby Paul
Partner
Membership No.: 218255

Naveen Philip
Managing Director
DIN: 00018827

Francis K Paul
Whole Time Director
DIN: 00018825

Raj Narayan
Chief Executive Officer

Kochi
5 February 2024

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no. 22044

Kochi
5 February 2024

Basis of preparation and significant accounting policies

1. Company overview

Popular Vehicles and Services Limited ('the Parent' or 'the Company') was incorporated in India in 1983. The Company is engaged in the business of sale and service of automobiles, sale of spare parts and accessories, finance and insurance commission. The Company is headquartered in Kochi, India and has operations in Kerala and Tamil Nadu. The Company primarily operates as the Maruti Suzuki vehicle dealer in Kerala and was amongst the first batch of dealers appointed by Maruti Suzuki in the country. The Company got converted to a public limited company on 10 July 2018 consequent to which the name of the Company is changed to Popular Vehicles and Services Limited.

These Restated Consolidated Financial Information of the Group comprise the Company and its subsidiaries (collectively referred to as the 'Group'). The Company has eight subsidiaries; Popular Mega Motors (India) Private Limited, Vision Motors Private Limited, Popular Auto Dealers Private Limited, Kuttukaran Cars Private Limited, Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited), Popular Auto Works Private Limited, Keracon Equipments Private Limited and Prabal Motors Private Limited which are engaged in the business of sale and services of automobiles, sale of spare parts and accessories, finance and insurance commission. These subsidiaries have operations in Kerala, Tamil Nadu, Karnataka and Maharashtra.

2. Basis of preparation

2.1 Statement of compliance

The restated consolidated balance sheet of the Group as at 30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flow for the six months period ended 30 September 2023 and years ended 31 March 2023, 31 March 2022 and 31 March 2021, the summary statement of significant accounting policies, and other explanatory information (together referred to as 'Restated Consolidated Financial Information') has been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') as amended and other relevant provisions of the Act.

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated Financial Information have been approved by the Board of Directors on 24 January 2024.

The Restated Consolidated Financial Information has been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus (collectively referred to as "Offer Documents") prepared by the Company in connection with its proposed initial public offer of equity shares ('IPO') prepared in terms of the requirements of:

- i. Section 26 of Chapter III of the Act;
- ii. Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018 in pursuance of the Securities and Exchange Board of India Act, 1992; and
- iii. Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

2. Basis of Preparation (continued)

2.1 Statement of Compliance (continued)

These Restated Consolidated Financial Information has been prepared by the management of the holding company from:

- (a) audited special purpose consolidated interim financial statements of the Group as at and for the six months period ended 30 September 2023 prepared in accordance with the Indian Accounting Standard 34 “Interim Financial Reporting” (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 24 January 2024;
- (b) audited consolidated financial statements of the Group as at and for the year ended 31 March 2023, 31 March 2022 and 31 March 2021 prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 20 June 2023, 14 June 2022 and 1 July 2021 respectively.

Further, in Restated Consolidated Financial Information:

- there were no changes in accounting policies during the period / years of these financial statements.
- there were no material amounts which have been adjusted for in arriving at profit for the respective period / years.
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited special purpose consolidated interim financial statements of the Group as at and for the six months period ended 30 September 2023.

2.2 Functional and presentation currency

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded off to the nearest millions, unless otherwise stated.

2.3 Basis of measurement

The Restated Consolidated Financial Information have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments	Fair value

2.4 Significant estimates and assumptions

In preparing these Restated Consolidated Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period / years. Actual results may differ from these estimates.

2. Basis of Preparation (continued)

2.4 Significant estimates and assumptions (continued)

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period / years in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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 Restated Consolidated Financial Information is included in Note 30 - Lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment on amounts recognized in Restated Consolidated Financial Information is included in the following notes:

Note 28 of Annexure VI – measurement of defined benefit obligations: key actuarial assumptions;

Note 25 of Annexure VI – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 24 of Annexure VI – recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;

Note 29 of Annexure VI – financial instruments;

Note 2 of Annexure VI - impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs;

Note 30 of Annexure VI – lease term: whether the Group is reasonably certain to exercise extension option ; discount rate: the discount rate is generally the incremental borrowing rate specific to the lease being evaluated or for the portfolio of leases with similar characteristics.

2.5 Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 29 – financial instruments
- Note 36 – acquisition of subsidiary

2. Basis of Preparation (continued)

2.6 Current/ Non-current classification

The Group classifies an asset as current when :

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group's normal operating cycle is twelve months.

2.7 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the six-month ended 30 September 2023, MCA has not notified any new standards or amendments to the existing standard applicable to the Group that has not been applied.

3. Significant / material accounting policies

3.1 Basis of consolidation

The Restated Consolidated Financial Information includes the results of the subsidiaries/ step down subsidiaries as listed in below:

Name of the company	Country	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)
		As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
Subsidiaries									
Popular Mega Motors (India) Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%
Popular Auto Dealers Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%
Popular Auto Works Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%

3. Significant accounting policies

3.1 Basis of consolidation (continued)

Name of the company	Country	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)
		As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
Kuttukaran Cars Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%
Kuttukaran Green Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%
Keracon Equipments Private Limited	India	100%	100%	100%	100%	-	-	-	-
Step-down subsidiaries									
Vision Motors Private Limited	India	100%	100%	100%	100%	100%	100%	100%	100%
Avita Insurance Broking LLP	India	-	-	-	-	-	-	100%	100%
Prabal Motors Private Limited	India	100%	100%	100%	100%	-	-	-	-

3. Significant accounting policies (continued)

3.1 Basis of consolidation (continued)

The Restated Consolidated Financial Information have been prepared in the following basis:

The restated financial information of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits in full.

The Restated Consolidated Financial Information are presented, to the extent possible, in the same format as that adopted by the Company for its separate financial statements. The Restated Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

i. Business Combination

In accordance with Ind AS 103, the Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently, and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income (OCI), as appropriate.

Business combinations (common control business combinations)

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the value of net assets and the consequent reduction in value of investment held by the Group is transferred to the capital reserve or to the accumulated balance of profit and loss.

ii. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully restated consolidated from the date on which control is transferred to the Group till the date on which the control ceases.

3. Significant accounting policies (continued)

3.1 Basis of consolidation (continued)

The Group combines the financial statements of the holding company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

iii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions and grouped under other reserves.

The Group does not have any non-controlling interests as at balance sheet dates.

iv. Transactions eliminated on consolidation

Intra - Group balances and transactions, and any unrealised income and expenses arising from intra - Group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the Investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

v. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.2 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, 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.

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 property, plant and equipment, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

3. Significant accounting policies (continued)

3.2 Property, plant and equipment (continued)

Borrowing costs directly attributable to the acquisition, construction or production of those property, plant and equipment 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. Transition to Ind AS

The cost of property, plant and equipment at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying amount recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

C. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

D. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

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

Class of assets	Useful life
Building owned	60
Motor cars	8
Motorcycles and trucks	10
Office Equipment	5
Plant and machinery	15 – 25
Tools and Equipment	5 – 15
Electrical fittings	10
Furniture and fittings	10
Computer equipment	3

The useful life of items of property, plant and equipment is in line with the Schedule II of the Companies Act 2013.

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Depreciation on additions/ disposals is provided on a pro-rata basis i.e., from/ (upto) the date on which the asset is ready for use/disposed off.

3.3 Intangible assets and goodwill

Intangible assets other than goodwill:

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

3. Significant accounting policies (continued)

3.2 Property, plant and equipment (continued)

The estimated useful lives are as follows:

Class of assets	Years
Software	3
Supplier Relationship	5
Brand and Non-compete fee	2 – 15

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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.

Goodwill:

For measurement of goodwill that arise from business combination [see note 3.1 (i)] above. Subsequent measurement is at cost less any accumulated impairment loss.

Transition to Ind AS:

The cost intangible assets at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

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 Group 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 Group makes specified monthly contributions towards Government administered provident fund scheme and employee state insurance 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.

If the contribution already paid is less than the contribution payable under the scheme for service received before the balance sheet date, the deficit payable under the scheme is recognized as a liability after deducting the contribution already paid.

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

3. Significant accounting policies (continued)

3.3. Employee benefits (continued)

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group'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 and deducting the fair value of any plan assets, if any.

The Group's gratuity scheme is a defined benefit plan. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in other comprehensive income (OCI). The Group 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 – compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss.

3.4 Provisions

A provision is recognized if, as a result of a past event, the Group 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 Group 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 Group recognizes any impairment loss on the assets associated with that contract.

3. Significant accounting policies (continued)

3.5 Revenue

i) Sale of products

Revenue on sale of vehicles, spare parts and accessories is recognised when the control is transferred to the customer and is accounted net of goods and service tax and trade discounts, if any. Revenues are recognised when collectability of the resulting receivable is reasonably assured.

The Group generates revenue from sale of vehicles, services, spare parts and accessories and other operating avenues. Under Ind AS 115, revenue is recognized when a customer obtains control of the goods or services, and revenue is recognised point in time

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled revenue.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract.

ii) Rendering of services

Revenues from services including income from driving school are recognised when services are rendered, and related costs are incurred.

iii) Commission, discount and incentive income

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

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

3.6 Inventories

Inventories are carried at lower of cost and net realisable value. Cost comprises purchase price, cost of conversion and other costs incurred in bringing the inventory to its present location and condition. The cost is calculated on specific identification, except for spares, lubricants and accessories which is based on weighted average cost adjusted for indirect taxes.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

The comparison of cost and net realisable value of inventory is made on an item-by-item basis.

The provision for inventory obsolescence is assessed annually and is provided as considered necessary.

3 Significant accounting policies (continued)

3.7 Financial instruments

i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognised when the Group 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.

ii) 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 Group 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 Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group 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 Group 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 derecognition are not considered sales for this purpose, consistent with the Group'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.

3. Significant accounting policies (continued)

3.8 Financial instruments (continued)

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 Group 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 Group 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 Group's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) De recognition

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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.

3. Significant accounting policies (continued)

3.8 Financial instruments (continued)

Financial liabilities

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

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

iv) Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group 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.

3.9 Impairment

i) Impairment of financial instruments

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

At each reporting date, the Group 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 Group 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 Group in accordance with the contract and the cash flows that the Group 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 Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

ii) Impairment of non- financial assets

The Group'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.

3. Significant accounting policies (continued)

3.9 Impairment (continued)

Goodwill is tested annually for impairment.

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. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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

3.10 Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be

3. Significant accounting policies (continued)

3.10. Leases (continued)

readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the remeasurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

iii. Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.11 Recognition of interest income or interest expense

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

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

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

Dividend income on mutual fund is recognised in profit or loss on the date on which the right to receive payment is established.

3. Significant accounting policies (continued)

3.12 Income tax

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

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period / years and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or recoverable from tax authorities after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group 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.

3.12 Income tax (continued)

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 Group 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.

3.13 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

3. Significant accounting policies (continued)

3.14 Earnings per share

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

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.

3.15 Cash-flow statement

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

3.16 Cash and cash equivalents

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

3.17 Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

3.18 Non-current assets classified as held for sale

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any Asset as “Asset classified as held for sale” the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets classified as held for sale”. Once classified as held for sale, intangible assets and Property Plant Equipment are no longer amortised or depreciated.

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information
(All amounts are in Indian Rupees in millions, unless otherwise stated)

1 **Property, plant and equipment and capital work-in-progress**

Particulars	Freehold land	Buildings #	Leasehold improvements	Furniture and fixtures	Electrical equipment	Plant and machinery	Tools and equipment	Motor car	Computer equipment	Office equipment	Motor cycles and trucks	Total (A)	Capital work-in- progress (B)	Total (A+B)
Gross carrying value														
Balance at 1 April 2020	107.39	580.35	656.07	264.21	125.18	569.99	65.45	423.52	114.19	69.42	23.94	2,999.71	293.67	3,293.38
Additions	-	63.22	107.46	55.23	24.45	70.21	5.91	68.44	19.25	15.41	0.94	430.52	121.96	552.48
Disposals	15.42	4.01	7.75	3.46	0.15	3.11	-	129.14	1.15	0.41	2.38	166.98	242.54	409.52
Balance at 31 March 2021	91.97	639.56	755.78	315.98	149.48	637.09	71.36	362.82	132.29	84.42	22.50	3,263.25	173.09	3,436.34
Balance at 1 April 2021	91.97	639.56	755.78	315.98	149.48	637.09	71.36	362.82	132.29	84.42	22.50	3,263.25	173.09	3,436.34
Additions	-	51.71	217.58	61.97	32.31	80.88	9.97	29.74	23.93	12.63	6.42	527.14	245.62	772.76
Disposals	-	2.17	0.68	7.14	0.89	3.34	0.33	82.89	47.05	2.51	2.93	149.93	295.43	445.36
Balance at 31 March 2022	91.97	689.10	972.68	370.81	180.90	714.63	81.00	309.67	109.17	94.54	25.99	3,640.46	123.28	3,763.74
Balance at 1 April 2022	91.97	689.10	972.68	370.81	180.90	714.63	81.00	309.67	109.17	94.54	25.99	3,640.46	123.28	3,763.74
Additions	-	47.05	211.09	73.96	37.57	120.66	12.53	35.18	33.94	16.63	0.98	589.59	294.39	883.98
Acquisition through business combination - Refer Note 36	-	148.33	-	19.25	6.36	16.92	17.98	4.95	3.20	10.64	16.05	243.68	1.17	244.85
Disposals	-	0.09	9.91	27.37	5.80	59.26	13.41	71.57	18.65	17.04	1.78	224.88	341.58	566.46
Balance at 31 March 2023	91.97	884.39	1,173.86	436.65	219.03	792.95	98.10	278.23	127.66	104.77	41.24	4,248.85	77.26	4,326.11
Balance at 1 April 2023	91.97	884.39	1,173.86	436.65	219.03	792.95	98.10	278.23	127.66	104.77	41.24	4,248.85	77.26	4,326.11
Additions	-	39.87	89.73	32.04	19.04	43.65	11.07	78.77	12.45	10.01	2.31	338.94	108.61	447.55
Disposals	-	-	43.11	1.69	4.22	1.90	0.46	24.89	0.04	0.39	0.18	76.88	166.27	243.15
Balance at 30 September 2023	91.97	924.26	1,220.48	467.00	233.85	834.70	108.71	332.11	140.07	114.39	43.37	4,510.91	19.60	4,530.51
Accumulated depreciation														
Balance at 1 April 2020	-	38.54	160.69	86.65	47.70	143.52	25.87	128.95	68.57	33.51	6.99	740.99	-	740.99
Depreciation for the year	-	78.45	39.23	33.83	16.33	66.23	7.28	59.54	27.63	12.89	2.71	344.12	-	344.12
Disposals	-	0.13	1.11	2.89	0.12	2.20	-	57.08	0.97	0.40	1.16	66.06	-	66.06
Balance at 31 March 2021	-	116.86	198.81	117.59	63.91	207.55	33.15	131.41	95.23	46.00	8.54	1,019.05	-	1,019.05
Balance at 1 April 2021	-	116.86	198.81	117.59	63.91	207.55	33.15	131.41	95.23	46.00	8.54	1,019.05	-	1,019.05
Depreciation for the year	-	18.31	56.01	34.69	15.82	53.31	7.08	49.64	24.96	13.44	2.91	276.17	-	276.17
Disposals	-	0.14	0.37	5.75	0.79	2.09	0.31	57.56	46.83	2.36	2.61	118.81	-	118.81
Balance at 31 March 2022	-	135.03	254.45	146.53	78.94	258.77	39.92	123.49	73.36	57.08	8.84	1,176.41	-	1,176.41
Balance at 1 April 2022	-	135.03	254.45	146.53	78.94	258.77	39.92	123.49	73.36	57.08	8.84	1,176.41	-	1,176.41
Depreciation for the year	-	52.56	60.05	37.81	18.87	56.60	8.76	39.88	21.13	14.73	3.59	313.98	-	313.98
Disposals	-	0.87	1.13	26.20	5.59	48.81	12.98	45.23	17.92	16.53	1.63	176.89	-	176.89
Balance at 31 March 2023	-	186.72	313.37	158.14	92.22	266.56	35.70	118.14	76.57	55.28	10.80	1,313.50	-	1,313.50
Balance at 1 April 2023	-	186.72	313.37	158.14	92.22	266.56	35.70	118.14	76.57	55.28	10.80	1,313.50	-	1,313.50
Depreciation for the period	-	17.52	35.90	21.04	9.87	30.30	6.57	19.79	13.08	8.94	2.85	165.86	-	165.86
Disposals	-	-	38.37	1.51	3.86	1.14	0.01	17.28	0.01	0.37	0.18	62.73	-	62.73
Balance at 30 September 2023	-	204.24	310.90	177.67	98.23	295.72	42.26	120.65	89.64	63.85	13.47	1,416.63	-	1,416.63
Net carrying amount														
At 30 September 2023	91.97	720.02	909.58	289.33	135.62	538.98	66.45	211.46	50.43	50.54	29.90	3,094.28	19.60	3,113.88
At 31 March 2023	91.97	697.67	860.49	278.51	126.81	526.39	62.40	160.09	51.09	49.49	30.44	2,935.35	77.26	3,012.61
At 31 March 2022	91.97	554.07	718.23	224.28	101.96	455.86	41.08	186.18	35.81	37.46	17.15	2,464.05	123.28	2,587.33
At 31 March 2021	91.97	522.70	556.97	198.39	85.57	429.54	38.21	231.41	37.06	38.42	13.96	2,244.20	173.09	2,417.29

Buildings disclosed above includes showrooms and service centers constructed on the land taken under long term lease. The summary is as follows;

Particulars	As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Gross block	Net block	Gross block	Net block	Gross block	Net block	Gross block	Net block
Building	945.99	770.03	769.87	554.27	684.37	534.53	619.35	497.78

1 Property, plant and equipment and capital work-in-progress (continued)

a) Title deeds of immovable properties not held in the name of the Company

Description	As at	As at	As at	As at
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Title deeds held in the name of the Company		The Company		
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director		Not applicable		
Reason for not being held in the name of the Company		Not applicable		

b) Ageing of capital work in progress (CWIP)

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

As at 30 September 2023

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	19.60	-	-	-	19.60
Projects temporarily suspended	-	-	-	-	-
	19.60	-	-	-	19.60

As at 31 March 2023

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	77.10	0.16	-	-	77.26
Projects temporarily suspended	-	-	-	-	-
	77.10	0.16	-	-	77.26

As at 31 March 2022

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	123.06	0.22	-	-	123.28
Projects temporarily suspended	-	-	-	-	-
	123.06	0.22	-	-	123.28

As at 31 March 2021

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22.35	150.74	-	-	173.09
Projects temporarily suspended	-	-	-	-	-
	22.35	150.74	-	-	173.09

c) Details of Capital Work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan

The Group does not have any CWIP which is overdue or has exceeded its cost compared to its original plan as at 30 September 2023.

As at 31 March 2023

Description	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Pre- Owned Cars - Chalakudy	3.50	-	-	-	3.50
Veppampattu E outlet (Sales & Service)	14.22	-	-	-	14.22

As at 31 March 2022

Description	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Project - Trivandrum Commercial Vehicles Showroom	1.67	-	-	-	1.67

As at 31 March 2021

Description	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Project - corporate office renovation	5.50	-	-	-	5.50
Project - Payyanur PDI	18.49	-	-	-	18.49
Project Arena Kannur	44.33	-	-	-	44.33
Project Iritty service	0.55	-	-	-	0.55
Project Nedumanagadu service	3.31	-	-	-	3.31

d) For details of property, plant and equipment pledged, refer note 11.

2 Other intangible assets

Particulars	Computer software	Supplier Relationship	Brand and non-compete fee	Total (A)	Goodwill (Refer Note below) (B)	Intangible Assets under development (C)	Total (A+B)
Reconciliation of carrying amount							
Gross carrying value							
Balance at 1 April 2020	31.08	-	97.37	128.45	-	-	128.45
Additions/transfers	9.07	-	-	9.07	11.80	-	20.87
Balance at 31 March 2021	40.15	-	97.37	137.52	11.80	-	149.32
Balance at 1 April 2021	40.15	-	97.37	137.52	11.80	-	149.32
Additions/transfers	2.47	-	-	2.47	-	-	2.47
Balance at 31 March 2022	42.62	-	97.37	139.99	11.80	-	151.79
Balance at 1 April 2022	42.62	-	97.37	139.99	11.80	-	151.79
Additions/transfers	4.44	-	20.00	24.44	-	3.34	27.78
Acquisition through business combination - Refer Note 36	6.53	90.30	42.06	138.89	103.67	-	242.56
Disposals	0.88	-	-	0.88	-	0.92	1.80
Balance at 31 March 2023	52.71	90.30	159.43	302.44	115.47	2.42	420.33
Balance at 1 April 2023	52.71	90.30	159.43	302.44	115.47	2.42	420.33
Additions/transfers	1.05	-	-	1.05	-	3.18	4.23
Disposals	-	-	-	-	-	-	-
Balance at 30 September 2023	53.76	90.30	159.43	303.49	115.47	5.60	424.56
Accumulated amortisation							
Balance at 1 April 2020	13.25	-	59.28	72.53	-	-	72.53
Amortisation for the year	10.22	-	4.90	15.12	-	-	15.12
Balance at 31 March 2021	23.47	-	64.18	87.65	-	-	87.65
Balance at 1 April 2021	23.47	-	64.18	87.65	-	-	87.65
Amortisation/ impairment for the year	7.76	-	5.53	13.29	-	-	13.29
Balance at 31 March 2022	31.23	-	69.71	100.94	-	-	100.94
Balance at 1 April 2022	31.23	-	69.71	100.94	-	-	100.94
Amortisation for the year	7.69	3.01	9.39	20.09	-	-	20.09
Disposals / write off	0.87	-	-	0.87	-	-	0.87
Balance at 31 March 2023	38.05	3.01	79.10	120.16	-	-	120.16
Balance at 1 April 2023	38.05	3.01	79.10	120.16	-	-	120.16
Amortisation/ impairment for the period	3.48	9.03	11.46	23.97	-	-	23.97
Disposals / write off	-	-	-	-	-	-	-
Balance at 30 September 2023	41.53	12.04	90.56	144.13	-	-	144.13
Net carrying amount							
At 30 September 2023	12.23	78.26	68.87	159.36	115.47	5.60	280.43
At 31 March 2023	14.66	87.29	80.33	182.28	115.47	2.42	300.17
At 31 March 2022	11.39	-	27.66	39.05	11.80	-	50.85
At 31 March 2021	16.68	-	33.19	49.87	11.80	-	61.67

Ageing schedule of intangible assets under development

As at 30 September 2023					
Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	5.60	-	-	-	5.60
Projects temporarily suspended	-	-	-	-	-
Total	5.60	-	-	-	5.60

As at 31 March 2023					
Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	2.42	-	-	-	2.42
Projects temporarily suspended	-	-	-	-	-
Total	2.42	-	-	-	2.42

As at 31 March 2022					
Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March 2021					
Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

The Group does not have any intangible asset under development which is overdue or has exceeded its cost compared to its original plan.

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group’s Cash generating units ('CGU') (operating divisions) as follows ;

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Keracon Equipments Private Limited	103.67	103.67	-	-
Other units without significant goodwill	11.80	11.80	11.80	11.80
	115.47	115.47	11.80	11.80

Keracon Equipments Private Limited

Goodwill is tested for impairment annually in accordance with the Group's procedure for determining the recoverable value of such assets.

The recoverable amount of the CGUs was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The recoverable amount of the CGU was determined to be higher than its carrying amount and therefore goodwill is not impaired at the balance sheet date. Key assumptions on which the Group has based its determination of value in use includes;

(In percent)	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Discount rate	15%	15%	-	-
Terminal value growth rate	2%	2%	-	-
Budgeted EBITDA growth rate	4%	4%	-	-

The discount rate was a pre-tax measure based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined based on the expected long term growth in EBITDA as estimated by management.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
3 Investments				
Non-current investments, unquoted				
<i>Investments in equity shares at FVTPL</i>				
Loginomic Tech Solutions Private Limited	2.40	2.40	2.40	2.40
9,600 equity shares of Rs. 10 each				
Less : Loss on fair value of investments	(2.40)	(2.40)	(2.40)	(2.40)
<i>Investments in preference shares at FVTPL</i>				
Prabal Motors Private Limited (formerly known as Popular Kuttukaran Cars Private Limited)	-	-	0.20	0.20
20,000 redeemable preference shares of face value of Rs. 10 each				
Non-current investment in others, FVTPL				
<i>Quoted</i>				
Investments in equity instruments (valued at FMV), fully paid up	20.93	17.99	20.94	18.17
<i>Unquoted</i>				
Investment in mutual funds	58.51	39.70	23.17	30.84
	79.44	57.69	44.31	49.21
Aggregate book value of non-current investments-unquoted	60.91	42.10	25.77	33.44
Aggregate book/ market value of non-current investments-quoted	20.93	17.99	20.94	18.17
Aggregate provision for loss on fair value of investment	(2.40)	(2.40)	(2.40)	(2.40)
Current investments				
Investment in debentures at FVTPL				
Investment in debentures measured at fair value through profit or loss	-	-	15.89	-
Investment in liquid mutual funds	4.40	2.24	-	-
	4.40	2.24	15.89	-
Aggregate book value of current investments-unquoted	4.40	2.24	15.89	-
4 Other financial assets				
Non-current				
<i>Considered good - Unsecured</i>				
Rent and other deposits	391.95	374.76	302.86	277.57
Balance with bank held as margin money (due to mature after 12 months from the reporting date)*	4.07	4.41	26.51	-
	396.02	379.17	329.37	277.57
Current				
<i>Considered good - Unsecured</i>				
Rent and other deposits	52.66	44.73	58.93	46.36
Dues from others	5.95	5.00	5.00	5.00
Less: Allowances for expected credit loss	(5.00)	(5.00)	(5.00)	(5.00)
	53.61	44.73	58.93	46.36
* This represents bank gurantee deposits given to various vendors in relation to purchase of goods and services.				
5 Other assets				
Non-current				
<i>Considered good - Unsecured</i>				
Capital advances	57.73	29.08	31.01	15.15
Less: allowances for expected credit loss	(3.93)	(5.58)	(4.18)	-
Prepayments	143.85	135.03	115.35	90.20
Balance with Life Insurance Corporation Gratuity Fund, net (refer note 28)	36.82	-	-	-
Balance with statutory / government authorities	67.11	34.73	34.72	37.84
	301.58	193.26	176.90	143.19
Current				
<i>Considered good - Unsecured</i>				
Prepayments #	130.57	93.04	89.23	33.79
Balance with statutory/ government authorities	607.93	159.21	219.91	157.04
Advance to staff	1.45	1.50	0.81	0.46
Balance with Life Insurance Corporation Gratuity Fund, net (refer note 28)	-	2.04	-	11.76
Payment to vendors for supply of goods and services	299.19	169.12	80.93	82.46
	1,039.14	424.91	390.88	285.51
	1,340.72	618.17	567.78	428.70

Prepayments include the expenditure incurred by the Company amounting to Rs. 84.83 million for the period ended 30 September 2023, Rs. 58.37 million for the year ended 31 March 2023 and Rs 52.8 million for the year ended 31 March 2022 towards the proposed initial public offer which has been classified under "Other current assets" in the financial statements. The Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.

The Company has not given any loan to their directors during the period ended 30 September 2023 and years ended 31 March 2023, 31 March 2022 and 31 March 2021.

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
6 Inventories				
<i>(Valued at lower of cost and net realisable value)</i>				
New vehicles	5,413.37	2,904.37	2,490.89	2,194.63
Pre-owned vehicles	503.58	461.21	442.66	364.71
Spares and lubricants	696.51	904.01	614.22	554.74
Accessories	194.17	143.58	118.73	70.99
	6,807.63	4,413.17	3,666.50	3,185.07
	(61.36)	(63.70)	(46.12)	(68.24)
	6,746.27	4,349.47	3,620.38	3,116.83
Less: Provision for obsolete inventory				

Closing stock includes value of goods in transit of new vehicles for Rs 1,810.29 million (31 March 2023 : Rs 987.77 million, 31 March 2022 : Rs. 1,349.96 million, 31 March 2021 : Rs 1,330.54 million), accessories for Rs 41.56 million (31 March 2023 : Rs 27.11 million, 31 March 2022:Rs. 27.78 million, 31 March 2021: Rs18.86 millions) and spares and lubricants for Rs. 92.63 million (31 March 2023 : Rs 65.94 millions, 31 March 2022 : Rs. 55.42 million, 31 March 2021 : Rs. 45.81 million)

7 Trade receivables				
<i>Unsecured, considered good</i>				
From related parties (refer note 33)	0.51	0.19	10.03	3.06
Other than related parties	2,995.99	2,237.65	1,755.98	1,604.21
	2,996.50	2,237.84	1,766.01	1,607.27
<i>Unsecured, credit impaired</i>				
From related parties (refer note 33)	-	-	-	-
Other than related parties	71.55	60.94	49.50	50.50
	71.55	60.94	49.50	50.50
	(71.55)	(60.94)	(49.50)	(50.50)
	2,996.50	2,237.84	1,766.01	1,607.27
Less: allowances for expected credit loss (refer note 29 B(ii))				
Net trade receivables				

For details of trade receivables pledged, refer note 11.
The Group's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 29.

Trade receivables ageing schedule
As at 30 September 2023

	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 years	More than 3 years	Total
i)Undisputed trade receivables – considered good	349.08	2,548.31	9.64	1.85	1.85	-	2,910.73
ii)Undisputed trade receivables – which have significant increase in credit risk	-	73.42	6.40	5.34	0.17	0.44	85.77
iii)Undisputed trade receivables – credit impaired	-	13.39	17.54	25.71	13.46	1.45	71.55
	349.08	2,635.12	33.58	32.90	15.48	1.89	3,068.05

As at 31 March 2023

	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 years	More than 3 years	Total
i)Undisputed trade receivables – considered good	13.42	2,125.58	20.99	5.51	-	-	2,165.50
ii)Undisputed trade receivables – which have significant increase in credit risk	-	65.58	5.96	0.16	0.17	0.47	72.34
iii)Undisputed trade receivables – credit impaired	-	9.55	12.04	25.68	4.16	9.51	60.94
	13.42	2,200.71	38.99	31.35	4.33	9.98	2,298.78

As at 31 March 2022

Description	Not due	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	18.88	1,659.43	9.69	8.05	-	-	1,696.05
ii)Undisputed trade receivables – which have significant increase in credit risk	-	-	69.06	0.90	-	-	69.96
iii)Undisputed trade receivables – credit impaired	-	12.75	9.09	21.94	5.72	-	49.50
	18.88	1,672.18	87.84	30.89	5.72	-	1,815.51

As at 31 March 2021

	Not due	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	19.61	1,572.18	15.48	-	-	-	1,607.27
ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii)Undisputed Trade Receivables – credit impaired	-	8.54	6.57	30.18	5.21	-	50.50
	19.61	1,580.72	22.05	30.18	5.21	-	1,657.77

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
8 Cash and cash equivalents				
Balance with banks on current account	277.35	219.85	162.81	533.68
Cheques on hand	19.38	4.10	6.79	7.71
Cash on hand	5.47	14.30	14.36	13.69
	302.20	238.25	183.96	555.08
Cash and cash equivalents in balance sheet				
Less: Book overdrafts used for cash management purposes	-	-	-	1.67
Cash and cash equivalents in the statement of cash flows	302.20	238.25	183.96	553.41
9 Bank balances other than cash and cash equivalents				
Balance with banks held as margin money (due to mature more than 3 months but less than 12 months)*	44.95	43.35	19.56	38.92
	44.95	43.35	19.56	38.92

*This represents bank gurantee deposits given to various vendors in relation to purchase of goods and services.

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)
(All amounts and number of shares in Indian rupees million)

10	Share capital	As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
	Authorised								
	Equity shares of Rs. 2 each (refer note (f) below) (Equity shares of Rs. 10 each for the years ended 31 March 2023, 31 March 2022 and 31 March 2021)	75.00	150.00	15.00	150.00	15.00	150.00	15.00	150.00
		75.00	150.00	15.00	150.00	15.00	150.00	15.00	150.00
	Issued, subscribed and paid-up								
	Equity shares of Rs. 2 each (refer note (f) below) (Equity shares of Rs. 10 each for the years ended 31 March 2023, 31 March 2022 and 31 March 2021)	62.72	125.44	12.54	125.44	12.54	125.44	12.54	125.44
		62.72	125.44	12.54	125.44	12.54	125.44	12.54	125.44
	Reconciliation of shares outstanding at the beginning and at the end of the period / year								
	Equity shares of Rs. 2 each fully paid-up (refer note (f) below)								
	At the beginning of the period / year	62.72	125.44	12.54	125.44	12.54	125.44	12.54	125.44
	Issued during the period / year	-	-	-	-	-	-	-	-
	At the end of the period / year	62.72	125.44	12.54	125.44	12.54	125.44	12.54	125.44

(a) Terms and rights attached to equity shares

The Company has a single class of equity shares. All the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on the shares may lead to the forfeiture of shares. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, remaining after the distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

The Company is largely held by individuals and accordingly does not have a holding/ ultimate holding Company.

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

	As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 2 each fully paid up held by (refer note (f) below)								
a) BanyanTree Growth Capital II, LLC	21.35	34.01%	4.27	34.01%	4.27	34.01%	4.27	34.01%
b) Francis K Paul - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%
c) John K Paul - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%
d) Naveen Philip - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%

(c) Details of shares held by promoters at the end of the period / year

Name of the promoters	As at 30 September 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
a) Francis K Paul - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%
b) John K Paul - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%
c) Naveen Philip - Promoter	13.75	21.93%	2.75	21.93%	2.75	21.93%	2.75	21.93%

There has been no change in the share holding pattern during the respective years.

(d) Details of bonus shares issued during the five years immediately preceding the balance sheet date.

During the year ended 31 March 2019, 8.62 million equity shares of Rs. 10 each, fully paid up, has been allotted as bonus shares by capitalisation of general reserve.

(e) Details of buyback and shares issued for consideration other than for cash in the five years immediately preceding the balance sheet date.

The group has not bought back any class of equity shares nor has there been any issue for consideration other than for cash during the period of five years immediate preceding the balance sheet date.

(f) Note on share split

The Board of Directors of the Company, at its meeting held on 31 August 2023, had approved the sub division of the existing paid up share capital of the Company from 12,544,289 equity shares of Rs. 10 each into 62,721,445 equity shares of Rs. 2 each, which is approved by the shareholders by an extra ordinary general meeting held on 8 September 2023.

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
11 Borrowings				
Non-current				
<i>Secured</i>				
Loan from banks				
Term loans from banks	703.21	822.16	839.99	842.39
Loan from financial institutions				
Term loans from financial institutions	29.71	37.60	13.90	29.72
Vehicle loans from financial institutions	29.88	10.71	6.38	21.18
<i>Unsecured</i>				
Loans from directors (refer note 33)	40.85	40.85	20.28	-
	803.65	911.32	880.55	893.29
Current				
<i>Secured</i>				
Loan from banks				
Short term loans from banks	5,445.64	2,511.10	2,062.77	1,878.86
Current portion of term loan	354.74	322.97	246.80	126.00
Cash credit and overdraft facilities from banks	437.43	751.07	171.88	206.09
Loan from financial institutions				
Short term loans from financial institutions	394.41	299.51	192.73	191.64
Current portion of loan from financial institutions	64.81	44.75	57.54	149.49
<i>Unsecured</i>				
Short term loans from banks	38.47	63.83	-	-
Short term loans from financial institutions	53.98	87.51	53.83	48.87
Loans from directors (refer note 33)	53.00	58.00	53.00	36.18
	6,842.48	4,138.74	2,838.55	2,637.13
	7,646.13	5,050.06	3,719.10	3,530.42
Total borrowings				

- (i) Information about the Group's exposure to interest rate and liquidity risks are included in note 29.
(ii) For details with respect to terms and conditions of borrowings, refer note 11A.

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

11 Borrowings (continued)

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

Nature of borrowing	Borrowed by parent / subsidiaries	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	Security terms
Non-current, secured						
Term loans from banks - Capital projects	Parent	320.71	372.34	292.72	361.48	Secured by: a) primary security by way of hypothecation of fixed assets (comprising plant and machinery, office equipments, inventories etc) of the Company funded by the term loan b) collateral security by way of equitable mortgage over immovable properties (comprising land and buildings) in the name of the Company. These movable and immovable properties are also pledged as securities for other loans. c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company. This borrowings carries an interest rate ranging from 9.50% to 10.05% p.a with a tenure of 48 to 84 months repayable in monthly installments which is maturing latest by year ending 31 March 2027.
Term loans from banks - ECLGS	Parent	376.47	427.88	470.84	379.08	Secured by: a) primary security by way of charge over all moveable properties (comprising plant and machinery, office equipments, inventories etc) created out of the term loan b) collateral security by way of equitable mortgage over immovable properties (comprising land and buildings) in the name of the Company. These movable and immovable properties are also pledged as securities for other loans. This borrowings carries an interest rate ranging from 9.00% to 9.25% p.a with a tenure of 48 to 60 months repayable in monthly installments which is maturing latest by year ending 31 March 2029.
Term loans from banks - Capital projects	Subsidiaries	184.49	157.08	70.62	145.69	Secured by: a) primary security by way of hypothecation of fixed assets (comprising plant and machinery, office equipments, inventories etc) of the Company funded by the term loan b) collateral security by way of equitable mortgage over immovable properties (comprising land and buildings) in the name of the Company. These movable and immovable properties are also pledged as securities for other loans. c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company. This borrowings carries an interest rate ranging from 9.05% to 10.45% p.a with a tenure of 48 to 84 months repayable in monthly installments which is maturing latest by year ending 31 March 2026.
Term loans from banks - ECLGS	Subsidiaries	182.92	232.58	252.58	76.35	Secured by: a) primary security by way of charge over all moveable properties (comprising plant and machinery, office equipments, inventories etc) created out of the term loan b) collateral security by way of equitable mortgage over immovable properties (comprising land and buildings) in the name of the Company. These movable and immovable properties are also pledged as securities for other loans. This borrowings carries an interest rate ranging from 9.00% to 9.25% p.a with a tenure of 48 to 60 months repayable in monthly installments which is maturing latest by year ending 31 March 2026.
Term loans from financial institutions	Subsidiaries	-	37.60	42.80	142.00	Secured by: a) primary security by way of hypothecation of fixed assets (comprising plant and machinery, office equipments, inventories etc) of the Company funded by the term loan b) personal guarantees by Naveen Philip, director of the company. This borrowings carries an interest rate ranging from 8.55% to 10.40% p.a. with a tenure of 24 to 48 months repayable in monthly installments which is maturing latest by year ending 31 March 2026.
Vehicle loans from financial institutions	Parent	29.49	4.65	11.94	32.67	Secured by: a) hypothecation of the respective motor vehicles and b) personal guarantees by John K Paul and Francis K Paul, directors of the Company. This borrowings carries an interest rate ranging from 8.65% to 9.00% p.a. with a tenure of 24 to 48 months repayable in monthly installments with maturity date ending latest by 31 March 2026.
Vehicle loans from financial institutions	Subsidiaries	88.27	6.06	23.12	31.51	Secured by: a) hypothecation of the respective motor vehicles and b) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the company and promotor directors of the group. This borrowings carries an interest rate ranging from 7.15% to 16.00% p.a. with a tenure of 24 to 48 months repayable in monthly installments with maturity date ending latest by 31 March 2027.
Non current, unsecured						
Loans from directors	Subsidiaries	40.85	40.85	20.28	-	Represents the unsecured loan taken by certain subsidiaries from their directors where terms of repayment are not stipulated but mutually agreed that these loans are not repayable in the next 12 months as on the respective balance sheet dates.
Current, secured						
Cash credit and overdraft facilities from banks	Subsidiaries	437.43	751.07	171.88	206.09	Secured by: a) first charge on the current assets of the Group excluding specific charges given for inventory funding; b) collateral security by way of equitable mortgage of the immovable properties of the Group and c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company and promotor directors of the group.
Short term loan from banks	Parent	3,020.40	1,496.87	1,323.39	1,175.56	Secured by: a) exclusive charge on the stock and receivables funded by bank and marked with lien; b) equitable mortgage on residential property of the director & property belonging to the Group as collateral securities and c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company.
Short term loan from banks	Subsidiaries	1,432.65	966.20	739.38	520.06	Secured by: a) equitable mortgage of common collateral securities of immovable properties belonging to Kuttukaran Trading Ventures; b) equitable mortgage of immovable properties belonging to directors of the Company; c) personal guarantees by John K Paul and Francis K Paul, directors of the Company; d) corporate guarantee of Popular Vehicles and Services Limited (Parent).
Short term loan from banks	Subsidiaries	992.59	48.03	-	183.24	Secured by: a) equitable mortgage of common collateral securities of immovable properties belonging to Kuttukaran Trading Ventures; b) equitable mortgage of immovable properties belonging to directors of the Company; c) personal guarantees by John K Paul and Francis K Paul, directors of the Company.
Short term loan from financial institutions	Parent	124.64	-	-	-	Secured by hypothecation of vehicles purchased using the fund.
Short term loan from financial institutions	Subsidiaries	269.77	299.51	192.73	191.64	Secured by: a) equitable mortgage of common collateral securities of immovable properties belonging to Kuttukaran Trading Ventures and Kuttukaran Homes LLP ; b) equitable mortgage of immovable properties belonging to directors of the Company c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the company and promotor directors of the group and d) corporate guarantee of Kuttukaran Trading Ventures.

11 Borrowings (continued)

Nature of borrowing	Borrowed by parent / subsidiaries	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	Security terms
Current, unsecured						
Short term loans from banks	Parent	38.47	63.09	-	-	Personal guarantees by John K Paul and Francis K Paul, directors of the Company.
Short term loans from banks	Subsidiaries	-	0.74	-	-	Personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company and promotor directors of the group
Short term loans from financial institutions	Parent	30.82	58.11	53.83	30.11	Personal guarantees by John K Paul and Francis K Paul, directors of the Company.
Short term loans from financial institutions	Subsidiaries	23.16	29.40	-	18.76	Personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company and promotor directors of the group
Loans from directors	Subsidiaries	53.00	58.00	52.99	36.18	As per the agreed terms the loans were repayable within a period of one year from the balance sheet date.
		7,646.13	5,050.06	3,719.10	3,530.42	

Note:
The borrowings from banks / financial institutions carry interest rates from 5.95% to 10.50% per annum
The Group has utilised the loans for the purpose it was availed.

B Borrowing facilities and filing of quarterly returns with the bankers

As at 30 September 2023

The Group has availed working capital facilities from banks on the basis of security of current assets and have submitted quarterly returns of current assets and current liabilities to the bankers. The quarterly returns are matching with the books of accounts.

As at 31 March 2023

The Group has availed working capital facilities from banks on the basis of security of current assets and have submitted quarterly returns of current assets and current liabilities to the bankers. The quarterly returns are matching with the books of accounts.

As at 31 March 2022

The Group has availed working capital facilities from banks on the basis of security of current assets and have submitted quarterly returns of current assets and current liabilities to the bankers. Following is the summary of reconciliations and reasons for differences between such returns and books of accounts.

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
30 June 2021	Federal Bank	Inventory	2,622.50	3,040.00	(417.50)	No
30 September 2021	Federal Bank	Inventory	1,497.14	1,692.90	(195.76)	
31 December 2021	Federal Bank	Inventory	1,057.64	1,140.00	(82.36)	
31 March 2022	Federal Bank	Inventory	2,022.21	2,420.00	(397.79)	
30 June 2021	Federal Bank	Other current liabilities	2,342.91	2,020.00	322.91	No
30 September 2021	Federal Bank	Other current liabilities	660.54	530.73	129.81	
31 December 2021	Federal Bank	Other current liabilities	862.87	410.00	452.87	
31 March 2022	Federal Bank	Other current liabilities	952.06	970.00	(17.94)	

The Group has been sanctioned working capital limits from banks/ financial institutions on the basis of security of current assets which consists of inventory. The value declared to the bank is inclusive of GST paid on it as banks/financial institution funding is inclusive of GST. However, the value considered in the financial statement is exclusive of GST and since such GST portion was not considered as part of cost of inventory.

As per the condition upon which banks/ financial institutions have funded the working capital requirements, the Group is also required to provide details of its trade payables and other current liabilities on a periodic basis. As the working capital support is for meeting the day-to-day operational requirements, the Company did not consider trade payable and other current liabilities pertaining to its corporate office functions while providing periodic statement to banks/ financial institutions. However, the trade payable and other current liabilities disclosed in the financial statement is inclusive of trade payables and other current liabilities pertaining to its corporate office functions.

As at 31 March 2021

Not applicable

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
12 Other financial liabilities				
Current				
Interest accrued but not due on borrowings	25.06	10.89	1.41	2.08
Accrued salaries and benefits	177.29	195.48	142.56	143.40
Book overdrafts	-	-	-	1.67
Dues to creditors for capital goods	21.17	21.63	20.19	9.75
	223.52	228.00	164.16	156.90
The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 29.				
13 Provisions				
Non-current				
<i>Provision for employee benefits *</i>				
Net defined benefit liability - Gratuity	7.40	9.24	17.21	4.51
Compensated absences	53.40	50.19	45.58	43.68
	60.80	59.43	62.79	48.19
Current				
<i>Provision for employee benefits *</i>				
Net defined benefit liability - Gratuity	0.28	-	1.50	0.98
Compensated absences	28.52	32.70	25.63	35.51
	28.80	32.70	27.13	36.49
	89.60	92.13	89.92	84.68
* Also refer note 28				
14 Other liabilities				
Non-current				
Advance from vendors for rebates	-	-	97.14	204.48
	-	-	97.14	204.48
Current				
Contract liabilities	955.99	728.94	788.41	824.53
Advance from vendors for rebates	0.06	34.73	89.00	97.10
Statutory dues payables	178.39	217.60	176.93	193.13
	1,134.44	981.27	1,054.34	1,114.76
	1,134.44	981.27	1,151.48	1,319.24
Movement in contract liabilities				
Opening balance at the beginning of the period / year	728.94	788.41	824.53	481.85
Less : revenue recognised during the period / year	(708.10)	(788.41)	(824.53)	(481.85)
Add: additions to advances from customers during the period / year	935.15	728.94	788.41	824.53
Closing balance at the end of period / year	955.99	728.94	788.41	824.53

The contract liabilities primarily relate to the advance consideration received from the customers for the purchase of vehicles. This will be recognised as revenue as and when the Company meet the performance obligation by delivering the vehicles. Refer Note 16 for more details.

15 Trade payables				
Total outstanding dues of micro and small enterprises	32.67	45.80	27.67	1.94
Total outstanding dues of creditors other than micro and small enterprises	1,677.17	861.94	840.63	661.49
	1,709.84	907.74	868.30	663.43

<i>Trade payable ageing schedule</i>					
As at 30 September 2023					
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)MSME	32.64	0.03	-	-	32.67
ii)Others	1,412.78	7.04	0.80	1.60	1,422.22
iii)Disputed Dues-MSME	-	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-	-
v)Unbilled dues	254.95	-	-	-	254.95
	1,700.37	7.07	0.80	1.60	1,709.84
As at 31 March 2023					
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)MSME	45.80	-	-	-	45.80
ii)Others	756.18	9.15	3.95	1.15	770.43
iii)Disputed Dues-MSME	-	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-	-
v)Unbilled dues	91.51	-	-	-	91.51
	893.49	9.15	3.95	1.15	907.74
As at 31 March 2022					
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)MSME	27.67	-	-	-	27.67
ii)Others	700.06	66.89	1.44	0.16	768.55
iii)Disputed Dues-MSME	-	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-	-
v)Unbilled dues	72.08	-	-	-	72.08
	799.81	66.89	1.44	0.16	868.30

15 Trade payables (continued)

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)MSME	1.94	-	-	-	1.94
ii)Others	660.32	0.93	0.24	-	661.49
iii)Disputed Dues-MSME	-	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-	-
v)Unbilled dues	-	-	-	-	-
	662.26	0.93	0.24	-	663.43

All trade payables are 'current'.
The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 29.

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:				
The principal amount remaining unpaid to any supplier as at the end of the period / year	32.67	45.80	27.67	1.94
The interest due on the principal remaining outstanding as at the end of the period / year	*	*	*	*
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the period / 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 period / year) but without adding the interest specified under the Act.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the period / 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.	-	-	-	-
* Amount is below the round off norms adopted by the Group				

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
16 Revenue from operations				
Sale of products				
Sales of new vehicles	19,411.07	33,305.06	23,222.61	19,395.41
Sale of spare parts and accessories	4,115.54	6,820.19	4,687.13	3,783.64
Sale of pre-owned vehicles	1,938.74	3,705.97	2,872.81	2,473.08
	25,465.35	43,831.22	30,782.55	25,652.13
Sale of services	1,605.84	2,872.91	2,183.97	1,803.63
	27,071.19	46,704.13	32,966.52	27,455.76
Other operating revenues				
Income from schemes and incentives	873.87	1,358.23	1,177.95	991.02
Finance and insurance commission	359.62	613.84	466.88	455.99
Income from driving school	19.27	30.50	18.04	13.14
Other operating income	26.02	43.32	29.40	19.34
	28,349.97	48,750.02	34,658.79	28,935.25
Reconciliation of revenue from sale of products and services				
Gross revenue	27,920.20	48,639.47	34,257.78	28,259.57
Less: discount allowed	849.01	1,935.34	1,291.26	803.81
	27,071.19	46,704.13	32,966.52	27,455.76

(A) Disaggregate of revenue information

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Revenue by category				
Passenger cars (excluding luxury vehicles)	15,050.34	28,320.13	21,790.46	19,262.73
Luxury vehicles	1,868.17	1,823.38	1,612.54	1,442.00
Commercial vehicles	9,616.33	15,702.54	9,591.31	6,906.65
Others	1,815.13	2,903.97	1,664.48	1,323.87
	28,349.97	48,750.02	34,658.79	28,935.25
Revenue by contract type				
Fixed price	28,349.97	48,750.02	34,658.79	28,935.25
	28,349.97	48,750.02	34,658.79	28,935.25

(B) Contract balances

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	2,996.50	2,237.84	1,766.01	1,607.27
Contract liabilities	955.99	728.94	788.41	824.53

(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	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Within 1 year	955.99	728.94	788.41	824.53
More than 1 year	-	-	-	-
Closing balance	955.99	728.94	788.41	824.53

17 Other income

Interest income based on effective interest rate				
Rent deposits	7.94	14.14	18.65	10.39
Fixed deposits with banks	1.55	2.96	11.62	5.29
Interest on income-tax refund	1.29	1.93	1.71	10.45
Gain on sale of property, plant and equipment (net)	4.14	-	8.20	20.74
Liabilities / provisions no longer required written back*	72.47	66.40	60.01	56.67
Net gain on financial assets measured at fair value through profit and loss	12.76	0.64	6.89	19.24
Gain on derecognition of right-of-use assets	0.41	36.21	0.78	28.10
Rent concession received - (refer note 30)	-	-	34.82	70.35
Other non-operating income	31.55	53.98	40.52	36.04
	132.11	176.26	183.20	257.27

*Liabilities written-back for the period ended 30 September 2023 includes Rs.38.90 million, relating to refund received by one of its subsidiary from its principal, against KVAT paid on warranty charges, in earlier years.

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
18 Purchases of stock-in-trade				
New vehicles	20,903.02	32,720.02	22,831.11	19,035.03
Pre-owned vehicles	1,826.20	3,451.37	2,740.27	2,366.22
Spares, lubricants and accessories	3,683.51	5,580.12	4,099.86	3,172.58
	26,412.73	41,751.51	29,671.24	24,573.83
19 Changes in inventories of stock in trade				
Opening inventory	4,349.47	3,620.38	3,116.83	2,873.28
Add: inventory on acquisition	-	403.57	-	-
Closing inventory	6,746.27	4,349.47	3,620.38	3,116.83
	(2,396.80)	(325.52)	(503.55)	(243.55)
20 Employee benefits expenses				
Salaries and allowances	1,623.68	2,696.60	2,157.02	1,794.21
Contribution to provident and other funds (refer note 28)	119.85	208.92	160.27	155.39
Staff welfare expense	115.26	176.54	102.83	85.47
	1,858.79	3,082.06	2,420.12	2,035.07
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.				
21 Finance costs				
Interest expense on financial liabilities measured at amortised cost				
Interest on bank borrowings	254.42	319.35	267.19	237.62
Interest expense on lease liability (refer note 30)	209.03	363.40	322.57	280.92
Other borrowing costs	12.69	22.59	18.84	32.56
	476.14	705.34	608.60	551.10
22 Depreciation and amortisation expense				
Depreciation on property, plant and equipment	165.86	313.98	276.17	344.12
Depreciation on right- of-use asset (refer note 30)	254.36	460.38	403.11	365.67
Amortisation on intangible assets	23.97	20.09	13.29	15.12
	444.19	794.45	692.57	724.91
23 Other expenses				
Rent (refer note 30)	79.99	133.94	101.74	47.94
Advertising and sales promotion	126.41	208.12	142.18	120.06
Consumables	169.47	338.30	248.30	155.83
Repairs and maintenance:				
Buildings	29.27	51.36	31.65	25.20
Plant and machinery	4.84	16.00	100.35	59.50
Others	76.24	138.94	17.67	26.70
Power, water and fuel	92.81	151.85	109.12	91.97
Travelling and conveyance	78.89	145.57	86.82	65.72
Housekeeping, security and work charges	195.92	288.75	197.79	85.15
Office expenses	56.71	106.09	57.79	38.68
Communication	32.55	66.70	54.62	52.70
Refurbishment charges on pre-owned vehicles	13.59	36.52	40.90	35.09
Loss on sale of property, plant and equipment (net)	-	11.24	-	-
Pre delivery inspection charges	47.85	87.16	61.20	47.04
Rates and taxes	15.67	31.17	22.48	25.70
Transportation charges	44.64	72.14	45.75	39.99
Bank charges	17.32	33.60	29.25	26.24
Insurance	21.55	42.51	47.54	47.34
Management fee on pre-owned vehicles	10.81	14.04	12.86	9.93
Legal and professional (Refer note below)	23.33	37.14	26.41	18.34
Donation and charity	0.38	0.44	0.14	0.15
Expenditure on corporate social responsibility (CSR)	6.59	5.50	5.09	4.28
Miscellaneous expenses	18.36	22.16	18.48	30.33
	1,163.19	2,039.24	1,458.13	1,053.88

Note

Includes payment to statutory auditors (net of goods and services tax) as follows :

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Statutory audit	1.48	2.95	2.30	2.30
Other services				
- Expense in relation to initial public offer	-	1.47	10.68	-
- Certifications	-	-	0.24	0.24
	1.48	4.42	13.22	2.54

24 Taxes

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A Income taxes				
Income tax assets, net	79.87	97.60	85.46	67.73
Income tax liabilities (current)	(17.98)	(12.29)	-	(3.15)
Income tax liabilities (non-current)	-	(2.46)	(1.05)	(2.09)
Net income tax assets/(liabilities) at the end of the period / year	61.89	82.85	84.41	62.49
(i) Tax expense recognised in the statement of profit and loss	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Current tax (including MAT)				
Current period / year	156.95	240.57	129.42	124.27
Earlier years	(5.70)	(0.47)	-	(24.41)
Deferred tax (benefit) / charge (including MAT credit entitlement)	(12.93)	(32.17)	19.35	48.11
Total tax expenses	138.32	207.93	148.77	147.97
(ii) Amount recognised in other comprehensive income	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurement of the net defined benefit plans				
Gain / (loss) before tax	15.10	(12.47)	2.94	9.09
Tax (expense) / benefit	(3.87)	3.31	(0.79)	(1.34)
Net of tax	11.23	(9.16)	2.15	7.75
(iii) Reconciliation of effective tax rate	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income tax	522.71	848.67	485.46	472.52
Enacted tax rates in India	25.17%	25.17%	25.17%	34.94%
Tax expenses	131.57	213.61	122.19	165.10
Other permanent differences	3.80	1.36	50.95	8.23
On account of change in tax rate	-	-	-	-
Income at differential rate - subsidiaries	2.95	(7.04)	(25.26)	(25.36)
Income at differential rate - long term capital gain	-	-	0.89	-
Tax expense	138.32	207.93	148.77	147.97
Effective tax rate	26.46%	24.50%	30.65%	31.32%

For financial year 2021-22, the Group elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

B (i) Deferred tax asset/ (liabilities)

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred tax assets	171.58	161.22	157.69	177.84
Deferred tax liabilities	(1.30)	-	-	-
Net deferred tax asset/ (liability) at the end of the period / year	170.28	161.22	157.69	177.84

(ii) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred tax asset				
Allowance for expected credit loss	17.59	18.80	12.50	15.37
Provision for employee benefits	9.90	20.14	6.85	21.42
Lease liabilities, impact on account of Ind AS 116	240.49	218.13	181.27	201.76
Other timing differences	8.81	9.25	5.47	-
On unabsorbed business losses	5.17	6.47	22.89	31.68
Total deferred tax assets (A)	281.96	272.79	228.98	270.23
Deferred tax liabilities				
Property, plant and equipment	(83.93)	(80.62)	(71.29)	(92.39)
Intangible assets on acquisition through business combination (refer note 36)	(27.75)	(30.95)	-	-
Total deferred tax liability (B)	(111.68)	(111.57)	(71.29)	(92.39)
Net deferred tax asset/ (liability) at the end of the period / year (A+B)	170.28	161.22	157.69	177.84

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Group has recognised deferred tax assets arising out of tax losses (unabsorbed depreciation) to the extent of net deferred tax liability on account of taxable temporary differences.

24 Taxes (continued)

B Deferred tax asset/ (liabilities) (continued)

(iii) Movement in temporary differences					
Movement during the period ended 30 September 2023					
	As at 1 April 2023	Acquisition through business combination	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 30 September 2023
Other timing differences	9.25	-	0.44	-	8.81
Allowance for expected credit loss	18.80	-	1.21	-	17.59
Provision for employee benefits	20.14	-	6.37	3.87	9.90
On unabsorbed business losses	6.47	-	1.30	-	5.17
Lease liabilities, impact on account of Ind AS 116	218.13	-	(22.36)	-	240.49
Property, plant and equipment	(80.62)	-	3.31	-	(83.93)
Intangible assets on acquisition through business combination (refer note 36)	(30.95)	-	(3.20)	-	(27.75)
Net deferred tax asset/ (liability) at the end of the period	161.22	-	(12.93)	3.87	170.28

Movement during the year ended 31 March 2023					
	As at 1 April 2022	Acquisition through business combination	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2023
Other timing differences	5.47	-	(3.78)	-	9.25
Allowance for expected credit loss	12.50	-	(6.30)	-	18.80
Provision for employee benefits	6.85	-	(9.98)	(3.31)	20.14
On unabsorbed business losses	22.89	-	16.42	-	6.47
Lease liabilities, impact on account of Ind AS 116	181.27	-	(36.86)	-	218.13
Property, plant and equipment	(71.29)	-	9.33	-	(80.62)
Intangible assets on acquisition through business combination (refer note 36)	-	(31.95)	(1.00)	-	(30.95)
Net deferred tax asset/ (liability) at the end of the year	157.69	(31.95)	(32.17)	(3.31)	161.22

Movement during the year ended 31 March 2022					
	As at 1 April 2021	Acquisition through business combination	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2022
Other timing differences	-	-	(5.47)	-	5.47
Allowance for expected credit loss	15.37	-	2.87	-	12.50
Provision for employee benefits	21.42	-	13.77	0.79	6.85
On unabsorbed business losses	31.68	-	8.79	-	22.89
Lease liabilities, impact on account of Ind AS 116	201.76	-	20.49	-	181.27
Property, plant and equipment	(92.39)	-	(21.10)	-	(71.29)
Net deferred tax asset/ (liability) at the end of the year	177.84	-	19.35	0.79	157.69

Movement during the year ended 31 March 2021					
	As at 1 April 2020	Acquisition through business combination	Charge/ (credit) in the statement of profit and loss	Charge/ (credit) in other comprehensive income	As at 31 March 2021
MAT credit entitlement	17.67	-	17.67	-	-
Allowance for expected credit loss	17.99	-	2.62	-	15.37
Provision for employee benefits	19.28	-	(3.48)	1.34	21.42
On unabsorbed business losses	89.88	-	58.20	-	31.68
Lease liabilities, impact on account of Ind AS 116	183.77	-	(17.99)	-	201.76
Property, plant and equipment	(101.30)	-	(8.91)	-	(92.39)
Net deferred tax asset at the end of the year	227.29	-	48.11	1.34	177.84

(iv) Tax losses carried forward									
Particulars	As at 30 September	Expiry date	As at 31 March 2023	Expiry date	As at 31 March 2022	Expiry date	As at 31 March 2021	Expiry date	
Brought forward losses - allowed to carry forward for specific period	26.27	AY 2032-33	20.51	AY 2031-32	7.10	AY 2030-31	89.78	AY 2030-31	
Long term capital loss - allowed to carry forward for specific period	0.89	AY 2031-32	0.89	AY 2031-32	1.26	AY 2029-30	2.95	AY 2025-26 to AY 2030-31	
Unabsorbed depreciation- allowed to carry forward for infinite period	10.95	-	8.08	-	22.11	-	119.82	-	

25 Contingent liabilities and commitments

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Contingent liabilities				
<i>Claims against the Group not acknowledged as debts:</i>				
Service tax related matters	22.82	18.93	15.97	16.80
Excise related matters	3.03	3.03	3.03	-
KVAT related matters	111.99	112.54	114.47	127.67
Income tax matters	46.87	38.04	33.42	96.09
Employees' state insurance/provident fund demand	7.98	7.95	7.95	7.95
Customer claims	108.19	106.82	86.67	83.15
GST related matters	6.61	7.43	-	-
Commitments				
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	537.78	346.53	98.67	180.41

Details of claims against the Group

a) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timing of cash flows, if any, in respect of the above as it is determinable only on receipt of judgement/ decision pending with various forums/ authorities. The Group has received all its pending litigations and proceedings and has adequately provided for when provision is required and disclosed as contingent liabilities where applicable, in the financial information. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

b) There are certain claims raised by various customers, pending before various consumer forums. The management does not expect the outcome of the action to have a material effect on its financial position.

c) On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Group has re-computed its liability towards PF for the month of March 2019. In respect of the earlier periods/years, the Group has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

26 Earnings per share**A. Basic earnings per share**

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

i) Net profit attributable to equity share holders

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Net profit for the period / year, attributable to the owners of the Company	400.44	640.74	336.69	324.55

ii) Weighted average number of equity shares(basic and diluted) #

Particulars	Period ended 30 September 2023 **	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Number of equity shares at the beginning of the period / year (refer note 10) *	62.72	62.72	62.72	62.72
Weighted average number of equity shares of Rs. 2 each outstanding during the period / year *	62.72	62.72	62.72	62.72
Earnings per share, basic and diluted	6.38	10.22	5.37	5.17

Number of equity shares are in millions

* The basic and diluted earning per share for the current period and previous years presented have been calculated/ restated after considering the share split with effect from 8 September 2023.

** Earnings per share for the period 1 April 2023 to 30 September 2023 has not been annualised.

B. Diluted earnings per share

There are no potential dilutive equity shares as at balance sheet dates.

Popular Vehicles and Services Limited**Annexure VI - Notes to Restated Consolidated Financial Information (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

27 Segment reporting

Ind AS 108 “Operating Segment” (“Ind AS 108”) establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Members of Board of the Group have been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108 "Operating Segments". All operating segments' operating results are reviewed regularly by the Group's CODM to make decisions about resources to be allocated to the segments and assess their performance.

Geographical segments

Geographical information analyses the company's revenue and non current assets by the Company's country of domicile (i.e.India) and other countries. The Company's sole geographical segment is India. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

Operational segments

The Group has structured its business broadly into four verticals – Passenger cars (excluding luxury vehicles), Luxury vehicles, Commercial vehicles and others. Others primarily comprises of spares parts retail sales - other than through the respective business segments and sale of electric vehicles - two-wheelers and three-wheelers. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income, direct expenses, assets and liabilities in relation to segments are categorised based on items that are individually identifiable to that segment.

There is no single customers in excess of 10% of the revenue from operations during any years.

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Segment revenue				
Passenger cars (excluding Luxury vehicles)	15,050.34	28,320.13	21,790.46	19,262.73
Luxury vehicles	1,868.17	1,823.38	1,612.54	1,442.00
Commercial vehicles	9,616.33	15,702.54	9,591.31	6,906.66
Others	1,815.13	2,903.97	1,664.48	1,323.86
Total	28,349.97	48,750.02	34,658.79	28,935.25
Segment profits before income tax				
Passenger cars (excluding Luxury vehicles)	538.35	1,030.45	695.19	664.72
Luxury vehicles	150.03	95.15	64.50	38.98
Commercial vehicles	266.32	323.84	249.99	234.56
Others	78.33	122.16	93.91	85.36
Total	1,033.03	1,571.60	1,103.59	1,023.62
Less:				
Finance charges	476.14	705.34	608.60	551.10
Unallocated expenses (net of unallocated income)	18.13	17.59	9.53	-
Profit before tax	538.76	848.67	485.46	472.52
Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Segment assets				
Passenger cars (excluding Luxury vehicles)	11,501.16	8,763.16	8,258.17	7,068.15
Luxury vehicles	1,405.68	1,115.37	952.36	1,092.40
Commercial vehicles	5,234.41	4,091.57	2,936.60	2,729.79
Others	1,276.51	1,067.70	485.75	299.02
Total	19,417.76	15,037.80	12,632.88	11,189.36
Segment liabilities				
Passenger cars (excluding Luxury vehicles)	9,367.71	6,713.88	6,600.32	5,606.00
Luxury vehicles	1,112.12	897.64	750.27	861.17
Commercial vehicles	4,189.72	3,263.27	2,006.75	1,916.60
Others	906.10	732.57	476.68	345.57
Total	15,575.65	11,607.36	9,834.02	8,729.34

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

28 Employee benefits
A Defined contribution plan

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

B Defined benefit plan

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

The Gratuity Plan entitles an employee, who has rendered atleast five years of continuous service, to receive one-half month's salary for each year of completed service (service of six months or above is rounded off to one year) at the time of retirement/ exit, restricted to a sum of Rs. 2.00 million.

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

Reconciliation of the projected defined benefit obligation

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Defined benefit liability	306.36	309.40	269.63	245.12
Plan assets	335.50	302.20	250.92	251.39
Net defined benefit (asset) / liability	(29.14)	7.20	18.71	(6.27)
Non-current defined benefit liability	7.40	9.24	17.21	4.51
Non-current defined benefit (asset)	(36.82)	-	-	-
Current defined benefit liability	0.28	-	1.50	0.98
Current defined benefit (asset)	-	(2.04)	-	(11.76)
Liability for compensated absences	81.92	82.89	71.21	79.19
Non-current defined benefit liability	53.40	50.19	45.58	43.68
Current defined benefit liability	28.52	32.70	25.63	35.51

C Reconciliation of net defined benefit (asset)/ 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 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation as at the beginning of the period / year	309.40	269.63	245.12	221.00
Current service cost	22.73	39.40	34.99	32.13
Past service cost	-	-	-	-
Interest cost	10.41	16.95	14.40	13.13
Benefits paid	(21.42)	(30.51)	(22.08)	(14.57)
Liabilities assumed /(settled)	0.09	-	-	1.86
Re-measurements				
Actuarial gain/(loss) recognised in other comprehensive income	-	-	-	-
- changes in financial assumptions	(0.27)	12.88	(8.32)	2.08
- changes in demographic assumptions	-	-	-	-
- changes in experience over the past period	(14.58)	1.05	5.52	(10.51)
Defined benefit obligation as at the end of the period / year	306.36	309.40	269.63	245.12

ii) Reconciliation of present value of plan assets

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Plan assets at the beginning of the period / year	302.20	250.92	251.39	226.20
Contributions paid into the plan	43.95	67.82	5.58	22.39
Benefits paid	(20.07)	(34.67)	(22.09)	(14.57)
Interest income	10.75	16.76	15.89	14.86
Assets acquired/(settled)	0.09	-	-	1.86
Re-measurements				
- changes in financial assumptions	(0.05)	-	-	-
- changes in demographic assumptions	(0.86)	0.88	0.14	-
- return on plan assets excluding amount included in net interest on the net defined (asset) / liability	(0.51)	0.49	0.01	0.65
Balance at the end of the period / year	335.50	302.20	250.92	251.39
Net defined benefit (asset) / liability	(29.14)	7.20	18.71	(6.27)

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	22.74	39.40	34.99	32.13
Past service cost	-	-	-	-
Net interest on net defined liability	(1.36)	0.17	(1.49)	(1.73)
Net gratuity cost	21.38	39.57	33.50	30.40

(ii) Remeasurements recognised in other comprehensive income

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain)/ loss on defined benefit obligation	(17.16)	12.32	(2.80)	(8.43)
Loss / (return) on plan asset excluding interest income	2.06	0.15	(0.14)	(0.66)
Net gratuity (gain) / loss (before tax)	(15.10)	12.47	(2.94)	(9.09)

28 Employee benefits (continued)

E Plan asset

Plan asset comprises of the following:

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Funds managed by Life Insurance Corporation of India	335.50	302.20	250.92	251.39

The Group makes annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by LIC. The Group was not informed by LIC of the investments made by them or the breakup of the plan assets into various type of investments.

F Defined benefit obligation

(i) Actuarial Assumptions for defined benefit liability

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.15%-7.40%	7.15%-7.30%	5.40%- 6.9% p.a	4.80%- 6.5% p.a
Salary growth rate	7% p.a	7% p.a	6% p.a	6% p.a
Attrition rate	14% - 29% p.a	14% - 29% p.a	14%-29% p.a	14%-29% p.a
Weighted average duration of defined benefit obligaiton	3.64 Yrs - 9 Yrs	3.43 Yrs - 9 Yrs	3.15 Yrs- 9 Yrs	3.77 Yrs- 9 Yrs

The weighted average assumptions used to determine net periodic benefit cost as set out below;
Assumptions regarding future mortality experience are set in accordance with the standard table - IALM 2012-14 (Ultimate). The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

(ii) Sensitivity analysis

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

Particulars	As at 30 September 2023		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(45.38)	49.26	(62.40)	67.14
Future salary growth (1% movement)	48.62	(45.25)	66.32	(62.18)
Attrition rate (1% movement)	(0.14)	0.11	(0.10)	0.08

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(55.18)	59.17	(13.84)	16.19
Future salary growth (1% movement)	58.70	(55.05)	15.87	(13.83)
Attrition rate (1% movement)	0.79	(0.96)	0.18	(0.24)

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

(iii) Actuarial Assumptions for compensated absences

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate	7.15%-7.40%	7.15%-7.30%	5.40%- 6.9% p.a	4.80%- 6.5% p.a
Salary growth rate	7% p.a	7% p.a	6% p.a	6% p.a
Attrition rate	14% - 29% p.a	14% - 29% p.a	14%-29% p.a	14%-29% p.a
Mortality rate	IALM 2012-14 Ult.	IALM 2012-14 Ult.	IALM 2012-14 Ult.	IALM 2012-14 Ult.

G Expected employers contribution for next year to defined benefit plan

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Expected employers contribution	40.28	43.95	67.82	5.58

29 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 30 September 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	8	302.20	-	-	302.20	-	-	-	-
Bank balances other than cash and cash equivalents	9	44.95	-	-	44.95	-	-	-	-
Trade receivables	7	2,996.50	-	-	2,996.50	-	-	-	-
Other financial assets	4	449.63	-	-	449.63	-	-	-	-
Financial assets measured at fair value									
Investments	3	-	83.84	-	83.84	20.93	62.91	-	83.84
Total		3,793.28	83.84	-	3,877.12	20.93	62.91	-	83.84
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	15	-	-	1,709.84	1,709.84	-	-	-	-
Borrowings	11	-	-	7,646.13	7,646.13	-	7,605.28	-	7,605.28
Lease liabilities	30	-	-	4,752.84	4,752.84	-	-	-	-
Other financial liabilities	12	-	-	223.52	223.52	-	-	-	-
Total		-	-	14,332.33	14,332.33	-	7,605.28	-	7,605.28

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	8	238.25	-	-	238.25	-	-	-	-
Bank balances other than cash and cash equivalents	9	43.35	-	-	43.35	-	-	-	-
Trade receivables	7	2,237.84	-	-	2,237.84	-	-	-	-
Other financial assets	4	423.90	-	-	423.90	-	-	-	-
Financial assets measured at fair value									
Investments	3	-	59.93	-	59.93	17.99	41.94	-	59.93
Total		2,943.34	59.93	-	3,003.27	17.99	41.94	-	59.93
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	15	-	-	907.74	907.74	-	-	-	-
Borrowings	11	-	-	5,050.06	5,050.06	-	5,009.21	-	5,009.21
Lease liabilities	30	-	-	4,333.41	4,333.41	-	-	-	-
Other financial liabilities	12	-	-	228.00	228.00	-	-	-	-
Total		-	-	10,519.21	10,519.21	-	5,009.21	-	5,009.21

As at 31 March 2022

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	8	183.96	-	-	183.96	-	-	-	-
Bank balances other than cash and cash equivalents	9	19.56	-	-	19.56	-	-	-	-
Trade receivables	7	1,766.01	-	-	1,766.01	-	-	-	-
Other financial assets	4	388.30	-	-	388.30	-	-	-	-
Financial assets measured at fair value									
Investments	3	-	60.20	-	60.20	20.94	39.06	0.20	60.20
Total		2,357.83	60.20	-	2,418.03	20.94	39.06	0.20	60.20
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	15	-	-	868.30	868.30	-	-	-	-
Borrowings	11	-	-	3,719.10	3,719.10	-	3,645.82	-	3,645.82
Lease liabilities	30	-	-	3,840.01	3,840.01	-	-	-	-
Other financial liabilities	12	-	-	164.16	164.16	-	-	-	-
Total		-	-	8,591.57	8,591.57	-	3,645.82	-	3,645.82

As at 31 March 2021

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	8	555.08	-	-	555.08	-	-	-	-
Bank balances other than cash and cash equivalents	9	38.92	-	-	38.92	-	-	-	-
Trade receivables	7	1,607.27	-	-	1,607.27	-	-	-	-
Other financial assets	4	323.93	-	-	323.93	-	-	-	-
Financial assets measured at fair value									
Investments	3	-	49.21	-	49.21	18.17	30.84	0.20	49.21
Total		2,525.20	49.21	-	2,574.41	18.17	30.84	0.20	49.21
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	15	-	-	663.43	663.43	-	-	-	-
Borrowings	11	-	-	3,530.42	3,530.42	-	3,494.24	-	3,494.24
Lease liabilities	30	-	-	2,969.43	2,969.43	-	-	-	-
Other financial liabilities	12	-	-	156.90	156.90	-	-	-	-
Total		-	-	7,320.18	7,320.18	-	3,494.24	-	3,494.24

The Group has not disclosed the fair values for financial instrument such as cash and cash equivalent, trade receivables, other financial assets, trade payables, borrowings and other financial liabilities because their carrying amount are reasonable approximation of fair value.

Measurement of fair values

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

Level 1 fair values

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

Level 2 fair values

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

Level 3 fair values

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

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021 has not been disclosed as it is not material to the Group.

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

B Measurement of fair values

The following methods and assumptions were used to estimate the fair values:
The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management’s estimate of fair value for these unquoted equity investments. Discounted cash flows consider the present value of the net cash flows expected to be generated from the facility, taking into account the budgeted EBITDA growth rate and budgeted capital expenditure growth rate; the expected net cash flows are discounted using a risk-adjusted discount rate. There are no movement in the fair value of the Level 3 investment for the year ended 31 March 2022 and 31 March 2021.

The fair values of investments in mutual fund units is based on the net asset value (‘NAV’) as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C 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 other financial assets).

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 and other financial assets was as follows;

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Trade receivables	3,068.05	2,298.78	1,815.51	1,657.77
Other financial assets	5.95	5.00	5.00	5.00
	3,074.00	2,303.78	1,820.51	1,662.77

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

Allowance for credit loss	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	65.94	54.50	55.50	56.81
Net remeasurement of loss allowance	1.13	30.53	9.42	24.76
Amounts written off / written back	9.48	(19.09)	(10.42)	(26.07)
Balance at the end	76.55	65.94	54.50	55.50

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.

The group allocates each exposure to a credit risk grade based on the historic trend of receivables movement between the ageing buckets. The loss rates are calculated based on the simple average of the trend in receivable ageing.

Ageing Period	As at 30 September 2023	As at 31 March 2023	Average loss rate As at 31 March 2022	As at 31 March 2021
Not due	0.00%	0.00%	0.00%	0.00%
Less than 6 months	0.56%	0.43%	0.76%	1.00%
6 months - 1 year	50.98%	30.88%	10.35%	30.00%
1 - 2 years	82.76%	81.91%	71.03%	100.00%
2 - 3 years	98.75%	96.07%	100.00%	100.00%
More than 3 years	100.00%	95.29%	100.00%	100.00%

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

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 Group 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 30 September 2023:

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	1,709.84	1,709.84	-	1,709.84
Borrowings	7,646.13	6,930.68	803.65	7,734.33
Lease liabilities	4,752.84	725.74	8,261.89	8,987.63
Other financial liabilities	223.52	223.52	-	223.52

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

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	907.74	907.74	-	907.74
Borrowings	5,050.06	4,238.01	1,016.22	5,254.23
Lease liabilities	4,333.41	671.02	6,750.63	7,421.65
Other financial liabilities	228.00	228.00	-	228.00

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

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	868.30	868.30	-	868.30
Borrowings	3,719.10	2,924.16	1,005.21	3,929.37
Lease liabilities	3,840.01	604.95	6,364.94	6,969.89
Other financial liabilities	164.16	164.16	-	164.16

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

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	663.43	663.43	-	663.43
Borrowings	3,530.42	2,713.80	1,057.00	3,770.80
Lease liabilities	2,969.43	444.90	4,467.98	4,912.88
Other financial liabilities	156.90	156.90	-	156.90

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 and interest rates.

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 period ended 30 September 2023 and years ended 31 March 2023, 31 March 2022 and 31 March 2021.

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 period / year are as follows:

Financial liabilities (bank borrowings)	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Variable rate long term borrowings including current maturities	1,043.66	1,091.02	940.97	923.82

Sensitivity

Particulars	Impact on profit or (loss)			
	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1% increase in variable rate	(10.44)	(10.91)	(9.41)	(9.24)
1% decrease in variable rate	10.44	10.91	9.41	9.24

Particulars	Impact on equity, net of tax			
	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1% increase in variable rate	(7.81)	(8.16)	(7.04)	(6.01)
1% decrease in variable rate	7.81	8.16	7.04	6.01

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

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

30 Leases

Group as a lessee

The Group has taken showrooms and service centres on lease from various parties from where business operations are performed. The leases typically run for a period of 2 year - 60 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

(i) Lease liabilities

Following are the changes in the lease liabilities for the period / year ended;

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the period / year	4,333.41	3,840.01	2,969.43	2,961.46
On account of acquisition of a subsidiary	-	268.76	-	-
Additions	537.34	631.74	1,131.62	263.90
Finance cost accrued during the period / year	209.03	363.40	322.57	280.92
Payment during the year:				
Principal payment of lease liabilities	(162.43)	(297.75)	(231.94)	(187.48)
Interest on lease liabilities	(209.03)	(363.40)	(322.57)	(280.92)
Rent concession received *	-	-	(34.82)	(70.35)
Remeasurement on account of modification	142.63	-	20.94	83.61
Derecognition of lease liability during the period / year	(98.11)	(109.35)	(15.22)	(81.71)
Balance as at end of the period / year	4,752.84	4,333.41	3,840.01	2,969.43
Non-current lease liabilities	4,407.78	3,998.02	3,570.07	2,665.08
Current lease liabilities	345.06	335.39	269.94	304.35

* The Group has renegotiated with certain landlords on the rent concession due to COVID 19 pandemic. These rent concessions are short term in nature and meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24th July 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1st April 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the concession does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income".

30 Leases (continued)*(ii) Maturity analysis – contractual undiscounted cash flows*

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Less than one year	725.74	671.02	604.95	444.90
One to five years	2,757.13	2,533.01	2,269.36	1,678.89
More than five years	5,504.76	4,217.62	4,095.58	2,789.09
Total undiscounted lease liabilities	8,987.63	7,421.65	6,969.89	4,912.88

(iii) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the period / year	3,479.87	3,129.94	2,329.47	2,401.24
On account of acquisition of a subsidiary	-	245.88	-	-
Addition to right-of-use assets	537.34	638.03	1,191.71	263.90
Depreciation for the period / year	(254.36)	(460.38)	(403.11)	(365.67)
Remeasurement on account of modification	142.63	-	20.91	83.61
Derecognition of right-of-use assets	(97.59)	(73.60)	(9.04)	(53.61)
Balance at end of the period / year	3,807.89	3,479.87	3,129.94	2,329.47

(iv) Amounts recognised in statement of profit or loss

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Interest on lease liabilities	209.03	363.40	322.57	280.92
Depreciation on right-of-use assets	254.36	460.38	403.11	365.67

(v) Amounts recognised in statement of cash flows

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Total cash outflow for leases	(371.46)	(661.15)	(554.51)	(468.40)

(vi) Low value and short term leases

The Group is obligated under cancellable low value and short term leases for its certain office premises which are renewable at the option of both the lessor and lessee. Total rental expenses under such leases amounted to Rs. 79.99 million (31 March 2023 : Rs 133.94 million, 31 March 2022 : Rs 101.74 million, 31 March 2021 : Rs 47.94 millions). These arrangements do not qualify as a lease as per the requirements of Ind AS 116.

31 Capital Management

The Group'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 all other equity reserves.

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the equity shareholders of the Company (A)	3,842.11	3,430.44	2,798.86	2,460.02
Non-current borrowings	803.65	911.32	880.55	893.29
Current borrowings	6,842.48	4,138.74	2,838.55	2,637.13
Total borrowings	7,646.13	5,050.06	3,719.10	3,530.42
Less: cash and cash equivalents	302.20	238.25	183.96	555.08
Adjusted net debt (B)	7,343.93	4,811.81	3,535.14	2,975.34
Adjusted net debt to total equity ratio (B/A)	1.91	1.40	1.26	1.21

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

32 Non-controlling interest

Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements'.								
As at / For the period ended 30 September 2023								
Name of the entity	Net assets		Share in profit / (loss)		Share in other comprehensive		Share in total comprehensive	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
Popular Vehicles and Services Limited	64.54%	2,479.58	35.14%	140.66	112.28%	12.61	37.23%	153.27
Subsidiaries								
Popular Auto Dealers Private Limited	10.03%	385.33	11.88%	47.58	(2.40%)	(0.27)	11.49%	47.31
Kuttukarn Green Private Limited	(0.18%)	(6.82)	(1.54%)	(6.15)	1.16%	0.13	(1.46%)	(6.02)
Popular AutoWorks Private Limited	6.71%	257.94	19.91%	79.74	(2.49%)	(0.28)	19.30%	79.46
Vision Motors Private Limited	11.34%	435.71	10.99%	43.99	1.96%	0.22	10.74%	44.21
Kuttukaran Cars Private Limited	(0.37%)	(14.38)	(1.60%)	(6.39)	0.00%	-	(1.55%)	(6.39)
Popular Mega Motors (India) Private Limited	28.68%	1,102.00	14.20%	56.85	(13.09%)	(1.47)	13.45%	55.38
Avita Insurance Broking LLP *	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Keracon Equipments Private Limited	(0.03%)	(1.00)	0.15%	0.61	0.00%	0	0.15%	0.61
Prabal Motors Private Limited	4.79%	183.86	13.25%	53.07	2.58%	0.29	12.96%	53.36
		4,822.22		409.96		11.23		421.19
Adjustment arising out of consolidation	(25.51%)	(980.11)	(2.38%)	(9.52)	0.00%	-	(2.31%)	(9.52)
Non controlling interest in subsidiaries	-	-	-	-	-	-	-	-
Consolidated net assets / profit after tax	100.00%	3,842.11	100.00%	400.44	100.00%	11.23	100.00%	411.67

As at / For the year ended 31 March 2023								
Name of the entity	Net assets		Share in profit / (loss)		Share in other comprehensive income/ (loss)		Share in total comprehensive income / (loss)	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
Popular Vehicles and Services Limited	67.81%	2,326.31	45.79%	293.37	85.26%	(7.81)	45.21%	285.56
Subsidiaries								
Popular Auto Dealers Private Limited	9.85%	338.03	11.98%	76.79	6.66%	(0.61)	12.06%	76.18
Kuttukarn Green Private Limited	(0.02%)	(0.76)	(1.34%)	(8.60)	(1.85%)	0.17	(1.33%)	(8.43)
Popular AutoWorks Private Limited	5.20%	178.45	3.59%	22.98	(5.34%)	0.49	3.72%	23.47
Vision Motors Private Limited	11.41%	391.51	18.80%	120.45	0.98%	(0.09)	19.06%	120.36
Kuttukaran Cars Private Limited	(0.23%)	(7.99)	(0.70%)	(4.46)	0.00%	-	(0.71%)	(4.46)
Popular Mega Motors (India) Private Limited	30.50%	1,046.14	18.34%	117.56	8.29%	(0.76)	18.49%	116.80
Avita Insurance Broking LLP *	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Keracon Equipments Private Limited	(0.05%)	(1.61)	0.51%	3.29	0.00%	-	0.52%	3.29
Prabal Motors Private Limited	0.72%	24.64	3.52%	22.53	6.00%	(0.55)	3.48%	21.98
		4,294.72		643.91		(9.16)		634.75
Adjustment arising out of consolidation	(25.19%)	(864.28)	(0.49%)	(3.17)	0.00%	-	(0.50%)	(3.17)
Non controlling interest in subsidiaries	-	-	-	-	-	-	-	-
Consolidated net assets / profit after tax	100.00%	3,430.44	100.00%	640.74	100.00%	(9.16)	100.00%	631.58

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

32 Non-controlling interest (continued)

Name of the entity	As at / For the year ended 31 March 2022							
	Net assets		Share in profit / (loss)		Share in other comprehensive income / (loss)		Share in total comprehensive income / (loss)	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
Popular Vehicles and Services Limited	72.90%	2,040.77	20.72%	69.75	176.28%	3.79	21.70%	73.54
Subsidiaries								
Popular Auto Dealers Private Limited	9.36%	261.85	16.85%	56.74	12.09%	0.26	16.82%	57.00
Kuttukarn Green Private Limited	(0.17%)	(4.79)	(1.37%)	(4.61)	0.00%	-	(1.36%)	(4.61)
Popular AutoWorks Private Limited	5.54%	154.99	0.47%	1.58	(5.12%)	(0.11)	0.43%	1.47
Vision Motors Private Limited	9.69%	271.16	28.75%	96.79	(17.20%)	(0.37)	28.46%	96.42
Kuttukaran Cars Private Limited	(0.13%)	(3.66)	(1.00%)	(3.36)	0.00%	-	(0.99%)	(3.36)
Popular Mega Motors (India) Private Limited	33.23%	929.99	35.58%	119.80	(66.05%)	(1.42)	34.94%	118.38
Avita Insurance Broking LLP *	0.00%	-	0.00%	-	0.00%	-	0.00%	-
		3,650.31		336.69		2.15		338.84
Adjustment arising out of consolidation	(30.42%)	(851.45)	0.00%	-	-	-	0.00%	-
Non controlling interest in subsidiaries	-	-	-	-	-	-	-	-
Consolidated net assets/ Profit after tax	100.00%	2,798.86	100.00%	336.69	100.00%	2.15	100.00%	338.84

Name of the entity	As at / For the year ended 31 March 2021							
	Net assets		Share in profit or loss		Share in other comprehensive income/ (loss)		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
Popular Vehicles and Services Limited	79.98%	1,967.23	48.83%	158.50	(82.06%)	(6.36)	45.79%	152.14
Subsidiaries								
Popular Auto Dealers Private Limited	8.33%	205.02	15.79%	51.25	10.19%	0.79	15.66%	52.04
Kuttukarn Green Private Limited	(0.01%)	(0.18)	(0.01%)	(0.04)	0.00%	-	(0.01%)	(0.04)
Popular AutoWorks Private Limited	6.24%	153.51	(8.75%)	(28.41)	4.00%	0.31	(8.46%)	(28.10)
Vision Motors Private Limited	7.10%	174.70	12.93%	41.95	1.29%	0.10	12.65%	42.05
Kuttukaran Cars Private Limited	(0.01%)	(0.30)	(0.02%)	(0.06)	0.00%	-	(0.02%)	(0.06)
Popular Mega Motors (India) Private Limited	32.99%	811.61	31.23%	101.36	166.58%	12.91	34.39%	114.27
Avita Insurance Broking LLP *	0.00%	-	0.00%	-	0.00%	-	0.00%	-
		3,311.59		324.55		7.75		332.30
Adjustment arising out of consolidation	(34.62%)	(851.57)	0.00%	-	0.00%	-	0.00%	-
Non controlling interest in subsidiaries	-	-	-	-	-	-	-	-
Consolidated net assets/ Profit after tax	100.00%	2,460.02	100.00%	324.55	100.00%	7.75	100.00%	332.30

* Avita Insurance Broking LLP has been struck off from the Registrar of LLP's and the same has been dissolved pursuant to notice u/s 37(1) dated 29 October 2021 from the office of the Registrar of Companies, Ministry of Corporate Affairs.

33 Related parties

A Disclosure post elimination of intra-group transactions;

I. Names of related parties and description of relationship:

(a) Entity having significant influence over the Company	BanyanTree Growth Capital II, LLC, Mauritius
(b) Other related parties with whom the Company had transactions during the period / year	
- Key management personnel and their relatives (KMP)	Mr. Francis K Paul, Whole Time Director Mr. John K Paul, Whole Time Director Mr. Naveen Philip, Managing Director (w.e.f 14 June, 2022) Mr. Jacob Kurian, Director Mrs. Preeti Reddy, Director Mr. George Joseph, Director Mr. Rahul Kurup, Nominee Director (till 27 September,2022) Mr. Abhishek Giridharilal Poddar, Nominee Director (w.e.f 27 September 2022 till 19 June 2023) Mr. Rakesh Bhutoria (w.e.f 14 August 2023) Mr . John Verghese , Chief Financial Officer Mr . Philip Chacko Mundanilkunnathil , Chief Executive Officer (till 7 January 2022) Mr. Raj Narayan,Chief Executive Officer (w.e.f 10 October, 2022) Mr .Varun Thazhathu Veedu , Company Secretary Mr. Rushil John, Relative of KMP Mrs. Leela Philip, Relative of KMP Prabal Motors Private Limited, India (till 31 January 2023) Kuttukaran Institute for Human Resource Development, India Keracon Equipments Private Limited, India (till 31 January 2023) Kuttukaran Trading Ventures, India Kuttukaran Homes LLP, India
- Entities in which KMP has significant influence	

II. Related party transactions:

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations - Sale of new vehicles / Sale of spares and accessories / Sale of services				
Kuttukaran Institute for Human Resource Development	0.07	0.03	-	0.04
Keracon Equipments Private Limited	-	-	62.19	36.83
Prabal Motors Private Limited	-	3.06	1.90	1.37
Kuttukaran Trading Ventures	0.11	0.17	-	-
Expense reimbursed by the Company				
Keracon Equipments Private Limited	-	-	0.06	0.06
Kuttukaran Institute for Human Resource Development, India	0.07	-	-	0.04
Kuttukaran Trading Ventures	0.42	0.86	-	-
Prabal Motors Private Limited	-	0.14	-	-
Expense reimbursed on behalf of the Company				
Kuttukaran Institute for Human Resource Development	0.44	0.58	0.08	0.10
Kuttukaran Homes LLP	-	0.41	0.24	0.16
Prabal Motors Private Limited	-	2.36	1.46	0.68
Kuttukaran Trading Ventures	-	0.49	-	-
Repairs and maintenances				
Kuttukaran Trading Ventures	0.38	0.79	-	-
Rent paid				
Francis K Paul	2.95	9.03	5.78	5.03
John K Paul	0.47	0.92	0.79	0.69
Naveen Philip	1.49	3.48	2.87	2.66
Kuttukaran Trading Ventures	5.84	12.31	-	-
Leela Philip	-	-	-	0.05
Kuttukaran Homes LLP	11.90	20.69	19.98	15.26
Kuttukaran Institute for Human Resource Development	0.03	-	-	-
Rushil John	0.42	0.79	0.75	0.45
Purchase of assets				
Prabal Motors Private Limited	-	-	-	0.12
Sale of asset				
Prabal Motors Private Limited	-	-	0.08	-
Kuttukaran Homes LLP	-	-	-	41.32
Loan (availed)/ repaid from directors				
Francis K Paul	-	(3.12)	-	-
John K Paul	-	(6.12)	(1.20)	(0.10)
Naveen Philip	5.00	(22.04)	(35.90)	28.82
Remuneration to KMP				
Short term employee benefits				
- Salaries and allowances*				
Francis K Paul	4.83	10.75	7.38	5.67
John K Paul	4.83	8.78	7.38	5.67
Naveen Philip	4.83	8.78	7.41	7.17
Philip Chacko Mundanilkunnathil	-	-	10.00	10.61
Raj Narayan	7.31	5.60	-	-
Others	5.41	13.35	9.53	7.51
-Commission and incentive to KMP				
Francis K Paul	1.83	3.00	1.50	1.50
John K Paul	1.83	3.00	1.50	1.50
Naveen Philip	1.83	3.00	1.00	-
Others	1.61	3.90	1.10	-
Sitting fees to independent directors	1.50	4.00	3.38	0.95

* Managerial remuneration paid to key managerial personnel does not include retirement benefits such as gratuity and compensated absences since provision for these are based on actuarial valuation as it is carried out for the Group as a whole.

33 Related parties (continued)

A Disclosure post elimination of intra-group transactions (continued)
(b) Balance receivable from/ (payable) to related parties as at the balance sheet date:

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Trade receivables				
Prabal Motors Private Limited	-	-	0.12	-
Kuttukaran Institute for Human Resource Development	0.51	0.19	-	0.01
Kuttukaran Trading Ventures	-	-	-	0.09
Keracon Equipments Private Limited	-	-	9.91	2.96
Dues to creditors for expenses and others				
Kuttukaran Homes LLP	(2.00)	(1.06)	(1.55)	(1.59)
Kuttukaran Trading Ventures	(1.25)	(0.39)	-	-
Payable to KMP				
Naveen Philip	(2.14)	(0.04)	(0.27)	(1.77)
Rushil John	(0.06)	(0.06)	(0.06)	(0.05)
John K Paul	(1.90)	(3.00)	(1.50)	(1.56)
Francis K Paul	(2.42)	(3.37)	(1.83)	(2.05)
Others	(1.61)	(3.90)	(1.10)	-
Loan from director				
John K Paul	(36.02)	(36.12)	(18.25)	(17.05)
Francis K Paul	(35.52)	(35.43)	(17.55)	(17.65)
Naveen Philip	(22.30)	(27.30)	(37.38)	(1.48)

Popular Vehicles and Services Limited**Annexure VI - Notes to Restated Consolidated Financial Information (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

33 Related parties**B Disclosure prior to elimination of intra-group transactions; (As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations)***I. Names of related parties and description of relationship:*

(a) Entity having significant influence over the Company

BanyanTree Growth Capital II, LLC, Mauritius

(b) Subsidiaries and step down subsidiaries

Popular Mega Motors (India) Private Limited, India
 Popular Autoworks Private Limited, India
 Vision Motors Private Limited, India
 Kuttukaran Cars Private Limited
 Popular Auto Dealers Private Limited, India
 Kuttukarn Green Private Limited(Formerly Kuttukaran Pre Owned Cars Private Limited, India)
 Keracon Equipments Private Limited, India (w.e.f 1 February 2023)
 Prabal Motors Private Limited, India (w.e.f 1 February 2023)

(c) Other related parties with whom the Company had transactions during the period / year

- Key management personnel and their relatives (KMP)

Mr.Naveen Philip, Managing Director (w.e.f 14 June 2022)
 Mr. Francis K Paul, Whole Time Director
 Mr. John K Paul, Whole Time Director
 Mr. Jacob Kurian, Director
 Mrs. Preeti Reddy, Director
 Mr. George Joseph, Director (w.e.f - 1 July 2021)
 Mr. Rahul Kurup, Nominee Director (till 27 September 2022)
 Mr. Abhishek Giridharilal Poddar, Nominee Director (w.e.f 27 September 2022 till 19 June 2023)
 Mr. Rakesh Bhutoria (w.e.f 14 August 2023)
 Mr . John Verghese , Chief Financial Officer
 Mr . Philip Chacko Mundanilkunnathil , Chief Executive Officer (till 7 January 2022)
 Mr . Raj Narayan, Chief Executive Officer (w.e.f 10 October 2022)
 Mr .Varun Thazhathu Veedu , Company Secretary
 Kuttukaran Homes LLP,India
 Kuttukaran Trading Ventures, India
 Kuttukaran Institute for Human Resource Development, India

- Entities in which KMP has significant influence

II. Related party transactions:

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

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Transaction by the Company with other group entities				
Revenue from operations - Sale of new vehicles / Sale of spares and accessories / Sale of services				
Popular Auto Dealers Private Limited	2.95	5.21	4.70	1.56
Popular Mega Motors (India) Private Limited	2.30	2.13	1.42	1.15
Prabal Motors Private Limited	1.60	0.59	1.90	0.03
Vision Motors Private Limited		-	-	0.16
Popular Autoworks Private Limited	0.01	0.01	0.07	0.01
Kuttukaran Institute for Human Resource Development	0.07	0.03	-	0.04
Other Income - Income from rent				
Popular Auto Dealers Private Limited	1.22	2.44	2.31	2.17
Popular Mega Motors (India) Private Limited	0.24	0.48	0.46	0.36
Kuttukaran Cars Private Limited	0.18	-	-	-
Intercorporate loan repaid by subsidiaries				
Popular Autoworks Private Limited	3.50	8.18	29.02	4.10
Kuttukaran Cars Private Limited	5.47	4.00	-	-
Intercorporate loan given				
Kuttukaran Cars Private Limited	-	8.50	15.00	-
Interest on loan to related parties				
Popular Autoworks Private Limited	1.65	4.67	6.42	7.64
Kuttukaran Cars Private Limited	0.79	1.55	-	-
Purchase of assets				
Popular Mega Motors (India) Private Limited	-	0.70	3.65	0.80
Prabal Motors Private Limited	-	-	-	0.12
Popular Auto Dealers Private Limited	-	-	-	0.15
Vision Motors Private Limited	-	-	-	0.01
Investment				
Keracon Equipments Private Limited - Equity shares	-	301.46	-	-
Popular Auto Dealers Private Limited	-	-	-	1.25
Kuttukaran Green Private Limited - Preference Shares	-	15.00	-	-
Kuttukaran Green Private Limited - Equity Shares	-	0.10	-	-
Purchase of vehicles/accessories and spares				
Popular Auto Dealers Private Limited	63.00	152.33	114.30	73.08
Popular Autoworks Private Limited	-	0.39	-	-
Popular Mega Motors (India) Private Limited	0.30	-	-	0.24
Vision Motors Private Limited	5.72	35.03	25.31	33.78

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

33 Related parties (continued)
B Disclosure prior to elimination of intra-group transactions; (continued)
II. Related party transactions (continued) ;

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Expense met by the Company				
Kuttukaran Institute for Human Resource Development	-	-	-	0.04
Popular Auto Dealers Private Limited	-	0.02	0.20	0.05
Popular Mega Motors (India) Private Limited	0.04	0.10	0.03	-
Vision Motors Private Limited	-	-	-	0.05
Popular Autoworks Private Limited	0.07	0.18	0.12	-
Prabal Motors Private Limited	0.01	0.14	-	-
Kuttukaran Trading Ventures	0.11	0.25	-	-
Expense met on behalf of the Company				
Kuttukaran Institute for Human Resource Development	0.44	0.19	0.08	0.10
Popular Auto Dealers Private Limited	1.75	3.00	0.63	0.31
Popular Autoworks Private Limited	1.61	4.21	1.07	0.52
Popular Mega Motors (India) Private Limited	1.77	3.42	4.76	2.14
Kuttukaran Cars Private Limited	0.16	0.08	0.02	-
Kuttukarn Green Private Limited	0.04	0.25	-	-
Prabal Motors Private Limited	2.65	3.01	1.46	0.61
Vision Motors Private Limited	2.87	6.89	2.23	1.10
Kuttukaran Homes LLP	-	0.17	0.24	0.16
Kuttukaran Trading Ventures	-	0.49	-	-
Repairs and maintenances				
Popular Auto Dealers Private Limited	0.08	0.52	0.05	-
Vision Motors Private Limited	0.02	0.12	0.03	0.01
Popular Mega Motors (India) Private Limited	0.24	0.63	0.54	0.41
Kuttukaran Trading Ventures	0.38	0.79	-	-
Sale of assets				
Popular Mega Motors (India) Private Limited	-	-	-	0.75
Prabal Motors Private Ltd	-	-	0.08	0.02
Popular Auto Dealers Private Limited	0.15	-	-	-
Guarantee commission received				
Popular Autodealers Private Limited	0.81	1.25	0.62	0.64
Popular Autoworks Private Limited	0.15	0.07	-	-
Popular Mega Motors (India) Private Limited	4.89	7.62	3.31	2.90
Vision Motors Private Limited	0.31	0.29	0.58	0.18
Kuttukaran Cars Private Limited	0.25	-	-	-
Kuttukaran Green Private Limited	0.10	-	-	-
Rent paid				
Francis K Paul	1.22	2.44	2.35	1.92
John K Paul	0.47	0.92	0.79	0.69
Popular Mega Motors (India) Private Limited	0.09	0.12	0.12	0.11
Kuttukaran Homes LLP	9.92	17.25	16.68	13.25
Vision Motors Private Limited	0.05	0.12	0.23	0.24
Kuttukaran Trading Ventures	5.84	12.31	-	-
Popular Autoworks Private Limited	0.02	-	-	-
Kuttukaran Institute for Human Resource Development	0.03	-	-	-
Repayment of loan from directors				
Francis K Paul	-	-	-	-
John K Paul	-	-	-	-
Remuneration to KMP				
Short term employee benefits				
- Salaries and allowances*				
Francis K Paul	4.83	10.75	7.38	5.67
John K Paul	4.83	8.78	7.38	5.67
Philip Chacko Mundanilkunnathil	-	-	10.00	10.61
John Verghese	3.96	7.02	6.27	5.46
Varun Thazhathu Veedu	1.45	2.72	2.38	2.05
Raj Narayan	7.31	5.60	-	-
- Commission and incentive to KMP				
Francis K Paul	1.83	3.00	1.50	1.50
John K Paul	1.83	3.00	1.50	1.50
Others	1.61	3.90	1.10	-
Sitting fees to independent directors	1.50	4.00	3.38	0.95

* Managerial remuneration paid to key managerial personnel does not include retirement benefits such as gratuity and compensated absences since provision for these are based on actuarial valuation as it is carried out for the Group as a whole.

Popular Vehicles and Services Limited

Annexure VI - Notes to Restated Consolidated Financial Information (continued)

(All amounts are in Indian Rupees in millions, unless otherwise stated)

33 Related parties (continued)

B Disclosure prior to elimination of intra-group transactions; (continued)

(b) Balance receivable from/ (payable) to related parties as at the balance sheet date:

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Loans to related parties				
Popular Autoworks Private Limited	35.19	38.70	46.88	75.90
Kuttukaran Cars Private Limited	14.03	19.50	15.00	-
Trade receivables				
Kuttukaran Cars Private Limited	0.21	0.08	-	-
Kuttukaran Institute for Human Resource Development	0.51	0.19	-	0.01
Popular Auto Dealers Private Limited	1.74	1.46	0.71	5.12
Popular Autoworks Private Limited	0.34	0.43	0.10	1.30
Popular Mega Motors (India) Private Limited	3.44	2.24	1.21	4.00
Prabal Motors Private Limited	0.36	1.15	0.12	-
Vision Motors Private Limited	0.26	0.81	0.22	0.21
Kuttukaran Green Private Limited	0.09	-	-	-
Commission and incentive payable				
Francis K Paul	(1.83)	(3.00)	(1.50)	(1.50)
John K Paul	(1.83)	(3.00)	(1.50)	(1.50)
Others	(1.61)	(3.90)	(1.10)	-
Naveen Philip				
Dues to creditors for expenses and others				
Popular Auto Dealers Private Limited	(7.79)	(11.92)	(14.37)	(9.18)
Kuttukaran Homes LLP	(1.79)	(1.06)	(1.55)	(1.59)
Kuttukaran Trading ventures	(1.15)	(0.34)	-	-
Popular Mega Motors (India) Private Limited	(0.08)	(0.03)	(0.01)	(0.02)
Vision Motors Private Limited	(0.25)	(0.60)	(1.91)	(1.14)
Payable to KMP				
Francis K Paul	(0.22)	-	-	(0.22)
John K Paul	(0.07)	-	-	(0.06)
Rent deposit payable				
Popular Auto Dealers Private Limited	(0.20)	(0.20)	(0.20)	(0.20)
Corporate guarantees given				
Popular Auto Dealers Private Limited	170.21	134.58	101.59	105.60
Popular Autoworks Private Limited	22.42	36.96	-	-
Popular Mega Motors (India) Private Limited	1,079.64	743.51	648.21	386.52
Kuttukaran Cars Private Limited	48.64	-	-	-
Kuttukaran Green Private Limited	28.56	-	-	-
Vision Motors Private Limited	83.18	51.15	13.74	27.94

Popular Vehicles and Services Limited**Annexure VI - Notes to Restated Consolidated Financial Information (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

34 Asset held for sale and exceptional item

The Group had classified following land and buildings as Asset held for sale as at balance sheet dates and the same has stated at carrying value (being lower of fair value less cost to sell or net book value).

Entity		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Popular Vehicles and Services Limited	Holding Company	-	15.42	15.42	15.42
		-	15.42	15.42	15.42

(i) The Group received notice from the NH authorities to acquire a portion of the land on 10 August 2020 for the acquisition of 25.79 acres of land with an acquisition award of Rs. 31.47 million. The group received an amount of Rs. 31.47 million on 1 June 2023 as total compensation thus recording the sale during the current period. The net gain on account of this transaction has been disclosed as an exceptional item.

Exceptional item

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Gain on sale of property	16.05	-	-	-
	16.05	-	-	-

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 Group to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds have been received by the Group from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group shall, 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.

36 Business combination - Goodwill on acquisition**Keracon Equipments Private Limited**

During the year ended 31 March 2023, the Group has acquired 100% equity shares of Keracon Equipments Private Limited ('Keracon') at a consolidated price of Rs 301.46 million. Keracon has a 100% subsidiary - Prabal Motors Private Limited ('Prabal') which is in the business of trading and servicing of commercial vehicles (Bharat Benz).

The identifiable assets and liabilities acquired at the date of acquisition of Keracon / Prabal comprises of various showrooms and service centers, inventories, brand and supplier relationships etc. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business and acquisition from Keracon falls within the ambit of Ind AS 103 "Business Combination".

Consequent to this acquisition, Keracon and Prabal have become wholly-owned subsidiaries of the Company, with effect from 1 February 2023. The acquisition is expected to increase the footprint of the group to other states in South India.

For the two months ended 31 March 2023, Keracon / Prabal contributed revenue of Rs. 1,297.07 million and profit of Rs. 25.82 million to the Group's results. If the acquisition had occurred on 1 April 2022, management estimates that consolidated revenue would have been Rs.51,346.33 million, and consolidated profit for the year would have been Rs.690.49 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2022.

a Purchase consideration transferred

Particulars	Amount
Consideration paid in cash	301.46

As per the share transfer agreement, entire purchase consideration is settled in cash and there are no settlement by issue of equity shares, share basement rewards or any contingent consideration.

b Assets and Liabilities recognised as a result of the acquisition

Particulars	Amount
Non-current assets	497.44
Current assets	611.31
Non-current liabilities	(292.98)
Current liabilities	(713.23)
Other intangibles	127.20
Deferred tax liability	(31.95)
Net Identifiable assets acquired	197.79

Popular Vehicles and Services Limited
Annexure VI - Notes to Restated Consolidated Financial Information (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

36 Business combination - Goodwill on acquisition (continued)

c Goodwill

Particulars	Amount
Purchase consideration (a)	301.46
Less net identifiable assets acquired (b)	(197.79)
Goodwill (a) - (b)	103.67

(i) Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Brand - The Fair Value of an acquired Brand is established using a form of the income approach known as the relief from-royalty method. The notional price paid by the operating company to the brand company is expressed as a royalty rate. The Net Present Value (NPV) of all forecast royalties represents the value of the brand to the business.

Supplier Relationship - The Fair Value of an acquired Supplier relationship is established using a form of the income approach known as Multi Period Excess Earnings method (MPEEM). This method discounts company earnings based on two capitalization rates: a rate of return on tangible assets and a rate attributable to company's goodwill. This method is often described as hybrid method because takes into accounts the company's asset values as well as discounts expected cash flows.

Property, plant and equipment - *Market comparison technique and cost technique:* The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

Inventories - *Market comparison technique:* The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(ii) Acquired receivable

Fair value of the acquired trade receivables at the date of acquisition is Rs. 107.89 millions.

- 37** Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act, 2013, for the period ended 30 September 2023 and for the years ended 31 March 2023, 31 March 2022 and 31 March 2021.
- i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
 - ii) The Group does not have any transactions with companies struck off.
 - iii) The Group has not traded or invested in Crypto currency or Virtual Currency.
 - iv) The Group has not revalued its property, plant and equipment ,right-of-use assets or intangible assets or both.
 - v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the respective years in the tax assessments under the Income Tax Act, 1961.
 - vi) None of the entities in The Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - vii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
 - viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Part A - Statement of adjustments to restated consolidated financial information

a) Reconciliation between total equity as per audited financial statements and restated consolidated balance sheet

Particulars	Note:	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A. Total equity as per audited consolidated financial statements		3,842.11	3,430.44	2,798.86	2,460.02
B. Adjustments:					
Material restatement adjustments:					
(i) Audit qualifications		-	-	-	-
Total		-	-	-	-
(ii) Adjustments due to prior period items / other adjustments		-	-	-	-
Total		-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable		-	-	-	-
Total		-	-	-	-
C. Total impact of adjustments (i+ii+iii)		-	-	-	-
D. Total equity as per restated consolidated financial information (A+C)		3,842.11	3,430.44	2,798.86	2,460.02

b) Reconciliation between profit after tax as per audited financial statements and restated consolidated statement of profit and loss

Particulars	Note:	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A. Net Profit after tax as per audited consolidated financial statements		400.44	640.74	336.69	324.55
B. Adjustments:					
Material restatement adjustments:					
(i) Audit qualifications		-	-	-	-
Total		-	-	-	-
ii) Adjustments due to prior period items / other adjustments		-	-	-	-
Total		-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable		-	-	-	-
Total		-	-	-	-
C. Total impact of adjustments (i+ii+iii)		-	-	-	-
D. Net Profit after tax as per restated consolidated financial information (A+C)		400.44	640.74	336.69	324.55

Part B - Material regrouping:

Consequent to amendments made in Schedule III of Companies Act, 2013, being made effective from 1 April 2021, previous year numbers pertaining to current maturities of long term debt of Rs.275.49 million have been reclassified from 'Other financial liabilities (current)' to 'Borrowings (current)'. Similarly, an amount of Rs.323.93 million pertaining to security deposits has been reclassified from Loans to Other financial assets.
Further, dues to other creditors and accruals amounting to Rs. 254.72 million have been reclassified from 'Other financial liabilities (current)' to Trade payables - dues of other than micro enterprises and small enterprises'.

Part C - Adjusting and non-adjusting events (reproduced as per the signed financial statements for respective years)

Audit qualifications, Emphasis of matter paragraphs and material uncertainty related to going concern paragraph for the respective years, which require/ do not require any corrective adjustments in the Restated Consolidated Financial Information are as follows:

For the period ended 30 September 2023

Popular Vehicles and Services Limited and its subsidiaries (Special Purpose Consolidated Interim Financial Statements)

a) Emphasis of matters in the Auditors’ Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information

We draw attention to Note 2.1 to the Special Purpose Consolidated Interim Financial Statements, which describes the basis of accounting. As explained therein, these Special Purpose Consolidated Interim Financial Statements have been prepared by the Company for the purpose of preparation of the Restated Consolidated Financial Information, which will be included in the Red Herring Prospectus and Prospectus in connection with the proposed initial public offer of equity shares ("IPO") of the Company. Accordingly, the Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose.

Our opinion on the special purpose consolidated interim financial statements is not modified in respect of this matter.

For the year ended 31 March 2021

Popular Vehicles and Services Limited (Standalone financial statements)

a) Emphasis of matters in the Auditors’ Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information

As more fully described in Note 39 to the audited consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Company’s financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Part C - Adjusting and non-adjusting events (reproduced as per the signed financial statements for respective years) (continued)

Audit qualification in auditor’s report for the respective year which which do not require any corrective adjustments in the Restated Consolidated Financial Information

Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information
For the year ended 31 March 2023

Popular Vehicles and Services Limited (Consolidated financial statements)

Clause (xxi) of Companies (Auditor's Report) Order, 2020

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by its auditor in his reports under the Companies (Auditor's Report) Order, 2020 (CARO)

Sr No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Popular Mega Motors (India) Private Limited	U31103KL1997PTC011748	Subsidiary Company	Clause (xi)(a)
2	Kuttukaran Cars Private Limited	U34100KL2011PTC029542	Subsidiary Company	Clause (ix)(d)
3	Prabal Motors Private Limited	U50101KL2006PTC019140	Subsidiary Company	Clause (ix)(d)
4	Prabal Motors Private Limited	U50101KL2006PTC019140	Subsidiary Company	Clause (ii)(b)

Popular Mega Motors (India) Private Limited (Standalone financial statements)

Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Clause (xi)(a) of Companies (Auditor's Report) Order, 2020

According to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the year except for one instance of cash misappropriation by employee of Rs. 4,29,449 in one of the service branches out of Rs. 3,00,000 was recovered and the balance amount of Rs. 1,29,449 is written off.

Kuttukaran Cars Private Limited (Standalone financial statements)

Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Clause (ix)(d) of Companies (Auditor's Report) Order, 2020

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 the Company has used funds raised on short term basis aggregating to Rs. 6.13 millions for long term purposes as on the date of Balance sheet.

Prabal Motors Private Limited (Standalone financial statements)

Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Clause (ix)(d) of Companies (Auditor's Report) Order, 2020

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 an amount of Rs. 75.76 million out of short terms funds were used for long term purposes as on the date of Balance sheet.

Clause (ii)(b) of Companies (Auditor's Report) Order, 2020

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 explanation 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 except for instances as explained in Note No 42 of the Financial Statements.

Part C - Adjusting and non-adjusting events (reproduced as per the signed financial statements for respective years) (continued)

For the year ended 31 March 2022

Popular Vehicles and Services Limited (Consolidated financial statements)

Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Clause (xxi) of Companies (Auditor's Report) Order, 2020

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by its auditor in his reports under the Companies (Auditor's Report) Order, 2020 (CARO)

Sr No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Popular Vehicles and Services Limited	U50102KL1983PLC003741	Holding Company	(i)(c) and (ii)(b)

Popular Vehicles and Services Limited (Standalone financial statements)
Statement or comments included in the Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the Restated Consolidated Financial Information

Clause (i)(c) of Companies (Auditor's Report) Order, 2020

According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, except as disclosed in Note 34, certain lease agreements where Company is in the process of executing the lease agreements) disclosed in the standalone financial statements are held in name of the Company.

Clause (ii)(b) of Companies (Auditor's Report) Order, 2020

According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, 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 except as follows:

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
Q1	Federal Bank	Inventory	2,622.50	3,040.00	(417.50)	No. Refer Note 14(b) to Standalone Financial Statements
Q2			1,497.14	1,692.90	(195.76)	
Q3			1,057.64	1,140.00	(82.36)	
Q4			2,022.21	2,420.00	(397.79)	
Q1	Federal Bank	Other current liabilities	2,342.91	2,020.00	322.91	No. Refer Note 14(b) to Standalone Financial Statements
Q2			660.54	530.73	129.81	
Q3			862.87	410.00	452.87	
Q4			952.06	970.00	(17.94)	

As per our examination report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: U50102KL1983PLC003741

Baby Paul
Partner
Membership No.: 218255

Naveen Philip
Managing Director
DIN: 00018827

Francis K Paul
Whole Time Director
DIN: 00018825

Raj Narayan
Chief Executive Officer

Kochi
5 February 2024

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no. 22044

Kochi
5 February 2024

PRO FORMA FINANCIAL INFORMATION

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**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE COMPILATION OF
PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION INCLUDED IN THE
DRAFT RED HERRING PROSPECTUS (THE “DRHP”)**

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

**Report on the compilation of proforma condensed combined financial information included in
the Draft Red Herring Prospectus (the “DRHP”)**

1. We have completed our assurance engagement to report on the compilation of proforma condensed combined financial information of Popular Vehicles and Services Limited (hereinafter referred to as the “Company”) and its subsidiaries (collectively, the “Kuttukaran Group”) including Prabal Motors Private Limited (the “PMPL”) and Keracon Equipments Private Limited (the “KEPL”) (the Kuttukaran Group, the PMPL and the KEPL are collectively referred to as the “Kuttukaran Proforma Group”) prepared by the Management of the Company. The proforma condensed combined financial information consists of the proforma condensed combined balance sheet as at March 31, 2023, the proforma condensed combined statement of profit and loss for the year ended March 31, 2023, and selected explanatory notes (collectively, Proforma Condensed Combined Financial Information) as set out in the Draft Red Herring Prospectus (the “DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”). The applicable criteria on the basis of which the Company has compiled the Proforma Condensed Combined Financial Information is described in Note 3 to the Proforma Condensed Combined Financial Information. Because of its nature, the Proforma Condensed Combined Financial Information does not represent the actual financial position and financial performance of the Kuttukaran Proforma Group.
2. The Proforma Condensed Combined Financial Information has been compiled by Management of the Company to illustrate the impact of the acquisition of PMPL and KEPL as set out in Note 2 to the Proforma Condensed Combined Financial Information as if the acquisitions had taken place at an earlier date (i.e. April 1, 2022) selected for purposes of the illustration. As part of this process, the financial position and financial performance as at and for the year ended March 31, 2023 of the Kuttukaran Proforma Group have been compiled by the Management of the Company from (a) Restated Consolidated Financial Information of Kuttukaran Group (including PMPL and KEPL from the date of acquisition) as at and for the year ended March 31, 2023 on which other auditor have issued examination report dated September xx, 2023; (b) financial information of PMPL for the period from April 1, 2022 till March 31, 2023 is compiled / extracted from audited books of accounts for the year ended March 31, 2023, these audited books of accounts were used for the preparation of Audited Ind AS Financial Statement of PMPL as at and for the year ended March 31, 2023 on which we have issued a report dated May 30, 2023; and (c) financial information of KEPL for the period from April 1, 2022 till March 31, 2023 is compiled / extracted from audited books of

accounts for the year ended March 31, 2023, these audited books of accounts were used for the preparation of Audited Ind AS Financial Statement of KEPL as at and for the year ended March 31, 2023 on which we have issued a report dated May 30, 2023

Management's Responsibility for the Proforma Condensed Combined Financial Information

3. The Board of Directors of the Company (the "Management") is responsible for compiling the Proforma Condensed Combined Financial Information on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Combined Financial Information on the basis as set out in Note 3 to the Proforma Condensed Combined Financial Information that is free from material misstatement, whether due to fraud or error. The Board of Directors of the Company is also responsible for identifying and ensuring that the companies included in the Kuttukaran Proforma Group comply with the laws and regulations applicable to their activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Combined Financial Information.

Auditor's Responsibilities

4. Considering the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the Company is required to present the Proforma Condensed Combined Financial Information in the DRHP for the acquisition of KEPL (acquired on February 01, 2023) and PMPL (a subsidiary of KEPL and a step – subsidiary of the company post-acquisition of KEPL) as the acquisition is material and has happened during the last reporting period (i.e. as at and for the year ended March 31, 2023) included in the DRHP. Our responsibility is to express an opinion, about whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, by the Management on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information.
5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Condensed Combined Financial Information on the basis set out in the Note 3 to the Proforma Condensed Combined Financial Information.
6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Condensed Combined Financial Information.
7. The purpose of Proforma Condensed Combined Financial Information included in the DRHP is solely to illustrate the impact of the above-mentioned acquisitions of PMPL and KEPL on unadjusted restated consolidated financial information of the Kuttukaran Group as if the acquisition of PMPL and KEPL had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above-mentioned acquisitions at selected dates as described in Note 2 to the Proforma Condensed Combined Financial Information, would have been as presented.

8. A reasonable assurance engagement to report on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria as specified in Note 3 to the Proforma Condensed Combined Financial Information, and to obtain sufficient appropriate evidence about whether:
 - a) the related proforma adjustments give appropriate effect to those criteria; and
 - b) the Proforma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.
9. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the event or transaction in respect of which the Proforma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma financial information
10. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

11. In our opinion the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis set out in Note 3 to the Proforma Condensed Combined Financial Information.

Restriction of use

12. Our report is intended solely for use of the Board of Directors of the Company for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. As a result, these Proforma Condensed Combined Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For R.G.N Price & Co

ICAI Firm Registration No: 002785 S

P.M. Veeramani

Partner

Membership No. 023933

UDIN: 23023933BGVFZZ9172

Popular Vehicles and Services Limited
Proforma Condensed Combined Statement of Profit and Loss for the period ended March
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Proforma Combined Amount before adjustment	Prabal Motors Private Limited	Equipments Private Limited	Popular Vehicles and Services Limited	Classification adjustment	Intra group adjustment	Total adjustment	Proforma combined amount after adjustment
					Proforma adjustment			
Income								
Revenue from operations	47,452.95	3,893.38	(0.12)	51,346.21	-		-	51,346.21
Other income	172.42	17.76	3.92	194.10	-		-	194.10
Total income	-	-	-	-				-
Expenses								
Purchases of stock-in-trade	40,480.08	3,646.42	(0.12)	44,126.38	-		-	44,126.38
Changes in inventories of stock-in-trade	(256.68)	(151.30)	-	(407.98)	-		-	(407.98)
Employee benefits expenses	3,049.77	147.23	-	3,197.00	-		-	3,197.00
Finance costs	690.97	45.69	-	736.66	-		-	736.66
Depreciation and amortisation	781.92	40.44	-	822.36	21.20		21.20	843.56
Impairment loss on financial assets and contract assets	32.79	-	-	32.79	-		-	32.79
Other expenses	2,023.45	76.02	0.63	2,100.10	-		-	2,100.10
Total expenses	-	-	-	-	-		-	-
Profit before tax	-	-	-	-	(-)		(-)	-
Tax expense								
Current tax	240.10	33.05	-	273.15	-		-	273.15
Deferred tax (credit) / charge	(31.95)	1.30	-	(30.65)	(5.34)		(5.34)	(35.99)
Total tax expense	-	-	-	-	(-)		(-)	-
Profit after tax for the year	-	-	-	-	(-)		(-)	-
Other comprehensive income								
Items that will not be reclassified subsequently to profit or loss								
Remeasurement of net defined benefit plan (loss) / income	(12.47)	-	-	(12.47)	-	-	-	(12.47)
Income tax (credit) / charge relating to the above	3.31	-	-	3.31	-	-	-	3.31
Other comprehensive income (loss) for the year net of income tax	(-)	-	-	(-)	-	-	-	(-)
Total comprehensive income for the year	-	-	-	-	(-)		(-)	-
Profit attributable to :								
Owners of the company	614.92	72.28	3.29	690.49	(15.86)	-	-	674.63
Non-controlling interest	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	(-)		(-)	-
Other comprehensive income (loss) attributable to :								
Owners of the company	(9.16)	-	-	(9.16)	-	-	-	(9.16)
Non-controlling interest	-	-	-	-	-	-	-	-
Other comprehensive income (loss) for the year net of income tax	(-)	-	-	(-)	-	-	-	(-)
Total comprehensive income attributable to :								
Owners of the company	605.76	72.28	3.29	681.33	(15.86)	-	-	665.47
Non-controlling interest	-	-	-	-	-	-	-	-
	-	-	-	-	(-)		(-)	-
Earnings per share (equity share of face value of INR each)								
Basic (in INR)								10.76
Diluted (in INR)								10.76

See accompanying notes forming part of Proforma Condensed combined
Financial Information

In terms of our report attached of even date

for **R.G.N Price & Co.**
Chartered Accountants
Firm registration number : 002785S

for and on behalf of Board of Directors of
Popular Vehicles and Services Limited
CIN: U50102KL1983PLC003741

Naresh Philip
Managing Director
DIN: 00018827

Francis Paul
Whole Time Director
DIN: 00018825

Ra Narayan
Chief Executive Officer

John Perghese
Chief Financial Officer

Arun T
Company Secretary
Membership No : 22044

Kochi

Kochi

Popular Vehicles and Services Limited
Proforma Condensed Combined Statement of Assets and Liabilities as at March

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	Proforma Combined Amount before adjustment	Proforma adjustment	Classification adjustment	Intra group adjustment	Total adjustment	Proforma combined amount after adjustment
Assets						
Non current assets						
Property, plant and equipment	2,935.35				-	2,935.35
Capital work-in-progress	77.26				-	77.26
Right-of-use assets	3,479.87				-	3,479.87
Goodwill	115.47				-	115.47
Other intangible assets	182.28				-	182.28
Intangible assets under development	2.42				-	2.42
Financial assets	-				-	-
Investments	57.69				-	57.69
Other financial assets	379.17				-	379.17
Non-current tax liabilities (net)	97.60				-	97.60
Deferred tax assets (net)	161.22				-	161.22
Other non-current assets	193.26				-	193.26
Total non current assets	-					-
Current assets						
Inventories	4,349.47				-	4,349.47
Financial assets	-				-	-
Investments	2.24				-	2.24
Trade receivables	2,237.84				-	2,237.84
Cash and cash equivalents	238.25				-	238.25
Bank balances other than cash and cash equivalents	43.35				-	43.35
Other financial assets	44.73				-	44.73
Other current assets	424.91				-	424.91
Total current assets	-					-
Assets classified as held for sale	15.42				-	15.42
Total assets	-					-
Equity and liabilities						
Equity						
Equity share capital	125.44				-	125.44
Other equity	3,305.00				-	3,305.00
Total equity	-					-
Liabilities						
Non current liabilities						
Financial liabilities						
Borrowings	911.32				-	911.32
Lease liabilities	3,998.02				-	3,998.02
Provisions	59.43				-	59.43
Current tax liabilities (net)	2.46				-	2.46
Total non current liabilities	-					-
Current liabilities						
Financial liabilities						
Borrowings	4,138.74				-	4,138.74
Lease liabilities	335.39				-	335.39
Trade payables	-				-	-
- Total outstanding dues of micro and small enterprises	45.80				-	45.80
- Total outstanding dues of creditors other than micro and small enterprises	861.94				-	861.94
Other financial liabilities	228.00				-	228.00
Provisions	32.70				-	32.70
Current tax liabilities (net)	12.29				-	12.29
Other current liabilities	981.27				-	981.27
Total current liabilities	-					-
Total equity and liabilities	-					-

See accompanying notes forming part of Proforma Condensed combined Financial Information

In terms of our report attached of even date

for **R.G.N Price & Co.**

Chartered Accountants

Firm registration number : 002785S

for and on behalf of Board of Directors of

Popular Vehicles and Services Limited

CIN: U50102KL1983PLC003741

Naheen Philip
Managing Director
DIN: 00018827

Francis Paul
Whole Time Director
DIN: 00018825

Ra Narayan
Chief Executive Officer

John Perghese
Chief Financial Officer

Arun T
Company Secretary
Membership No : 22044

Popular Vehicles and Services Limited

Notes to the Proforma Condensed Combined Financials Information

All amounts are in INR million unless otherwise stated

Background of entities forming part of the Proforma Condensed Combined Financial Information:

Popular Vehicles and Services Limited

Popular Vehicles and Services Limited (the “Company”) or PVSL is a Limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Kuttukaran Centre, Mamangalam Cochin, Ernakulam, Kerala 682025. The Company is the authorized dealer of Maruti Vehicles.

The Group comprise the Company and its subsidiaries (including step-down subsidiaries) listed below :

- (i) Popular Mega Motors (India) Private Limited
- (ii) Kuttukaran Cars Private Limited
- (iii) Popular Auto Dealers Private Limited
- (iv) Kuttukaran Green Private Limited
- (v) Vision Motors Private Limited
- (vi) Popular Autoworks Private Limited
- (vii) Keracon Equipments Private Limited (w.e.f. February 1, 2023)
- (viii) Prabal Motors Private Limited (w.e.f. February 1, 2023)

Keracon Equipments Private Limited

Keracon Equipments Private Limited (KEPL) is a private limited company (hereinafter referred as “KEPL”) registered under the companies Act 1956 (“the Act”) was into authorised dealers for sale of automobile spare parts for Maruti & TATA. The registered office of the company is located at 325/2571, Kuttukaran Centre, Mamangalam, Palarivattom P.O. Ernakulam -682025, Kerala

Prabal Motors Private Limited

Prabal Motors Private Limited (PMPL) is a private limited company registered under the companies Act 1956 (“the Act”) a wholly owned subsidiary company of Keracon Equipments Private Limited into dealership of BharatBenz Commercial vehicles. The registered office of the company is located at 325/2571 H, II Floor, Kuttukaran Towers, Mamangalam, Palarivattom P.O, Ernakulam -682025, Kerala

Background of the transactions:

The Company has acquired 100% equity shares of Keracon Equipments Private Limited (KEPL) with effect from February 1, 2023 at a consolidated price of Rs. 301.46 million. KEPL has a 100% subsidiary – Prabal Motors Private Limited (PMPL). Consequent to the acquisition, KEPL and PMPL became the wholly owned subsidiary and step – down subsidiary respectively, with effect from February 1, 2023.

Name of entity	Date of transaction	% stake acquired	Amount of consideration paid (Amt in Rs million)	Relationship since date of acquisition
Keracon Equipments Private Limited	February 1, 2023	100%	301.46	Subsidiary
Prabal Motors Private Limited	February 1, 2023	100%	-	Step Down Subsidiary

Purpose and basis of Preparation of the Proforma Condensed Combined Financial Information

The proforma condensed combined financial information of the Group comprises of the proforma condensed combined Balance Sheet as at March 31, 2023, the proforma condensed combined statements of Profit and Loss for the year ended March 31, 2023, and selected explanatory notes (collectively, “Proforma Condensed Combined Financial Information”).

These Proforma Condensed Combined Financial Information have been prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) and have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India (the “ICAI”) (the “Guidance Note”).

The Proforma Condensed Combined Financial Information has been included on a voluntary basis as additional information in the DRHP.

The Proforma Condensed Combined Financial Information have been prepared solely to illustrate what the Balance Sheet as at March 31, 2023 and statement of Profit and Loss (including other comprehensive income) and for the year ended March 31, 2023 for the Group might have been, had the acquisitions of KEPL been completed at the beginning of the period presented (i.e. April 1, 2022) and controlled by the Company and accounted for as subsidiaries from April 1, 2022. The Proforma Condensed Combined Financial Information represents a hypothetical situation and therefore, do not represent the actual consolidated financial position or financial performance of the Group. Accordingly, the Proforma Condensed Combined Financial Information are not intended to present the financial position or financial performance or that the business would have actually achieved had any of the above-described effects taken effect on the reported dates; nor are they intended to be indicative of expected results or operations in the future periods or the future financial position of the Group.

As the acquisition was prior to March 31, 2023, the Proforma condensed combined Balance Sheet represent restated consolidated balances as on March 31, 2023.

Earnings per share is calculated on the basis of share split approved by the Board of Directors at its meeting held on August 31, 2023 for the sub division of existing paid up capital of the company from 12,544,289 equity shares of Rs. 10 each into 62,721,445 equity shares of Rs. 2 each, which is approved by the shareholders by an extra ordinary general meeting held on September 8, 2023.

The Proforma Condensed Combined Financial Information of the Group has been compiled by the Company from:

1. Restated Consolidated Financial Information of the Group (including KEPL from the date of acquisition) as at and for the year ended March 31, 2023 approved by the Board of Directors on xxxxx (the "Restated Consolidated Financial Information");
2. Financial information of KEPL for the year ended March 31, 2023 from the Audited IND AS financial information for year ended March 31, 2023, approved by the Board of Directors on May 30, 2023.
3. Financial information of PMPL for the year ended March 31, 2023 from the Audited IND AS financial information for year ended March 31, 2023, approved by the Board of Directors on May 30, 2023.

The above financial information have been prepared in accordance with the basis of preparation and accounting policies mentioned in the Restated Consolidated Financial Information included in the DRHP.

The Proforma Condensed Combined Financial Information have been prepared by combining on a line-by-line basis by adding together like items of assets, liabilities, income and expenses.

The acquisition of the KEPL is accounted for as per the requirements of the Ind AS 103 “Business Combinations” as on the date of acquisition and appropriately included in the Restated Consolidated Financial Information referred in (i) above. The proforma adjustments to the balance sheet as at April 1, 2022 with respect to calculation of provisional supplier relationship and brand, based on the provisional purchase price allocation, as if acquisition occurred on April 1, 2022 are described in Note 4.1.(a) to these Proforma Condensed Combined Financial

Information.

The Proforma Condensed Combined Financial Information is not a complete set of financial statements of the Group prepared in accordance with the Ind AS prescribed under section 133 of the Companies Act, 2013 (the “Act”), as applicable and it is not intended to give true and fair view of the financial position or the financial performance of the Group for the year in accordance with Ind AS prescribed under section 133 of the Act. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and financial performance of the Group. Hence, these Proforma Condensed Combined Financial information have been indicated as Condensed Financial Information. Further, the relevant comparative financial information under Ind AS have not been included in these Proforma Condensed Combined Financial Information. As a result, these Proforma Condensed Combined Financial Information may not be comparable and suitable for any other purpose.

The unaudited proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such Proforma Condensed Combined Financial Information has not been prepared in accordance with accounting or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited. In addition, the rules and regulations related to the preparation of Proforma Condensed Combined Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Proforma Condensed Combined Financial Information.

These Proforma Condensed Combined Financial Information have been approved by the Board of Directors on xx xxxx, 2023

. Description of Proforma adjustments in the preparation of Proforma Financial Information

The following adjustments have been made to present the Proforma Condensed Combined financial information

4.1 Proforma adjustment

Proforma intangible assets – supplier relationship and brand considered as at April 01, 2022 have been computed based on provisional purchase price allocation as at February 01, 2023. Amount recorded as at the actual date of acquisition (i.e February 01,2023) have been grossed up for the amortisation for the period April 01, 2022 to January 31,2023.

Particulars	Amount
Fair value of supplier relationship and brand considered as at February 01, 2023	127.20
Add: Grossed up for the amortisation for the period April 01, 2022 to January 31,2023	21.20
Provisional fair value of supplier relationship and brand considered as at April	.

Total impact on total equity as at April

Particulars	Amount
Provisional fair value impact of supplier relationship and brand	21.20
Less: Deferred tax liability recognized on intangible assets acquired	(5.34)
Total impact on total equity as at April	.

4.2 Classification adjustments

(a) There has been no classification adjustments made for preparation of proforma financial statements

4.3 Intra Group elimination adjustments

(a) There has been no intra Group elimination adjustments

(b) The details of adjustments to Other equity is as follows:

Particulars	As at March
Balance as per Restated Consolidated Financial Information	.
Adjustments:	
Provisional fair value impact of supplier relationship and brand as at April 01, 2022 (refer note 4.1.(a))	21.20
Deferred tax liability recognised on the grossed up value of supplier relationship and brand (refer note 4.1.(a))	(5.34)
Amortisation of supplier relationship and brand for the period April 01, 2022 to January 31, 2023 (refer note 4.1.(a))	(21.20)
Deferred tax impact on amortisation (refer note 4.1.(a))	5.34
Balance as per Proforma Condensed Combined Financials Information	.

For and on behalf of Board of Directors of
Popular Vehicles and Services Limited
CIN: U5010KL1983PLC003741

Naveen Philip
Managing Director
DIN : 00018827

Francis K Paul
Whole Time Director
DIN : 00018825

Raj Narayan
Chief Executive Officer

John Verghese
Chief Financial Officer

Varun T V
Company Secretary
Membership no: 22044

OTHER FINANCIAL INFORMATION

The accounting ratios derived from our Restated Financial Information are given below:

Particulars	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Basic EPS (in ₹)	6.38*	10.22	5.37	5.17
Diluted EPS (in ₹)	6.38*	10.22	5.37	5.17
Return on Net worth (%)	10.42%*	18.68%	12.03%	13.19%
Net asset value per share (in ₹)	61.26	54.69	44.62	39.22
EBITDA (in ₹ million)	1,459.09	2,348.46	1,786.63	1,748.53

* Not annualised

Notes: The ratios have been computed as under:

1. Basic and diluted earnings/ (loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). After taking into account stock split of the Equity Shares post March 31, 2023.
2. Return on Net worth (%): Return on Net worth is the ratio of restated profit for the period/ year to Net worth for the period/ year.
3. Net worth = The total equity or total share capital of the Company and other equity as per the Restated Financial Information. The Net worth of the Company, as restated and consolidated, has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
4. Net asset value per share (in ₹) represents restated Net worth divided by weighted average number of equity shares outstanding at the end of period/ year. Net asset value per share is calculated by dividing Net worth by number of equity shares outstanding as on the respective date post share split.
5. EBITDA = Earnings before interest, tax, depreciation and amortisation. It is calculated by adding the restated profit for the period/ year, finance costs plus tax expense/(benefit) and depreciation and amortisation expense.
6. Accounting and other ratios are derived from the Restated Financial Information.

The accounting ratios as per Pro Forma Financial Information are given below:

Particulars	As at and for the year ended March 31, 2023
Basic Earnings Per Share* (in ₹)	10.76
Diluted Earnings Per Share* (in ₹)	10.76
Return on Net worth (%)	19.67%
Net asset value per share (in ₹)	54.69
EBITDA (in ₹ million)	2,492.00

Notes: The ratios have been computed as under:

1. Basic and diluted earnings/ (loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
2. Return on Net worth %: Return on Net worth is the ratio of profit for the period/year to Net worth for the period/year.
3. Net worth = The total equity or total share capital of the Company and other equity as per the Pro Forma Financial Information
4. Net asset value per share (in ₹) represents Net worth at the end of the year divided by total number of equity shares outstanding at the end of year. Net asset value per share is calculated by dividing Net worth by number of equity shares outstanding as on the respective date after share split
5. EBITDA stands for aggregate of profit before tax, finance costs, depreciation and amortisation. For a reconciliation from our pro forma profits for the year / period to EBITDA, see "Pro Forma Financial Information" on page 323.

Non-GAAP financial measures

This section includes certain Non-GAAP financial measures relating to our financial performance (together, "Non-GAAP financial measures" and each a "Non-GAAP financial measure"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Indian GAAP.

Reconciliation of non-GAAP measures

Analysts, and other interested parties frequently use various non-GAAP financial measures as performance measures, and our management believes that providing such non-GAAP financial measure allows users to make additional comparisons and to understand our ongoing business. Reconciliation for the following non-GAAP financial measures included in this Prospectus, EBIT, EBITDA, EBITDA Margin, PAT Margin and other financial parameters such as Net debt/ (net cash), Net worth, Return on Net worth, Return on Capital employed/RoCE, Net asset value per share and Debt to Equity are given below:

Reconciliation of EBITDA and EBITDA Margin

EBITDA stands for the Restated profit for the period/year plus finance costs plus tax expenses/(benefit) and depreciation and amortisation expense.

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Restated profit for the period/year (I)	400.44	640.74	336.69	324.55
Total tax expense (II)	138.32	207.93	148.77	147.97
Depreciation expense and amortisation (III)	444.19	794.45	692.57	724.91
Finance costs (IV)	476.14	705.34	608.60	551.10

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
EBITDA (I+II+III+IV) = (V)	1,459.09	2,348.46	1,786.63	1,748.53
Total Income (VI)	28,482.08	48,926.28	34,841.99	29,192.52
EBITDA Margin (%) (V/VI)	5.12%	4.80%	5.13%	5.99%

Reconciliation of other financial parameters

Reconciliation of Net debt/ (net cash)

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Non-current borrowings (I)	803.65	911.32	880.55	893.29
Current borrowings (II)	6,842.48	4,138.74	2,838.55	2,637.13
Total borrowings III = (I+II)	7,646.13	5,050.06	3,719.10	3,530.42
Cash and cash equivalents (IV)	302.20	238.25	183.96	555.08
Bank balances other than cash and cash equivalents (V)	44.95	43.35	19.56	38.92
Net debt / (net cash) (VI=III-IV-V)	7,298.98	4,768.46	3,515.58	2,936.42

Reconciliation of Net worth and Return on Net worth

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Equity share capital (I)	125.44	125.44	125.44	125.44
Other equity (II)	3,716.67	3,305.00	2,673.42	2,334.58
Net worth (III)=(I+II)	3,842.11	3,430.44	2,798.86	2,460.02
Restated profit for the period/ year (IV)	400.44	640.74	336.69	324.55
Return on Net worth (IV/(I+II)) (%)	10.42%*	18.68%	12.03%	13.19%

*Not annualised

Reconciliation of Return on Capital employed

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Total equity (I)	3,842.11	3,430.44	2,798.86	2,460.02
Total borrowings (II)	7,646.13	5,050.06	3,719.10	3,530.42
Capital employed (III=I+II)	11,488.24	8,480.50	6,517.96	5,990.44
EBIT* (IV)	1,014.90	1,554.01	1,094.06	1,023.62
Return on Capital employed/RoCE (V=IV/III) (%)	8.83%**	18.32%	16.79%	17.09%

* EBIT means earnings before interest and Tax. It is calculated by adding the Profit before tax plus finance costs

** Not annualised

Reconciliation of Net asset value per share

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Equity share capital (I)	125.44	125.44	125.44	125.44
Other equity (II)	3,716.67	3,305.00	2,673.42	2,334.58
Net worth (III)=(I+II)	3,842.11	3,430.44	2,798.86	2,460.02
Number of equity shares* (IV)	62,721,445	62,721,445	62,721,445	62,721,445
Net asset value per share (in ₹) (V= (I+II)/IV)	61.26	54.69	44.62	39.22

* Equity shares after share split

Reconciliation of PAT Margin

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Profit for the period/ year (I)	400.44	640.74	336.69	324.55
Total income (II)	28,482.08	48,926.28	34,841.99	29,192.52
PAT Margin (%) (I/II)	1.41%	1.31%	0.97%	1.11%

Reconciliation of Debt to Equity

(₹ in million)

	As at and for the six months period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Non-current borrowings (I)	803.65	911.32	880.55	893.29
Current borrowings (II)	6,842.48	4,138.74	2,838.55	2,637.13
Total borrowings III = (I+II)	7,646.13	5,050.06	3,719.10	3,530.42
Equity share capital (IV)	125.44	125.44	125.44	125.44
Other equity (V)	3,716.67	3,305.00	2,673.42	2,334.58
Total equity (VI)=(IV+V)	3,842.11	3,430.44	2,798.86	2,460.02
Debt to Equity (VII=III/VI)	1.99	1.47	1.33	1.44

Details derived from the audited financial statements of our Subsidiaries

Direct Subsidiaries

1. Popular Mega Motors (India) Private Limited ("PMMIL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	69.44	69.44	69.44	69.44
Net worth	1,101.99	1,046.60	929.98	811.61
Revenue from operations	6,838.40	14,449.54	9,601.30	6,954.38
Profit for the period/ year	56.86	117.63	119.79	101.36
Earnings per Equity Share				
- Basic (₹)	7.98*	16.79	17.05	16.45
- Diluted (₹)	7.98*	16.79	17.05	16.45
Net asset value per share (₹)	158.70	150.72	133.93	116.88
Total borrowings (current and non-current)	1,620.70	1,325.83	1,098.32	1,005.95

*Not annualised

2. Popular Autoworks Private Limited ("PAWL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	251.12	251.12	251.12	251.12
Net worth	257.94	178.43	154.97	153.51
Revenue from operations	1,874.35	1,824.05	1,612.66	1,442.01
Profit/ (Loss) for the period/ year	79.73	22.97	1.58	(28.40)
Earnings per Equity Share				
- Basic (₹)	3.16*	0.93	0.06	(1.12)
- Diluted (₹)	3.16*	0.93	0.06	(1.12)
Net asset value per share (₹)	10.27	7.11	6.17	6.11
Total borrowings (current and non-current)	405.14	304.56	197.5	296.42

*Not annualised

3. Kuttukaran Cars Private Limited ("KCPL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	20.00	20.00	20.00	20.00
Net worth	(14.38)	(7.99)	(3.66)	(0.30)
Revenue from operations	282.86	400.6	22.55	0

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Loss for the period/ year	(6.39)	(4.33)	(3.36)	(0.06)
Earnings per Equity Share				
- Basic (₹)	(3.19)*	(2.16)	(1.68)	(0.03)
- Diluted (₹)	(3.19)*	(2.16)	(1.68)	(0.03)
Net asset value per share (₹)	(7.19)	(4.00)	(1.83)	(0.15)
Total borrowings (current and non-current)	109.04	99.13	18.04	0.4

*Not annualised

4. Popular Auto Dealers Private Limited ("PADL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	5.10	5.10	5.10	5.10
Net worth	385.33	338.02	261.84	204.84
Revenue from operations	1,445.36	2,534.17	1,754.6	1,413.53
Profit for the period/ year	47.58	76.79	56.74	51.21
Earnings per Equity Share				
- Basic (₹)	927.03*	1,492.73	1,116.90	1,019
- Diluted (₹)	927.03*	1,492.73	1,116.90	1,019
Net asset value per share (₹)	7,550.46	6,623.43	5,130.70	4,013.79
Total borrowings (current and non-current)	274.52	194.64	170.8	151.35

*Not annualised

5. Kuttukaran Green Private Limited (formerly known as Kuttukaran Pre Owned Cars Private Limited) ("KGPL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	0.10	0.10	0.10	0.10
Net worth	(6.82)	(0.76)	(4.79)	(0.18)
Revenue from operations	167.55	158.89	28.11	-
Loss for the period/ year	(6.14)	(8.60)	(4.61)	(0.04)
Earnings per Equity Share				
- Basic (₹)	(614.27)*	(860.45)	(460.82)	(3.95)
- Diluted (₹)	(614.27)*	(860.45)	(460.82)	(3.95)
Net asset value per share (₹)	(682.00)	(76.00)	(479.00)	(18.00)
Total borrowings (current and non-current)	61.41	23.89	24.04	1.38

*Not annualised

6. Keracon Equipments Private Limited ("KEPL")

(₹ in million, unless otherwise stated)

Particulars [‡]	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	9.48	9.48	-	-
Net worth	(1.00)	(1.61)	-	-
Revenue from operations	-	-	-	-
Profit/(Loss) for the period/ year	0.61	(0.1)	-	-
Earnings per Equity Share				
- Basic (₹)	0.65*	(0.11)	-	-
- Diluted (₹)	0.65*	(0.11)	-	-
Net asset value per share (₹)	(1.05)	(1.70)	-	-
Total borrowings (current and non-current)	5.10	5.10	-	-

*Not annualised

[‡] Since the acquisition for KEPL was completed on February 1, 2023, details for only two months of the Financial Year 2023 have been included.

Step-down Subsidiaries

1. Vision Motors Private Limited ("VMPL")

(₹ in million, unless otherwise stated)

Particulars	As at and for the six-month period ended September 30, 2023	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	146.77	146.77	146.77	146.77
Net worth	435.71	391.5	271.13	174.7
Revenue from operations	1,350.90	3,229.69	3,170.85	2,402.26
Profit for the period/ year	43.99	120.46	96.8	41.96
Earnings per Equity Share				
- Basic (₹)	3.01*	8.20	6.57	2.87
- Diluted (₹)	3.01*	8.20	6.57	2.87
Net asset value per share (₹)	29.69	26.67	18.47	11.90
Total borrowings (current and non-current)	189.64	151.83	119.59	134.04

*Not annualised

2. Prabal Motors Private Limited (“PMPL”)

(₹ in million, unless otherwise stated)

Particulars*	As at and for the six-month period ended September 30, 2023 [‡]	As at and for the year ended March 31,		
		2023	2022	2021
Equity Share capital	-	0.1	-	-
Net worth	-	130.44	-	-
Revenue from operations	-	1,297.07	-	-
Profit for the period/ year	-	25.92	-	-
Earnings per Equity Share				
- Basic (₹)	-	2,592.00	-	-
- Diluted (₹)	-	2,592.00	-	-
Net asset value per share (₹)	-	13,044	-	-
Total borrowings (current and non-current)	-	582.85	-	-

* Since the acquisition for PMPL was completed on February 1, 2023, details for only two months of the Financial Year 2023 have been included.

[‡] Standalone financials as at and for the six-month period ended September 30, 2023 unavailable for PMPL.

In accordance with the SEBI ICDR Regulations the audited financial statements of the Company and our Material Subsidiaries for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 (collectively, the “**Audited Financial Statements**”) are available on our website at <https://www.popularmaruti.com/investor-relations/financials/financial-reports-and-presentations/company/> and <https://www.popularmaruti.com/investor-relations/financials/financial-reports-and-presentations/material-subsiary/>, respectively.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of the Red Herring Prospectus; (ii) a part of this Prospectus; or (iii) a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider for subscription to or purchase of any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company, our Subsidiaries or any of its advisors, nor BRLMs or the Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 ‘Related Party Disclosures’ for the six months period ended September 30, 2023 and for the Financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and as reported in the Restated Financial Information, see “*Restated Financial Information – Annexure VI – Note 33: Related Parties*” on page 315.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information, which are included in this Prospectus. The following discussion and analysis of our financial condition and results of operations for the six months period ended September 30, 2023 and FY 2021, 2022 and 2023, based on our Restated Financial Information, including the related notes and reports, which have been prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI (the "**Guidance Note**").

This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. As such, you should also read "Risk Factors" and "Forward Looking Statements" on pages 26 and 24, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information included in this Prospectus on page 255.

Certain information contained in this section is derived from the CRISIL Report titled "An assessment of the automobile dealership industry in India" dated January 2024, which was commissioned and paid for by our Company exclusively for the Offer. For details, see "Industry Overview" on page 133. A copy of the CRISIL Report will be made available on the website of our Company www.popularmaruti.com/investor-relations/investor-update/reports/industry-report/ until the Bid/Offer Closing Date.

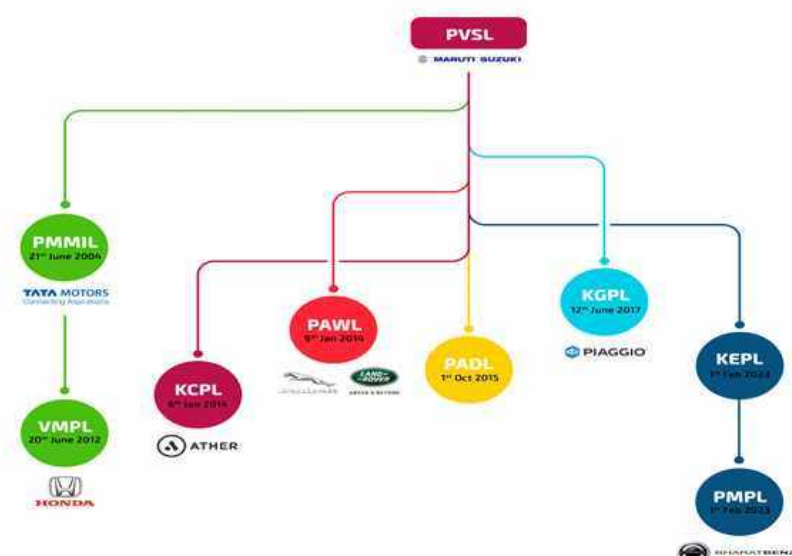
Ind AS differs in certain respects from Indian GAAP, IFRS and US GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is dependent on the reader's level of familiarity with Ind AS. Please also see "Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition." on page 54.

Our fiscal year ends on 31 March of each year. Accordingly, all references to a particular fiscal year, or "fiscal", are to the 12 months ended 31 March of that year.

Overview of our Business

We are a diversified automobile dealership in India in terms of revenue as of Fiscal 2023, (Source: CRISIL Report) having a fully integrated business model. We cater to the complete life cycle of vehicle ownership, right from the sale of new vehicles, servicing and repairing vehicles, distributing spare parts and accessories, to facilitating sale and exchange of pre-owned vehicles, operating driving schools and facilitating the sale of third-party financial and insurance products. We categorise our automobile dealership business into three key segments, namely, (a) passenger vehicles including luxury vehicles, (b) commercial vehicles and (c) electric two-wheeler and three-wheeler vehicles, which contributed to our revenue from operations aggregating to ₹16,918.51million, ₹9,616.33 million and ₹450.41 million, respectively, during the six months period ended September 30, 2023.

We operate (a) passenger vehicle dealerships covering economy, premium and luxury vehicles across our dealerships for the following OEMs: (i) Maruti Suzuki India Limited ("**Maruti Suzuki**") for both Arena and Nexa, through our Company, (ii) Honda Cars India Limited ("**Honda**") through our Subsidiary, VMPL, and (iii) Jaguar Land Rover India Limited ("**JLR**") through our Subsidiary, PAWL; (b) commercial vehicle dealerships of (i) Tata Motors Limited ("**Tata Motors (Commercial)**"), through our Subsidiary, PMMIL and (ii) Daimler India Commercial Vehicles Private Limited ("**BharatBenz**"), through our Subsidiary, PMPL; and (c) electric three-wheeler vehicle dealership of Piaggio Vehicles Private Limited, including commercial and cargo vehicles ("**Piaggio**"), through our Subsidiary, KGPL and electric two-wheeler vehicle dealership of Ather Energy Private Limited ("**Ather**"), through our Subsidiary, KCPL. The chart below shows the various dealerships operated by our Company and our Subsidiaries along with the date of acquisition of our Subsidiaries by our Company:



The table below shows the details of all the dealerships operated by our Company and our Subsidiaries as on the date of this Prospectus:

Name of OEM	Name of brand under which the dealership is operated	Entity under which the dealership is operated	Exclusive/ non-exclusive agreement	Restriction in area of operations	Date of agreement	Tenure of agreement/ termination date	Notice period for termination of agreement
Maruti Suzuki	'Popular' brand	Company	Non-exclusive	Yes	August 5, 2021 for Nexa agreement	3 years from April 1, 2021 for the Nexa agreement	90 days
					January 1, 2022 for Arena agreement	3 years from January 1, 2022 for the Arena agreement	
Honda	'Vision' brand	VMPL	Non-exclusive	Yes	July 19, 2023	9 months from July 1, 2023	30 days
JLR	'Marqland' brand	PAWL	Non-exclusive	Yes	November 30, 2017	Valid until terminated	12 months
Tata Motors (Commercial)	'Popular Mega Motors' brand	PMMIL	Non-exclusive	Yes	April 20, 2021	5 years from April 1, 2021	90 days
BharatBenz	'Prabal Trucking' brand	PMPL	Non-exclusive	Yes	November 1, 2018	Valid until terminated	12 months
Piaggio	'Ecomarq' brand	KGPL	Non-exclusive	Yes	July 9, 2021	2 years from August 1, 2023	30 days
Ather	'Ecomarq' brand	KCPL	Non-exclusive	Yes	April 27, 2022	Valid until terminated	60 days

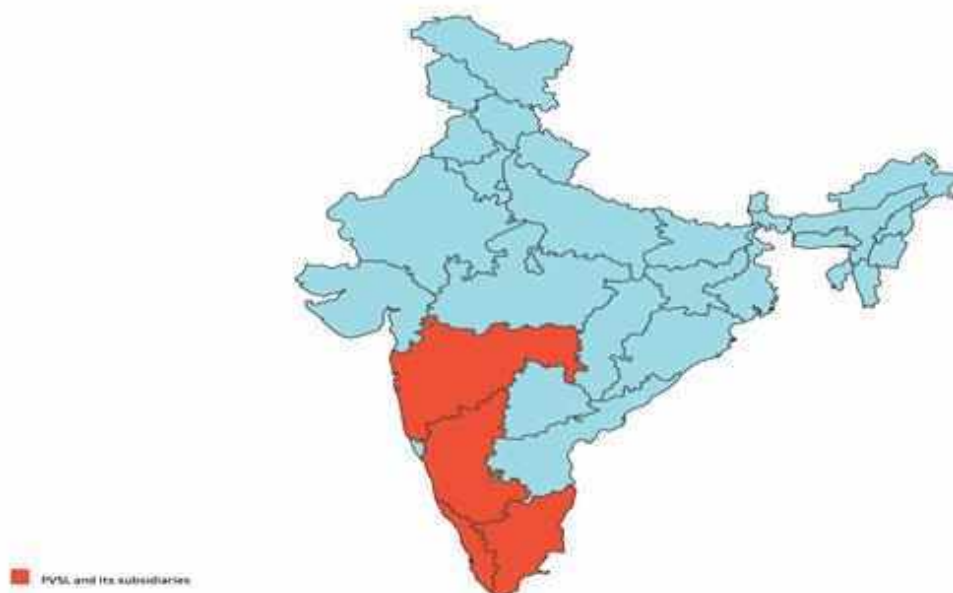
Our presence across vehicle categories, including passenger vehicles, commercial vehicles, and electric two-wheeler and three-wheeler vehicles, further diversifies our revenue streams. The revenue generated by each of our key segments as a percentage of our revenue from operations in the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021, is as follows:

(in percentages)

Key segments	Six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Passenger vehicles including luxury vehicles	59.68	61.83	67.52	71.56
Commercial vehicles	33.92	32.21	27.67	23.87
Electric two-wheeler and three-wheeler vehicles	1.59	1.15	0.15	N.A.

In Fiscal 2023, passenger vehicle sales in India were concentrated in a few major states. The top 5 states are Maharashtra, Uttar Pradesh, Gujarat, Karnataka, and Tamil Nadu. These states cumulatively contributed to more than 40.00% of national sales. In Fiscal 2023, Kerala, Tamil Nadu and Maharashtra featured in the top 10 contributing states of the country, contributing 23.00% to the national sales. In line with the overall domestic market, Maruti Suzuki dominated sales in all these states. (Source: CRISIL Report)

As of December 31, 2023, we operated through our network of 61 showrooms, 133 sales outlets and booking offices, 32 pre-owned vehicle showrooms and outlets, 139 authorised service centres, 43 retail outlets, and 24 warehouses located across 14 districts of Kerala, 8 districts in Karnataka, 12 districts in Tamil Nadu and 9 districts in Maharashtra. While our sales outlets and booking offices complement our sales through our showrooms, our retail outlets facilitate sale and distribution of spare parts and accessories. The map below shows our geographical presence in India:



The automobile industry is one of the primary contributors to the Indian economy. Its contribution to India's GDP has increased from 2.80% in Fiscal 1993 to approximately 7.10% in Fiscal 2023. India's domestic automobile market is one of the largest automobile markets in the world, with annual domestic sales of over 20 million vehicles in Fiscal 2023. Further, in Fiscal 2023, domestic automobile industry was dominated by the two-wheeler vehicle sub-segment which contributed more than 70.00% to the overall automobile industry, followed by passenger vehicles contributing 18.00% of automobile sales volume in Fiscal 2023. Tractors, commercial vehicles and three-wheeler vehicles contributed the rest 10.00%. (Source: CRISIL Report) With the growth of the automobile industry, we have achieved significant organic growth in our revenue from sales over the past three Fiscals.

We acquired 11 service centres and 2 showrooms from a dealer of Maruti Suzuki in Kerala in 2021. Further, we acquired 8 showrooms, 17 service centres and 3 sales outlets and booking offices of BharatBenz in Tamil Nadu and Maharashtra. We have also expanded our post-sale services and repair verticals in the last three Fiscals. Our revenue from servicing of passenger vehicles and commercial vehicles has seen a significant increase, from ₹3,651.64 million and ₹675.06 million in Fiscal 2021 to ₹5,716.13 million and ₹1,418.65 million in Fiscal 2023, respectively. In Fiscal 2023, we were ranked 'All India Highest in the Bodyshop Load' for Maruti Suzuki. Further, the number of electric two-wheeler and three-wheeler vehicles sold by us has also increased from 252 in Fiscal 2022 to 3,381 in Fiscal 2023.

Our key segments are as follows:

4. Passenger Vehicles

We operate passenger vehicle dealerships of Maruti Suzuki, Honda and JLR. Our passenger vehicle offerings cover a complete spectrum of vehicles ranging from economy to premium and luxury vehicles including electric vehicles. Our product and brand mix is well-suited to what customers demand in the markets where we operate. During the six months period ended September 30, 2023, we sold an aggregate of 16,476 passenger vehicles across our dealerships.

The first dealership in Kerala for Maruti Suzuki vehicles was awarded to our Company in 1984 and formed part of the first batch of dealerships awarded by Maruti Suzuki across India. Our Maruti Suzuki dealerships are operated under the 'Popular' brand and cater to economy and premium passenger vehicles under the brands, 'Arena' and 'Nexa'. Our Maruti Suzuki dealerships are operated through 20 showrooms, 81 sales outlets and booking offices, 29 pre-owned vehicle showrooms and outlets and 74 authorised service centres located across Kerala and Tamil Nadu, as of December 31, 2023. In Fiscal 2023, we were recognised as the seventh largest selling Maruti Suzuki dealership in India under the Arena network (by volume), and the ninth largest selling Maruti Suzuki dealership in India under the Nexa network (by volume). Maruti Suzuki was the highest contributor to sales of passenger vehicles in Kerala and Tamil Nadu, accounting for 49.00% and 37.00%, respectively, of the total sales volume mix in these states in Fiscal 2023. (Source: CRISIL Report)

We commenced our Honda dealership in 2008 in Kerala. Our Honda dealership is operated under the 'Vision' brand and caters to the premium vehicle sub-segment of our passenger vehicle offerings. Our Honda dealership was operated through 8 showrooms, 3 sales outlets and booking offices and 8 authorised service centres located across 6 districts in Kerala as of December 31, 2023. In Fiscal 2023, we were recognised as the sixth largest Honda dealership in India in terms of volume of sales. As of September 30, 2023, we contributed to the sale of 32.82% of Honda's total sales volume mix in Kerala.

We commenced our JLR dealership in 2010 in Karnataka. Our JLR dealership is operated under the 'Marqland' brand and caters to the luxury vehicle sub-segment of our passenger vehicle offerings. Our JLR dealership was operated through 2 showrooms and 3 authorised service centres and 1 pre-owned vehicle outlet in Karnataka as of December 31, 2023. In Fiscal 2023, our total revenue from sale of luxury passenger vehicles was ₹1,873.02 million.

5. *Commercial Vehicles*

We operate commercial vehicle dealerships of Tata Motors (Commercial) and BharatBenz.

We were awarded our first commercial vehicle dealership by Tata Motors (Commercial) in 1997. Our Tata Motors (Commercial) dealership is operated under the 'Popular Mega Motors' brand and caters to a wide range of commercial vehicles offered by Tata Motors. Our Tata Motors (Commercial) dealership was operated through 13 showrooms, 32 sales outlets and booking offices and 27 authorised service centres across 14 districts of Kerala and 5 districts of Tamil Nadu as of December 31, 2023. We were the fourth largest commercial vehicle dealership of Tata Motors (Commercial) in terms of sales volumes in Fiscal 2023. As of September 30, 2023, we contributed to the sale of 76.73% and 48.02% of the total Tata Motors (Commercial) vehicles sold in Kerala and Tamil Nadu, respectively.

Our BharatBenz dealership is operated under the 'Prabal Trucking' brand and caters to a range of commercial vehicles. As of September 30, 2023, our BharatBenz dealership was operated through 8 showrooms, 12 sales outlets and booking offices and 17 authorised service centres, across 9 districts in Maharashtra and 8 districts in Tamil Nadu. As of September 30, 2023, we sold 793 BharatBenz vehicles.

We also sell commercial vehicles of Maruti Suzuki since February 2019, and sold 85 commercial vehicles, as of September 30, 2023.

6. *Electric Two-Wheeler and Three-Wheeler Vehicles*

We entered the electric two-wheeler and three-wheeler vehicles segment in 2021 and we operate our electric two-wheeler and three-wheeler vehicle dealerships of Ather and Piaggio, respectively.

Our Piaggio dealership is operated under the 'Ecomarq' brand and caters to a wide range of electric three-wheeler vehicles. Our Piaggio dealership was operated through 7 showrooms and 7 authorised service centres across 6 districts in Kerala as of December 31, 2023. As of September 25, 2023, KGPL was recognised as the biggest dealer of Piaggio electric three-wheeler vehicles in Kerala and the fifth largest dealer at an all-India level.

Our Ather dealership is operated under the 'Ecomarq' brand and caters to a wide range of electric two-wheeler vehicles. Our Ather dealership was operated through 3 showrooms, 5 sales outlets and booking offices, and 3 authorised service centres across 2 districts in Kerala and 1 district in Tamil Nadu as of December 31, 2023.

The total number of showrooms, sales outlets and booking offices and authorised service centres, across our three business segments is as follows:

Particulars	As of December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres	No. of showrooms and sales outlets and booking offices	No. of service centres
Passenger Vehicles								
Maruti Suzuki (New Vehicles)	101	74	97	68	96	63	84	48
Maruti Suzuki (Pre-Owned)	29	N/A	30	N/A	27	N/A	22	N/A
Honda	11	8	11	8	9	8	8	7
JLR	3	3	2	3	2	3	3	3
Commercial Vehicles								
Tata Motors	45	27	48	27	44	25	41	25
Bharat Benz	20	17	10	17	N/A	N/A	N/A	N/A
Electric Two-wheeler and Three-wheeler								
Piaggio	7	7	6	5	5	4	N/A	N/A
Ather	8	3	7	2	1	N/A	N/A	N/A
Totals	224	139	211	130	184	103	158	83

Our other business verticals are as follows:

Services and Repairs: Our services, repairs and maintenance under each of our dealerships include work undertaken during warranty period, outside warranty period paid by the customer, running repair and collision repair services. During the six months period ended September 30, 2023, we serviced 419,729 passenger vehicles including 2,762 luxury vehicles, 103,116 commercial vehicles, 4,118 electric two-wheeler vehicles and 883 electric three-wheeler vehicles through our network of 137 authorised service centres across our dealerships. The table below shows our rankings in terms of volume of services/ service satisfaction index and volume of sales for Fiscal 2023:

Name of OEM	Ranking in terms of volume of service/ service satisfaction index	Ranking in terms of volume of sales
Maruti Suzuki	Number one at national level, in terms of volume of services (Arena and Nexa) handled for Maruti Suzuki	Seventh largest passenger vehicle dealership for Maruti Suzuki in terms of sales by volume
Honda	Number one dealership for Honda in terms of volume of services in Kerala	Sixth largest car dealership for Honda in terms of sales by volume
JLR	Third largest retailer of JLR in terms of the service volume, by the combined service volume of both outlets at Bangalore and Mangalore	Fifth largest retailer for JLR in terms of retail sales by volume
Tata Motors (Commercial)	Third largest commercial vehicle dealership group for Tata Motors in terms of services handled	Fourth largest commercial vehicle dealership group for Tata Motors in terms of sales volume
BharatBenz	First, on a national level, in terms of the service satisfaction index for BharatBenz	Second, on a national level in terms of volume of sales handled for BharatBenz
Piaggio	Fifth biggest dealer, all India level, for Piaggio	Fifth biggest dealer, all India level, for Piaggio
Ather	Twenty seventh on a national level in terms of volume of services handled for Ather	Ninth on a national level in terms of volumes of sale handled for Ather

Pre-Owned Vehicles: We deal in the exchange, acquisition and sale of pre-owned passenger vehicles across our vehicle dealerships. During the six months period ended September 30, 2023, we sold an aggregate of 5,611 pre-owned vehicles through 32 dedicated pre-owned vehicle showrooms and sales outlets and booking offices and 30 of our new passenger vehicles showrooms in Kerala, Tamil Nadu and Karnataka.

Spare Parts and Accessories Distribution: We commenced our spare parts and accessories distribution business in 2005, through our Subsidiary, PADL. As on December 31, 2023, our spare parts and accessories distribution business was operated through 69 touch points comprising of 2 multi-brand pre-owned vehicle retail outlet under the brand name 'Kartrenz', 43 retail outlets and 24 warehouses across Kerala and Karnataka. We have catered to 3,200 customers including active sellers, independent workshops, authorised service centres and vehicle dealers over the last 18 years.

Facilitating the Sale of Third-party Financial and Insurance Products: As part of our bouquet of offerings, we also facilitate the sale of various third-party finance and insurance products in relation to the vehicles sold by us, extended warranty and maintenance contracts, as well as replacement and aftermarket services for automobile products. During the six months period

ended September 30, 2023, we facilitated the sale of 21,131 and renewal of 119,803 third-party insurance policies, aggregating to a gross premium of ₹1,394.16 million and facilitated financial assistance aggregating to ₹10,790.47 million to our customers through our empanelled lenders.

Driving Schools: We set up our first driving school in Ernakulam in the year 2006. Over the years, we expanded our network of driving schools by setting up a total of 7 driving schools across Kerala.

With diversified automobile dealerships and a fully integrated business model, the Kuttukaran Group (the group of entities and business operated by our Promoters and their immediate relatives) has over 70 years of experience in the automobile industry. John K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. He is currently the President of the Kerala Automobiles Dealers Association. Francis K. Paul, our Whole Time Director and one of our Promoters has over 49 years of experience in the automobile sector. Naveen Philip, our Managing Director and one of our Promoters has over 26 years of experience in the automobile industry. The experience and diversity of our management team and our Promoters and the long-standing presence of the Kuttukaran Group in the automobile industry have enabled us to become valued partners of each of our OEMs giving us a distinct competitive advantage in the industry in which we operate and has also helped us expand our business considerably by making strategic acquisitions over the years.

We have demonstrated financial performance, with our PAT growing from ₹324.55 million in Fiscal 2021, to ₹640.74 million in Fiscal 2023. A snapshot of our key performance indicators for the six months ended September 30, 2023 and Financial Years ended 2023, 2022 and 2021 are set out below:

Sr. No.	Metric	Unit	Six-month period ended September 30, 2023	Financial Year ended 2023	Financial Year ended 2022	Financial Year ended 2021
1.	Sales Volumes					
	-Number of new vehicles sold	#	23,993	47,820	37,871	35,105
	-Number of pre-owned vehicles sold	#	5,611	11,806	10,594	10,098
	-Number of vehicles serviced	#	5,27,846	957,148	721,400	646,280
2.	Revenue from Operations	₹ million	28,349.97	48,750.02	34,658.79	28,935.25
	-Sales of new vehicles	₹ million	19,411.07	33,305.06	23,222.61	19,395.41
	-Sale of spare parts and accessories	₹ million	4,115.54	6,820.19	4,687.13	3,783.64
	-Sale of pre-owned vehicles	₹ million	1,938.74	3,705.97	2,872.81	2,473.08
	-Sale of services	₹ million	1,605.84	2,872.91	2,183.97	1,803.63
	-Other Operating income	₹ million	1,278.78	2,045.89	1,692.27	1,479.49
3.	Total Income	₹ million	28,482.08	48,926.28	34,841.99	29,192.52
4.	Profit for the period/year	₹ million	400.44	640.74	336.69	324.55
5.	Earnings Per Share					
	- Basic	₹	6.38**	10.22	5.37	5.17
	- Diluted	₹	6.38**	10.22	5.37	5.17
6.	Inventory turnover days	days	103**	38	45	47
7.	Working capital days	days	95**	34	37	35
8.	Net cash generated from operating activities	₹ million	(1,611.02)	1,088.93	696.92	951.74
9.	Gross Profit	₹ million	4,334.04	7,324.03	5,491.10	4,604.97
10.	Gross Margin	%	15.29%	15.02%	15.84%	15.91%
11.	EBITDA	₹ million	1,459.09	2,348.46	1,786.63	1,748.53
12.	Adjusted EBITDA	₹ million	1,443.04	2,348.46	1,786.63	1,748.53
13.	EBITDA Margin	%	5.12%	4.80%	5.13%	5.99%
14.	PAT Margin	%	1.41%	1.31%	0.97%	1.11%
15.	RoE	%	10.42%**	18.68%	12.03%	13.19%
16.	RoCE	%	8.83%**	18.32%	16.79%	17.09%
17.	Net Debt / EBITDA	times	5.00**	2.03	1.97	1.68
18.	Debt to Equity	times	1.99	1.47	1.33	1.44
19.	Net worth	₹ million	3,842.11	3,430.44	2,798.86	2,460.02

** Not annualised

Below are the details of income generated from our sales of vehicles and services provided:

Particulars	Six Months period ended, September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income
Sales								
Sale of new vehicle	19,411.07	68.15%	33,305.06	68.07%	23,222.61	66.65%	19,395.41	66.44%
Sale of Accessories	439.42	1.54%	771.22	1.58%	433.59	1.24%	336.69	1.15%

Particulars	Six Months period ended, September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income	Amount (in ₹ million)	% contribution to total income
Insurance commission & Finance Commission	237.07	0.83%	395.15	0.81%	286.02	0.82%	272.04	0.93%
Income from schemes and incentives	701.34	2.46%	1,049.48	2.15%	956.26	2.74%	803.52	2.75%
Others	192.81	0.68%	340.94	0.70%	193.50	0.56%	138.20	0.47%
Services								
Labour Income	1,605.17	5.64%	2,871.91	5.87%	2,367.73	6.80%	1,818.50	6.23%
Sale of spare parts	2,406.52	8.45%	3,879.05	7.93%	2,577.39	7.40%	2,144.98	7.35%
Insurance commission	110.32	0.39%	192.52	0.39%	167.59	0.48%	172.11	0.59%
Income from schemes and incentives	60.88	0.21%	114.04	0.23%	91.46	0.26%	72.97	0.25%
Others	41.88	0.15%	84.20	0.17%	121.51	0.35%	117.87	0.40%

Significant factors affecting our financial condition and results of operations

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 26. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Market and economic conditions

The automotive retail industry is sensitive to changing economic conditions and various other factors. General economic factors that can affect demands in the automotive retail industry, include, among others:

- global oil prices, which impact the automotive sectors;
- global and local economic or fiscal instability;
- global and local political and regulatory measures and developments, such as tax incentives or other subsidies, environmental policies, the phasing out of older vehicles or other developing trends, such as the move towards electrification and emissions reduction;
- global and local fiscal and monetary dynamics, such as rises or falls in interest rates (resulting in greater or lesser ability by customers to borrow money, including for automotive purchases), foreign exchange rates and inflation rates;
- general levels of GDP growth in India or the regions in which we operate, and growth in personal disposable income in India or the regions in which we operate; demographic conditions and population dynamics, such as the absolute size of a market, the growth rates of the population and rate of employment in that market; and
- economic development, shifting of wealth in India, in particular growth in the middle class, and change in customer preferences in favour of more fuel efficient and environmentally friendly vehicles.

The cyclical nature of general economic conditions and, therefore, of the automotive retail industry means that our results of operations can fluctuate substantially from period to period. We expect that these economic factors and conditions in our industry, particularly changes in consumer confidence, employment levels, fuel prices, consumer spending on passenger and commercial vehicles, urbanisation, changes in customer preferences, government policies and interest rates and introduction of new technologies will continue to be the most important factors affecting our revenues and results of operations. Other factors, such as competitiveness, quality and pricing and the regular launch of new models of our OEMs, quality of after sales support have an effect on our ability to win customers in competitive situations.

The automobile industry is one of the primary contributors to the Indian economy. Its current contribution to India’s GDP is 7.10%. India’s domestic market is one of the largest auto markets in the world, with annual domestic sales of over 20 million vehicles in Fiscal 2023. Domestic automobile industry is dominated by the two-wheeler sub-segment which contributes more than 70.00% to the overall automotive industry, followed by passenger vehicles at 27.00% by sales volume in Fiscal 2023.

Tractors, commercial vehicles and electric three-wheelers contributed the rest 3.00%. However, Indian dealerships are still in the development stages with significant room for expansion.

In the event that there is an overall downward trend in the purchase of vehicles, or a trend towards types of vehicles that we do not offer, this could adversely impact our business and results of operations.

Ability to renew and maintain our dealership agreements, and the ability of our OEM partners to maintain their business operations

We have entered into dealership agreements with 7 OEMs pursuant to which we have been authorized as a dealer of such OEMs' products on a non-exclusive and non-transferable basis, in the identified geographies/markets. We are among the top six dealerships in India, in terms of sales by volume, as of March 31, 2023, with respect to each of our passenger and commercial vehicles dealerships. Further, we have also entered into dealership agreements for spare parts and accessories distribution with various OEMs.

Since our ability to sell new vehicles is dependent on the ability of our OEMs to produce and allocate an attractive and desirable product mix to our showrooms, the success of our dealerships is dependent on the success and continued financial stability of our OEMs, namely Maruti Suzuki, Honda, JLR, Tata Motors (Commercial), Ather, Piaggio and BharatBenz. We would expect successful new model launches by our OEMs to increase our revenues and results of operations. For instance, Maruti Suzuki dominated the domestic sales market with 41.00% share of domestic sales for FY 2023 (*Source: CRISIL Report*). New launches have helped OEMs expand their market presence.

Further, in the event that the brand or reputation of our OEMs is adversely affected, the demand for the products of our OEMs may decline. In addition, if there is a decline in demand for the spare parts of any or all of these OEMs, it may adversely impact our spare parts and accessories distribution business. Any or all of these events may result in a decline in our revenues and performance of our business.

Further, while our dealership agreements have been executed for fixed periods of time, the respective OEMs are entitled to unilaterally terminate such dealership agreements without cause. Any breach by us of the terms of the dealership agreements could also result in a termination of the agreements. In the event that our association with any OEM ceases, we may not be able to substitute such arrangement with another OEM, immediately or at all. The loss of any OEM including as a result of a dispute with or termination or non-renewal of dealership agreements by them may materially affect our business and results of operations.

Working capital management

Our working capital management efficiency plays a key role in determining our capital efficiency and profitability across all segments of our business. Our purchases of stock in trade for the six months period ended September 30, 2023 and FY 2023, 2022 and 2021 amounted to ₹26,412.73 million, ₹41,751.51 million, ₹29,671.24 million and ₹24,573.83 million, respectively. Further, we had trade receivables (current) of ₹2,996.50 million, ₹2,237.84 million, ₹1,766.01 million and ₹1,607.27 million, respectively, as of September 30, 2023 and March 31, 2023, 2022 and 2021 from counter-parties we believe are well established, including our OEMs, and trade payables of ₹1,709.84 million, ₹907.74 million, ₹868.30 million and ₹663.43 million, respectively, as of September 30, 2023 and March 31, 2023, 2022 and 2021.

Our ability to successfully manage our working capital will depend on accurately predicting stock in trade requirements for new vehicles, spare parts and accessories and used vehicles, requirements across our segment of operations, as well as managing our debtors days and creditor days. Successfully anticipating inventory requirements will enable us to cater to our customer requirements in a timely manner, while reducing our debtor days will improve our cash flow cycle and enable us to redeploy working capital in an efficient manner.

Pricing policy

The table below shows our rankings in terms of volume of services/ service satisfaction index and volume of sales for Fiscal 2023:

Name of OEM	Ranking in terms of volume of service/ service satisfaction index	Ranking in terms of volume of sales
Maruti Suzuki	Number one at national level, in terms of volume of services (Arena and Nexa) handled for Maruti Suzuki	Seventh largest passenger vehicle dealership for Maruti Suzuki in terms of sales by volume
Honda	Number one dealership for Honda in terms of volume of services in Kerala	Sixth largest car dealership for Honda in terms of sales by volume
JLR	Third largest retailer of JLR in terms of the service volume, by the combined service volume of both outlets at Bangalore and Mangalore	Fifth largest retailer for JLR in terms of retail sales by volume

Name of OEM	Ranking in terms of volume of service/ service satisfaction index	Ranking in terms of volume of sales
Tata Motors (Commercial)	Third largest commercial vehicle dealership group for Tata Motors in terms of services handled	Fourth largest commercial vehicle dealership group for Tata Motors in terms of sales volume
BharatBenz	First, on a national level, in terms of the service satisfaction index for BharatBenz	Second, on a national level in terms of volume of sales handled for BharatBenz
Piaggio	Fifth biggest dealer, all India level, for Piaggio	Fifth biggest dealer, all India level, for Piaggio
Ather	Twenty seventh on a national level in terms of volume of services handled for Ather	Ninth on a national level in terms of volumes of sale handled for Ather

Sales of new passenger vehicles, sales of new commercial vehicles, sale of new electric two wheeler and three wheeler vehicles, sales of pre-owned passenger vehicles and services and repairs contributed to 22.64%, 15.99%, 0.55% 3.30% and 46.60%, respectively of our total EBITDA for the six months period ended September 30, 2023. Our pricing policy for new vehicles is based on the pricing policy of our OEMs. Further, any discounts or incentives provided by us are also linked to the schemes and incentives offered by our OEMs. The pricing policy for pre-owned vehicles is determined by us, based on the sales required for a particular product. We have limited price variations in relation to each vehicle dealership and the prices of spare parts and accessories. Some of our OEMs also prescribe guidelines on pricing of services offerings and fix the per hour labour charges for services and repair work undertaken by us which varies from city to city. We are therefore subject to any fluctuations in the pricing policies of our OEMs.

Given that the pricing policy for our business of sale of new vehicles and servicing and repairs of vehicles is driven by our OEMs, our ability to manage our operating costs would determine our profitability and growth. Further, in the case of pre-owned vehicles, our ability to pass on increased operating costs to our customers in the form of increased prices, while balancing customer expectations would enable us to achieve better operating results.

Operating costs and service revenues

Given the nature of our business, managing operating costs and efficiencies are critical to maintaining our competitiveness and profitability. We believe that we are uniquely positioned to leverage our scale of operations to achieve competitive operating margins by centralizing and streamlining various business processes. For example, our profit for the year increased by 90.31% to ₹640.74 million for FY 2023 from ₹336.69 million for FY 2022, reflecting the efficiencies in management of operating costs that we have implemented.

We continually undertake efforts to streamline our costs, such as undertaking centralised purchase of, *inter alia*, lubricants and paint from our vendors, centralisation of our human resources department, finance department and the information technology department. We are also able to capitalise on our economies of scale in purchasing lubricants, paint, etc. through pan-India vendor relationships. Additionally, we are able to improve financial controls and lower servicing costs by maintaining administrative activities in our dealership's main office. Our ability to optimize our operating costs in line with customer demand is subject to risks and uncertainties, as our costs depend, in part, on external factors beyond our control, including the pricing of passenger and commercial vehicles determined by our OEMs.

Our sizeable and growing service revenues help insulate us from downturns in vehicle sales in the short-term. We offer fully integrated services and repair offerings through our authorised service centres that contribute to higher-margin revenues at our dealerships and our presence across the customer vehicle ownership lifecycle helps mitigate the cyclicity that has historically impacted some elements of the automotive sector. Our authorised service centres contributed to 14.83%, 14.60%, 15.29% and 14.82% of our total revenue and 46.60%, 55.48%, 54.10% and 53.44% of our EBITDA during the six months period ended September 30, 2023 and FY 2023, 2022 and 2021, respectively. Our operations have demonstrated a growth in EBITDA from ₹1,748.53 million in FY 2021 to ₹2,348.46 million in FY 2023, primarily attributable to higher margin revenues generated through our authorised service centres. As service revenues will continue even during a decline in sales of new vehicles, our overall performance and results of operations will in part be determined by how successful we are in maintaining our service offerings and quality levels, as well as our ability to leverage other revenue streams such as distribution of spare parts and sales of third-party financial products.

Lease rental agreements for our dealership network

We have a deep penetration in the semi-urban and rural areas in the states we operate in. Our vehicle dealership network is spread across all 14 districts of Kerala, 2 districts in Karnataka and in 12 districts in Tamil Nadu and 9 districts in Maharashtra. Further, our spares parts and accessories distribution dealerships are located across Karnataka, Kerala and Tamil Nadu. As of December 31, 2023, our network comprised of 30 showrooms and 84 sales outlets and booking offices for sale of new passenger vehicles, 21 showrooms and 44 sales outlets for sale of commercial vehicles; 10 showrooms and 5 sales outlets for two wheeler and three wheeler electric vehicles; 85 authorised service centres for servicing and repair of passenger vehicles, 44 authorised service centres for servicing and repair of commercial vehicles and 10 authorised service centres for servicing and repair of two wheeler and three wheeler electric vehicles; and 9 dedicated showrooms and 23 sales outlets for sale of pre-owned passenger

vehicles. Further, as on December 31, 2023, our spare parts and distribution business operated through 67 touch points which comprises of 43 retail outlets, 24 warehouses and offices.

Our Company owned the premises for 2 of our Arena showrooms. In addition, our Company owns one authorised service centre in Kollam, which has been leased to PMMIL. Certain of our showrooms and authorised service centres, and a warehouse are located on premises that are held by our Promoters on a freehold basis. All our other showrooms, sales outlets and booking offices, authorised service centres, retail outlets, warehouses and driving schools, across Kerala, Tamil Nadu, Karnataka and Maharashtra, are located on lease hold, leave and license and licensed premises. All our leased properties are in the name of our Company or our Subsidiaries. The term of our leases ranges from 11 months to 30 years. Our rent expense is generally affected by the availability of suitable locations and has been increasing in-line with macro-economic trends in India. The continued availability of suitable locations and premises for our retail stores, at commercially viable terms, will directly impact our ability to expand our dealership network in the manner that we plan.

Competition

We operate in a competitive automobile dealership landscape and face competition in each of our business verticals from several companies that operate numerous automobile retail stores, including online platforms for sale of new and pre-owned vehicles. We also compete with other dealerships that sell the same vehicle brands that we sell, as well as dealers and certain manufacturers that sell other vehicle brands that we do not represent in a particular market. Other dealerships have agreements with various OEMs and, as such, generally have access to new vehicles on the same terms as we have. We also compete with other dealers for qualified employees, particularly for general managers and sales and service personnel. We also compete with independent automobile service shops and service centre chains. We believe that the principal competitive factors in the parts and service business are price, location, expertise with the particular vehicle lines, and customer service. We also compete with a broad range of financial institutions in our business of facilitating sale of finance and insurance products. We believe that the long-standing presence of the Kuttukaran Group in the automotive industry, and the trust enjoyed by us with our customers has enabled us to become valued partners of each of our OEMs which is a distinct competitive advantage in the industry in which we operate.

Acquisitions and their successful integration

Our business strategies are focused on enhancing our market position by penetrating deeper into markets in which we operate and expanding into new markets through a combination of organic growth and inorganic acquisitions. We generally seek to acquire dealerships with high-growth automotive brands which may or may not be part of our existing portfolio in highly concentrated or growing demographic areas that will benefit from our management expertise, manufacturer relations and scale of operations, as well as smaller, single location dealerships that can be effectively integrated into our existing operations. For instance, we took over all 11 service centres and two showrooms from a dealer of Maruti Suzuki in Kerala in 2021. We also acquired Tata Motors (Commercial) dealership in North Kerala in 2015. Further, as part of our strategic plans to expand our business into other territories and states, we acquired the entire operations of a sizeable spare parts and accessories distributorship in Karnataka, in FY 2019 which helped us gain established business channels and a steady foothold in Karnataka with a presence in Bengaluru, Hubballi, Vijayapur, Hosapete, Shivamoga, Mysuru, Bijapur, Belagum and Mangaluru.

Further, in FY 2023, we acquired 100% equity shares of Keracon Equipments Private Limited ('Keracon') at a consolidated price of Rs 301.46 million, which significantly contributes to our ability to create revenue. Keracon has a 100% subsidiary - Prabal Motors Private Limited ('Prabal') which is in the business of trading and servicing of commercial vehicles (BharatBenz). The acquisition from Keracon falls within the ambit of Ind AS 103 "Business Combination". Consequent to this acquisition, Keracon and Prabal have become our wholly-owned & Step down subsidiaries respectively, with effect from February 1, 2023. This acquisition expanded by 8 showrooms, 17 service centres and 2 sales outlets for BharatBenz in Tamil Nadu and Maharashtra in FY 2023. This is expected to increase our footprint to other states in India. We continue to evaluate inorganic growth opportunities to grow our business. Each new acquisition that we complete, and our ability to successfully integrate it into our existing business, may materially affect our overall results of operations and financial profile.

Basis of preparation of financial statements

The Restated Financial Information has been prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note.

Significant accounting policies

Property, plant and equipment

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, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working

condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of property, plant and equipment 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 of production or those property, plant and equipment that necessarily take a substantial period to get ready for their intended use, are capitalised. Other borrowing costs are accounted as an expense in the statement of profit and loss.

Transition to Ind AS

The cost property, plant and equipment at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent expenditure

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

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

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

Class of assets	Useful life*
Building owned	60
Motor cars	8
Motor cycles and trucks	10
Office Equipment	5
Plant and machinery	15-25
Tools and Equipment	5-15
Electrical fittings	10
Furniture and fittings	10
Computer equipment	3

* The useful life of items of property, plant and equipment is in line with the Schedule II of the Companies Act 2013.

The useful life of items of property, plant and equipment is in line with the Schedule II of the Companies Act 2013.

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

Depreciation on additions/ disposals is provided on a pro-rata basis i.e, from/ upto the date on which the asset is ready for use/disposed off

Intangible assets and goodwill

Intangible assets other than goodwill:

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

The estimated useful lives are as follows:

Class of assets	Years
Software	3

Class of assets	Years
Supplier Relationship	5
Brand and Non-compete fee	2-15

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

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Subsequent expenditure is capitalised 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.

Goodwill:

For measurement of goodwill that arise from business combination see note 3.1 (i) of the Restated Financial Statements. Subsequent measurement is at cost less any accumulated impairment loss.

Intangible assets and goodwill

Transition to Ind AS

The cost Intangible assets at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

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 Group 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 Group makes specified monthly contributions towards Government administered provident fund scheme and employee state insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

If the contribution already paid is less than the contribution payable under the scheme for service received before the balance sheet date, the deficit payable under the scheme is recognized as a liability after deducting the contribution already paid

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

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Our 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 and deducting the fair value of any plan assets, if any

The Group's gratuity scheme is a defined benefit plan. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income (OCI). We determine 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 – compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within 12 months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within 12 months after the end of such period, the benefit is classified as a long term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the profit or loss

Provisions

A provision is recognized if, as a result of a past event, the Group 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 Group 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 Group recognizes any impairment loss on the assets associated with that contract.

Revenue

Sale of products

Revenue on sale of vehicles, spare parts and accessories is recognised when the control is transferred to the customer and is accounted net of goods and services tax and trade discounts, if any. Revenues are recognised when collectability of the resulting receivable is reasonably assured.

The Group generates revenue from sale of vehicles, services, spare parts and accessories and other operating avenues. Under Ind AS 115, revenue is recognized when a customer obtains control of the goods or services and revenue is recognized point in time.

Contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

When there is unconditional right to receive cash, and only passage of time is required to do invoicing, the same is presented as Unbilled revenue.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract.

Rendering of services

Revenues from services, including income from the driving school are recognised when services are rendered and related costs are incurred.

Commission, discount and incentive income

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

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

Inventories

Inventories are carried at lower of cost and net realisable value. Cost comprises purchase price, cost of conversion and other costs incurred in bringing the inventory to its present location and condition. The cost is calculated on specific identification, except for spares, lubricants and accessories which is based on weighted average cost adjusted for indirect taxes.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

The comparison of cost and net realisable value of inventory is made on an item by item basis.

The provision for inventory obsolescence is assessed annually and is provided as considered necessary.

Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognised when the Group 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.

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 Group 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 Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group 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 Group 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 derecognition are not considered sales for this purpose, consistent with the Group'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 Group 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 Group 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 Group’s claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

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

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 derecognition is also recognized in profit or loss.

De recognition

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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 Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group 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.

Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group 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.

Impairment

Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Group 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 Group 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 Group in accordance with the contract and the cash flows that the Group 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 Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

Impairment of non- financial assets

The Group'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.

Goodwill is tested annually for impairment.

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. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Group 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.

Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Recognition of interest income or interest expense

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

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

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

Dividend income on mutual fund is recognised in profit or loss on the date on which the right to receive payment is established.

Income tax

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

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or recoverable from tax authorities after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred tax

Deferred tax is recognised 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 Group 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 Group 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.

Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Earnings per share

The basic Earnings Per Share is computed by dividing the net profit 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.

Cash-flow statement

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

Cash and cash equivalents

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

Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Non-current assets classified as held for sale

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any Asset as “Asset held for sale” the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for sale”. Once classified as held for sale, intangible assets and Property Plant Equipment are no longer amortised or depreciated.

Principle components of income and expenditure

Income

Revenue from operations

Our revenue from operations comprises:

- (a) sale of products;
- (b) sale of services; and
- (c) other operating revenues

Sale of products

Our revenue from sale of products comprises sales of new vehicles, sale of spare parts and accessories and sale of pre-owned vehicles. We generate revenue from sale of new passenger, luxury, commercial and other vehicles of our OEMs through our dealership network, and through sale of dealer approved spare parts and accessories to our customers. Further, we also generate revenue from sale of pre-owned vehicles, through our dealership network.

Sale of services

Our revenue from sale of services comprises the revenue generated from servicing and repair of vehicles manufactured by our OEMs. Further, any sale of products, including spare parts or accessories during servicing of vehicles is included in revenue from sale of products (sale of spare parts and accessories).

Other operating revenues

Our revenue from other operating revenues comprises income from schemes and incentives offered by our OEMs from time to time in relation to the sale of their vehicles, finance and insurance commission which is received by our Company from third party finance companies and insurance providers for marketing their financing and insurance products to customers who purchase new and pre-owned vehicles from our dealership network and income from driving school, which is operated by our Company, under the Maruti Suzuki dealership.

A major portion of our total income arises from our sale of new vehicles through our dealerships and sale of spare parts and accessories. In the six months period ended September 30, 2023 and FY 2023, 2022 and 2021, revenue from sale of new vehicles and sale of spare parts and accessories contributed 68.47%, 68.32%, 67.00% and 67.03% and 14.80%, 13.99%, 13.52% and 13.08%, respectively, of our revenue from operations.

Other income

Our recurring other income includes interest on fixed deposits with banks, interest income based on rent deposits, gain on sale of property, plant and equipment (net), gain on sale of property, plant and equipment (net), while our non-recurring other income includes liabilities/ provisions no longer required written back, net gain on financial assets measured at fair value through profit and loss, interest on income tax refund, rent concession received, gain on de-recognition of right of use assets, and other non-operating income.

Expenses

Total expenses includes (i) purchases of stock-in-trade; (ii) change in inventories of stock in trade; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation; (vi) impairment loss on financial assets and contract assets; and (vii) other expenses.

Purchases of stock-in-trade

Purchase of stock-in-trade represents the cost of acquisition of new vehicles, pre-owned vehicles and spare parts, lubricants and accessories from our OEMs for onward sale to our customers.

Change in inventories of stock in trade

Change in inventories of stock reflects the change in inventory maintained by us during each fiscal year.

Employee benefits expense

Employee benefits of our Company and Subsidiaries include salaries and allowances paid to our staff, contribution to provident fund and other funds and staff welfare expenses borne by us.

Finance costs

Our finance cost includes interest on borrowings (term loans and working capital loans) of our Company and Subsidiaries from banks for our business operations, interest on lease liability and other borrowing costs, which comprises commission on bank guarantees, processing charges and other interests paid.

Depreciation and amortisation expense

Depreciation and amortisation expenses include depreciation on property, plant and equipment of our Company and Subsidiaries, depreciation on right of use assets and amortisation on intangible assets.

Other Expense

Other expenses primarily include rent expenses for our dealership network, advertising and sales promotion expenses, consumables, repairs and maintenance (including of plant and machinery, buildings and others), power, water and fuel, travelling and conveyance, housekeeping and security, office expenses, communication, refurbishment charges on pre-owned vehicles, loss on sale of property, plant and equipment (net), pre-delivery inspection charges, rates and taxes, transportation charges, insurance, bank charges, management fee on pre-owned vehicles, legal and professional fees, donation and charity, expenditure on corporate social responsibility (CSR) and miscellaneous expenses, etc.

Results of Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particular	Six months period ended		Financial Year					
	September 30, 2023		2023		2022		2021	
	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)
Income								
Revenue from Operations	28,349.97	99.54	48,750.02	99.64	34,658.79	99.47	28,935.25	99.12
Other income	132.11	0.46	176.26	0.36	183.20	0.53	257.27	0.88
Total Income	28,482.08	100.00	48,926.28	100.00	34,841.99	100.00	29,192.52	100.00
Expenses								
Purchases of stock-in-trade	26,412.73	92.73	41,751.51	85.34	29,671.24	85.16	24,573.83	84.18
Change in inventories of stock in trade	(2,396.80)	(8.42)	(325.52)	(0.67)	(503.55)	(1.45)	(243.55)	(0.83)
Employee benefits expenses	1,858.79	6.53	3,082.06	6.30	2,420.12	6.95	2,035.07	6.97
Finance costs	476.14	1.67	705.34	1.44	608.60	1.75	551.10	1.89
Depreciation and amortisation expense	444.19	1.56	794.45	1.62	692.57	1.99	724.91	2.48
Impairment loss on trade receivables and contract assets	1.13	0.00	30.53	0.06	9.42	0.03	24.76	0.08
Other expenses	1,163.19	4.08	2,039.24	4.17	1,458.13	4.18	1,053.88	3.61
Total Expenses	27,959.37	98.16	48,077.61	98.27	34,356.53	98.61	28,720.00	98.38
Profit/(Loss) before tax and exceptional item	522.71	1.84	848.67	1.73	485.46	1.39	472.52	1.62

Particular	Six months period ended		Financial Year					
	September 30, 2023		2023		2022		2021	
	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)	(₹ In million)	Percentage of total income (in %)
Exceptional item, net	16.05	0.06	-	-	-	-	-	-
Profit before tax	538.76	1.89	848.67	1.73	485.46	1.39	472.52	1.62
Income tax expense								
Current tax	151.25	0.53	240.10	0.49	129.42	0.37	99.86	0.34
Deferred tax charge/ (credit)	(12.93)	(0.05)	(32.17)	(0.07)	19.35	0.06	48.11	0.16
Total tax expense/ (income)	138.32	0.49	207.93	0.42	148.77	0.43	147.97	0.51
Profit for the period/ year	400.44	1.41	640.74	1.31	336.69	0.97	324.55	1.11
Other comprehensive income								
Items that will not be reclassified subsequently to profit or loss								
Remeasurement of net defined benefit plan income/ (loss)	15.10	0.05	(12.47)	(0.03)	2.94	0.01	9.09	0.03
Income tax charge/ (credit) relating to the above	(3.87)	(0.01)	3.31	0.01	(0.79)	0.00	(1.34)	0.00
Other comprehensive income/ (loss) for the period/ year, net of income tax	11.23	0.04	(9.16)	(0.02)	2.15	0.01	7.75	0.03
Total comprehensive income for the period/ year	411.67	1.45	631.58	1.29	338.84	0.97	332.30	1.14
Earnings per share (equity share of face value of ₹2 each)								
Basic (in ₹)	6.38*	-	10.22	-	5.37	-	5.17	-
Diluted (in ₹)	6.38*	-	10.22	-	5.37	-	5.17	-

* Not annualised.

Six months period ended September 30, 2023

Revenues

Our total income for the six months ended September 30, 2023 was ₹28,482.08 million.

Revenue from operations

Sale of products

Sales of new vehicles Our revenue from sales of new vehicles for the six months period ended September 30, 2023 was ₹19,411.07 million.

Sale of spare parts and accessories Our revenue from sale of spare parts and accessories for the six months period ended September 30, 2023 was ₹4,115.54 million.

Sale of pre-owned vehicles Our revenue from sale of pre-owned vehicles for the six months period ended September 30, 2023 was ₹1,938.74 million.

Sale of services

Our revenue from sale of services for the six months period ended September 30, 2023 was ₹1,605.84 million.

Other operating revenues

Income from schemes and incentives Our income from schemes and incentives for the six months period ended September 30, 2023 was ₹873.87 million.

Finance and insurance commission Our revenue from finance and insurance commission for the six months period ended September 30, 2023 was ₹359.62 million.

Income from driving school Our income from driving school for the six months period ended September 30, 2023 was ₹19.27 million.

Other income

Other income for the six months period ended September 30, 2023 was ₹132.11 million. Other income primarily comprised of ₹7.94 million interest income from rent deposits, ₹1.55 million interest income from fixed deposits with banks, ₹72.47 million from liabilities/provisions no longer required written back. The liabilities written-back for the six months period ended September 30, 2023 includes ₹38.90 million relating to refund received by one of our Subsidiary from its principal against KVAT paid on warranty charges, in earlier years

Expenses

Our total expenses for the six months period ended September 30, 2023 was ₹27,959.37 million.

Purchase of stock-in-trade: Our purchase of stock-in-trade for the six months period ended September 30, 2023 was ₹26,412.73 million.

Change in inventories of stock in trade: Changes in inventories of stock in trade for the six months period ended September 30, 2023 was ₹(2,396.80) million. This was primarily due to increase in closing stock during the festive season.

Employee benefits expense: Our employee benefits expense totaled ₹1,858.79 million for the six months period ended September 30, 2023. Employee benefits expense primarily consists of salaries and allowances, contribution to provident and other funds and expenses on staff welfare.

Finance cost: Our finance cost totaled ₹476.14 million for the six months period ended September 30, 2023. Our finance costs primarily comprised of interest expense on financial liabilities measured at amortised cost, interest on bank borrowings ₹254.42 million, interest expense on lease liability ₹209.03 million, interest on other borrowings of ₹12.69 million, other interests and other borrowing costs.

Depreciation and amortisation expense: Our depreciation and amortisation expense totaled ₹444.19 million for the six months period ended September 30, 2023. Depreciation and amortisation primarily comprised of depreciation on property, plant and equipment of ₹165.86 million, depreciation on right-of-use assets of ₹254.36 million and amortization on intangible assets of ₹23.97 million.

Other expenses: Our other expenses amounted to ₹1,163.19 million for the six months period ended September 30, 2023, which comprised primarily of rent, advertising and sales promotion, consumables, repairs and maintenance, power, water and fuel, travelling and conveyance, housekeeping and security, office expenses, communication etc.

Impairment loss on financial assets and contract assets: Our impairment loss on financial assets and contract assets was ₹1.13 million for the six months period ended September 30, 2023.

Profit before tax: As a result of the foregoing, our profit before tax was ₹538.76 million for the six months period ended September 30, 2023.

Total Tax expense: Our total tax expense for the six months period ended September 30, 2023 was ₹138.32 million.

Profit for the period: Our profit after tax was ₹400.44 million for the six months period ended September 30, 2023.

FY 2023 compared to FY 2022

Revenues

Our total income for FY 2023 was ₹48,926.28 million, as compared to ₹34,841.99 million for FY 2022, reflecting an increase of 40.42%, mainly owing to an increase in the volume of sale of new passenger vehicles and commercial vehicles and enhancement of revenue from sale of services.

Revenue from operations

Sale of products

Sales of new vehicles Our revenue from sales of new vehicles for FY 2023 was ₹33,305.06 million, as compared to ₹23,222.61 million for FY 2022, reflecting an increase of 43.42%, was primarily due to increase in demand and prices of commercial vehicles and passenger vehicles leading to an increase in our revenue from sales. Further, we acquired Prabal Motors (BharatBenz) in the last quarter of FY 2023 which also contributed to the increase in our revenue from sales.

Sale of spare parts and accessories Our revenue from sale of spare parts and accessories increased by 45.51% to ₹6,820.19 million for FY 2023 from ₹4,687.13 million for FY 2022. The increase was mainly due to the increase in sale of new vehicle which is interlinked to the sale of spare parts and accessories and due to an increase in our service operations. Also, we operate the sales of spare parts and accessories business through our Subsidiary, PADL, which also reported a growth of 44.43% in the revenue from operations mainly due to the commencement of distribution of JCB spare parts in FY 2023.

Sale of pre-owned vehicles Our revenue from sale of pre-owned vehicles increased by 29.00% to ₹3,705.97 million for FY 2023, as compared to ₹2,872.81 million for FY 2022. Our new vehicle customers exchange their old vehicles which we sell through our pre-owned sales showrooms and outlets. Further, we also procure pre-owned vehicles from the open market, sales of which also contributed to the increase in revenue from sale of pre-owned vehicles.

Sale of services

Our revenue from sale of services increased by 31.55% to ₹2,872.91 million for FY 2023 from ₹2,183.97 million for FY 2022, owing to additions in new service centres in the passenger vehicles segment and an increase in the sales from the existing service centres.

Other operating revenues

Income from schemes and incentives Our income from schemes and incentives increased significantly by 15.30% to ₹1,358.23 million for FY 2023 from ₹1,177.95 million for FY 2022. The schemes and incentives are provided by our OEMs for our enhanced performance. Accordingly, our income from schemes and incentives increased primarily owing to an increase in our volume of vehicle sales.

Finance and insurance commission Our revenue from finance and insurance commission increased by 31.48% to ₹613.84 million for FY 2023, as compared to ₹466.88 million for FY 2022. An increase in the sale of new vehicle led to increase in the purchase of financial and insurance products.

Income from driving school Our income from driving school for FY 2023 was ₹30.50 million, as compared to ₹18.04 million for FY 2022, reflecting an increase of 69.07% owing to the reduction in the impact of COVID-19 enabling the business to be fully functional in FY 2023.

Other income

Other income decreased by 3.79% to ₹176.26 million in FY 2023 from ₹183.20 million in FY 2022. Interest income from rent deposits decreased to ₹14.14 million in FY 2023 as compared to ₹18.65 million in FY 2022, interest income from fixed deposits with banks decreased to ₹2.96 million in FY 2023 as compared to ₹11.62 million in FY 2022, liabilities/ provisions no longer required to be written back increased to ₹66.40 million in FY 2023 as compared to ₹60.01 million in FY 2022. In FY 2022 we received rent concessions due to COVID-19 impact. The same was discontinued in FY 2023.

Expenses

Our total expenses increased by 39.94% to ₹48,077.61 million for FY 2023 from ₹34,356.53 million for FY 2022, primarily owing to various reasons like, setting up of new business outlets, acquisition of Keracon (Prabal Motors), and an increase in the COGS of 42.03%.

Purchase of stock-in-trade: Our purchase of stock-in-trade increased by 40.71% to ₹41,751.51 million for FY 2023 from ₹29,671.24 million for FY 2022. This was primarily as a result of an increase in our total revenue by 40.66%.

Change in inventories of stock in trade: In relation to change in inventories of stock in trade, we saw a decrease in our closing inventory of ₹325.52 million for FY 2023, compared to change in inventory of ₹503.55 million for FY 2022. This was primarily a result of increase in sale of new vehicles and services.

Employee benefits expense: Our employee benefits expense increased by 27.35% to ₹3,082.06 million for FY 2023 from ₹2,420.12 million for FY 2022, owing primarily due to staff recruitment in new business locations, regular increments and increased staff incentives in line with the enhanced revenues.

Finance cost: Our finance cost increased by 15.90% to ₹705.34 million for FY 2023 from ₹608.60 million for FY 2022, owing primarily due to an increase in interest expense on bank borrowings to ₹319.35 million for FY 2023 from ₹267.19 million for FY 2022. This was mainly due to an increase in the procurement of new vehicle in FY 2023 and interest rate hike in FY 2023. Further interest on lease liabilities increased by ₹40.83 million due to renewal/addition of lease properties.

Depreciation and amortisation expense: Our depreciation and amortisation expense increased by 14.71% to ₹794.45 million for FY 2023 from ₹692.57 million for FY 2022, primarily owing to addition of new business locations and incidental capital expenditure. Further, there was a depreciation on the ROU leading to an increase in the expenses by ₹57.27 million due to renewal/addition on lease properties.

Other expenses: Our other expenses increased by 39.85% to ₹2,039.24 million for FY 2023 from ₹1,458.13 million for FY 2022, primarily due to an increase in the expenses for the addition of new business locations. Further, in FY 2022 there were limited expenses due to subdued business due to the impact of COVID-19, which increased in FY 2023, with our business being fully functional.

Impairment loss on financial assets and contract assets: Our impairment loss on financial assets and contract assets increased by 224.10% to ₹30.53 million in FY 2023 from ₹9.42 million in FY 2022, primarily due to the change in the provision policy for debtors in FY 2023 and recovery of previously written off bad debts in FY 2022.

Profit before tax: As a result of the foregoing, our profit before tax increased by 74.82% to ₹848.67 million for FY 2023 from ₹485.46 million for FY 2022.

Total Tax expense: Our total tax expense for FY 2023 was ₹207.93 million compared to tax of ₹148.77 million for FY 2022.

Profit for the period: Our profit after tax increased by 90.31% to ₹640.74 million for FY 2023 from ₹336.69 million for FY 2022, reflecting enhanced revenues, cost efficiencies, improved productivity and increase in overall PBT.

FY 2022 compared to FY 2021

Revenues

Our total income for FY 2022 was ₹34,841.99 million, as compared to ₹29,192.52 million for FY 2021, reflecting an increase of 19.35%, mainly owing to an increase in the volume of sale of new vehicles and sale of services during this period.

Revenue from operations

Sale of products

Sales of new vehicles Our revenue from sales of new vehicles for FY 2022 was ₹23,222.61 million, as compared to ₹19,395.41 million for FY 2021, reflecting an increase of 19.73%, primarily due to an increase in the sales of new vehicles of Tata Motors (Commercial) by our Subsidiary, PMMIL.

Sale of spare parts and accessories Our revenue from sale of spare parts and accessories increased by 23.88% to ₹4,687.13 million for FY 2022 from ₹3,783.64 million for FY 2021. This was due to increase in the servicing of passenger vehicles and commercial vehicles which in turn led to the increase in the sale of spare parts and accessories distribution business by 23.88%.

Sale of pre-owned vehicles Our revenue from sale of pre-owned vehicles increased by 16.16% to ₹2,872.81 million for FY 2022, as compared to ₹2,473.08 million for FY 2021. Our new vehicle customers exchange their old vehicles which we sell through our pre-owned sales showrooms and outlets. We also made sales of pre-owned vehicles purchased from the open market, leading to an increase in the overall sales of pre-owned vehicles.

Sale of services

Our revenue from sale of services increased by 21.09% to ₹2,183.97 million for FY 2022 from ₹1,803.63 million for FY 2021, owing to addition of new services centres and increase in the sales from existing service centres.

Other operating revenues

Income from schemes and incentives Our income from schemes and incentives increased by 18.86% to ₹1,177.95 million for FY 2022 from ₹991.02 million for FY 2021. The schemes and incentives are provided by our OEMs for our enhanced performance. Accordingly, our income from schemes and incentives increased primarily owing to an increase in our volume of vehicle sales.

Finance and insurance commission Our revenue from finance and insurance commission increased by 2.39% to ₹466.88 million for FY 2022, as compared to ₹455.99 million for FY 2021, due to the sale of new vehicles and sale of services which in turn led to an increase in the purchase of finance and insurance products by our customers.

Income from driving school Our income from driving school for FY 2022 was ₹18.04 million, as compared to ₹13.14 million for FY 2021, reflecting an increase of 37.29% owing to a reduction in the impact of COVID-19 in FY2022.

Other income

Other income decreased by 28.79% to ₹183.20 million in FY 2022 from ₹257.27 million in FY 2021. Interest income from rent deposits increased to ₹ 18.65 million in FY 2022 as compared to ₹ 10.39 million in FY 2021, interest income from fixed deposits

with banks increased to ₹11.62 million in FY 2022 as compared to ₹5.29 million in FY 2021,, liabilities/ provisions no longer required to be written back increased to ₹60.01 million in FY 2022 as compared to ₹56.67 million in FY 2021. In FY2021, we received lease concessions amounting to ₹70.35 million on account of the COVID-19 pandemic, which were reduced to ₹34.82 million in FY2022. Further, there was a gain on derecognition of right-to-use assets amounting to ₹28.10 million during FY 2021.

Expenses

Our total expenses increased by 19.63% to ₹34,356.53 million for FY 2022 from ₹28,720.00 million for FY 2021, primarily FY2021 was not fully operational compared to FY2022 on account of COVID-19. Accordingly, once the business was fully functional again in FY 2022, our expenses also increased.

Purchase of stock-in-trade: Our purchase of stock-in-trade increased by 20.74% to ₹29,671.24 million for FY 2022 from ₹24,573.83 million for FY 2021. This was primarily a result of an increase in our total revenue of 19.78%.

Change in inventories of stock in trade: In relation to change in inventories of stock in trade, we saw an increase in our closing inventory of ₹503.55 million for FY 2022, compared to change in inventory of ₹243.55 million for FY 2021. This was primarily a result of increase in sale of new vehicles and services.

Employee benefits expense: Our employee benefits expense increased by 18.92% to ₹2,420.12 million for FY 2022 from ₹2,035.07 million for FY 2021, owing primarily to an increase in salaries and due to increase in staff incentives.

Finance cost: Our finance cost increased to ₹608.60 million for FY 2022 from ₹551.10 million for FY 2021, owing primarily to an increase in interest on bank borrowings to ₹267.19 million for FY 2022 from ₹237.62 million for FY 2021. Increase in interest on bank borrowings was primarily due to increase in short term borrowing and increase in lease liabilities.

Depreciation and amortisation expense: Our depreciation and amortisation expense decreased by 4.46% to ₹692.57 million for FY 2022 from ₹724.91 million for FY 2021, primarily owing to writing off assets due to relocation of showrooms in our Subsidiary, PAWL (JLR) in FY2021.

Other expenses: Our other expenses increased by 38.36% to ₹1,458.13 million for FY 2022 from ₹1,053.88 million for FY 2021, primarily because FY2021 was not fully operational compared to FY22 on account of COVID-19. Accordingly, once the business was fully functional again in FY 2022, our expenses also increased.

Impairment loss on financial assets and contract assets: The impairment loss on financial assets and contract assets decreased by 61.95% to ₹9.42 million in FY 2022 from ₹24.76 million in FY 2021, primarily due to the recovery of previously written off bad debts of FY 2022.

Profit before tax: As a result of the foregoing, our profit before tax increased by 2.74% to ₹485.46 million for FY 2022 from ₹472.52 million for FY 2021. This was largely driven by the increase the overall revenue from operations.

Total Tax expense: Our total tax expense for FY 2022 was ₹148.77 million compared to tax of ₹147.97 million for FY 2021.

Profit for the period: Our profit after tax increased by 3.74% to ₹336.69 million for FY 2022 from ₹324.55 million for FY 2021, reflecting the efficiencies in management of operating costs.

Liquidity and Capital Resources

Cash flows

(in ₹ million)

Particulars	Six months period ended	FY		
	September 30, 2023	2023	2022	2021
Net cash generated from/(used in) operating activities	(1,611.02)	1,088.93	696.92	951.74
Net cash generated from/(used in) investing activities	(296.70)	(796.20)	(413.84)	(66.50)
Net cash (used in)/generated from financing activities	1,971.67	(238.44)	(652.53)	(706.76)
Net increase/(decrease) in cash and cash equivalents	63.95	54.29	(369.45)	178.48
Cash and cash equivalents at the beginning of the period/ year	238.25	183.96	553.41	374.93
Cash and cash equivalents at the end of the period/ Year	302.20	238.25	183.96	553.41

Operating Activities

Six months period ended September 30, 2023

The net cash generated from operating activities for the six months period ended September 30, 2023 was ₹(1,611.02) million. While our profit before tax and exceptional item was ₹522.71 million for the six months period ended September 30, 2023, we had operating cash flow before working capital changes amounting to ₹1,343.61 million, primarily as a result of adjustment for finance costs of ₹476.14 million and depreciation and amortisation expense of ₹444.19 million. Working capital changes primarily consisted of increase in inventories of ₹(2,396.80) million, increase in trade receivables of ₹(759.79) million, increase in loans and other financial assets and other assets of ₹(689.87) million and increase in liabilities and provisions of ₹1,022.12 million.

FY 2023

The net cash generated from operating activities for FY 2023 was ₹1,088.93 million. While our profit before tax was ₹848.67 million for FY 2023, we had operating cash flow before working capital changes amounting to ₹2,267.95 million, primarily as a result of adjustment for finance costs of ₹705.34 million and depreciation and amortisation expense of ₹794.45 million. Working capital changes primarily consisted of increase in inventories of ₹(325.52) million and increase in trade receivables of ₹(394.47) million, and increase in loans and other financial assets and other assets of ₹(30.04) million and a decrease in liabilities and provisions of ₹(175.76) million.

FY 2022

The net cash generated from operating activities for FY 2022 was ₹ 696.92 million. While our profit before tax was ₹485.46 million for FY 2022, we had operating cash flow before working capital changes amounting to ₹1,653.37 million, primarily as a result of adjustment for finance costs of ₹608.60 million and depreciation and amortisation expense of ₹692.57 million. Working capital changes primarily consisted of increase in inventories of ₹(503.55) million and increase in trade receivables of ₹(168.16) million, and increase in loans and other financial assets and other assets of ₹(236.19) million and increase in liabilities and provisions of ₹ 102.79 million

FY 2021

The net cash generated from operating activities for FY 2021 was ₹951.74 million. While our profit before tax was ₹472.52 million for FY 2021, we had operating cash flow before working capital changes amounting to ₹1,552.06 million, primarily as a result of adjustment for finance costs of ₹551.10 million and depreciation and amortisation expense of ₹724.91 million. Working capital changes primarily consisted of increase in inventories of ₹(243.55) million and trade receivables of ₹(543.12) million. This was on account of our FY2021 opening inventory and trade receivables being impacted due to the slowdown in our operations as a result of the impact of the COVID-19 pandemic. There was also a decrease in liabilities and provision of ₹(423.10) million, which were partially offset by a decrease in loans and other financial assets and other assets of ₹604.90 million. The losses incurred due to the COVID-19 induced lockdown have been partially offset by rent waivers and various other cost control measures including rationalizing discretionary spending and employee costs. The market improved substantially in the third and fourth quarter of FY 2021 due to pent up demand of vehicles, increase in customer preferences for personal vehicles, thus resulting in an increased cash flow.

Investing Activities

Six months period ended September 30, 2023

The net cash used in investing activities for the six months period ended September 30, 2023 was ₹(296.70) million, which primarily comprised of acquisition and sale of investments aggregating ₹(11.15) million, acquisition of property, plant and equipment of ₹(310.39) million and acquisition of intangible assets including intangible assets under development of ₹(4.23) million which was partially offset by proceeds from sale of property, plant and equipment of ₹18.29 million and interest received of ₹10.78 million.

FY 2023

The net cash used in investing activities for FY 2023 was ₹(796.20) million, which primarily comprised of acquisition of property, plant and equipment of ₹(540.20) million, acquisition of subsidiaries net of cash of ₹285.84 million and acquisition of intangible assets including intangible assets under development of ₹(26.86) million which was partially offset by proceeds from sale of property, plant and equipment of ₹36.76 million, interest received of ₹19.03 million and sale of investments of ₹0.91 million.

FY 2022

The net cash used in investing activities for FY 2022 was ₹(413.84) million, which primarily comprised of acquisition and sale of investments aggregating ₹(4.10) million and acquisition of property, plant and equipment including capital advances of ₹(478.57) million and acquisition of intangible assets including intangible assets under development of ₹(2.47) million primarily

comprising of amounts invested in purchase/ leasing of buildings, machinery, vehicles and furniture which was partially offset by proceeds from sale of property, plant and equipment of ₹39.32 million and interest received of ₹31.98 million.

FY 2021

The net cash used in investing activities for FY 2021 was ₹(66.50) million, which primarily comprised of purchase of property, plant and equipment including capital advances of ₹(273.41) million and acquisition of intangible assets including intangible assets under development of ₹(20.87) million primarily comprising of amounts invested in purchase/ leasing of buildings, machinery, vehicles and furniture which was partially offset by proceeds from sale of property, plant and equipment of ₹130.25 million, and sale of investments of ₹81.85 million and interest received of ₹15.68 million.

Financing Activities

Six months period ended September 30, 2023

The net cash used in financing activities for the six months period ended September 30 2023 was ₹1,971.67 million, which primarily comprised of finance costs paid of ₹(252.94) million, long-term borrowings repaid of ₹(200.42) million, interest on lease liabilities of ₹(209.03) million and principal payment of lease liabilities of ₹(162.43) million. This was partially offset by long-term borrowings availed of ₹ 142.73 million and by short-term borrowings availed of ₹2,653.76 million.

FY 2023

The net cash used in financing activities for FY 2023 was ₹(238.44) million, which primarily comprised of finance costs paid of ₹(332.46) million, long-term borrowings repaid of ₹(359.89) million, interest on lease liabilities of ₹(363.40) million and principal payment of lease liabilities of ₹(297.75) million. This was partially offset by long-term borrowings availed of ₹352.19 million and short-term borrowings availed of ₹762.87 million.

FY 2022

The net cash used in financing activities for FY 2022 was ₹(652.53) million, which primarily comprised of finance costs paid of ₹(286.70) million, long-term borrowings repaid of ₹(250.32) million, interest on lease liabilities of ₹(322.57) million and principal payment of lease liabilities of ₹(231.94) million. This was partially offset by long-term borrowings availed of ₹266.43 million and short-term borrowings availed of ₹172.57 million.

FY 2021

The net cash used in financing activities for FY 2021 was ₹(706.76) million, which primarily comprised of finance costs paid of ₹(277.86) million, long-term borrowings repaid of ₹(194.67) million, interest on lease liabilities of ₹(280.92) million and principal payment of lease liabilities of ₹(187.48) million and short-term borrowings availed of ₹(404.82) million. This was partially offset by long-term borrowings availed of ₹638.99 million. The increase in borrowings was mainly due to ECLGS loans availed by us during this period.

Indebtedness

As at September 30, 2023, we had total borrowings of ₹7,646.13 million which primarily consisted of secured and unsecured short-term loans from banks and financial institutions, term loans from banks and financial institutions and vehicle loans from banks and financial institutions and loan from directors. For details of our borrowings as on December 31, 2023, see “*Financial Indebtedness*” on page 369.

Our loan agreements generally contain covenants, including limitations on the use of proceeds and restrictions on indebtedness, liens, asset sales, investments, transfer or ownership interests and certain changes in business. These covenants may limit our ability to pay dividends or make loans or advances to us, subject to the lender’s waiver or consent. There were no defaults in repayment of principal or interest to lenders during the six months period ended September 30, 2023 and FYs 2023, 2022 and 2021. For further details, see *Financial Indebtedness*” on page 369.

Contingent Liabilities and Commitments

As of September 30, 2023, we had the following contingent liabilities and commitments:

Particulars	As of September 30, 2023 (in ₹ million)
Contingent Liabilities	
<i>Claims against the Group not acknowledged as debts</i>	
Service tax related matters	22.82
Excise related matters	3.03
KVAT related matters	111.99
Income tax matters	46.87
Employee’s state insurance / provident fund demand	7.98

Particulars	As of September 30, 2023 (in ₹ million)
Customer claims	108.19
GST related matters	6.61
Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	537.78

Contractual Obligations

Except as disclosed as part of our contingent liabilities and commitments, we did not have any contractual obligations as of September 30, 2023.

For further information, see “*Restated Financial Information*” on page 255.

Except as disclosed in our Restated Financial Information or this Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for purchase of plant and equipment. In the six months period ended September 30, 2023 and FYs 2023, 2022 and 2021, our capital expenditures (comprising of payments for acquisition of property, plant and equipment, intangible assets including intangibles under development and acquisition of subsidiary net of cash) were ₹314.62 million, ₹852.90 million, ₹481.04 million and ₹294.28 million, respectively.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to directors and key managerial personnel, payment of rent to our Promoters etc. For details, see “*Other Financial Information – Related Party Transactions*” on page 337.

Auditors’ Qualifications and Emphasis of Matters

There are no auditor qualifications which have not been given effect to in the Restated Financial Information.

The following sets forth the emphasis of matter included in the examination report of our Statutory Auditors for the periods indicated:

1. “We draw attention to Note 2.1 to the special purpose consolidated interim financial statements, which describes the basis of accounting. The special purpose consolidated interim financial statements have been prepared by the Company for the purpose of preparation of Restated Consolidated Financial Statements, which will be included in the RHP and Prospectus in connection with the proposed initial public offer of equity shares (“**IPO**”) of the Company. Accordingly, the special purpose consolidated interim financial statement may not be suitable for any other purpose.

Our opinion on the special purpose interim financial statements is not modified in respect of this matter”

2. “As more fully described in Note 39 to the audited consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Company’s financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.”

Recent Accounting Pronouncements

As of the date of this Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

Quantitative and qualitative disclosures about market risk

Market risk is the risk of loss related to fall in revenues from change in the demand of passenger and/or commercial vehicles manufactured by our OEMs and sold through our dealerships. In the normal course of business, we are exposed to certain market risks including credit risk, liquidity risk and market risk (fluctuations in interest rate).

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 our operating activities (primarily trade receivables) and from our 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. As of September 30, 2023, our trade receivables amounted to ₹2,996.50 million.

Impairment analysis

The aging of trade receivables is as follows:

Particulars	As at September 30, 2023
Not due	349.08
Less than six months	2,635.12
Six months - 1 year	33.58
1-2 years	32.90
2-3 years	15.48
More than 3 years	1.89
Total	3,068.05

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

We believe 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 September 30, 2023:

Particulars	Payable within 1 year	More than one year	Total
Trade payables	1,709.84	-	1,709.84
Borrowings	6,930.68	803.65	7,734.33
Lease liabilities	725.74	8,261.89	8,987.63
Other financial liabilities	223.52	-	223.52

Cash flow and fair value interest rate risk

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

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “– Significant factors affecting our financial condition and results of operations” and the uncertainties described in the section titled “Risk Factors” on page 344 and 26, respectively.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent” that have in the past or may in the future affect our business operations or future financial performance.

Known trends or uncertainties

Our than as described in the section “Risk Factors” on page 26, to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between cost and income

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 170 and 338 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Significant dependence on single or few customers

Given the nature of our business, no single customer accounted for more than 10% of our revenue. Accordingly, we believe that our business is dependent on any single or a few customers.

Seasonality of business

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a FY. Typically, there is an increase in our business during the second and third quarters of each FY. Therefore, our results of operations and cash flows across quarters in a FY may not be comparable and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods. For details see, “*Risk Factors – Our passenger vehicles and commercial vehicles sale is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition*” on page 44.

Competitive conditions

We operate in a competitive environment. Please refer to the sections “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 170, 133 and 26, respectively for further information on our industry and competition.

Significant developments after September 30, 2023 that may affect our future results of operations

Except as given below, no circumstances have arisen since the date of the last financial statements disclosed in this Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Subscription to rights issue of KGPL

Our Company subscribed to 499,950 equity shares of ₹10.00 each of KGPL, offered through a rights issuance by KGPL, pursuant to a resolution passed by the finance and authorization committee of KGPL in its meeting held on November 27, 2023. The said equity shares were allotted on right basis on December 4, 2023 to our Company.

CAPITALISATION STATEMENT

The following table sets forth the capitalisation of our Company as at September 30, 2023, derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Restated Financial Information*” and “*Risk Factors*” on pages 338, 255 and 26, respectively.

(₹ in million)		
Particulars	Pre-Offer (as at September 30, 2023)	Adjusted for the Offer**
Total borrowings		
Current borrowings ⁽¹⁾⁽²⁾⁽³⁾ (A)	6,842.48	6,842.48
Non-current borrowings ⁽¹⁾⁽²⁾⁽³⁾ (B)	803.65	803.65
Total borrowings (C = A+B)	7,646.13	7,646.13
Equity		
Equity Share capital ⁽¹⁾⁽²⁾⁽³⁾ (D) [@]	125.44	142.40
Other equity ⁽¹⁾⁽²⁾⁽³⁾ (E)	3,716.67	6,199.71*
Total Equity (F = D+E)	3,842.11	6,342.11
Total capitalisation (G = C+F)	11,488.24	13,988.24
Ratio: Total non-current borrowings / Total Equity (B/F)	0.21	0.13
Ratio: Total borrowings/ Total Equity (C/F)	1.99	1.21

Notes:

The amounts disclosed above are based on Restated Financial Information of our Company.

- (1) These terms shall carry the meaning as per Schedule III of the Companies Act.
- (2) The figures pertaining to borrowings under the “As adjusted for the Offer” column are as at September 30, 2023 and have been derived from the Restated Financial Information.
- (3) The figures for the financial statement line items under the ‘As adjusted for the Offer’ column are without consideration of any transactions or movements in such line items subsequent to September 30, 2023 except for the effect of 8,478,130 Equity Shares issued through the Fresh Issue.

[@] Pursuant to a resolution passed by our Board on August 31, 2023 and a resolution passed by the Shareholders on September 8, 2023, each equity share of face value of ₹10 each has been sub-divided into 5 Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company was sub-divided from 15,000,000 equity shares of face value of ₹10 each to 75,000,000 Equity Shares of face value of ₹2 each. Further, issued, subscribed and paid-up capital of our Company was sub-divided from 12,544,289 equity shares of face value of ₹10 each to 62,721,445 Equity Shares of face value of ₹2 each.

* Offer Expenses not adjusted in Other Equity

** Subject to finalisation of Basis of Allotment

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries have availed loans in the ordinary course of business for purposes such as inventory funding, expansion of services and for general corporate purposes. Our Company and our Subsidiaries have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer. For details regarding the borrowing powers of our Board, see “Our Management – Borrowing Powers of our Board” on page 237.

As of December 31, 2023, the outstanding borrowings of our Company and certain of our Subsidiaries aggregated to ₹6,370.65 million. Set forth below is a brief summary of our aggregate borrowings (on a consolidated basis) as of December 31, 2023:

Category of borrowing	Sanctioned amount (in ₹ million) [#]	Outstanding amount (in ₹ million) [#]
Company		
Term Loans	1,373.56	742.79
Trade Advance	275.50	32.18
Inventory Funding	3,360.00	1,766.64
Cash Credit	100.00	-
Vehicle Loans	74.55	62.85
Working Capital Loans	100.00	99.94
Total (A)	5,283.61	2,704.39
Subsidiaries*		
Term Loans	662.64	314.63
Trade Advance	85.00	2.79
Inventory Funding	4,674.50	2,475.57
Cash Credit	452.43	310.28
Vehicle Loans	222.69	159.51
Working Capital Loans	50.00	50.00
Loan from Directors	93.85	93.85
Total (B)	6,201.10	3,406.63
Bank Guarantees		
Company	170.00	118.27
Subsidiaries*	192.36	141.36
Total Non-Fund Based Limit (C)	362.36	259.63
Total Fund Based and Non-Fund Based Limit (A)+(B)+(C)	11,847.07	6,370.65

[#] As certified by R.G.N Price & Co., Chartered Accountants by way of certificate dated March 14, 2024.

* Subsidiaries who have outstanding borrowings include KCPL, KGPL, PADL, PAWL, PMML, KEPL, PMPL and VMPL.

As of December 31, 2023, the details of the unsecured loan facilities availed by our Company and our Subsidiaries are set out below:

Sl. No.	Name of the lender	Rate of Interest (%)	Fixed/ Floating Interest Rate	Amount Sanctioned (₹ million)	Amount Outstanding as on December 31, 2023 (₹ million)
Company					
1	Cholamandalam Finance	0%-14%	Fixed	50.00	2.32
2	Indusind Bank	11.00%	Fixed	77.50	28.73
3	Kotak Mahindra Prime	0%-24%	Fixed	20.00	-
4	Mahindra&Mahindra Financial Services Ltd	0%-18%	Fixed	63.00	1.13
5	Sundaram Finance	0%-14%	Fixed	60.00	-
6	TVS Credit	0%-12%	Fixed	5.00	-
Subsidiaries					
7	Cholamandalam Finance	0%-14%	Fixed	50.00	-
8	IDFC BANK	9.60%	Fixed	5.00	2.79
9	Sundaram Finance	0%-13%	Fixed	30.00	-
10	Francis K. Paul	0.00%	-	35.52	35.52
11	John K. Paul	0.00%	-	36.02	36.02
12	Naveen Philip	0.00%	-	22.30	22.30

As of December 31, 2023, the details of the secured loan facilities availed by our Company and our Subsidiaries are set out below:

Sl. No.	Name of the lender	Rate of interest (%)	Fixed/ floating interest rate
Company			
1.	Axis Bank Limited	8.50% - 9.25%	Floating
2.	Bank of Baroda	8.70%	Floating
3.	Federal Bank Limited	8.70% - 10.05%	Floating
4.	HDFC Bank Limited	9.00%	Floating
5.	ICICI Bank Limited	8.85%	Floating

Sl. No.	Name of the lender	Rate of interest (%)	Fixed/ floating interest rate
6.	ICICI Bank Limited	8.00%	Fixed
7.	IndusInd Bank Limited	8.97% - 9.25%	Floating
8.	South Indian Bank Limited	8.50% - 8.97%	Floating
9.	State Bank of India	8.65% - 9.25%	Floating
10.	Sundaram Finance Limited	9.00% - 9.50%	Fixed
11.	YES Bank Limited	9.25%	Floating
Subsidiaries			
12.	Axis Bank	8.75% - 9.25%	Floating
13.	Bank of Baroda	8.65% - 9.25%	Floating
14.	DBS Bank	8.50%	Fixed
15.	Equitas Small Finance Bank Limited	11.04%	Fixed
16.	Federal Bank	8.50% - 9.25%	Fixed/Floating
17.	HDFC Bank	7.41%	Fixed
18.	HDFC Bank	8.50% - 8.75%	Fixed/Floating
19.	ICICI Bank	8.75% - 9.25%	Floating
20.	Indusind Bank	8.75% - 8.76%	Floating
21.	Karur Vysya Bank	9.00% - 9.80%	Floating
22.	Kotak Mahindra Bank	8.90% - 10.45%	Floating
23.	Kotak Mahindra Prime	7.22% - 9.30%	Fixed
24.	South Indian Bank	8.75% - 9.10%	Floating
25.	Standard Chartered Bank	8.75% - 10.50%	Floating
26.	State Bank of India	8.75% - 9.90%	Floating
27.	Sundaram Finance	7.50% - 13.26%	Fixed
28.	TATA Capital	9.80%	Floating
29.	TATA Motors Finance	9.10%	Floating

Further, as on December 31, 2023, there were no delay in payments, defaults or rescheduling of outstanding facilities of principal or interest to lenders by our Company during last three Fiscals.

Principal terms of the facilities sanctioned to our Company and Subsidiaries:

- Interest:** The applicable rate of interest for the various facilities in India availed by us are typically linked to benchmark rates, such as the marginal cost of lending rate, London interbank offered rate, repo rate or T-bill over a specific period of time and spread per annum and are subject to mutual discussions between the relevant lenders. In terms of the loans availed by us, the interest rate typically ranges from 7.24% per annum to 24.00% per annum. For certain loans, the interest rate is the base rate of a specified lender and spread per annum. The spread varies among different loans for different banks.
- Penal Interest:** We are typically bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our loan agreements and is typically from 2% to 24% over the applicable interest rate.
- Tenor:** The tenor of certain working capital facilities availed by our Company and Subsidiaries typically ranges from up to 12 months, whereas the tenor of the term loan facilities availed by our Company and Subsidiaries typically ranges from up to 84 months.
- Security:** In terms of our borrowings where security needs to be created, we are typically required to, *inter alia*:
 - Create security by way of an exclusive first charge on (i) all fixed assets of the Company and Subsidiaries; (ii) the stock of vehicles; and (iii) spares and accessories, and certain current assets of the Company and Subsidiaries;
 - Create equitable mortgage over some of our properties;
 - Provide corporate guarantees and personal guarantees by Directors, Promoters and the Promoter Group;
 - Execute demand promissory notes for a specified amount in the form approved by the relevant lender;
 - Execute post-dated cheques for the full value of the facility; and
 - Provide indemnities.
 - Obtain comprehensive insurance policies on secured assets.
 - The credit facilities availed by us are secured by guarantees issued by our Promoters in favour of the lenders. For further details of the security issued by our Company, see “*Restated Financial Information*” on page 255.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

5. **Prepayment:** The prepayment penalty attracted in respect of certain loans typically ranges from Nil to 4% of the outstanding amount of the term loan or sanctioned amount of the working capital loan.
6. **Re-payment:** The inventory funding facilities are typically repayable within 45 to 180 days from the date of drawdown, as per the terms mutually agreed upon between the lender and us, forming part of the loan documentation entered into between the lenders and us, or on demand.
7. **Events of Default:** Borrowing arrangements entered into by us contain certain standard events of default (as defined in the relevant agreements), including, *inter alia*:
 - a) Creation of any further charge on the secured assets or providing any guarantees to other lenders without prior approval of the relevant lender;
 - b) Creation of any charge, lien or encumbrance over the borrower's properties or any part thereof in favor of any financial institution, bank, company or firm or persons without the prior consent of the lender in writing;
 - c) Non-compliance with any of the terms of the relevant agreements or any other borrowing agreements;
 - d) Undertaking or permitting any reconstitution/ diversification/ expansion/ modernization plans of the business without prior permission of the lender;
 - e) Declaration of dividend or distribution of profits without the consent of the lender;
 - f) Utilisation of funds for purposes other than the sanctioned purpose;
 - g) Failure to provide for additional security when requested by the financial institutions;
 - h) Cessation of all or substantial part of the business of our Company or our Subsidiary;
 - i) Occurrence of a material adverse effect (as defined in the relevant financing document); and/or
 - j) Initiation of insolvency, bankruptcy, winding-up or liquidation proceedings of the Company, and seizure of the Company's equipment/plant machinery under any process of law.

The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

Additionally our Company and Subsidiaries are required to ensure that the aforementioned events of default and other events of default as specified under the various binding documents and agreements entered into by our Company and Subsidiaries for the purpose of availing of loans are not triggered.

8. **Restrictive Covenants:** Certain borrowing arrangements entered into by us and our Subsidiaries contain restrictive covenants, including, *inter alia*:
 - a) Change in capital structure of the borrower without prior permission of the lender;
 - b) Change in material ownership structure of the borrower;
 - c) Change in management or control of the relevant Subsidiary or reduction in Promoter shareholding below a prescribed limit;
 - d) Dilution of the shareholding of the existing Promoters below current levels or dilution in their controlling stake for any reason without the prior permission of the lender;
 - e) Pledging of Promoters' shares with any bank/NBFC/institution without prior consent of the lender;
 - f) Requirement of obtaining a no-objection certificate from the lender before availing any other facility and for ceding *pari-passu* charge on secured assets to any new lender and informing the lender of any fresh borrowing arrangement either secured or unsecured with any other lender;
 - g) Amending the charter documents including but not limited to the articles of association and memorandum of association of the borrower without the prior consent of the lender;
 - h) Entering into any profit sharing or royalty agreement whereby the borrower's income or profits may be shared with any other entity or person without the prior consent of the lender;

- i) Permitting any transfer of the controlling interest or making any drastic change in the management set-up without the prior consent of the lender in writing;
- j) The lenders' right to nominate directors on our Board under the borrowing arrangements;
- k) Undertaking or permitting any reorganization, amalgamation, reconstruction, takeover or any other scheme of compromise or arrangement, merger or demerger, or amending any provision of the borrower's major constitutive documents without prior notice to the relevant lender; and
- l) Business being confined to such activity as has been notified to the lender and for which the lender has sanctioned the credit facilities.

This is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by us and our Subsidiaries.

9. ***Consequences of occurrences of Events of Default:*** In terms of our borrowing arrangements, due to the occurrence of events of default, our lenders may:

- a) Declare all amounts outstanding in respect of facility due and immediately payable;
- b) Demand to furnish more security;
- c) Recall advance and take any recovery action;
- d) Enforce security or change any of the terms of sanction;
- e) Impose penal interest on the principal amount; and/or
- f) Require the Company to reconstitute its Board.

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us and our Subsidiaries.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material as per the policy dated August 14, 2023 and September 28, 2023, approved by the Board of Directors, in each case involving our Company, Subsidiaries, Promoters and Directors (“**Relevant Parties**”). Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by SEBI or the Stock Exchanges against our Promoters in the last five financial years including any outstanding action.

For the purpose of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation pursuant to Board resolutions dated August 14, 2023 and September 28, 2023.

All outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including any outstanding action and tax matters (direct or indirect), would be considered ‘material’ if: (i) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1.00% of the profit for the year of our Company for the recent financial year, as per the latest Restated Financial Information (i.e. ₹6.41 million); or (ii) where monetary liability is not quantifiable, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, financial conditions, prospects, results of operations, cash flows or reputation of the Company.

Except as stated in this section, there are no outstanding material dues to creditors of the Company. For this purpose, our Board has pursuant to the Board resolutions dated August 14, 2023 and September 28, 2023, considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value which exceed 5.00% of the total consolidated trade payables of our Company as per the latest Restated Financial Information of our Company disclosed in the Offer Documents shall be considered as ‘material’. Accordingly, as on September 30, 2023, any outstanding dues exceeding ₹85.49 million have been considered as material outstanding dues for the purposes of disclosure in this section. For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by its statutory auditors.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, not be considered as material until such time that the Relevant Parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial forum.

Litigation involving our Company

Litigations filed against our Company

Civil Litigations

1. A suit dated April 7, 2022 (“**Suit**”) bearing number 38 of 2022, has been filed by the State of Kerala, the District Collector, Civil Station, Kollam and others (collectively, the “**Plaintiffs**”) against Harrison’s Malayalam Limited and our Company represented by John K. Paul, in his capacity as the director of the Company (collectively, the “**Defendants**”) before the Sub-Court, Kollam (“**Court**”) for declaration of the title, ownership, recovery of possession and injunction of the property having an extent of 3.17 hectares of land in Mundakkal Village (“**Scheduled Property**”) from the Defendants. Our Company had been transferred a portion – 80.95 acres – of the Scheduled Property by way of a sale deed dated August 19, 2004. In terms of the Suit, it was alleged that the Defendants falsely and fraudulently claimed the ownership and possession of the Scheduled Property on the basis of false, fabricated, fraudulently created, executed and registered sale deed. The Plaintiffs *inter alia* prayed before the Court to (i) set aside the sale deeds as null and void and not binding on the Plaintiffs; (ii) allow the Plaintiffs to recover the possession of the Scheduled Property with a mesne profit of ₹1.20 million per year; and (iii) grant such other interim relief which the Court may consider fit and proper. This matter is currently pending.

Criminal Litigations

1. A criminal miscellaneous case dated January 27, 2016, bearing no. CRLMC 909 of 2016 has been filed under Section 482 of the CrPC, by M.P. Choithy (“**Petitioner**”) against the order of the Principal Sessions Court, Ernakulam dated October 5, 2015, before the High Court of Kerala (“**High Court**”) at Ernakulam against our Company, its Directors and Promoters, Francis K. Paul and John K. Paul and our employees namely, Shamin M., Rafees, Lijo, Goldi, Sandeep N.S. and the State of Kerala. Pursuant to this case, the Petitioner has alleged and accused the Directors and the other respondents of cheating and dishonestly inducing the Petitioner to sell the Petitioner’s car to our Company, in lieu of a new car which was allegedly never delivered to the Petitioner. Subsequently, the Petitioner filed a private complaint

which was dismissed by the Court of the Sessions Judge, Ernakulam citing that the dispute is of a civil nature. Aggrieved by it, the Petitioner filed a revision petition before the Principal Sessions Court, Ernakulam which was again dismissed. Pursuant to this criminal miscellaneous case, the Petitioner has *inter alia* prayed before the High Court, to direct our Company's Directors and Promoters, John K. Paul and Francis K. Paul to pay a sum of ₹1.36 million along with 9.00% interest per annum from August 20, 2013 till the date of payment. The matter is currently pending.

2. A final report charge sheet (in FIR no. 68 of 2019) dated March 17, 2019 ("**Charge Sheet**") has been filed with the Vellathooval police station based on the complaint received by Ambily ("**Complainant**") before the Judicial First Class Magistrate Court, Adimali against officials of our Company and others ("**Accused**"). Pursuant to the Charge Sheet, the Complainant has alleged the accused of *inter alia* house trespassing, criminal intimidation, voluntary causing hurt under Sections 451, 506(1), 294(b), 323 and 34 of IPC. The matter is currently pending.
3. An FIR bearing number 339/2019 was registered by the Cheranalloor Police Station regarding a death of a security guard of our Company. Pursuant to this, a final charge sheet report dated September 30, 2020 ("**Final Report**") was filed by the Cheranalloor Police Station before the Judicial First Class Magistrate Court IX, Ernakulam wherein one of our Promoters, John.K.Paul was named as an alleged accused under Sections 304A and 34 of IPC and Regulation 12 and 39 of the Central Electricity Authority Regulation. In terms of the Final Report, our Company has been accused of having an unauthorised electrical connection to the cabin of the security guard of our Company. Further, it has been alleged that while attempting to repair the broken wiring of the electrical connection, the security guard of our Company was electrocuted to death. While our Company has not been named as an accused to the final report, the alleged incident took place on the premises taken on rent by our Company. The matter is currently pending.
4. A complaint dated September 30, 2021 ("**Complaint**") has been filed by N. Vijayan ("**Complainant**") before the Judicial First Class Magistrate Court-I, Thiruvananthapuram against certain sales officer of our Company ("**Accused**"). In terms of the Complaint, it was alleged that the Accused cheated the Complainant by removing the original inbuilt music system from the car purchased by the Complainant and replacing it with a new music system in lieu of charging the additional amount from the Complainant and thereby causing an unlawful gain. The Karamana Police has registered an FIR no. 1549/2021 dated November 5, 2021 against the Accused under Sections 34 and 420 of the IPC on the grounds that the Accused committed cheating. The matter is currently pending.
5. An FIR bearing number 1923/2023 was registered by Palarivattom Police Station under Sections 34, 383, 403, 415, 418, 420, 463, 464 and 468 of the IPC against Naveen Philip, our Managing Director, one of the employees of our Company and others (collectively, the "**Accused**"). In terms of the FIR, it was alleged that the Accused despite of soliciting the sale of a new car to the complainant, forged the documents and transferred the registration of the vehicle in name of one of the accused and thereby cheated the complainant by misappropriating his assets. Subsequently, a criminal miscellaneous petition bearing number CrI. M.C. 8743 of 2023 was filed by our Managing Director, Naveen Philip, before the High Court of Kerala ("**High Court**"), against the State of Kerala and others, seeking to quash the pending criminal complaint, which was dismissed by the High Court citing that the proceedings were in a preliminary investigation stage. Subsequently, Naveen Philip filed an anticipatory bail application bearing number CrI. MC 3091 of 2023 under Section 438 of the CrPC, which was disposed of by the Sessions Court, Ernakulam on November 4, 2023 directing that the investigating agency may proceed against Naveen Philip, after issuing notice under Section 41A of the CrPC. The matter is currently pending.
6. For details in relation to the CrI. MC 1678 of 2018 filed by Remya G. Krishnan before the High Court of Kerala, see "*Litigation involving our Company - Litigations filed by our Company – Criminal litigations*" on page 378.
7. A show cause notice bearing number A/1893/2023 was issued by the Deputy Director of Industrial Safety and Health, Tiruvallur, to our Company, for contravention of certain provisions of the Factories Act, 1948 and the Tamil Nadu Factories Rules, 1950. For details of the show cause notice, see "*Litigation involving our Company - Litigations filed against our Company – Notices issued to our Company*" on page 376. Subsequently, three summons bearing numbers STC 6037 of 2023, CC 764 of 2023 and CC 765 of 2023, each dated December 28, 2023, were issued by the Chief Judicial Magistrate Court, Tiruvallur, to one of our Promoters, John K. Paul. This matter is currently pending.

Actions taken by Regulatory and Statutory Authorities

Except as disclosed below, as of the date of this Prospectus, there are no pending actions by regulatory and statutory authorities against our Company:

1. The Insurance Inspector, pursuant to its regular inspection of our factory at Kannur, had noted that an amount of ₹0.51 million was recorded under the head 'incentive paid' which was not taken for reckoning the ESI contribution for the year 2001-2002 equivalent to ₹0.03 million for which a demand was made ("**Demand**"). Disputing the Demand, our Company filed IC 35/2009 before the Employees' Insurance Court, Alappuzha pursuant to which the court held that (i) 'incentives' constitute wages under Section 2(22) of the Employees' State Insurance Act, 1948 and contribution is payable on the same; and (ii) excess amount paid to the ESI Corporation by way of contribution in respect of employees is to be refunded as prescribed under Regulation 40 of Employees' State Insurance (General) Regulations, 1950 ("**Order**"). Aggrieved by the Order, an insurance appeal bearing number 7 of 2013 dated January 19, 2013 has been

filed by the Regional Director, ESI Corporation & another before the High Court of Kerala, Ernakulam against our Company. This matter is currently pending.

2. An insurance appeal bearing number 52 of 2010 dated June 28, 2010 has been filed by our Company before the High Court of Kerala, Ernakulam (“**High Court**”), against the Regional Director, Employees’ State Insurance Corporation (“**ESIC**”). The ESIC had issued a C18 notice, directing our Company to pay contribution of ₹0.79 million for employee insurance for the incentive paid to the employees. Subsequently, our Company challenged the said notice by filing I.C. 116 of 2005 before the EIC, Alappuzha (“**ESI Court**”). The ESI Court, pursuant to a judgement dated January 7, 2010 held that the incentive paid to the employees on a monthly basis would constitute wages under Section 2(22) of the Employees State Insurance Act, 1948. Our Company has preferred an appeal before the High Court of, challenging the order passed by ESIC Court. The insurance appeal is currently pending.
3. The High Court of Kerala at Ernakulam (“**High Court**”), pursuant to a connected judgement (in WA 1651 of 2018) dated January 23, 2020 had decided that Rule 21(A)(2) of the Kerala Minimum Wages Rules, 1958 (“**Rules**”) which mandated payment of wages through electronic mode as *ultra vires* and challenged the amendments made to the Rules by notification dated July 8, 2015 which introduced a procedure by which *inter alia* the payment of wages has been enabled through ‘wage payment system’ facilitated under the information technology (“**Judgement**”). Pursuant to this the State of Kerala has filed a special leave petition (“**SLP**”) bearing number 15209 of 2020 challenging the Judgement before the Supreme Court of India *inter alia* on the grounds that (i) the amendments introduced by the State of Kerala in the Rules are in tune with current technological advancement and (ii) government can insist the payment of minimum wages to the employees coming under the scheduled establishments through their bank accounts in order to make proper assessment by the authorities about the payment of minimum wages. Further, our Subsidiaries, namely VMPL, PADL and PMMIL have also been made a party to a similar SLP. The matter is currently pending.
4. The Regional Provident Fund Commissioner, Kochi passed an interim order dated March 11, 2015 (“**Order I**”), wherein it had concluded that our Company had not enrolled all eligible employees under the Employee’s Provident Fund Scheme and ordered our Company to remit an amount of ₹7.16 million towards the contribution on the stipend paid to the trainees engaged by our Company. Our Company filed an appeal bearing number 185 of 2019 dated January 20, 2020 (“**Appeal**”) before the Central Government Industrial Tribunal-cum Labour Court, Ernakulam, New Delhi (“**CGIT**”) against the Regional Provident Fund Commissioner, Employees Provident Fund Commissioner, Employees’ Provident Fund Organisation challenging the Order I claiming that the amount paid to the trainees are treated as stipend and not wages. The CGIT pursuant to its order dated November 16, 2021 dismissed the Appeal (“**Order II**”). Subsequently, our Company filed a writ petition dated March 17, 2022 before the High Court of Kerala at Ernakulam praying *inter alia* to issue a writ of certiorari or any other writ or direction quashing Order I and Order II, declare that these orders are not sustainable under the law and grant an interim relief to stay the operations and implementations of Order I and Order II pending disposal of the writ petition. The matter is currently pending.
5. An insurance appeal bearing number 17 of 2013 dated March 23, 2013 has been filed by our Company before the High Court of Kerala, Ernakulam (“**High Court**”), against the Regional Director, Employees State Insurance Corporation (“**ESI**”) and another. The Employees Insurance Court (“**Court**”) had passed a judgement dated November 8, 2012 in I.C. No. 35 of 2009, and held that the incentives, which our Company had paid to the employees (to boost the Company’s sales) would constitute ‘wages’ in terms of Section 22(2) of the Employees’ State Insurance Act, 1948, and hence, our Company is liable to pay extra contribution of ₹0.03 million, on the incentives paid to the employees. Pursuant to this petition, our Company has prayed before the High Court to set aside the judgement passed by the Court in I.C. 35 of 2009. The matter is currently pending.
6. A writ petition bearing number 37194 of 2008 dated December 16, 2008 has been filed by our Company against the State of Kerala, the Labour Commissioner, Trivandrum and the Assistant Labour Officer (III Circle), Palakkad (“**ALO Palakkad**”) and others (“**Respondents**”) before the High Court of Kerala (“**High Court**”). Pursuant to a notice issued by the ALO Palakkad dated February 22, 2008 (“**Notice**”), our Company was directed to register our Company’s employees under the welfare fund scheme constituted under the Kerala Shops and Commercial Establishments Worker’s Welfare Fund Act, 2006 (“**Act**”), which was contrary to the proviso under Section 2(g) of the Act. Subsequently, the provisions of the Act were amended further taking into ambit the establishments covered under the Kerala Welfare Fund Act, 1975 thereby imposing compulsory payment of contribution by our Company under the Act. Pursuant to this writ petition, our Company *inter alia* has challenged that the amendments introduced in the Act as arbitrary, illegal and unreasonable and also violative of Article 14 and 19(1)(g) of the Constitution of India.

In relation to writ petition 37194 of 2008, our Company has also filed a similar writ petition bearing number 10409 of 2008, challenging the Notice. Both the writ petitions, W.P. 37194 of 2008 and W.P. 10409 of 2008 are currently pending. Further, pursuant to an order dated March 27, 2008 the High Court has granted an interim stay in W.P. 10409 of 2008. The matter is currently pending.

7. An appeal bearing number 39 of 2021 dated April 27, 2021 filed by our Company before the Central Government Industrial Tribunal-Cum Court, Ernakulam, against the Regional Provident Fund Commissioner, Employees Provident Fund Organisation, Kaloor, Ernakulam (“**Defendant**”) against the order dated March 22, 2021 (“**Order**”) passed by the Defendant. The Defendant passed the Order holding that our Company is liable to pay damages under Section 14B of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 for the delayed payment from March 1,

1998 to March 31, 2020 of contribution amounting to ₹0.59 million. Our Company contends that there is no delay on its account and it has paid the required contribution within the time prescribed and there was no deliberate or wilful delay. The matter is currently pending.

8. An order dated October 3, 2018 bearing MCOP number 170 of 2017 (“**Order**”) has been passed by Kerala State Commission for Minorities, Thiruvananthapuram (“**Commission**”) under Section 12(2) of the Kerala State Commission for Minorities Act, 2014 (“**Minorities Act**”) requiring Shamir Ahamad, erstwhile manager of our Company to furnish certain information/ report relating to the complaint filed before the Commission for Minorities. In terms of the Order, the Commission required our Company to provide explanation as to why prosecution shall not be initiated against our Company for alleged offence under Section 176 of the IPC. Our Company, pursuant to the objection filed on November 6, 2018 before the Commission submitted *inter alia* that our Company is not in violation of Section 9 of the Minorities Act and the dispute between the parties is purely civil in nature and is not maintainable before the Commission. The matter is currently pending.
9. A writ petition bearing number 41197 of 2023 dated December 2, 2023 has been filed by our Company against the Employees Provident Fund Organisation (“**EPF Organisation**”), the Regional Provident Fund Commissioner (“**Regional PF Commissioner**”) and others (“**Respondents**”) before the High Court of Kerala (“**High Court**”). Pursuant to an order passed by the Regional PF Commissioner, holding our Company to be liable to pay interest under Section 7Q of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) for the delayed payment of contribution amounting to ₹0.31 million (“**Order**”), the Regional PF Commissioner had issued a demand notice on March 8, 2021 directing our Company to pay interest as claimed (“**Demand Notice**”). Our Company, had filed a statutory appeal challenging the Order before the Central Government Industrial Tribunal on April 27, 2021, wherein an interim order was passed staying the operation of the challenged Order. On November 22, 2023, the Regional PF Commissioner issued a show cause notice to our Company for recovery of arrears amounting to under the EPF Act and threatening arrest of our Managing Director (“**Show Cause Notice**”). Our Company has filed this writ petition challenging the Demand Notice and the show cause notice dated November 22, 2023. Pursuant to this writ petition, our Company has contended that it has paid the required contribution on time and hence the demand notice and show cause notice are illegal and unsustainable. The High Court has stayed the operation of the Demand Notice and Show Cause Notice. The matter is currently pending.
10. Two original petitions bearing O.P. (Arb) number 334/2023 and 335/2023 dated November 27, 2023 (**Original Petitions**) have been filed by our Company against the Special Tahsildar (LA), Kannur (“**Special Tahsildar**”), the National Highway Authority of India, Kannur and the Arbitrator (District Collector, Kannur) (“**Arbitrator**”), before the District Court, Thalassery, against an order passed by the Arbitrator dated October 13, 2023. Consequent to acquisition of land owned by our Company in Kannur District by the Special Tahsildar. The Special Tahsildar *vide* two orders dated August 10, 2020 dated awarded compensation to our Company amounting to ₹30.47 million under section 3G(1) of the National Highways Act 1956. Aggrieved by the compensation awarded, our Company filed two applications bearing AP number 821/2021 and 822/2021 dated January 19, 2021 before the Arbitrator to re-determine the compensation awarded by the Special Tahsildar. Our Company had further approached the High Court of Kerala (“**High Court**”) praying to direct the Arbitrator to dispose the petitions within a time frame, to which the High Court *vide* order dated October 18, 2022 directed the Arbitrator to pass orders within eight months from the date of the order. The Arbitrator thereafter dismissed the petitions *vide* order dated October 13, 2023, retaining the compensation awarded. The Original Petitions have been filed by our Company before the District Court challenging this order. The matter is currently pending.

Notices issued to our Company

1. A show cause notice dated July 20, 2022 has been issued by the Environmental Engineer, Kerala State Pollution Control Board (“**Kerala SPCB**”) to our Company for not obtaining consent from the Kerala SPCB for operating the units of our Company and alleged that it is liable for penal action including imposition of environmental compensation for the period of violation and closure of the unit under the applicable provisions of the Water (Prevention and Control of Pollution) Act, 1947, Air (Prevention and Control of Pollution) Act, 1981 and Environment Protection Act, 1986 and thereunder including Hazardous and other Wastes (Management Transboundary Movement) Rules, 2016. In terms of the notice, our Company was directed to show cause as to why an action against the Company shall not be initiated including imposition of environmental compensation and disconnection/ cancellation of license obtained by the unit of our Company. The matter is currently pending.
2. A show cause notice dated June 6, 2023 has been issued to one of our Promoters, John K. Paul in his capacity as the managing director of Kuttukaran Group by the Municipal Secretary, Thiruvananthapuram (“**Authority**”) alleging the unauthorised construction by the group without obtaining the permission from Thiruvananthapuram municipality. In terms of the notice, it was directed to demolish the building within 15 days of receipt of the notice and to inform the Authority under Section 406(1) and (2) of the Kerala Municipality Act. The matter is currently pending.
3. A notice dated July 22, 2023 has been issued by the District Officer, Ground Water, Wayanad to our Company in relation to the application dated March 24, 2023 submitted by our Company directing it to furnish certain additional documents for the purpose of groundwater research for digging the bore well as a part of infrastructure project. The matter is currently pending.

4. A notice dated January 20, 2022 has been issued by the fire and rescue station, Cherthala to our Company alleging that fire and safety equipment are not fully functional in unit operated by our Company. Our Company was directed to install necessary fully functional fire and safety equipment within 15 days of receipt of the notice. The matter is currently pending.
5. Two show cause notices, each dated January 24, 2023 (“SCNs”) has been issued by the District Environmental Engineer, Tamil Nadu Pollution Control Board (“**Tamil Nadu PCB**”) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”) to our Company for alleged violation of conditions imposed in consent to operate/ renewal consent order issued to the unit of our Company. In terms of the SCNs, it was alleged that the unit of our Company has not applied for renewal of consent and was operating without obtaining valid consent of the Tamil Nadu PCB in violation of Section 25 of the Water Act and Section 21 of the Air Act which are offences punishable under Section 44 of the Water Act and Section 37 of the Air Act. Our Company was required to show cause as to why penal action for offences under the Water Act and Air Act should not be taken against it and directions should not be issued under Section 33A of the Water Act and Section 31A of the Air Act. Our Company pursuant to its letter dated February 9, 2023 replied to the SCNs *inter alia* submitting that online applications for renewal of consent under applicable law were timely submitted by our Company but the application was found deleted from the required platform. Our Company requested the Tamil Nadu PCB to allow two months to resubmit the applications along with the prescribed fees. The matter is currently pending.
6. A notice dated September 19, 2023 (“**Notice**”) has been issued by the Environmental Engineer, Kerala State Pollution Control Board, District Office-I, Ernakulam (“**Kerala SPCB**”) to our Company. In terms of the Notice, it was alleged that the effluent treatment plant (“**ETP**”) had not been set up by one of the units of our Company (“**Unit**”) and operation of such Unit without ETP is violation of environmental laws and approval of Kerala SPCB. The Kerala SPCB further directed our Company that ETP should be made functional and the explanation in this regard shall be submitted. Our Company pursuant to its letter dated September 21, 2023 responded to the Notice stating *inter alia* that (i) no water pollution is reported from the Unit; (ii) it will install a new ETP, as per the parameters instructed by the Kerala SPCB and submit a project report; and (iii) it will submit the commissioning report and performance guarantee to the concerned authority. The matter is currently pending.
7. A revenue recovery notice bearing number 2022/12020/11 dated February 9, 2023 has been issued by the Deputy Tahsildar, Kozhikode to our Company (“**Notice**”), demanding payment of arrears of Motor Vehicle Tax (Transport Vehicle) amounting to ₹0.02 million, along with interest. The matter is currently pending.
8. A show cause notice bearing number A/1893/2023 dated August 22, 2023 has been issued by the Deputy Director of Industrial Safety and Health, Tiruvallur to our Company, for contravention of certain provisions of the Factories Act, 1948 and the Tamil Nadu Factories Rules, 1950 including *inter alia* failure to apply for examination and testing of a pressure vessel used in the factory, failure to provide protective equipments to certain workers, failure to maintain a muster-roll of employed workers and the details of compensatory holidays in the required form and failure to maintain an updated leaves with wages register in the required form, noted at the time of inspection of our Company’s factory. In terms of the notice, our Company was directed to show cause as to why our Company should not be prosecuted for such contraventions. The matter is currently pending.
9. The Regional PF Commissioner has issued a show cause notice bearing number KR/KC/10333/Recovery/2023T-24 to our Company for recovery of arrears amounting to ₹0.31 million under the EPF Act and threatening arrest of our Managing Director. For details, see, “- *Litigation involving our Company – Litigations filed against our Company – Actions taken by Regulatory and Statutory Authorities*” on page 374.
10. A show cause notice bearing number B/1570/2023 dated December 21, 2023 has been issued by the Deputy Director of Industrial Safety and Health, Chennai to our Company, for contravention of certain provisions of the Factories Act, 1948 and the Tamil Nadu Factories Rules, 1950 including *inter alia* failure to produce a valid building stability certificate, failure to install sufficient first aid fire fighting kits and first aid box, failure to provide protective equipment to certain workers, failure to maintain a muster-roll of employed workers and the details of compensatory holidays in the required form, failure to maintain an updated leaves with wages register in the required form and non-compliance with required daily and weekly hours for certain employees, noted at the time of inspection of our Company’s factory. In terms of the notice, our Company was directed to show cause as to why our Company should not be prosecuted for such contraventions. The matter is currently pending.
11. A demand notice bearing number DB6/AE-VNLA/23-24/UCM/15-12-23/89 dated December 15, 2023 has been issued by the Assistant Engineer, Electrical section, Vennala directing our Company to remit the Unconnected Minimum (UCM) charges amounting to ₹0.38 million due to an alleged delay in availing the power supply. Our Company filed a petition bearing OP number 47 of 2023 before the Consumer Grievance Redressal Forum (Central Region), Ernakulam, which was dismissed by an order dated October 31, 2023 holding our Company liable to remit the UCM charges. (“**Order**”) Our Company has filed an appeal before the Ombudsman for Electricity, Ernakulam dated January 17, 2024 seeking to set aside the Order, along with an application seeking condonation of delay in filing the complaint. The matter is currently pending.

12. A show cause notice dated January 9, 2024 has been issued by the Environmental Engineer, Kerala State Pollution Control Board ("**Kerala PCB**") against the Company. Pursuant to an application made by our Company for renewal of Consent to Operate and an enquiry conducted subsequently, it was found that the effluent treatment plant ("**ETP**") of our Company was not functional. In terms of the notice our Company was directed to show cause as to why the Kerala PCB should not proceed against the Company as per the Water (Prevention and Control of Pollution) Act 1974, Air (Prevention and Control) Act 1981 and Environment (Protection) Act 1986 and the Rules made thereunder. The matter is currently pending.
13. A notice dated February 19, 2024 ("**Notice**") has been issued by the Labour Welfare Fund Inspector, Alappuzha ("**LWF Inspector**") against the Company. Pursuant to the Notice, the LWF Inspector has directed the Company to remit the Labour Welfare Fund contribution payable in respect of the employer and employees for the half year ended on June 30, 2023 and the half year ended December 31, 2023, amounting to ₹ 0.01 million. The matter is currently pending.

Litigations filed by our Company

Civil Litigations

1. A plaint bearing CS (Comm. Div.) No. 295/2023 dated October 20, 2022 ("**Plaint**") has been filed by our Company against D. Sankar Krishnan ("**Defendant**") before the High Court of Judicature at Madras (Commercial Division) under Section 6 of the Commercial Courts Act read with Order VII Rule 1 of CPC. In terms of the Plaint, it was alleged that the Defendant committed forgery and cheating with a view to siphoning off the funds from our Company with support of forged cash vouchers. Our Company *inter alia* prayed to direct the Defendant to pay the suit claim of ₹15.00 million and to grant such other relief as the High Court may deem fit and proper. The matter is currently pending.

Criminal Litigations

1. Pursuant to an FIR bearing number 936 of 2015 dated November 1, 2015 registered by the Elamakkara Police Station under Sections 403, 406, 408, 420, 465, 120-B and 34 of the IPC against Remya G. Krishnan and Shilson Thomas, former employees of the Company ("**Accused**"), for alleged misappropriation of an amount of ₹1.02 million by fabricating forged receipts, mishandling of cash during their time as employees of the Company, a final report charge sheet was filed under 420 and 465 of the IPC, before the Judicial First Class Magistrate Court – II, Aluva. Subsequently, a criminal miscellaneous petition bearing number Crl. M.C. 1678 of 2018-H was also filed by Remya G. Krishnan before the High Court of Kerala ("**High Court**"), against the State of Kerala and Rajesh A. Nair, an employee of our Company, seeking to quash the pending criminal complaint. The matters are currently pending.
2. An FIR bearing number 124 of 2017 dated October 21, 2017 has been registered at the Kadampuzha Police Station, Malappuram, by our Company, against Azad ("**Accused**") under Section 420 of the IPC pursuant to a complaint made our Company to the Kadampuzha police station, Malappuram. The Accused was a collection agent of our Company from August 1, 2015 to October 18, 2017 and had allegedly committed fraud and criminal breach of trust by not remitting the insurance policy amount in our Company's account to the tune of ₹0.09 million which the Accused collected from our Company's customers. The matter is currently pending.
3. An FIR bearing number 314 of 2018 dated July 4, 2018 has been registered by the Chevayoor Police Station ("**Police**") against certain unknown persons before the Judicial First Class Magistrate I, Kozhikode ("**Court**"), for a theft of a vehicle owned by our Company which was priced at ₹0.33 million. During investigation of the matter, the said vehicle was recovered by the Police and the vehicle has been in their custody since the date of the recovery. Subsequently, our Company has filed a criminal petition bearing no. CMP 2484 of 2019 dated May 14, 2019 before the Court against the Station House Officer, Chevayoor Police Station and the State of Kerala and has prayed before the Court to pass an order to handover the custody of the vehicle to our Company from the Police. The matter is currently pending.
4. An FIR bearing number 0147 of 2019 dated February 25, 2019 has been registered by Adimali Police Station, Idukki under Sections 34, 420, 468, 469 and 471 of the IPC against Deepu and Ajith, former employees of the Company ("**Accused**"), for misappropriating an amount aggregating to ₹0.75 million of our Company which was given to the Accused by the customers of the Company for purchase of cars. A final report charge sheet bearing number 247 of 2019 dated April 2, 2019 was filed against the Accused before the Judicial First Class Magistrate Court, Adimali. The matter is currently pending.
5. A police complaint bearing number 1655 of 2015 dated February 21, 2015 has been registered by the Cherthala Police Station ("**Police**") before the Judicial Magistrate First Class, Cherthala ("**Court**") against Anoop P.R. ("**Accused**"). Subsequently, the Police has also registered an FIR bearing number 696/2015 under sections 406, 408 and 420 of the IPC. The Accused has been working with our Company as a sales officer and had allegedly *inter alia* fabricated false bills of our Company and collected a sum of ₹0.75 million from our customers by promising them of new vehicles and providing the customers of our Company with fake vehicle registration numbers and assurances or payment of road tax. The matter is currently pending.

6. An FIR bearing number 294 of 2020 dated October 21, 2020 has been registered by the Karipur police station, Malappuram, under Sections 457 and 380 of the IPC, for the alleged theft of the new vehicle which was displayed in the showroom of our Company located at Kulathur Neettaanimal. The vehicle has since been recovered and handed over to Edacherry Police Station. The matter is currently pending.
7. Our Company filed a criminal miscellaneous petition dated February 2, 2022 before the Judicial First Class Magistrate-I, Vatakara (“**Court**”) against the Sub-Inspector of Police, Edachery Police Station requesting for the interim custody of a Wagonr car. The Court allowed the petition subject to certain conditions *inter alia* including execution of bond of ₹0.30 million with two solvent securities, producing temporary registration certificate, insurance certificate in relation to the vehicle (“**Order**”). Subsequently, a criminal miscellaneous petition dated March 8, 2022 has been filed by our Company before the Court to amend certain conditions stipulated in the Order. The Court partly allowed to amend certain conditions of the Order subject to our Company submitting bank guarantee of ₹0.30 million. Our Company submitted the required bank guarantee on April 16, 2022. This matter is currently pending.
8. Our Company filed a criminal miscellaneous petition no. 4738/2023 dated June 3, 2023 (“**Criminal Miscellaneous Petition**”) before the Judicial First Class Magistrate, Payyannur against Umesh Kumar Sharma (“**Accused**”), to direct the police to register an FIR. The Accused as a result of negligently and recklessly driving, hit a pillar which resulted in the damage of vehicles parked in the Company’s premises causing damages amounting to ₹0.40 million to the Company. Pursuant to the Criminal Miscellaneous Petition, an FIR bearing number 540 of 2023 dated June 6, 2023 has been registered with the Pariyaram Medical College Police Station under Section 279 of the IPC. This matter is currently pending.
9. Our Company filed a criminal miscellaneous petition no. 4204 of 2013 dated June 5, 2013 (“**Criminal Miscellaneous Petition**”) before the Judicial First Class Magistrate, Ranni against Anil K.O (“**Accused**”). The Accused was an employee of the Company and had allegedly misappropriated funds amounting ₹0.44 million of our Company which was given to the Accused by the customers of the Company for purchase of cars. Pursuant to the Criminal Miscellaneous Petition, an FIR bearing number 769/2013 dated July 29, 2013 has been registered with the Ranny Police Station under Sections 405, 406, 409 and 420 of the IPC. The matter is currently pending.
10. An FIR bearing number 1759/2022 dated November 15, 2022 was registered with the Gandhi Nagar Police Station against Vipin Panicker under Section 380 of the IPC alleging, *inter alia*, the theft of certain accessories from one of our Company’s stores. This matter is currently pending.
11. A police complaint dated June 13, 2023 was submitted by our Company to the office of the Commissioner of Police, Chennai against D. Sankar Krishnan (“**Accused**”) alleging, *inter alia*, cheating, fraud and forgery by the Accused in the creation of cash vouchers to defraud and make wrongful gains against the Company. This matter is currently pending.

There are eleven cases filed by our Company pending before various forums for alleged violation of Section 138 of NI Act for recovery of amounts due to our Company for which cheques issued in favour of our Company by our customers/debtors have been dishonoured. The total pecuniary value involved in all these matters aggregates to ₹3.15 million.

Litigation involving our Subsidiaries

Litigations filed against our Subsidiaries

Civil Litigations

PAWL

1. A complaint bearing number 259 of 2018 (“**Complaint**”) has been filed by Rajesh Shanbagh and N Ravindranath Kamath (“**Complainants**”) before the Karnataka State Consumer Commission, Bengaluru (“**Commission**”) against PAWL and others (collectively, the “**Defendants**”). Pursuant to the Complaint, the Complainants alleged the Defendants of unfair trade practice and deficiency of services while carrying out the services of the car. The Complainants have also prayed before the Commission *inter alia* to direct the Defendants to pay a sum of ₹8.38 million as compensation towards alleged deficiency of service and causing hardship to the Complainant. The matter is currently pending.
2. A complaint bearing number CC 136 of 2020 (“**Complaint**”) has been filed by Tanisujan Infra Private Limited (represented by its managing director) (“**Complainant**”) before the District Consumer Disputes Redressal Commission at Mysuru (“**Commission**”) against PAWL and another (“**Defendant**”). Pursuant to the Complaint, the Complainant has alleged the Defendants of selling a defective car and of unfair trade practice & deficiency of services leading to malfunctioning of the vehicle. The Complainants have also prayed before the Commission to direct the Defendants to pay a sum of ₹7.34 million as compensation. Subsequently, PAWL has also filed a written statement before the Commission refuting all the allegations made by the Complainant, against PAWL. The matter is currently pending.

3. Two claim petitions bearing MVC No. 4266/2019 and MVC No. 4267/2019 (“**Claims**”) have been filed by Sandhya Sagar and others (collectively, the “**Complainant**”) against PAWL and others (collectively, the “**Respondents**”) before the Motor Accident Claims Tribunal, Bangalore (“**MACT**”) claiming compensation for loss of future income by considering the dependency of the Complainant towards the income of the deceased and for the injuries suffered by her in a road traffic accident, respectively. Pursuant to the Claims, Presiding Officer of MACT vide its orders, each dated October 21, 2021 (“**Orders**”) awarded a compensation of ₹7.24 million and ₹11.50 million, respectively. Subsequently, the Complainant filed memorandum of miscellaneous first appeals bearing no. 4012/2022 and 4574/2022 in MVC No. 4266/2019; and (ii) 4008/2022 and 4578/2022 in MVC No. 4267/2019 before the High Court of Karnataka at Bangalore (“**Court**”) under Section 173(1) of the Motor Vehicles Act, 1988, against the Respondents. Pursuant to memorandum of miscellaneous first appeals, the Complainant challenged the Orders and *inter alia* prayed before the Court for enhancement of compensations granted in such Orders. The matter is currently pending.
4. A claim petition bearing number 3 of 2023 dated September 27, 2023 has been filed by Sagar Mohammed (“**Claimant**”) before the Arbitration and Conciliation Centre, Bengaluru against PAWL under Section 23 of the Arbitration and Conciliation Act, 1996, read with Rule 10 of the Arbitration and Conciliation Centre Rules, 2012. Pursuant to the claim petition, the Claimant has submitted that PAWL wrongfully terminated the lease agreement by vacating the leased premises prior to the completion of the lock-in period. The Claimant has claimed ₹156.50 million from PAWL for (i) recovery of rent payable and (ii) damage caused by PAWL to the leased property while vacating the property. PAWL has filed a written statement dated December 16, 2023 along with a counter claim of ₹80 million. The matter is currently pending.

PMMIL

1. A memorandum of writ petition dated November 9, 2017 bearing WP(C) No. 36521 of 2017 (“**Petition**”) has been filed by Sheela & another (“**Petitioners**”) before the High Court of Kerala at Ernakulam (“**Court**”) against PMMIL & others (collectively, the “**Respondents**”) challenging the proceedings taken by two of the Respondents under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“**SARFAESI Act**”) against the property of the Petitioners (“**Scheduled Property**”). In terms of the Petition, after the property was leased to PMMIL, the State Bank of India (“**SBI**”), one of the Respondents, passed a notice (“**Notice**”) in the Scheduled Property stating that it is in the possession of the SBI under Section 13(4) of the SARFAESI Act and that trespassers will be prosecuted. PMMIL filed an appeal bearing S.A. No. 55/16 before the Debts Recovery Tribunal against the SBI which was dismissed pursuant to the tribunal’s order dated September 11, 2017. Subsequently, SBI along with one of the Respondents filed a counter affidavit dated October 20, 2017 contending that one of the Respondents had availed loans from the SBI and that mortgage was created on the Scheduled Property as the loan was classified as non-performing asset. The Petitioners, pursuant to the Petition prayed before the Court *inter alia* to (i) issue a writ of certiorari or other writ quashing the Notice; and (ii) issue a writ declaring that the SBI have no right to proceed against the Scheduled Property. The matter is currently pending.
2. A complaint bearing number 448 of 2023 dated August 21, 2023 has been filed by Shibu S.P. (“**Complainant**”) before the Kerala State Consumer Disputes Redressal Commission, Thiruvananthapuram against PMMIL, Tata Motors Ltd. and another (“**Opposite Parties**”), alleging unfair trade practices on the part of the Opposite Parties deficiency in service and manufacturing defects in the vehicle sold to the Complainant. Pursuant to the complaint, the Complainant has prayed before the Commission, *inter alia*, to direct the Opposite Parties to pay a sum of ₹10.30 million in the form of replacement of the vehicle, payment of interest, payment of damages and compensation, and costs. The matter is currently pending.
3. A complaint bearing number CC No.06/2024 of 2024 dated January 11, 2024,* has been filed by Niyas N.S. (“**Complainant**”) under Sections 34 and 25 of the Consumer Protection Act, 2019, against PMMIL and others (together, the “**Opposite Parties**”) before the Consumer State Commission, Trivandrum, alleging, *inter alia*, deceptive and unfair trade practices by the Opposite Parties and has requested for compensation amounting to ₹6.49 million arising from, *inter alia*, losses and damages suffered from the products purchased and services availed by the Complainant from the Opposite Parties. This matter is currently pending.

* Notice for this complaint was received after filing of the Red Herring Prospectus.

Criminal Litigations

KCPL

1. An FIR no. 0604/2023 dated May 19, 2023 has been filed against KCPL under Sections 406 and 420 of the IPC on the grounds alleging that KCPL cheated and defrauded with an intention to make wrongful gain by concealing the fact that buyer of an electric scooter is entitled to receive an incentive amount from Central Government. Further, it was alleged that KCPL misappropriated the amount including the incentive received from the Central Government and has wilfully cheated and defrauded the complainant. The matter is currently pending.

Actions taken by Regulatory and Statutory Authorities

PMML

1. For details in relation to SLP bearing number SLP (C) 13331-13345 of 2020, see, “- *Litigation involving our Company – Litigations filed against our Company – Actions taken by Regulatory and Statutory Authorities*” on page 374.

PADL

1. For details in relation to SLP bearing number SLP (C) 13462-13471 of 2020, see, “- *Litigation involving our Company – Litigations filed against our Company – Actions taken by Regulatory and Statutory Authorities*” on page 374.

VMPL

1. For details in relation to SLP bearing number SLP (C) 12583 of 2020, see, “- *Litigation involving our Company – Litigations filed against our Company – Actions taken by Regulatory and Statutory Authorities*” on page 374.
2. A complaint dated November 8, 2019 (“**Complaint**”) filed before the District Labour Officer Pattanamthitta by Somarajan (“**Complainant**”) against one of our Promoters, Naveen Philip and VMPL, alleging *inter alia* wrongful termination of his employment with VMPL and has also alleged that the Complainant was dismissed without giving the provident fund and gratuity, which was due to the Complainant. Further, pursuant to an order passed by the Labour and Skills (A) Department, Thiruvananthapuram dated May 7, 2021, the Complaint has been transferred to the Labour Court, Kollam. The case is numbered as ID 36/2021 and VMPL has entered appearance through advocate and case posted for workman to file claim statement. The matter is currently pending.

Notices issued to our Subsidiaries

PAWL

1. An order dated October 14, 2022 has been issued to PAWL by Assistant Director of Factories, Division 12, Bengaluru (“**Assistant Director**”) under Section 40(1) of the Factories Act, 1948, pursuant to the inspection conducted by the Assistant Director subsequent to the electrocution accident that took place in factory premises. In terms of the Order, the Assistant Director directed Francis K. Paul, occupier of the factory premises and others to ensure *inter alia* the following in relation to electrical wiring system (i) validation of all the overload relays in the electrical distribution boards; (ii) checking the entire electrical system for loose wiring, leakage current and taking necessary steps to eliminate the same; and (iii) installation of boards of fixed ratings so as to prevent electrocution. PADL pursuant to its letter dated October 27, 2022 submitted required clarifications to the Assistant Director *inter alia* including (i) validation of all the overload relays in the electrical distribution boards; (ii) examination of entire electricity system; and (iii) confirmation on installation of boards of fixed ratings. This matter is currently pending.

VMPL

1. A complaint dated August 12, 2020 (“**Complaint**”) has been filed by James Tom (“**Complainant**”) before the Office of the District Labour Officer, Kottayam (“**DLO**”). Pursuant to the Complaint, the Complainant has alleged unlawful termination of his employment from VMPL. Subsequently, the director of VMPL has also received a notice bearing number 1658/2020, in relation to the Complaint. Further, pursuant to the letter dated February 3, 2021 addressed to the DLO, VMPL has stated that the matter has been mutually concluded and the settlement amount agreed between the Complainant and VMPL has been transferred to the Complainant’s account. Subsequently, VMPL has not received any further notice from the DLO. This matter is currently pending.
2. A notice dated September 27, 2017 bearing reference number OLK3-3771/17 (“**Notice**”) has been received by our Subsidiary, VMPL from the Thrissur Municipal Corporation (“**Corporation**”), in relation to the regularisation of constructions under the Kerala Municipality Act, 1994, as amended (“**Act**”). Pursuant to the Notice, the Corporation treated the construction as unauthorised and demanded an annual property tax of ₹1.28 million. The notice was issued to ascertain if any set back violations are there in the building which were constructed for Honda showroom and service centre (“**Construction**”), taken on rent by VMPL. The vigilance wing of the Corporation had found that there was a violation under the Act in relation to the Construction and the same was reported to be restructured and rectified. VMPL presented before the Corporation that rectification has been undertaken as instructed by them. Subsequently, VMPL has not received any further notice from the Corporation.

Litigations filed by our Subsidiaries

Civil Litigations

PAWL

1. A complaint bearing number CC 145 of 2015 (“**Complaint**”) has been filed by PAWL before the Karnataka State Consumer Disputes Redressal Commission (“**Commission**”), Bengaluru against Escon Elevators Private Limited (“**Defendant**”). PAWL had purchases automobile lifts for its service station from the Defendant alongside PAWL also had a lift maintenance contract with the Defendants. Pursuant to the Complaint, PAWL has alleged that the automobile

lift is defective and suffered frequent breakdowns and the Defendants had failed to provide prompt and speedy service. Due to this, PAWL claimed that they were unable to perform timely delivery of customer vehicles and hence had to shift their service unit to a separate premises. Resultingly, in pursuance to the costs and losses that occurred to PAWL, it claimed a total compensation of ₹9.69 million. The matter is currently pending.

PMMIL

1. PMMIL had filed an application before the Debts Recovery Tribunal – 2, Kerala at Ernakulam (“**DRT Ernakulam**”) against the State Bank of India (“**Bank**”), St. Anthony’s Cars Private Limited (“**Anthony’s Cars**”), amongst others. PMMIL had entered into a lease agreement for a property located in Kilikolloor village in Kollam Taluk (“**Property**”), for its showroom and service centres. Subsequently, the Bank, pursuant to a notice dated July 20, 2016 informed PMMIL that the property is in its possession under the SARFESI Act and requested PMMIL to vacate the Property, due to a default by Anthony’s Cars. Pursuant to an order dated September 11, 2017 (“**Order**”), the DRT ordered that PMMIL has no right over the Property without the permission and conjunction of the Bank. Subsequently, PMMIL has filed an appeal before the High Court of Kerala at Ernakulam challenging the aforesaid Order and has prayed *inter alia* to set aside the Order and pass an order allowing the reliefs sought in the application made before the DRT Ernakulam.

Criminal Litigations

PMMIL

1. An FIR bearing no. 0529 of 2018 dated March 16, 2018 has been registered by the Kollam Police Station before the Chief Judicial Magistrate, Kollam, against Sanu Kuruvila Samuel (“**Accused**”) for offences under Sections 406, 408, 465, 468, 471, 420 of the IPC. The Accused was working with PMMIL from July 2017 to February 2018 and had allegedly committed misappropriation of funds amounting to ₹0.54 million with the fraudulent motive to make illegal profit and unlawful loss to the PMMIL. Furthermore, the Accused had also (i) created fraudulent invoices; (ii) sold spare parts belonging to PMMIL and did not remit the cash for sale to PMMIL; and (iii) committed theft of cash. Subsequently, a final report charge sheet dated April 30, 2018 was filed against the Accused before the Chief Judicial Magistrate Court, Kollam. The matter is currently pending.
2. A complaint bearing no. 445/18/PTN/P-26 dated July 11, 2018 has been filed by PMMIL, before Sub Inspector of Police, Thrikkakara Police Station, requesting investigation, against Geevarghese (“**Accused**”). In terms of the Complaint, the Accused was working as sales executive at PMMIL and had committed misappropriation of fund worth ₹0.09 million by the way of collecting cash from customers and not remitting it to PMMIL. The matter is currently pending.
3. The Mancheri Police Station has registered an FIR no. 1003/2022 dated November 8, 2022 filed by PMMIL against Nidheeshkuruppu, a former employee of PMMIL (“**Accused**”) under Sections 381, 408, 420 and 468 of IPC on the grounds that the Accused misappropriated the funds given by the customers to repair and the funds from sale of spare parts. In terms of the FIR, it was alleged that the Accused misappropriated funds amounting to ₹0.42 million in order to mesne profits with the intention to cheat PMMIL. The matter is currently pending.
4. The Arroor Police Station has registered an FIR no. 0316/2023 dated April 27, 2023 filed by PMMIL against an unknown person (“**Accused**”) under Sections 457 and 380 of the IPC on the grounds that the Accused *inter alia* stole a vehicle and four jack stand thereby causing a loss to an extent of ₹0.22 million. The matter is currently pending.
5. A complaint dated January 12, 2023 (“**Complaint**”) has been filed by PMMIL before the Inspector of Police (Crime), Madhavaram, Chennai (“**Police**”) against two former employees of PMMIL (“**Accused**”), on the grounds that the Accused conspired together to and committed an act of theft, misappropriation and committed an act of criminal breach of trust by stealing the spare parts aggregating to ₹2.30 million. Subsequently, PMMIL filed a criminal miscellaneous petition no. 26/2023 dated January 13, 2023 against the Accused before the MM Colony Police Station, Redhills for alleged theft of more than 200 spare parts belonging to PMMIL. Further, a criminal miscellaneous petition bearing CRL MP. No. 30 of 2024 dated October 17, 2023 (“**Petition**”) has been filed by our Company before the Judicial Magistrate Court, Madhavaram (“**Court**”) against the Police on the ground of inaction by the Police in registering an FIR on the basis of the Complaint. The Court allowed the Petition and directed the Police to register the Complaint, conduct an investigation and file a final report. The matter is currently pending.

There are 16 cases filed by PMMIL pending before various forums for alleged violation of Section 138 of NI Act for recovery of amounts due to PMMIL for which cheques issued in favour of PMMIL by the debtors of PMMIL have been dishonoured. The total pecuniary value involved in all these matters aggregates to ₹1.15 million.

PADL

1. A complaint dated February 22, 2023 has been filed by PADL before the Judicial First Class Magistrate Court, I, Aluva against Shiju CN, a former employee of PADL (“**Accused**”) on the grounds that the Accused with the intention to cause illegal loss to PADL and for earning illegal gain to himself, dishonestly misappropriated and manipulated the

temporary receipts books by misutilising the billing system of PADL. In terms of the complaint, the acts of the Accused amounts to an offence punishable under Sections 403, 406, 409, 420, 477A, 427, 500 and 381 of the IPC. Consequently, an FIR no. 430/2023 dated February 23, 2023 was registered by the Kalamasserry Police Station. The matter is currently pending.

PADL has filed three cases for alleged violation of Section 138 of NI Act, for recovery of amounts due to PADL for recovery of amounts due to PADL for which cheques issued in favour of PADL by the debtors of PADL have been dishonoured. The total pecuniary value involved in all these matters is ₹0.29 million.

VMPL

1. A complaint bearing number CMP 8085 of 2015 (“**Petition**”) has been filed by VMPL, before the Judicial First Class Magistrate Court, Changanassery (“**Court**”) against Raaji (“**Accused**”). Pursuant to the Petition, VMPL has *inter alia* accused the Accused of cheating and misappropriating funds of VMPL, and not giving the documents to the customers of VMPL against the payment that the customers of VMPL had made to purchase insurance, thereby causing a loss of ₹0.84 million to VMPL. The Chingavanam Police Station, Changanassery has also prepared an FIR no. 2609/2015 dated November 11, 2015 under Sections 406, 408, 417, 418, 420 and 380 of the IPC. The matter is currently pending.

VMPL has filed one case for alleged violation of Section 138 of NI Act, for recovery of amounts due to VMPL for which cheques issued in favour of VMPL by the debtors of VMPL have been dishonoured. The total pecuniary value involved in this matter is ₹0.03 million.

Actions taken against Regulatory and Statutory Authorities

VMPL

1. VMPL has filed a writ petition number W.P.(C) No. 5118 of 2022 dated January 21, 2022 against the State of Kerala and others (“**Defendants**”) at the High Court of Kerala wherein it was prayed, *inter alia*, to strike down the Kerala Shops and Commercial Establishment Workers Welfare Fund Act, 2008, as amended by the Kerala Shops and Commercial Establishment Workers Welfare Fund (Amendment) Act 2008 (the “**Amendment Act**”), on the grounds that the Amendment Act was illegal, arbitrary and unconstitutional. This matter is currently pending.

Litigation involving our Promoters

Litigations filed against our Promoters

Civil Litigation

1. An appeal bearing number MFA (Forest) No. 18 of 2018 has been filed by the State of Kerala and the Custodian of Ecologically Fragile Lands (Chief Conservator of Forests) (“**Appellants**”) before the High Court of Kerala at Ernakulam (“**High Court**”) against Popular Estates (represented by one of our Promoters, John K. Paul). The Ecologically Fragile Lands Tribunal, Kozhikode (“**Tribunal**”) had passed an order (“**Order**”) against the Appellants in OA no. 7 of 2016 and decided that the 260.60 hectares of land (“**Disputed Land**”) is not ecologically fragile land but a plantation one and the Disputed Land is not vested with the Government as per the provisions of the Kerala Forest (Vesting And Management Of Ecologically Fragile Lands) Act, 2003. The Applicants have challenged the said order before the High Court through MFA (Forest) no. 18 of 2013. Pursuant to this appeal the Appellants have prayed before the High Court to set aside the Order since the Tribunal failed to acknowledge that the Disputed Land is a large piece of fragile ecological and sensitive land and such land should be vested with the Government. The matter is currently pending.
2. A suit dated April 7, 2022 (“**Suit**”) bearing number 38 of 2022, has been filed by the State of Kerala, the District Collector, Civil Station, Kollam and others (collectively, the “**Plaintiffs**”) against Harrison’s Malayalam Limited and our Company represented by John K. Paul, in his capacity as the director of the Company. For details, suit bearing number 38 of 2022, see, “- *Litigation involving our Company – Litigations filed against our Company – Civil litigations*” on page 373.

Criminal Litigation

1. A criminal miscellaneous case under Section 482 of the CrPC, bearing no. CRLMC 909 of 2016 has been filed by M.P. Chothy (“**Petitioner**”) before the High Court of Kerala at Ernakulam against our Company’s Directors and Promoters, Francis K. Paul and John K. Paul and our employees namely, Shamin M., Rafees, Lijo, Goldi, Sandeep N.S. and the State of Kerala. For further details see, “- *Litigations involving our Company - Litigations filed against our Company - Criminal Litigation*” on page 373.
2. A final report dated September 30, 2020 in FIR bearing number 339 of 2019 has been filed by Rajesh before the Judicial First Class Magistrate Court IX, Ernakulam against one of our Promoters, John K. Paul and another. For details see “-*Litigations involving our Company – Litigations filed against our Company – Criminal Litigations*” on page 373.

3. An FIR bearing number 1923/2023 was registered by Palarivattom Police Station under Sections 34, 383, 403, 415, 418, 420, 463, 464 and 468 of the IPC against Naveen Philip, our Managing Director, one of the employees of our Company and others. For details see “- *Litigations involving our Subsidiaries – Litigations filed against our Subsidiaries – Criminal Litigations*” on page 373.
4. Three summons bearing numbers STC 6037 of 2023, CC 764 of 2023 and CC 765 of 2023, each dated December 28, 2023, have been issued by the Chief Judicial Magistrate Court, Tiruvallur, to one of our Promoters, John K. Paul. For details see “*Litigations involving our Company – Litigation filed against our Company – Criminal Litigations*” on page 373.

Actions taken by Regulatory and Statutory Authorities

1. A complaint bearing number ST 104/2021 has been filed by the Assistant Registrar of Companies (“**Complainant**”), Kerala against one of our Promoters, John K. Paul. For details, see “- *Litigations involving our Promoters – Litigations filed against our Promoters – Actions taken by Regulatory and Statutory Authorities*” on page 384.
2. A complaint dated November 8, 2019 (“**Complaint**”) filed before the District Labour Officer Pattanamthitta by Somarajan (“**Complainant**”) against one of our Promoters, Naveen Philip and VMPL, alleging *inter alia* wrongful termination of his employment with VMPL and has also alleged that the Complainant was dismissed without giving the provident fund and gratuity, which was due to the Complainant. For details see “- *Litigations involving our Subsidiaries – Litigations filed against our Subsidiaries – Actions taken by Regulatory and Statutory Authorities*” on page 380.

Notices issued to our Promoters

1. Three notices dated June 21, 2021 (“**Notices**”) has been issued by the RoC, Ministry of Corporate Affairs, Government of India to one of our Promoters, John Paul, for alleged violation of (i) Section 295(1)(c) read with 295(4) of the Companies Act, 1956 (referred as section 185 of the Companies Act, 2013); (ii) Section 186(7) of the Companies Act, 2013; (iii) Section 292(1)(e) read with Section 294(4) of the Companies Act, 1956 (referred as Section 179 of the Companies Act, 2013) (“**Applicable Provisions**”) by Kerala Chamber of Commerce Industry (“**KCCI**”). Pursuant to the Notices, it is alleged that Applicable Provisions were violated by KCCI while granting an interest free advance of ₹22.18 million to India Middle East Broadcasting Network Private Limited, when John Paul was a director of KCCI. Replies to all the three show cause notices have been submitted by John K. Paul on September 9, 2021 and acknowledged by the ROC. No further proceedings are reported from the ROC.
2. For details in relation to notice dated June 6, 2023 issued by the Municipal Secretary, Thiruvananthapuram to one of our Promoters, John K. Paul, see “- *Litigations involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 376.
3. For details in relation to the notice dated September 27, 2017 bearing reference number OLK3-3771/17 issued to one of our Promoters, Naveen Phillip, see “- *Litigation involving our Subsidiaries – Litigations filed against our Subsidiaries – Notices issued to our Subsidiaries – VMPL*” on page 381.
4. A show cause notice bearing number A/1893/2023 dated August 22, 2023 has been issued by the Deputy Director of Industrial Safety and Health, Tiruvallur to one of our Promoters, John K. Paul. For details, see “- *Litigation involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 376.
5. The Regional PF Commissioner has issued a show cause notice bearing number KR/KC/10333/Recovery/2023-24 to our Company for recovery of arrears amounting to ₹0.31 million under the EPF Act and threatening arrest of our Managing Director. For details, see “- *Litigation involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 376.
6. A show cause notice bearing number B/1570/2023 dated December 21, 2023 has been issued by the Deputy Director of Industrial Safety and Health, Chennai to our Company. For details, see “- *Litigation involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 376.
7. A notice dated January 20, 2024 (“**Notice**”) has been issued by the Cochin Corporation to one of our Promoters, Naveen Philip for alleged dumping of garbage by the Company behind a hospital and consequent violation of the Solid Waste Management Rules, 2016. Pursuant to the Notice, the Cochin Corporation has directed Naveen Philip to remit an amount of ₹0.01 million. The matter is currently pending.

Litigation involving our Directors

Litigations filed against our Directors

Civil Litigation

1. An appeal bearing number MFA (Forest) No. 18 of 2018 has been filed by the State of Kerala and the Custodian of Ecologically Fragile Lands (Chief Conservator of Forests) before the High Court of Kerala at Ernakulam against Popular Estates (represented by one of our Promoters, John K. Paul). For further details, see “- *Litigations involving our Promoters – Litigations filed against our Promoters – Civil litigations*” on page 383.
2. A suit dated April 7, 2022 (“**Suit**”) bearing number 38 of 2022, has been filed by the State of Kerala, the District Collector, Civil Station, Kollam and others (collectively, the “**Plaintiffs**”) against Harrison’s Malayalam Limited and our Company represented by John K. Paul, in his capacity as the director of the Company. For details, see “- *Litigation involving our Company – Litigations filed against our Company – Civil litigations*” on page 373.

Criminal Litigation

1. A criminal miscellaneous case under Section 482 of the CrPC, bearing no. CRLMC 909 of 2016 has been filed by M.P. Chothy (“**Petitioner**”) before the High Court of Kerala at Ernakulam against our Company’s Directors and Promoters, Francis K. Paul and John K. Paul and our employees namely, Shamin M., Rafees, Lijo, Goldi, Sandeep N.S. and the State of Kerala. For further details see, “- *Litigations involving our Company - Litigations filed against our Company - Criminal Litigation*” on page 373.
2. A final report dated September 30, 2020 in FIR bearing number 339 of 2019 has been filed by Rajesh before the Judicial First Class Magistrate Court IX, Ernakulam against one of our Promoters, John K. Paul and another. For details see “- *Litigations involving our Company – Litigations filed against our Company – Criminal Litigations*” on page 373.
3. An FIR bearing number 1923/2023 was registered by Palarivattom Police Station under Sections 34, 383, 403, 415, 418, 420, 463, 464 and 468 of the IPC against Naveen Philip, our Managing Director, one of the employees of our Company and others. For details see “- *Litigations involving our Company – Litigations filed against our Company – Criminal Litigations*” on page 373.
4. A complaint bearing number ST 104/2021 (“**Complaint**”) has been filed by the Assistant Registrar of Companies (“**Complainant**”), Kerala against Kerala Chamber of Commerce and Industry (“**KCCI**”), one of our Promoters, John K. Paul, in his capacity as a director of KCCI, and others (“**Accused**”), before the Additional Chief Judicial Magistrate (Economic Offences) Court, Ernakulam. The complainant has alleged that KCCI and the other Accused have granted an interest-free loan violative of Section 187(7) of the Companies Act, 2013. Subsequently, John Paul filed a criminal miscellaneous petition bearing number Crl. MC 662 of 2024 dated January 19, 2024 before the High Court of Kerala seeking to quash the Complaint on the ground that the complaint was filed after the limitation period, pursuant to which an interim stay of six months was granted on January 22, 2024. The matter is currently pending.
5. Three summons bearing numbers STC 6037 of 2023, CC 764 of 2023 and CC 765 of 2023, each dated December 28, 2023, have been issued by the Chief Judicial Magistrate Court, Tiruvallur, to one of our Promoters, John K. Paul. For details see “- *Litigations involving our Company – Litigation filed against our Company – Criminal Litigations*” on page 373.

Actions taken by Regulatory and Statutory Authorities

Nil

Notices issued to our Directors

1. For details in relation to the three notices dated June 21, 2021 issued by the RoC, Ministry of Corporate Affairs, Government of India to one of our Directors, John K. Paul, see “- *Litigations involving our Promoters – Litigation filed against our Promoters – Notices issued to our Promoters*” on page 384.
2. For details in relation to notice dated June 6, 2023 issued by the Municipal Secretary, Thiruvananthapuram to one of our Directors, John K. Paul, see “- *Litigations involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 476.
3. A show cause notice bearing number A/1893/2023 dated August 22, 2023 has been issued by the Deputy Director of Industrial Safety and Health, Tiruvallur to one of our Promoters, John K. Paul. For details, see “- *Litigation involving our Company – Litigations filed against our Company – Notices issued to our Company*” on page 476.
4. For details in relation to the notice dated September 27, 2017 bearing reference number OLK3-3771/17 issued our Managing Director, Naveen Phillip, see “- *Litigation involving our Subsidiaries – Litigations filed against our Subsidiaries – Notices issued to our Subsidiaries – VMPL*” on page 381.
5. For details in relation to the notice dated January 20, 2024 issued to our Managing Director, Naveen Philip by the Cochin Corporation, see “- *Litigations involving our Promoters – Litigation filed against our Promoters – Notices issued to our Promoters*” on page 384.

Claims related to direct and indirect taxes

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Subsidiaries, Directors and Promoters.

Nature of case	Number of cases	Amount involved (in ₹ million)
Company		
Direct Tax	10	4.09
Indirect Tax	62	180.89
Subsidiaries		
Direct Tax	12	19.89
Indirect Tax	54	2,602.18
Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

* Includes eight material cases involving PMMIL where writ petition has been filed and pending before the concerned High Court

Material tax matters

Our Subsidiaries

PMMIL

1. An order dated July 23, 2015 (“**Order**”) has been passed by the Assistant Commissioner, Special Circle-I, Commercial Taxes, Ernakulam *inter alia* stating that PMMIL had allegedly conceded interstate stock transfer worth ₹1,529 million, however such stock transfers were stated as nil in the annual return filed by PMMIL. Hence, PMMIL is liable to pay tax on such amount conceded. A writ petition bearing no. 24476 of 2015 has been filed by PMMIL before the High Court of Kerala at Ernakulam (“**High Court**”) against the Order *inter alia* challenging that the Order passed for reopening of assessment has been initiated beyond the time limit prescribed under Section 25(1) of the Kerala Value Added Tax Act, 2003. The matter is currently pending.
2. An order March 27, 2017 has been issued by the Assistant Commissioner, Commercial Taxes, Special Circle-I, Ernakulam to PMMIL alleging certain discrepancies in the annual return filed against the annual statements for the assessment year 2009-10 and raised a demand of ₹30.42 million (“**Order**”). PMMIL has filed a writ petition bearing number 20737 of 2017 before the High Court of Kerala at Ernakulam against the Order *inter alia* challenging that the Order passed for reopening of assessment has been initiated beyond the time limit prescribed under Section 25(1) of the Kerala Value Added Tax Act, 2003. The matter is currently pending.
3. An order dated December 26, 2016 (“**Order**”) has been issued by the Assistant Commissioner, Commercial Taxes, Special Circle - I, Ernakulam (“**Assistant Commissioner**”) against PMMIL. Pursuant to the Order, the Assistant Commissioner has alleged certain irregularities found in the annual returns filed by PMMIL, *inter alia*, (i) amount against ‘warranty and free services’ worth ₹65.90 million which was shown in the audited accounts of PMMIL was not included in the return filed; (ii) conversion of security deposits into penalty worth ₹0.07 million etc. Pursuant to the Order, PMMIL has been demanded to pay a sum of ₹41.36 million. Aggrieved by the Order, PMMIL has filed a writ petition bearing number 5356 of 2017 before the High Court of Kerala at Ernakulam. The matter is currently pending.
4. An order dated December 20, 2023 (“**Order**”) has been issued by the Deputy Commercial Taxes Officer, Assessment Circle, Chennai (“**Officer**”) against PMMIL on the grounds of excess availing of income tax credit and availing ineligible credit, pursuant to inspection proceedings conducted on October 6, 2023. Pursuant to the Order, a show cause notice bearing reference number 33AABCP6105H1ZT/2020-2021 dated January 29, 2024 (“**Show Cause Notice**”) has been issued by the State Tax Officer, Grade-IX, Inspection-I, Chennai. PMMIL has filed five writ petitions bearing W.P. numbers 4108 of 2024, 4552 of 2024, 4555 of 2024, 4112 of 2024 and 5425 of 2024 (collectively, “**Writ Petitions**”) before the High Court of Madras (“**High Court**”) challenging the Show Cause Notice on the *inter alia* grounds of lack of a specific allegation and violation of principles of natural justice and seeking a stay of the Show Cause Notice. The matter is currently pending.

Outstanding dues to Creditors

In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5.00% of the total consolidated trade payables as of September 30, 2023, based on the Restated Financial Information of our Company, were considered ‘material’ creditors. Our total trade payables as of September 30, 2023, was ₹1,709.85 million and accordingly, creditors to whom outstanding dues as of September 30, 2023, exceed ₹85.49 million have been considered as material creditors for the purposes of disclosure in this Prospectus. Details of outstanding dues towards our material creditors are available on the website of our Company at <https://www.popularmaruti.com/investor-relations/governance/material-creditors/>.

Based on the Materiality Policy, details of outstanding dues owed as of September 30, 2023 by our Company, on a consolidated basis are set out below:

Type of creditors	Number of Creditors	Amount (in ₹ million)
Dues to micro, small and medium enterprises	104	32.67
Dues to material creditors	1	1,018.68
Dues to other creditors	2,865	658.50
Total	2,970	1,709.85

As of September 30, 2023, there is 1 material creditor to whom our Company owes an aggregate amount of ₹ 1,018.68 million.

Material Developments

Except as disclosed in this Prospectus, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant developments after September 30, 2023 that may affect our future results of operations*” on page 367.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company and Material Subsidiaries which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company and Material Subsidiaries can undertake this Offer and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company and our Material Subsidiaries will make applications to the appropriate authorities for renewal of such key approvals, as necessary. For details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” on page 214.

I. Incorporation details

- Certificate of incorporation dated July 5, 1983 issued by the Registrar of Companies to our Company, in the name of Popular Vehicles and Services Limited.
- Fresh certificate of incorporation dated March 24, 2015 issued by the Registrar of Companies to our Company consequent upon conversion to a private limited company in the name of Popular Vehicles and Services Private Limited.
- Fresh certificate of incorporation dated July 10, 2018 issued by the Registrar of Companies to our Company consequent upon conversion to a public limited company in the name of Popular Vehicles and Services Limited.
- Our Company was allotted a corporate identity number U50102KL1983PLC003741.
- For incorporation details of our Subsidiaries, see “History and Certain Corporate Matters – Our Subsidiaries” on page 224.

II. Approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 392.

III. Labour related approvals

We have obtained registrations under various employee and labour related laws including the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Employees State Insurance Act, 1948.

IV. Key approvals in relation to our Company and Material Subsidiaries

Tax Related Approvals

We are required to obtain registration under various national tax laws and state specific tax laws such as the Income Tax Act, 1961, Central Goods and Services Tax Act, 2017, Kerala Goods and Services Tax Act, 2017, Tamil Nadu Goods and Services Tax Act, 2017, Karnataka Goods and Services Act, 2017 as applicable. We have obtained the material licenses and approvals from the appropriate regulatory and governing authorities in relation to such tax laws.

Key approvals obtained for business operations

- (i) Approvals in relation to our sales operations:

In respect of the corporate offices, showrooms, sales outlets and booking offices, pre-owned vehicle showrooms and outlets, authorised service centres, retail outlets, and warehouses of our Company and respective Subsidiaries, we are required to obtain and maintain certain registrations and licenses such as certificate of registration for shops and establishments and corporation license under the provisions of relevant legislations of Kerala, Tamil Nadu, Karnataka, and Maharashtra, as applicable. We have obtained all material registrations and licenses in relation to our sales operations. Certain registrations, and licenses, may have lapsed in their normal course and we have either made applications to the appropriate authorities for renewal of such registrations, and/or licenses or are in the process of making such applications. The details for material approvals applied for but not received and material approvals and renewals required and to be applied for by our Company or Material Subsidiaries, are as mentioned below:

(a) Material approvals and renewals applied for but not received:

Sr. No.	Location	Approval	Date of Application
Company (Arena showrooms)			
1.	Kottayam	Panchayath/municipal/corporation License	March 28, 2023
Company (Maruti true value outlets)			
1.	Kattappana	Panchayath/municipal/corporation license	January 5, 2024

(b) Material approvals and renewals required and to be applied:

As on date of this Prospectus, there are no material approvals and renewals which are required and not applied for by our Company or Material Subsidiaries.

(ii) Approvals in relation to our service centres:

In respect of the service centres of our Company and Subsidiaries, we are required to obtain and maintain certain permits, registrations, approvals and licenses under the provisions of relevant legislations of Kerala, Tamil Nadu, Karnataka and Maharashtra as applicable, including, *inter alia*, factory licenses, pollution consents and panchayath/municipal/corporation licenses. Further, a few of our service centres are required to obtain legal metrology certificate, clearances from the electrical inspectorate for installation and supply of electricity, relevant consents from the PCBs as well as fire NOCs from the relevant fire services department. Except as stated below, we have obtained all material permits, registrations, approvals and licenses in relation to our service centres and body shops. Certain permits, registrations, approvals and licenses, may have lapsed in their normal course and we have either made applications to the appropriate authorities for renewal of such permits, registrations, approvals and/or licenses or are in the process of making such applications. The details for material approvals and renewals applied for but not received and material approvals and renewals required and to be applied for by our Company or Material Subsidiaries, are as mentioned below:

(a) Material approvals and renewals applied for but not received:

Sr. No.	Location	Approval	Date of Application
Company (Arena services)			
1.	Vanagaram	Consent from pollution control board	February 22, 2024
2.	Kottayam	Panchayath/municipal/corporation license	March 28, 2023
Company (Nexa services)			
1.	Thrissur, Aranattukara	Panchayath/municipal/corporation license	March 8, 2023
PMML (Commercial Vehicles)			
1.	Kannur	Factory license	October 20, 2023
2.	Chackai	Consent from pollution control board	January 14, 2024

(b) Material approvals and renewals yet to be applied for:

Sr. No.	Location	Approval
Company (Arena services)		
1.	Keelkkatil	Consent from pollution control board
2.	Thrissur	Panchayath/municipal/corporation license
VMPL		
1.	Thrissur	Panchayath/municipal/corporation license

(iii) Approvals in relation to our driving schools:

In respect of our driving schools, we are required to obtain and maintain certain permits, registrations, approvals and licenses under the provisions of relevant legislations of Kerala including, *inter alia*, regional transport office driving school license and corporation licenses. Except as stated below, we have obtained all material permits, registrations, approvals and licenses in relation to our driving schools. Certain permits, registrations, approvals and licenses, may have lapsed in their normal course and we have either made applications to the appropriate authorities for renewal of such permits, registrations, approvals and/or licenses or are in the process of making such applications. The details for material approvals applied for but not received and material approvals and renewals required and to be applied for by our Company or Material Subsidiaries, are as mentioned below:

(a) Material approvals and renewals applied for but not received:

As on date of this Prospectus, there are no material approvals and renewals which are to be applied for but not received by our Company or Material Subsidiaries

(b) Material approvals and renewals required and to be applied for:

Sr. No.	Location	Approval
<i>Company (Maruti driving school)</i>		
1.	Kottayam	Panchayath/municipal/corporation license

V. Intellectual property

Our Company has registered our “Popular Vehicles and Services” logo as a trademark. For information in relation to our Intellectual Property, please see “*Our Business – Intellectual Property*” on page 209.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term 'group companies' of our Company, for the purpose of disclosure in this Prospectus, shall include:

- (i) the companies (other than the promoter entities and Subsidiaries of our Company) with which there were related party transactions as disclosed in the Restated Financial Information during any of the last three FYs, in respect of which the Restated Financial Information, as covered under the applicable standards (i.e., Ind AS 24), is included in this Prospectus; and
- (ii) such other companies as considered material by the Board pursuant to the Materiality Policy.

For the purposes of (ii) above, pursuant to the resolutions passed by our Board at its meeting held on August 14, 2023, September 28, 2023, and February 5, 2024, has adopted the Materiality Policy and has considered group companies of our Company to be such companies (other than the companies categorised under (i) above) that are a part, of the Promoter Group with which the Company has had one or more transactions in the most recent completed FY for which Restated Financial Information is being included in the Offer Documents, which exceed, individually or in aggregate, 10% of the total consolidated revenue of the Company as derived from the Restated Financial Information in the last completed FY shall be considered material.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, our Board has not identified any group companies.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer including the Fresh Issue pursuant to resolutions passed at its meeting held on August 14, 2023 and August 31, 2023 and our Shareholders have approved the Offer pursuant to resolutions dated August 21, 2023 and September 8, 2023 in terms of Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to its resolutions dated August 14, 2023, September 28, 2023 and February 5, 2024.

Our Board and IPO Committee approved the Draft Red Herring Prospectus pursuant to its resolutions dated September 28, 2023 and September 29, 2023, respectively.

Our Board has approved the Red Herring Prospectus pursuant to its resolution dated March 4, 2024.

The Board approved this Prospectus pursuant to its resolution dated March 14, 2024.

Authorisation by the Selling Shareholder

The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares, as set out below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization	Date of consent letter
Selling Shareholder				
BanyanTree	3,515.54	11,917,075	September 22, 2023	September 28, 2023 and February 5, 2024

The Selling Shareholder confirms that the Equity Shares offered by it as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations. For details, see “*The Offer*” on page 60.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters, each dated November 8, 2023.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Prospectus.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

The Selling Shareholder confirms that it has not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Further, there have not been any regulatory actions initiated against the Selling Shareholder by SEBI, RBI or any overseas regulator.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company, nor any of our Promoters or Directors have been declared as fraudulent borrowers by the lending banks or financial institution or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, members of the Promoter Group, and the Selling Shareholder confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each)(i.e., Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a Net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Our Company has not changed its name in the last one year prior to the date of this Prospectus.

Our Company's operating profit, Net worth, net tangible assets and monetary assets derived from the Restated Financial Information included in this Prospectus as at, and for the last three Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, are set forth below:

Derived from our Restated Financial Information:

(₹ in million, unless otherwise stated)				
S. No.	Particulars	FY 2023	FY 2022	FY 2021
A.	Net tangible assets, as restated and consolidated ⁽¹⁾	3,130.27	2,748.01	2,398.35
B.	Monetary assets, as restated and consolidated ⁽²⁾	281.60	203.52	594.00
C.	Monetary assets, as restated and consolidated as a % of net tangible assets, as restated and consolidated (B/A)	9.00%	7.41%	24.77%
D.	Net worth ⁽³⁾	3,430.44	2,798.86	2,460.02
E.	Operating profit for the year ended, as restated and consolidated ⁽⁴⁾	1,377.75	910.86	766.35

Notes:

- ^{1.} Net tangible assets, as restated and consolidated basis, mean the sum of all net assets of our Company on a restated and consolidated basis excluding intangible assets as defined in Indian Accounting Standard 38 and goodwill, of which not more than fifty per cent are held in monetary assets
- ^{2.} Monetary assets, as restated and consolidated = Cash on hand + cheques on hand + balance with banks + balance with banks held as margin money, on restated basis.
- ^{3.} Net worth of our Company, as restated and consolidated, has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- ^{4.} Restated and consolidated operating profit has been calculated as restated and consolidated net profit before tax excluding other income and finance cost each on a restated and consolidated basis

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- Our Company, our Promoters, members of the Promoter Group, the Selling Shareholder and our Directors are not debarred from accessing the capital markets by SEBI;
- The companies with which our Promoters or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;
- Neither our Company, nor our Promoters, or Directors is a wilful defaulter (as defined in the SEBI ICDR Regulations);
- None of our Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
- There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;
- Our Company along with Registrar to the Offer has entered into tripartite agreements dated August 14, 2018 and August 24, 2018 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.
- The Equity Shares of our Company held by the Promoters are in the dematerialised form;

- (viii) Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith; and
- (ix) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED, CENTRUM CAPITAL LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY EDELWEISS SECURITIES LIMITED), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND EACH SELLING SHAREHOLDER IS, SEVERALLY AND NOT JOINTLY, WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer were complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of this Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the Selling Shareholder and BRLMs

Our Company, the Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company’s website www.popularmaruti.com, or the respective websites of our Promoters or any affiliate of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement.

All information was made available by our Company, Selling Shareholder and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders were required to confirm and are deemed to have represented to our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its subsidiaries, our Promoters, members of the Promoter Group, the Selling Shareholder, and their affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, Promoters, the Selling Shareholder, and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Neither the delivery of the Red Herring Prospectus nor any offer or sale of Equity Shares thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholder since the date hereof or that the information contained therein is correct as of any time subsequent to the date of filing of the Red Herring Prospectus.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Ernakulam, India only.

Bidders eligible under Indian law to participate in the Offer

The Offer was being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, Government of India, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Bidders were advised to ensure that any Bid from them could not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Certain persons outside India are restricted from participating in the Offer. For details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 434.

Selling restrictions and transfer restrictions

Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India was eligible to Bid for Equity Shares in the Offer unless that person received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

The Equity Shares offered in the Offer had not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Offer were offered and are being sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act (“**Regulation S**”).

Each purchaser of the Equity Shares in the Offer who does not receive a copy of the preliminary offering memorandum shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that it did not purchase the Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S).
- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that it will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as

participatory notes, issued against the Equity Shares, other than in accordance with applicable laws.

- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- Represent and warrant to our Company, the Selling Shareholder and the members of the Syndicate that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- Agree to indemnify and hold the Company, the Selling Shareholder and the members of the Syndicate harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Acknowledge that our Company, the Selling Shareholder, the members of the Syndicate and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Disclaimer Clause of BSE

“BSE Limited (“the Exchange”) has given vide its letter dated November 8, 2023, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or*
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or*
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Disclaimer Clause of NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2928 dated November 08, 2023, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Listing

The Equity Shares proposed to be Allotted through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE shall be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such period as may be prescribed by SEBI. The Selling Shareholder, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the

completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period in accordance with applicable law.

Consents

Consents in writing of the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to our Company, Bankers to our Company, the BRLMs, Registrar to the Offer, CRISIL, Statutory Auditors and Independent Chartered Accountant, have been obtained, and such consents have not been withdrawn as of the date of the Red Herring Prospectus. Further, consents in writing of the Syndicate Members, Escrow Collection Bank(s)/Refund Bank(s)/ Public Offer Account/ Sponsor Banks, Monitoring Agency to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus and this Prospectus with the RoC as required under the Companies Act, 2013. All such consents have not been withdrawn up to the time of the delivery of this Prospectus for filing with the RoC.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated March 14, 2024, from B S R & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated February 5, 2024 on our Restated Financial Information; and (ii) their report dated February 5, 2024 on the statement of special tax benefits in this Prospectus. Such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consents dated September 28, 2023 from R.G.N. Price & Co., Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Independent Chartered Accountants, and in respect of their reports, including the examination report dated September 28, 2023 on the Pro Forma Financial Information and certificates/letters included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company and subsidiaries or associate entities during the last five years

Other than as disclosed in “*Capital Structure*” on page 77, our Company has not made any capital issues during the five years preceding the date of this Prospectus.

Our Company does not have any listed subsidiary or a listed associate entity.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not undertaken any rights issue (as defined under the SEBI ICDR Regulations) in the five years preceding the date of this Prospectus. Further, our Company has not undertaken any public issue in the last five years preceding the date of this Prospectus.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue in the five years preceding the date of this Prospectus. Other than as disclosed in “*Capital Structure*” on page 77, our Company has not undertaken any rights issue (as defined under SEBI ICDR Regulations) in the five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

None of our Subsidiaries or Promoters are listed on any stock exchange.

Price information of past issues handled by the BRLMs

1) I-Sec

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by I-Sec

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Credo Brands Marketing Limited [^]	5,497.79	280.00	27-Dec-23	282.00	-9.89% [-1.86%]	NA*	NA*
2	Azad Engineering Limited [^]	7,400.00	524.00	28-Dec-23	710.00	+29.06% [-2.36%]	NA*	NA*
3	Innova Captab Limited ^{^^}	5,700.00	448.00	29-Dec-23	452.10	+15.16% [-1.74%]	NA*	NA*
4	Jyoti CNC Automation Limited ^{^^}	10,000.00	331.00 ⁽¹⁾	16-Jan-24	370.00	+78.07% [-0.87%]	NA*	NA*
5	EPACK Durable Limited [^]	6,400.53	230.00	30-Jan-24	225.00	-19.96% [-1.64%]	NA*	NA*
6	Apeejay Surrendra Park Hotels Ltd ^{^^}	9,200.00	155.00 ⁽²⁾	12-Feb-24	186.00	+17.39% [+3.33%]	NA*	NA*
7	Rashi Peripherals Limited [^]	6,000.00	311.00	14-Feb-24	335.00	-0.77% [+1.77%]	NA*	NA*
8	Jana Small Finance Bank Limited [^]	5,699.98	414.00	14-Feb-24	396.00	-5.23% [+1.77%]	NA*	NA*
9	Entero Healthcare Solutions Limited [^]	16,000.00	1,258.00 ⁽³⁾	16-Feb-24	1,149.50	NA*	NA*	NA*
10	Juniper Hotels Limited ^{^^}	18,000.00	360.00	28-Feb-24	365.00	NA*	NA*	NA*

*Data not available

[^]BSE as designated stock exchange

^{^^}NSE as designated stock exchange

(1) Discount of Rs. 15 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 331.00 per equity share.

(2) Discount of Rs. 7 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 155.00 per equity share.

(3) Discount of Rs. 119 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,258.00 per equity share.

2. Summary statement of price information of past issues handled by I-Sec

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	27	2,64,159.44	-	-	6	5	7	7	-	-	-	2	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

*This data covers issues up to YTD

Notes:

1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.

2) Nuvama

1. Price information of past issues handled by Nuvama**

S. No.	**Issue Name	Issue Size (₹ million) #	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Capital Small Finance Bank Limited	5,230.70	468.00	February 14, 2024	435.00	-25.25% [1.77%]	NA	NA
2.	Mediasist Healthcare Services Limited	11,715.77	418.00	January 23, 2024	465.00	22.32% [3.20%]	NA	NA
3.	Flair Writing Industries Limited	5930.00	304.00	December 01, 2023	501.00	14.69% [7.22%]	-8.63% [8.31%]	NA
4.	Gandhar Oil Refinery (India) Limited	5006.92	169.00	November 30, 2023	298.00	61.51% [7.94%]	41.57% [10.26%]	NA
5.	ESAF Small Finance Bank Limited	4,630.00	60.00^	November 10, 2023	71.90	12.87% [7.58%]	31.18% [11.17%]	NA
6.	Sai Silks (Kalamandir) Limited	12,009.98	222.00	September 27, 2023	230.10	8.09% [-4.49%]	25.09% [7.54%]	NA
7.	Jupiter Life Line Hospitals Limited	8,690.76	735.00	September 18, 2023	973.00	42.27% [-1.60%]	56.54% [6.57%]	NA
8.	TVS Supply Chain Solutions Limited	8,800.00	197.00	August 23, 2023	207.05	8.71% [1.53%]	6.57% [1.29%]	-7.46% [13.35%]
9.	Inox Green Energy Services Limited	7400.00	65.00	November 23, 2022	60.50	-30.77% [-1.11%]	-32.77% [-1.33%]	-26.85% [0.36%]
10.	Five Star Business Finance Limited	15934.49	474.00	November 21, 2022	468.80	29.72% [1.24%]	19.20% [-1.19%]	11.72% [0.24%]

Source: www.nseindia.com and www.bseindia.com

^ESAF Small Finance Bank Limited- A discount of ₹ 5 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹60 per equity share.

#As per Prospectus

**Pursuant to order passed by Hon'ble National Company Law Tribunal, Mumbai Bench dated April 27, 2023, the merchant banking business of Edelweiss Financial Services Limited ("Edelweiss") has demerged and now transferred to Nuvama Wealth Management Limited ("Nuvama") and therefore the said merchant banking business is part of Nuvama.

Notes

1. Based on date of listing.
2. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.
3. Wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
4. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

2. Summary statement of price information of past issues handled by Nuvama

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)#	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	8	62,014.13	-	1	-	1	1	5	-	-	1	-	-	-
2022-23	3	28,334.49	-	1	-	-	1	1	-	1	1	-	-	1
2021-22	9	2,31,182.63	-	-	3	1	2	3	-	1	2	2	1	3

The information is as on the date of the document

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
3. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*

**For the financial year 2023-24, 8 issues have completed 30 calendar days, 6 issues have completed 90 calendar days and 1 has completed 180 calendar days.*

#As per Prospectus.

3) Centrum

- Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by Centrum

S. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	J.G.Chemicals Ltd [^]	2,511.90	221	March 13, 2024	211	N/A*	N/A*	N/A*

[^] BSE as designated stock exchange

* Data not available

- Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by Centrum

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	1	2,511.90	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* This data covers issues up to YTD.

Track record of past issues handled by the BRLMs

Details of the past issues handled by BRLMs in the past three years which have closed below the offer price are set out below:

Name of the BRLM	Total Issues	Issues closed below IPO price on the listing date
ICICI Securities Limited* (A)	53	18
Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited) * (B)	10	3
Centrum Capital Limited* (C)	Nil	Nil
Common issues of BRLMs (D)	9	2
Total (A+B+C+D)	72	23

* Issues handled where there were no common BRLMs.

For further details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, please see the websites of the BRLMs, as provided in the table below:

S. No.	Name of the BRLM	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	www.nuvama.com
3.	Centrum Capital Limited	www.centrum.co.in

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs with whom the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of SEBI ICDR Regulations. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “General Information – Book Running Lead Managers” on page 70.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Selling Shareholder, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES in terms of the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular

SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Prospectus. As on the date of this Prospectus there are no outstanding investor grievances.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Varun T.V., Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see “*General Information*” and “*Our Management*” on pages 77 and 239, respectively. The Selling Shareholder, specifically, has authorised our Company Secretary and Compliance Officer and the Registrar to the Offer to redress any complaints received from Bidders in respect of its portion of the Offered Shares.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

Our Company has constituted a Stakeholders’ Relationship Committee comprising of George Joseph, Naveen Phillip, Preeti Reddy and Rakesh Kumar Bhutoria as members. For details, see “*Our Management – Stakeholders’ Relationship Committee*” on page 241.

Exemption from complying with any provisions of SEBI ICDR Regulations

Our Company has not applied for or received any exemption from complying with any provisions of SEBI ICDR Regulations.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprised a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholder, see “*Objects of the Offer*” on page 106.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and Allotted/ transferred in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall rank *pari passu* with the existing Equity Shares in all respects including voting and right to receive dividends and other corporate benefits. For further details, see “*Description of Equity Shares and Terms of Articles of Association*” on page 435.

Mode of payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines, regulations or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted or transferred Equity Shares pursuant to the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 254 and 435, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹2 and the Offer Price at the lower end of the Price Band is ₹280 per Equity Share and at the higher end of the Price Band is ₹295 per Equity Share. The Anchor Investor Offer Price is ₹295 per Equity Share.

The Offer Price, Price Band, Employee Discount and the minimum Bid Lot size for the Offer was decided by our Company, in consultation with the BRLMs, and advertised in all editions of the Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Kochi edition of Deepika, a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, was pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price and the Employee Discount was determined by our Company, in consultation with the Book Running Lead Managers, after the Bid/ Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy or “e-voting”, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see “*Description of Equity Shares and Terms of Articles of Association*” on page 435.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated August 14, 2018 between our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated August 24, 2018 between our Company, CDSL and the Registrar to the Offer.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 415.

Employee Discount

The Employee Discount was offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band could make payment at Bid Amount applicable to them, that is, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price had to ensure payment at the Cap Price, less Employee Discount, as applicable, at the time of making a Bid.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised and electronic form in multiples of one Equity Share subject to a minimum Allotment of 50 Equity Shares. For further details on the Basis of Allotment, see “*Offer Procedure*” on page 415.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Ernakulam, India only.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Offer were offered and are being sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENED ON	Tuesday, March 12, 2024 ⁽¹⁾
BID/OFFER CLOSED ON	Thursday, March 14, 2024 ⁽²⁾

⁽¹⁾ The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

⁽²⁾ UPI mandate end time and date were 5:00 pm IST on Bid/ Offer Closing Date, i.e. Thursday, March 14, 2024.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Friday, March 15, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Monday, March 18, 2024
Credit of Equity Shares to dematerialized accounts of Allottees	On or about Monday, March 18, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Tuesday, March 19, 2024

* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidders shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder or the BRLMs.

Any circulars or notifications from the SEBI after the date of this Prospectus may result in changes to the timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within such time as prescribed by SEBI.

The Registrar to the Offer submitted the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's unblocked such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories [#]	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

* UPI mandate end time and date were 5:00 pm on the Bid/Offer Closing Date.

[#] QIBs and Non-Institutional Investors could neither revise their bids downwards nor cancel/ withdraw their Bids

On the Bid/ Offer Closing Date, the Bids were required to be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time could have been granted by Stock Exchanges only for uploading Bids received RIBs and Eligible Employees under the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, were rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 3:00 p.m. IST on the Bid/Offer Closing Date.

Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, some Bids may have not gotten uploaded due to lack of sufficient time. Such Bids that could not be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids were accepted only during Working Days during the Bid/ Offer Period. Bidders were asked to note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids would not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges was taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; or (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvment of Underwriters, if any, in accordance with applicable laws, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Selling Shareholder in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue.

The Selling Shareholder shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by the Selling Shareholder in the Offer, any expenses and interest incurred by our Company on behalf of the Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholder in relation to its portion of the Offered Shares.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

No liability to make any payment of interest or expenses shall accrue to the Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of Selling Shareholder and to the extent of its portion of the Offered Shares.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue and the Selling Shareholder, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days

from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

If our Company, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of this Prospectus with the RoC.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of our Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 77 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 435.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

The Offer is of 20,395,205 Equity Shares* for cash at a price of ₹295[‡] per Equity Share (including a share premium of ₹293 per Equity Share) aggregating to ₹6,015.54 million comprising a Fresh Issue of up to 8,478,130 Equity Shares aggregating up to ₹2,500.00 million and an Offer for Sale of up to 11,917,075 Equity Shares aggregating up to ₹ 3,515.54 million[‡] by the Selling Shareholder.

The Offer includes a reservation of up to 37,453 Equity Shares, aggregating up to ₹10.00 million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 9.49% of our post-Offer paid-up Equity Share capital. The Offer less the Employee Reservation Portion is the Net Offer.

The Offer and Net Offer shall constitute 28.65% and 28.59% of the post-Offer paid-up Equity Share capital of our Company, respectively.

The Offer was made through the Book Building Process.

* Subject to finalisation of Basis of Allotment.

[‡] A discount of ₹28 per Equity Share was offered to Eligible Employees in the Employer Reservation Portion.

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation* (2)	37,453 Equity Shares ^{##}	10,178,875 Equity Shares	3,053,663 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	7,125,214 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/allocation	The Employee Reservation Portion constituted to 0.05% of the post-Offer paid-up Equity Share capital of our Company	Not more than 50% of the Net Offer was made available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be available for allocation out of which (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.2 million and up to ₹1.00 million; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Net Offer
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate [#] ; the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a	Proportionate as follows (excluding the Anchor Investor Portion): a) 203,578 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
	proportionate basis, to Eligible Employees for a value exceeding ₹0.20 million, subject to total Allotment to an Eligible Employee not exceeding ₹0.50 million	b) 3,867,972 Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of 6,107,325 Equity Shares) was allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids having been received from Mutual Funds at or above the Anchor Investor Allocation Price	Bidders being 1,017,888 Equity Shares were reserved for Bidders Biddings more than ₹0.20 million and up to ₹1.00 million; and b) two third of the portion available to Non-Institutional Bidders being 2,035,775 Equity Shares were reserved for Bidders Bidding more than ₹1.00 million. Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment of specified securities to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see “Offer Procedure” on page 415.	further details, see “Offer Procedure” on page 415
Minimum Bid	Such number of Equity Shares in multiples of 50 Equity Shares	Such number of Equity Shares in multiples of 50 Equity Shares such that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares in multiples of 50 Equity Shares such that the Bid Amount exceeds ₹0.20 million	50 Equity Shares and in multiples of 50 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of 50 Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹0.50 million, less Employee Discount	Such number of Equity Shares in multiples of 50 Equity Shares not exceeding the size of the Offer, (excluding the Anchor portion) subject to applicable limits	Such number of Equity Shares in multiples of 50 Equity Shares not exceeding the size of the Offer, (excluding the QIB portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of 50 Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Bidding	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism.			
Bid Lot	50 Equity Shares and in multiples of 50 Equity Shares thereafter			
Mode of Allotment	Compulsorily in dematerialised form			

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Allotment Lot	A minimum of 50 Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply ⁽⁴⁾	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	In case of Anchor Investors: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids⁽³⁾ In case of all other Bidders: Full Bid Amount was blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form			

* Subject to finalisation of Basis of Allotment.

Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹0.50 million. However, a Bid by an Eligible Employee in the Employee Reservation Portion was considered for allocation, in the first instance, for a Bid Amount of up to ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion was made available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not be treated as multiple Bids subject to applicable limits. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion were treated as multiple Bids, only if Eligible Employee had made an application of more than ₹0.20 million (net of Employee Discount) in the Employee Reservation Portion. The undersubscribed portion, if any, in the Employee Reservation Portion was added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription was permitted from the Employee Reservation Portion.

Our Company, in consultation with the BRLMs, offered a discount of up to 9.49% to the Offer Price (equivalent of ₹28 per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which was announced at least two Working Days prior to the Bid / Offer Opening Date.

(1) Our Company, in consultation with the BRLMs allocated up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis subject to there having been (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion was up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation

up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof was permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation was made to Anchor Investors, which price was determined by our Company, in consultation with the BRLMs.

- (2) Subject to valid Bids being received at or above the Offer Price. This Offer was made in accordance with the Rule 19(2)(b) of the SCRR and was made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.
- (3) Full Bid Amount was required to be paid by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares were allocated to the Anchor Investors and the Anchor Investor Offer Price, was required to be paid by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see the General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors were not permitted to participate in the Offer through the ASBA process.
- (4) In case of joint Bids, the Bid cum Application Form was required to contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders. Bidders were required to confirm and were deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they were eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. Further, a Bidder Bidding in the Employee Reservation Portion could also Bid under the Net Offer and such Bids were not treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion above ₹0.5 million (net of Employee Discount) was not allowed to Bid in the Net Offer as such Bids were treated as multiple Bids.
- (5) Subject to valid bids having been received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer was to be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Selling Shareholder in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue. In the event of under-subscription in the Offer, Equity Shares were allocated in the manner specified in "Terms of the Offer" on page 405.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, at the time of making a Bid.

Any unsubscribed portion remaining in the Employee Reservation Portion was added to the Net Offer. Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹0.20 million in value (net the of Employee Discount).

Only in the event of an under-subscription in the Employee Reservation Portion, post the initial Allotment, such unsubscribed portion was Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of the Employee Discount) in value. Subsequent under-subscription, if any, in the Employee Reservation Portion could be added back to the Net Offer.

The Bids by FPIs with certain structures as described under "Offer Procedure – Bids by FPIs" on page 421 and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion was allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion was not allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 405.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders were required to read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document was made available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The investors were required to note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders could refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019. Pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, the SEBI has increased the UPI limit from ₹ 0.20 to ₹ 0.50 for all the individual investors applying in public issues.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 Press Release”). Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to the extent relevant for RTAs, and rescinded these circulars (excluding and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to extent applicable to RTAs. Accordingly, the Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory T+3 listing basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Press Release.

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory T+3 listing basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI pursuant to the T+3 Press Release. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes were up to ₹0.50 million were required to use the UPI Mechanism and also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings were processed only after the application monies were blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

Our Company, the Selling Shareholder and the BRLMs, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and were not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that their Bids were submitted in accordance with applicable laws and did not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus, when filed.

Further, our Company, the Selling Shareholder and the Members of the Syndicate were not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process and is in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, 37,453 Equity Shares, aggregating up to ₹10.00 million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase had become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide the T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. Accordingly, the Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory T+3 listing basis, subject to any circulars, clarification or notification issued by SEBI pursuant to the T+3 Press Release.

The processing fees for application made by UPI Bidders using the UPI Mechanism could be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs could be made in compliance with circular prescribed by SEBI and applicable law. The Offer was made under UPI Phase III of the UPI Circular.

All SCSBs offering facility of making application in public issues also provided facility to make application using UPI. Our Company has appointed Axis Bank Limited and ICICI Bank Limited as the Sponsor Bank(s) to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, were required to provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (“**UPI Streamlining Circular**”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs was undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application could be made only after (i) unblocking of application amounts for each application received by the SCSB had been fully completed, and (ii) applicable compensation relating to investor complaints had been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase III of the UPI Circulars and the same will be advertised in all editions of the Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Kochi edition of Deepika, a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located) each with wide circulation, on or prior to the Bid/ Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form was also made available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form were made available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process, which included the UPI Mechanism in case of UPI Bidders. Anchor Investors were not permitted to participate in the Offer

through the ASBA process. SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, the Stock Exchanges were required to, for all categories of investors viz. RIB, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked by UPI Bidders Bidding through the UPI Mechanism.

UPI Bidders were required to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that did not contain the UPI ID were liable to be rejected. ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that did not contain such details were liable to be rejected.

The ASBA Bidders, including UPI Bidders, were required to ensure that they had sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder could only be processed after the Bid amount has been blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which became effective from September 1, 2022.

ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. UPI Bidders, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs (except UPI Bidders). ASBA Bidders were required to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid.

Anchor Investors were not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form were made available with the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis ⁽¹⁾	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors ⁽²⁾	White
Eligible Employees Bidding in the Employee Reservation Portion ⁽³⁾	Pink

* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered Office of our Company.

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) were required to submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder had a bank account and could not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs were required to upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validated the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges could accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges allowed modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) were required to submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and could not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) initiated request for blocking of funds through NPCI to UPI Bidders, who were required to accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions was with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction had come to a halt. The NPCI shared the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s)

and the Bankers to the Offer were required to provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs were required to send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders were required to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapses. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) were required to host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders could be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

Electronic registration of Bids

- a) The Designated Intermediary could register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries could upload the Bids until such time as was permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus and this Prospectus.
- c) Only Bids that were uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Participation by Promoters and Promoter Group of the Company, the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation was on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, were treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension fund sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoters or Promoter Group could apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who had any of the following rights was deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor was deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or

indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs. Further, persons related to our Promoters and Promoter Group were not allowed to apply in the Offer under the Anchor Investor Portion.

Except to the extent of participation in the Offer for Sale by the Promoter, the Promoter Group did not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Employees

The Bid must be for a minimum of 50 Equity Shares and in multiples of 50 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹0.50 million (net of Employee Discount).

However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Allotment in the Employee Reservation Portion will be as detailed in the section "*Offer Structure*" on page 411.

However, Allotments to Eligible Employees in excess of ₹0.20 million were considered on a proportionate basis, in the event of under-subscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million. Subsequent under-subscription, if any, in the Employee Reservation Portion was added back to the Net Offer.

Eligible Employees Bidding in the Employee Reservation Portion could Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees were:

- (i) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour form).
- (ii) Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) were eligible to apply in this Offer under the Employee Reservation Portion.
- (iii) In case of joint bids, the Sole Bidder or the First Bidder were considered to be the Eligible Employee.
- (iv) Bids by Eligible Employees could be made at Cut-off Price.
- (v) Only those Bids, which were received at or above the Offer Price (net of Employee Discount) were considered for allocation under this portion.
- (vi) The Bids must be for a minimum of 50 Equity Shares and in multiples of 50 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹0.50 million (net of Employee Discount).
- (vii) Eligible Employees bidding in the Employee Reservation Portion could Bid through the UPI mechanism
- (viii) If the aggregate demand in this portion is less than or equal to 37,453 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (ix) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion were not be treated as multiple Bids. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (x) Eligible Employees were required to mention their employee number at the relevant place in the Bid cum Application Form or Revision Form

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion was made available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million.

If the aggregate demand in this portion was greater than 37,453 Equity Shares at or above the Offer Price, the allocation was made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Offer Procedure*” on page 415.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they were Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External (“**NRE**”) accounts, or FCNR accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms were required to authorize their respective SCSBs (if they were Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRIs in the Offer was subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs were permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs could use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility was enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 434.

Participation of Eligible NRIs in the Offer was subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange were considered for Allotment.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs were required to be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs were considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason. FPIs who wished to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer was subject to the FEMA NDI Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder could not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure was required to be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in the Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms were liable to be rejected in the event that the Bid in the Bid cum Application Form “*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*”

For example, an FPI were required to ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) was required to be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with

separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital were liable to be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable was required to be lodged along with the Bid cum Application Form. Failing this, our Company reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholder, severally and not jointly, and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer was subject to the FEMA NDI Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, reserved the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, reserved the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"). and the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold

along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid-up share capital and reserves.

The banking company was required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they had a separate account in their own name with any other SEBI registered SCSBs. Further, such account was used solely for the purpose of making application in public issues and clear demarcated funds were to be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer were advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and were required to comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, reserved the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
2. The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹100 million.

3. One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors opened one Working Day before the Bid/Offer Opening Date, and was completed on the same day, i.e.; on Monday, March 11, 2024.
5. Our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, finalized allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion was up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.
6. Allocation to Anchor Investors was completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, was made available in the public domain by the Book Running Lead Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors could withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price was greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price was payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price was lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
9. Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% Equity Shares allotted to Anchor Investors shall be locked-in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
10. Neither the (a) Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) or pension fund sponsored by entities which are associate of the Book Running Lead Managers nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group were allowed to apply under the Anchor Investors category.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids.

For more information, please read the General Information Document.

The information set out above was given for the benefit of the Bidders. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, the Bid/Offer Closing Date or this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulations, or as was specified in the Red Herring Prospectus and this Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges

General Instructions

QIB Bidders and Non-Institutional Bidders were not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

Do's:

1. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;
2. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
9. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. The ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
14. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
15. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
16. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
26. Since the Allotment will be in demat form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
27. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
28. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/ Offer Closing Date;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
30. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹0.20 million would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the non-institutional category for allocation in the Offer;
32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and

33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).
34. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner.
35. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which was not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account;
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Form ASBA Account;
9. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
10. Anchor Investors should not Bid through the ASBA process;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares more than what is specified for each category;
21. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date;

22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
25. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
26. Do not Bid if you are an OCB;
27. UPI Bidders using UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
28. Do not submit the Bid cum Application Forms to any non-SCSB bank;
29. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);
30. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders) and ₹0.50 million for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount);
31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and
32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders were requested to note that Bids maybe rejected on the following additional technical grounds:

- (a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- (b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
- (c) Bids submitted on a plain paper;
- (d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- (e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
- (f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;
- (g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- (h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
- (i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- (j) Bids submitted without the signature of the First Bidder or Sole Bidder;
- (k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- (l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

- (m) GIR number furnished instead of PAN;
- (n) Bids by RIBs with Bid Amount of a value of more than ₹0.20 million;
- (o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- (p) Bids accompanied by stock invest, money order, postal order, or cash; and
- (q) Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by RIBs and Eligible Employees uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs and Eligible Employees under the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors could reach out the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see “General Information” and “Our Management” on pages 69 and 230, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus and this Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The allocation to each NIB shall not be less than the minimum bid lot, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was not allocated on a proportionate basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

The allotment of Equity Shares to each RIB was not permitted to be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account were required to be drawn in favour of:

- (a) In case of resident Anchor Investors: “Popular Vehicles and Service Limited-ANCHOR R ACCOUNT”
- (b) In case of Non-Resident Anchor Investors: “Popular Vehicles and Service Limited-ANCHOR NR ACCOUNT”

Anchor Investors were required to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company has, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of the Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Kochi edition of Deepika, a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we have stated the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, was made in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading of Equity Shares on the Stock Exchanges, websites of Company, BRLMs and Registrar to the Offer, disclosing the date of commencement of trading of the Equity Shares on the Stock Exchange in all editions of the Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Kochi edition of Deepika, a Malayalam daily newspaper (Malayalam being the regional language of Kerala, where our Registered Office is located) each with wide circulation

The information set out above was given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, the Bid/Offer Closing Date and this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

- (a) Our Company, the Selling Shareholder and the Underwriters have entered into an Underwriting Agreement dated March 14, 2024.
- (b) After signing the Underwriting Agreement, this Prospectus was filed with the RoC in accordance with applicable law. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Offer*” on page 405.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within two Working Days from the Bid/ Offer Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoters' contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently; and
- No further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholder

Each Selling Shareholder severally and not jointly, in respect of itself as a Selling Shareholder and its portion of the Equity Shares offered by it in the Offer, undertakes the following in respect of itself and its respective portion of the Offered Shares:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the respective portion of the Offered Shares;
- it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer were credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the Bidders was specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does

not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. Under the FDI Policy, effective from October 15, 2020, issued by the DPIIT including any modifications thereto or substitutions thereof, issued from time to time, 100% FDI up to 100% is permitted in the services sector, under the automatic route, subject to compliance with the specified conditions. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a non-repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below.

Authorised Share Capital

The authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as may from time to time be provided in Clause V of the Memorandum of Association, with power to the Company to increase or reduce such capital and/or the nominal value of the shares forming part thereof from time to time and power to divide share capital into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these Articles, subject to the provisions of applicable law for the time being in force.

Allotment on application to be acceptance of shares

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

Further Issue of Shares

- (1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:
 - (A) to the persons who, at the date of offer, are holders of Equity Shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
 - (B) to employees under any scheme of employees' stock option subject to approval of Shareholders of the Company by way of special resolution as per applicable provisions / law and subject to the rules and such other conditions, as may be prescribed under applicable law; or
 - (C) to any person(s), if it is authorised by approval of the Shareholders of the Company by way of special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, including by way of preferential offer or private placement, at such price as may be determined in accordance with law, subject to such conditions as may be prescribed under the Act and the rules made thereunder; or
- (2) Nothing in clause (1)(A) shall be deemed:
 - (i) To extend the time within which the offer should be accepted; or
 - (ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.
- (3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company. Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by approval of Shareholders of the Company in a General Meeting as per applicable provision / law.
- (4) Subject to the provisions of the Act and these Articles, the Company may from time to time issue sweat equity shares.

Company's Lien on Shares/ Debentures

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid-up share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect.

Provided that the Board may at any time declare any share/ debenture to be wholly or in part exempt from the provisions of this Article.

The fully paid-up shares/ debentures shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares/ debentures.

Issue of certificate

Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in their name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within such other period as any other legislation for time being in force may provide or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other legislation for time being in force may provide. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders. The Company may issue several certificates, each for one or more of their shares, upon payment of twenty rupees for each certificate after the first.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two (2) Directors or by a Director and the company secretary, wherever the company has appointed a company secretary.

The Company may sub-divide or consolidate the share certificates.

Transfer of Shares

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Transmission of Shares

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of their title, elect to either be registered himself as holder of the shares or elect to have some person nominated by them and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share themselves, he shall deliver or send to the Company a notice in writing signed by them stating that he so elects. Provided, nevertheless, if such person shall elect to have their nominee registered, he shall testify that election by executing in favour of their nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

Rights on Transmission

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered themselves or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other monies payable in respect of such share, until the requirements of notice have been complied with

Borrowing Powers

- (a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the

Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the monies to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by approval of Shareholders at a General Meeting as per applicable provisions / laws, exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium. Provided that every such approval of Shareholders by the Company in General Meeting as per applicable provisions / laws in relation to the exercise of the power to borrow shall specify the total amount up to which monies may be borrowed by the Board of Directors.

- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a Committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- (d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by way of a special resolution as per applicable provisions / laws.

General Meetings

Annual General Meetings

- (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year and not more than fifteen months shall elapse between the dates of two Annual General Meetings.
- (b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act and other applicable law.

Extraordinary General Meetings

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Extraordinary Meetings On Requisition

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

Notice For General Meetings

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

Shorter Notice Admissible

Upon compliance with the relevant provisions of the Act, an Annual General Meeting may be convened by giving a notice shorter than twenty one (21) days if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting. Any other General Meeting may be convened by giving a notice shorter

than twenty one (21) days if consent is given in writing or by electronic mode by not less (i) the majority in number of Shareholders entitled to vote at that meeting and (ii) who represent not less than 95 (ninety five) percent of such part of the paid-up Share Capital of the Company as gives a right to vote at such meeting.

Meetings of the Board

- (a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of 120 (one hundred and twenty) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.
- (b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at their usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent Director, if any, shall be present at the meeting and in case of absence of independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent Director, if any.
- (c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- (d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any Committee thereof, through electronic mode, that is, by way of video conferencing or by any other audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

Quorum

Subject to the provisions of the Act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

Number of Directors

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) Directors after taking approval of the Shareholders as per applicable provisions / laws.

The Board shall have an optimum combination of executive and Independent Directors with at least 1(one) woman Director, as may be prescribed by law from time to time.

The first directors of the company shall be: (1) K.P. Paul; (2) Francis Paul; (3) John Paul; and (4) Saju Thomas.

Appointment of Directors

Additional Directors

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional Director shall hold office only up to the date of the upcoming Annual General Meeting.

Alternate Directors

- (a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate Director for a Director during their absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the “**Original Director**”). No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
- (b) An alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate Director.

Appointment Of Director To Fill A Casual Vacancy

If the office of any Director appointed by the Company in General Meeting is vacated before their term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. The Director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

Vote of Members

Voting Rights of Members

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.
- (b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid-up equity share capital.
- (c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Proxy

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

Instrument of Proxy

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Dividend

Company in General Meeting may Declare Dividend

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Interim Dividends

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

Dividends to be Apportioned

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Dividends not to bear interest

No dividends shall bear interest against the Company.

Right to Dividend and Unpaid or Unclaimed Dividend

- (a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.
- (b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “Unpaid Dividend Account of India Pesticides Limited”.
- (c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.
- (d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

Winding Up

Subject to the applicable provisions of the Act—

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

Indemnity

Director's and Others' Right to Indemnity

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be deemed material, have been entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus filed with the RoC, and also the documents for inspection referred to hereunder were made available for inspection at our Registered and Corporate Office, from 10.00 a.m. to 5.00 p.m. IST on Working Days and at <https://www.popularmaruti.com/investor-relations/governance/material-contracts-and-documents-for-inspection/#> from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such documents or agreements executed after the Bid/ Offer Closing Date).

A. Material contracts for the Offer

- a) Offer Agreement dated September 28, 2023 and the amendment agreement to the Offer Agreement dated February 6, 2024 between our Company, the Selling Shareholder and the BRLMs.
- b) Registrar Agreement dated September 28, 2023 and the amendment agreement to the Registrar Agreement dated February 5, 2024 between our Company, the Selling Shareholder and the Registrar to the Offer.
- c) Cash Escrow and Sponsor Banks Agreement dated March 4, 2024 between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Banks, Public Offer Account Bank and the Refund Bank(s).
- d) Share Escrow Agreement dated February 15, 2024 between our Company, the Selling Shareholder and the Share Escrow Agent.
- e) Syndicate Agreement dated March 4, 2024 between our Company, the Selling Shareholder, the BRLMs, the Syndicate Members and the Registrar to the Offer.
- f) Monitoring agency agreement dated March 4, 2024 between our Company and the Monitoring Agency.
- g) Underwriting Agreement dated March 14, 2024 between our Company, the Selling Shareholder and the Underwriters.

B. Material documents

- a) Certified copies of updated MoA and AoA, updated from time to time.
- b) Certificate of incorporation dated July 5, 1983 issued to our Company, under the name Popular Vehicles and Services Limited by the RoC.
- c) Certificate of commencement of business dated July 14, 1983.
- d) Fresh certificate of incorporation dated March 24, 2015 issued by the RoC, consequent upon change from Popular Vehicles and Services Limited to Popular Vehicles and Services Private Limited, pursuant to conversion to a public limited company.
- e) Fresh certificate of incorporation dated July 10, 2018 issued by the RoC, consequent upon change from Popular Vehicles and Services Private Limited to Popular Vehicles and Services Limited, pursuant to conversion to a private limited company.
- f) Resolutions of the Board of Directors dated August 14, 2023 and August 31, 2023 authorising the Offer and other related matters.
- g) Resolutions of Board of Directors dated August 14, 2023 and September 28, 2023 and February 5, 2024 taking on record the approval for the Offer for Sale by the Selling Shareholder.
- h) Shareholders' resolution dated August 21, 2023 and September 8, 2023, in relation to the Fresh Issue and other related matters.
- i) Resolution of the Board of Directors dated September 28, 2023 approving the Draft Red Herring Prospectus.
- j) Resolution of the Board of Directors dated March 4, 2024 approving the Red Herring Prospectus.
- k) Resolution of the Board of Directors dated March 14, 2024 approving this Prospectus
- l) Consent letter dated September 28, 2023 and February 5, 2024 from Selling Shareholder for participation in the Offer for Sale.

- m) Resolution of the board of directors of the Selling Shareholder dated September 22, 2023 authorizing participation in the Offer for Sale.
- n) Share transfer agreement dated February 4, 2023, entered into between John K. Paul, Francis K. Paul, Naveen Philip and our Company.
- o) Agreement for Sale of Undertaking on an as-is where-is slump sale basis between Provincial Trucking Private Limited and Prabal Motors Private Limited.
- p) Agreement for Sale of Undertaking on an as-is where-is slump sale basis between Malayalam Automobiles Private Limited and Vision Motor Private Limited.
- q) Agreement pursuant to slump sale between Prerana Motors Private Limited and Popular Auto Dealers Private Limited.
- r) Scheme of Arrangement between Prabal Motors Private Limited and Popular Kuttukaran Cars Private Limited as approved by the National Company Law Tribunal, Chennai.
- s) Compulsory Convertible Debenture Subscription Agreement dated February 5, 2024, entered into between Arun Agarwal, PADL, Niraj Agarwal, Puneeth P, Raghuram Patrao Patnala, Vinod Rathi, Svan Autotech Private Limited, Shaleen Agarwal, Sahil Rally and Varun Agarwal.
- t) Shareholders agreement dated October 13, 2015 entered into amongst our Company, Promoters and BanyanTree, as amended by the deed of amendment executed on November 30, 2015 and letter dated September 5, 2018, between our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree.
- u) Waiver cum Termination Agreement dated September 15, 2023 entered into amongst our Company, John K. Paul, Francis K. Paul, Naveen Philip and BanyanTree and further amended by Second Waiver Cum Termination Agreement dated February 3, 2024.
- v) Brand license agreement dated November 1, 2015, entered into between Kuttukaran Trading Ventures and our Company.
- w) Deed of assignment dated February 21, 2022, entered into between Regiis Cars Private Limited and PAWL.
- x) Memorandum of Understanding to take over the Maruti Outlets on rental basis between our Company, Hercules Automobiles International Private Limited and Hercules Hospitalities Private Limited.
- y) Share purchase agreement dated February 6, 2024, entered into by and amongst our Company, BanyanTree and our Promoters read together the amendment agreement dated February 14, 2024.
- z) CRISIL consent letter dated January 30, 2024 for the CRISIL Report.
- aa) The report titled “*An assessment of the automobile dealership industry in India*” dated January, 2024 prepared by CRISIL, which has been commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL dated December 29, 2023, exclusively for the purposes of the Offer.
- bb) The examination report of the Statutory Auditor, on our Company’s restated consolidated financial statements dated February 5, 2024 included in this Prospectus.
- cc) The examination report of the Independent Chartered Accountant, on our Company’s Pro Forma Financial Information dated September 28, 2023 included in this Prospectus.
- dd) The statement of special tax benefits dated February 5, 2024 from the Statutory Auditors.
- ee) Certificate from Independent Chartered Accountant dated January 5, 2024, in relation to receipt of money and allotment of equity shares of the Company made on December 30, 1983 and June 25, 1985.
- ff) Copy of affidavits dated January 3, 2024 from our Company for traceable allottees in relation to the allotments of Equity Shares on December 30, 1983 and June 25, 1985 by our Company.
- gg) Copy of affidavit dated January 3, 2024 from Francis K. Paul confirming allotment of 10,000 Equity Shares of the Company pursuant to the allotment dated December 30, 1983.
- hh) Copy of affidavit dated January 3, 2024 from John K. Paul confirming allotment of 11,000 Equity Shares of the Company pursuant to the allotment dated December 30, 1983.
- ii) Copy of affidavit dated January 3, 2024 from Saju K. Thomas confirming allotment of 11,000 Equity Shares of the Company pursuant to the allotment dated December 30, 1983.

- jj) Copy of affidavit dated January 3, 2024 from T.K. Joshi confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- kk) Copy of affidavit dated January 3, 2024 from Alberto Figaredo confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- ll) Copy of affidavit dated January 3, 2024 from A O Devessy confirming allotment of 300 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- mm) Copy of affidavit dated January 3, 2024 from C D Jose confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- nn) Copy of affidavit dated January 3, 2024 from V G Narayanan confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- oo) Copy of affidavit dated January 3, 2024 from C P Jayakumar confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- pp) Copy of affidavit dated January 3, 2024 from A D Jose confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- qq) Copy of affidavit dated January 3, 2024 from M I Tharu confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- rr) Copy of affidavit dated January 3, 2024 from M G Joy confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- ss) Copy of affidavit dated January 3, 2024 from E G Subran confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- tt) Copy of affidavit dated January 3, 2024 from K P Ravi confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- uu) Copy of affidavit dated January 3, 2024 from A O Verghese confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- vv) Copy of affidavit dated January 3, 2024 from Sunny P P confirming allotment of 50 Equity Shares of the Company pursuant to the allotment dated June 25, 1985.
- ww) Affidavit from our Company dated February 13, 2024, in relation to untraceable records of the allotment of equity shares of the Company made on December 30, 1983 and June 25, 1985
- xx) Copies of annual reports of our Company for the last three Financial Years.
- yy) Consent of the Directors, the BRLMs, the Syndicate Members, Domestic Legal Counsel to our Company, Registrar to the Offer, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), Sponsor Bank(s), Monitoring Agency, Bankers to our Company, Company Secretary and Compliance Officer as referred to in their specific capacities.
- zz) Certificate dated September 28, 2023, March 4, 2024 and March 14, 2024, issued by R.G.N. Price & Co., Chartered Accountants certifying the KPIs of the Company.
- aaa) Resolutions dated September 28, 2023, February 5, 2024, March 4, 2024, and March 14, 2024, passed by the Audit Committee approving the KPIs for disclosure.
- bbb) Consent dated March 14, 2024, of our Statutory Auditor, namely, B S R & Associates LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to: (i) include their name in this Prospectus; (ii) include examination report dated February 5, 2024 on the Restated Financial Information and the statement of special tax benefits in this Prospectus, respectively; and (iii) be named as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditor of our Company and in respect of (a) their examination report on the Restated Financial Information dated February 5, 2024; and (b) the statement of special tax benefits dated February 5, 2024 included in this Prospectus.
- ccc) Consents dated September 28, 2023 of our Independent Chartered Accountant, namely, R.G.N. Price & Co., Chartered Accountants to: (i) include examination report dated September 28, 2023 on the Pro Forma Financial Information and read with selected explanatory notes thereon; and (ii) be named as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Independent Chartered Accountant of our Company.

- ddd) Due diligence certificate dated September 29, 2023, addressed to SEBI from the BRLMs.
- eee) In-principle listing approvals issued by BSE and NSE, each dated November 8, 2023.
- fff) Tripartite agreement dated August 14, 2018 between our Company, NSDL and the Registrar to the Offer.
- ggg) Tripartite agreement dated August 24, 2018 between our Company, CDSL and the Registrar to the Offer.
- hhh) SEBI final observation letter dated December 15, 2023.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

Jacob Kurian
Chairman and Non-Executive Independent Director

Place: Bengaluru, Karnataka

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

John K. Paul
Whole-time Director

Place: Kochi, Kerala

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

Francis K. Paul
Whole-time Director

Place: Kochi, Kerala

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

Naveen Philip
Managing Director

Place: Kochi, Kerala

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

Preeti Reddy
Non-Executive Independent Director

Place: Delhi, India

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

George Joseph
Non-Executive Independent Director

Place: Idukki, Kerala

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Director of our Company

Rakesh Kumar Bhutoria
Non- Executive Nominee Director

Place: Mumbai, Maharashtra

Date: March 14, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/ regulations issued by the Government of India or the rules, guidelines/ regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure and undertaking made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures and undertakings made in this Prospectus are true and correct.

Signed by the Chief Financial Officer of our Company

John Verghese
Group Chief Financial Officer

Place: Kochi, Kerala

Date: March 14, 2024

DECLARATION BY SELLING SHAREHOLDER

We, BanyanTree Growth Capital II, LLC, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by us in this Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility, for any other statements, disclosures and undertakings including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

Signed for and on behalf of **BanyanTree Growth Capital II, LLC**

Authorised Signatory: Rajiv Barnard

Place: Mauritius

Date: March 14, 2024