

NOTICE

Notice is hereby given that the 16th Annual General Meeting of Members of Vision Motors Private Limited ("Company") holding CIN: U34100KL2008PTC022049 will be held at 12:00 PM on Monday, 29th July, 2024, at the Registered Office of the Company at 32/2571, Kuttukaran Centre, Mamangalam, Palarivattom P.O, Ernakulam, Kerala-682025, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Naveen Philip (DIN: 00018827), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To Declare Dividend on Equity Shares for the Financial Year ended March 31, 2024:

To declare Dividend on Equity Shares at the ₹0.45/- (Forty Five Paise Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2024.

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

"RESOLVED THAT pursuant to the provisions of Section 142 (1) read with Section 102 (2) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder the Board of Directors of the company be and is hereby authorized to fix the remuneration of M/s. R.G.N Price & Co., Chartered Accountant (FRN 0027855), who have been appointed by the Members in the 15th Annual General meeting as the Statutory Auditors of the Company for a period of 5 years, pursuant to the provisions of Section 139(1) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014."

By Order of the Board of Directors of
Vision Motors Private Limited




Surya Jacob
Company Secretary
(Membership No: A39821)

Place: Kochi
Date: 15.05.2024

NOTES:

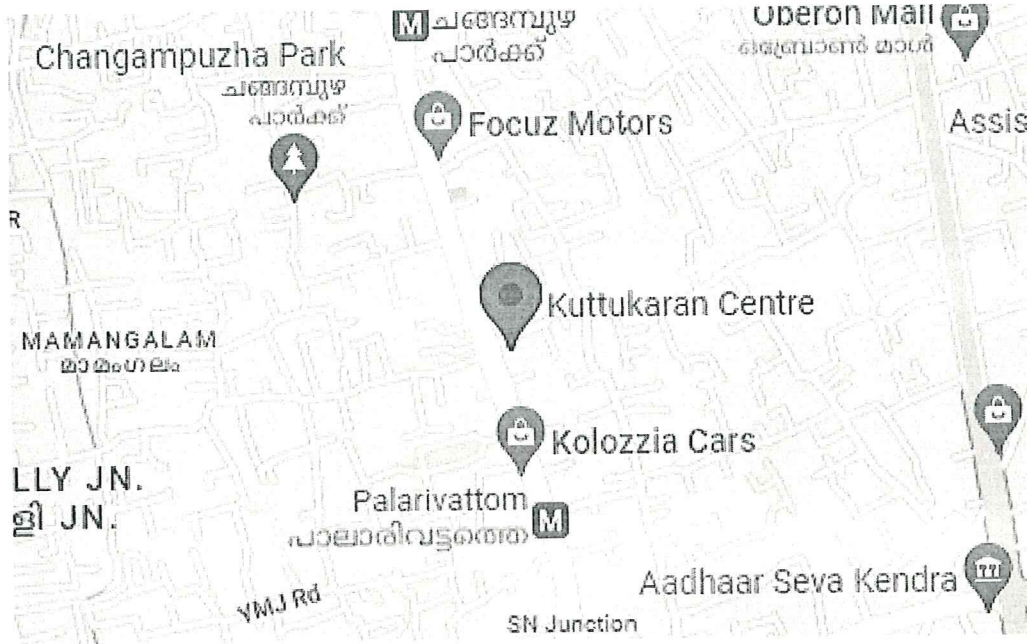
1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxies to be effective should be lodged with the Company at least 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. A corporate member intending to send its authorized representatives to attend the meeting in terms of section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the board resolution authorizing such representative to attend and vote on its behalf at the meeting.
4. Members/proxies/authorized representatives are requested to submit the attendance slips duly filled in for attending the meeting.
5. During the period beginning 6 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.
6. All documents referred to in the notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11:00a.m. To 1:00 p.m. up to the date of the general meeting and at the venue of the meeting for the duration of the meeting.
7. Members are requested to kindly notify the Company of any changes in their addresses/e-mail address to enable the Company to address future communication to their correct addresses.
8. Pursuant to section 20(2) of the Companies Act, 2013 read with rule 35 of the Companies (Incorporation) Rules, 2014, as amended, Companies are permitted to send official documents to their shareholders electronically.
9. Copies of the Memorandum and Articles of Association of the Company and other relevant records in respect of the ordinary business are available at the Registered Office of the Company and electronically for inspection of the members during business hours between 10 am and 5 pm on all working days, except Saturdays.



10. The Dividend on Equity shares as recommended by the Board of Directors and if declared at the AGM, will be paid within statutory time limit of 30 (Thirty) days or as per the prescribed legal requirements, as under:
 - (a) To all beneficial owners in respect of shares held in dematerialized form as per the data made available by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on 29th July, 2024.
11. In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.
12. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of Shareholders w.e.f. April 1, 2020 and Company is required to deduct tax at source on payment of dividend at the prescribed rates. The Shareholders are requested to refer the Finance Act, 2020 and amendments thereof for prescribed rates for various categories of Shareholders. The Company shall send the email in this regard to all the Shareholders whose email id is registered with RTA or Depository Participant.
13. Attention of Members is invited to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time ('IEPF Rules'), which inter alia requires the Company to transfer the Equity shares, on which the dividend has remained unpaid or unclaimed for a continuous period of 7 (Seven) years, to IEPF. The said shares, once transferred to IEPF, can be claimed after following due procedure prescribed under the IEPF Rules.
14. The Statement of Dividend Amount remained unclaimed and unpaid for 7 (Seven) consecutive years and Shares due for transfer to IEPF shall be placed on the website of the Company at <https://www.visionhonda.com>, if any.



Route Map



By Order of the Board of Directors of
Vision Motors Private Limited

Surya Jacob
Company Secretary
(Membership No: 39821)

Place: Kochi
Date: 15.05.2024

ATTENDANCE SLIP

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

I, hereby record my presence at the 16th Annual General Meeting of Vision Motors Private Limited held at 12:00 PM on Monday, 29th July, 2024 at 32/2571, Kuttukaran Centre Mamangalam, Palarivattom P.O, Ernakulam, Kerala-682025.

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

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

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

Signature of member / proxy

**Form No. MGT 11
PROXY FORM**

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

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

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

name: _____
 address: _____
 signature: _____ or failing him;
 name: _____ address: _____
 signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 16th Annual General Meeting of the Company held on 12:00 PM on Monday, 29th July, 2024 at Registered Office at 32/2571, Kuttukaran Centre, Mamangalam, Palarivattom P.O., Ernakulam, Kerala-682025 or / and at any adjournment thereof, in respect of such Resolutions as indicated below:

Sl. no.	Resolutions	Voted for	Voted against
1	To receive, consider and adopt the financial statements of the Company for the financial year ended March 31, 2024.		
2	Re-appointment of Mr. Naveen Philip as a Director liable to retire by rotation.		
3	To Declare Dividend on Equity Shares for the Financial Year ended March 31, 2024		
4	sTo fix remuneration of Statutory Auditors		

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

Affix One Rupee Revenue Stamp
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Signature of proxy holder(s)

Signature of shareholder

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

DIRECTORS' REPORT

To,

The Members,
Vision Motors Private Limited

Your Directors are pleased to present the Company's 16th Annual Report together with the report of the statutory auditors and the audited financial statements of the Company for the financial year ended 31st March, 2024.

GLOBAL ECONOMIC OVERVIEW

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

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

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

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

BUSINESS OPERATIONAL REVIEW

As of 31st March 2024 the Company operates eight showrooms and three sales outlets along with eight service centers and eight body shops in Kerala. Your Company generate service and parts sales in connection with warranty and non-warranty work performed at each service centers. Many of our service centers have extended evening and weekend service hours for the convenience of our customers. We also offer express repair services such as paint-less dent repair, headlight reconditioning, quick body repair, and quick lube service at most of our facilities in order to offer our customers the convenience of one-stop shopping for all of their automotive requirements.



To improve customer confidence in our used vehicle inventory, certain used vehicles, sold by us which meet specified criteria are certified by Honda under its pre-owned car certification programme.

1. FINANCIAL RESULTS

Standalone Performance

During the year under review, the revenue from operation were at Rs. 3046.45 million as against Rs. 3229.69 million in the previous year, recording a decrease of 5.6%. The Profit Before Tax was recorded at Rs. 150.57 million in the current year as against Rs. 160.54 million in the previous year, recording a decrease of 6.2%.

Financial Summary & Highlights

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

(In INR millions, except earnings per share data)

Particulars	FY 2024	FY 2023
Net Revenue from Operations	3046.45	3229.69
Other Income	14.26	12.66
Total Revenue	3060.71	3242.35
Employee benefit expenses	265.65	261.79
Finance costs	42.40	35.30
Depreciation and amortization expenses	78.50	73.85
All other expenses	2523.59	2710.87
Total Expenses	2910.14	3081.81
Profit / (Loss) Before Tax	150.57	160.54
Tax Expense:		
Current Tax	36.66	36.84
Deferred Tax	1.43	3.24
Profit / (Loss) after Tax	112.48	120.46
Earnings per equity share(in Rs)		
Basic :	7.67	8.20
Diluted :	7.67	8.20



2. DEEMED PUBLIC COMPANY STATUS

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

Being a stepdown Subsidiary of Popular Vehicles and Services Limited, with effect from 10th July, 2018 our Company has become a Deemed Public Company as per Proviso to Section 2 (71) of the Companies Act, 2013.

However, your Company has continued to be a Private Limited Company as per the Articles of Association of the Company.

Certain provisions of The Securities and Exchange Board of India (LODR) Regulations, 2015 becomes applicable to the Company being a material subsidiary of Popular Vehicles and Services Limited which became a listed company from 19th March 2024.

3. TRANSFER TO RESERVES

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

4. DIVIDEND

The Board of Directors of your company is pleased to recommend a dividend of Rs.0.45 per equity shares of face value of Rs.10 each for the financial year ended 31st March 2024 amounting to Rs.6.60 million payable to those shareholders whose name appear in the register of members as on the record date.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source.

5. CHANGE IN NATURE OF BUSINESS

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



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

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

7. CAPITAL & DEBT STRUCTURE

During the financial year under review, there is no change in the Authorized Share Capital of the Company.

As on 31st March, 2024, the Authorized Share Capital of the Company is Rs. 15,50,00,000/- (Rupees fifteen crore fifty lakh only) comprising of 1,55,00,000 (One crore fifty five lakh) Equity Shares of Rs. 10/- each.

As on 31st March, 2024, the paid-up equity share capital of your Company stood at Rs. 14,67,66,660/- consisting of 1,46,76,666 Equity shares of Rs. 10/- each fully paid up.

8. CREDIT RATING

During the financial year under review, India Ratings & Research in its letter dated 06th February, 2023 has upgraded Long-Term Issuer Rating to 'IND BBB' from 'IND BBB-'. The Outlook is Stable.

9. UNPAID DIVIDEND & IEPF

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

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

10. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Board of Directors

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



Name of the director	Designation	DIN
Mr. Naveen Philip	Director	00018827
Mrs. Mailini Eapen	Director	02051164
Mr. Maniyara Abraham Sajjan	Director	01850974
Mr. Lloyd Frankline Dsouza	Director	09186036

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

i) Appointment

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

ii) Resignation

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

iii) Retirement by rotation

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

b) Key Managerial Personnel

The Key managerial Personnel of the Company as on 31st March, 2024 are as follows:

Sl No	Name of the KMP	Designation
1.	Mr. Raj Narayan	Chief Executive Officer
2.	Mr. Sreekanthan R	Chief Financial Officer
3.	Mrs. Surya Jacob	Company Secretary

During the year under review, there were no change in the Key Managerial Personnel (KMP).

Mr. Raj Narayan, has tendered his resignation from the post of CEO with effect from 01st May, 2024.

Mr. Biju Jose Thomas, is appointed as the CEO of the company with effect from 01st May, 2024



c) Independent Directors

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

d) Declaration by Independent Directors

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

11. NUMBER OF MEETINGS OF THE BOARD & ITS COMMITTEES

a) Board meetings

The Board of Directors met 6 (six) times during the financial year ended March 31, 2024 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of the same are as mentioned under:-

Date of Meeting	Attendance of Directors			
	Mr. Naveen Philip	Mrs. Malini Eapen	Mr. Maniyar a Abraham Sajjan	Mr. Lloyd Frankline Dsouza
26.04.2023	✓	✓	✓	✓
23.05.2023	✓	✓	✓	✓
14.07.2023	✓	✓	✓	✓
27.09.2023	✓	✓	✓	✓
18.01.2024	✓	✓	✓	✓
25.03.2024	✓	✓	✓	✓

b) Committees

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

c) Finance and Authorisation Committee

The Company also has a Finance and Authorisation Committee (sub-committee) which was reconstituted on 15th April, 2021 with Mr. Naveen Philip (Chairman), and Mr. Maniyara Abraham Sajjan, Director as members.



During the Financial Year 2023-24 the Company has held 09(Nine) meetings of the Finance and Authorisation Committee. The details of the same are as mentioned under:-

Date of Meeting	Attendance of Directors	
	Mr. Philip Naveen	Mr. Maniyara Abraham Sajjan
26.04.2023	✓	✓
01.06.2023	✓	✓
24.07.2023	✓	✓
20.10.2023	✓	✓
18.11.2023	✓	✓
28.12.2023	✓	✓
17.01.2024	✓	✓
27.02.2023	✓	✓
18.03.2024	✓	✓

12. MANAGERIAL REMUNERATION

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

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2024 and of the profit of the company for that year;
- Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

Corporate Office

33/2303A, Palm Street,
Swamipady, Perandoor Road,
Elamakkara, Ernakulam-682026
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www.visionhonda.com



www.kuttukaran.in



- d) The Annual Accounts of the Company have been prepared on a going concern basis.
- e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

15. REPORTING OF FRAUD BY AUDITORS

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

16. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

Sl. No.	Name of the Company	Holding/ Subsidiary/ Associate	Applicable Section
1	Popular Mega Motors (India) Private Limited	Holding Company	2 (46) of Companies Act,2013
2	NIL	Subsidiary Company	2 (87) of Companies Act,2013



17. MAINTENANCE OF COST RECORDS

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

18. DEPOSITS

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

19. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES

The details of the investments made and loans/guarantee given by the Company are given in the notes to the financial statements and are in compliance with the relevant provisions of section 186 of the Companies Act 2013 read with the rules thereon.

20. BORROWINGS AND GUARANTEES

The Company has not availed any unsecured loans or corporate guarantees during the year 2023-24.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

22. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 (1) of the Companies Act, 2013, every Company having net worth of rupees five hundred crores or more, or turnover of rupees one thousand crores or more, or net profit of rupees five crores or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility (CSR) Committee and spent at least 2 percentage of the average net profits of the Company made during the three immediately preceding financial years for CSR activities. Hence the provisions of Section 135(1) is applicable to the company for the year under review.

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The Companies (Amendment) Act, 2020, provides that the Constitution of CSR Committee is not mandatory if total amount to be spent as per the CSR obligation of the Company is less than Rs. 50 Lakhs and in such cases the Board can discharge the functions of CSR Committee. The total CSR obligation of the Company was Rs. 2.36 million and amount spent by the Company during the FY 2023-24 was Rs. 2.38 million, hence the Company has discharged its CSR functions through the Board of Directors.

The Board of Directors at its meeting held on 08th October, 2021 has approved and adopted the CSR Policy.

The Board has executed the CSR initiatives through the implementing agency K.P. Paul Foundation. The Annual report on CSR Activities as per companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure B.

23. CONSERVATION OF ENERGY/ TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (As required under section 134(3)(m) of Companies Act 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014)

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

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

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

24. RISK MANAGEMENT

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

25. VIGIL MECHANISM

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

26. MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS

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



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27. STATUTORY AUDITORS

M/s. R. G. N. Price & Co., Chartered Accountants was appointed as Statutory Auditors of the Company at the 15th Annual General Meeting of the Company for a period of 5 years till the conclusion of the 20th Annual General Meeting.

28. STATUTORY AUDITOR'S REPORT

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

29. SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 the Company has appointed Mr. M.C. Sajumon, Practising Company Secretary, Kochi as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year ending 31st March, 2024. The secretarial auditor's report does not contain any qualifications reservations or adverse remarks or disclaimer.

30. INTERNAL AUDIT

Company has established a full-fledged internal audit team headed by a qualified Chartered Accountant, Mr. Sojan Chacko. Audit team conducts regular reviews of the business process, operations and financial transactions to ensure adequacy and existence of effective control systems; investigate probable risks, deviations, fraud or misappropriations.

31. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

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

32. ANNUAL RETURN

The Annual Return of the company is available on the website of the Company at <https://www.visionhonda.com/>.

33. HUMAN RESOURCES MANAGEMENT

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

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As on 31st March, 2024, the Company had a total head count of 703. Your Company takes significant efforts on employee development by imparting training to employees at various levels.

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

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

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

The Committee has submitted the Annual Report on POSH for the calendar year 2023 to the Company and the Board of Directors took note of the same at their meeting dated 25th March, 2024. The report has also been submitted to the District Officer, pursuant to Section 21 of the POSH Act, 2013.

35. INDUSTRIAL RELATIONS

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

36. STATEMENT ON OPINION OF BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2023-24

The provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors are not applicable to your Company. Therefore, the disclosure requirement of opinion of the Board of Directors with regards to integrity, expertise and experience of Independent Directors, is not applicable to the Company.

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

Not applicable

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

Not applicable



35. ACKNOWLEDGEMENTS

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

For and on Behalf of Board of Directors of
Vision Motors Private Limited




Naveen Philip
Director
DIN: 00018827


M. A Sajjan
Director
DIN: 01850974

Place: Ernakulam
Date: 15.05.2024

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

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

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

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

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



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

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

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

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

* Refer Note No.33 of the financial statements for details

Place: Kochi
 Date: 15.05.2024

Naveen Philip
 Naveen Philip
 (Director)
 DIN: 00018827

For and on Behalf of Board of Directors
 Vision Motors Private Limited

M.A Sajjan
 M.A Sajjan
 (Director)
 DIN:01850974



Annexure B

Annual Report on Corporate Social Responsibility (CSR) (Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

CSR policy encompasses the company's philosophy for delineating its responsibility as a corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programs for welfare and sustainability, development of community at large. The CSR provisions are applicable to the Company with effect from the Financial Year 2021-22 and the Company has undertaken the CSR through NGO.

2. Composition of CSR Committee:

The Companies (Amendment) Act, 2020, provides that the Constitution of CSR Committee is not mandatory if total amount to be spent as per the CSR obligation of the Company is less than Rs. 50 Lakhs and in such cases the Board can discharge the functions of CSR Committee. The total CSR obligation of the Company was Rs. 2.36 million and amount spent by the Company during the FY 2023-24 was Rs. 2.38 million, hence the Company has discharged its CSR functions through the Board of Directors.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.visionhonda.com/wp-content/uploads/2022/06/CSR-policy.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

N/A

5. (a) Average net profit of the company as per sub-section (5) of section 135.

Rs. 11,88,94,881/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.

Rs. 23,77,898/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.

Nil

(d) Amount required to be set-off for the financial year, if any.

Corporate Office

33/2303A, Palm Street,
Swamipady, Perandoor Road,
Elamakkara, Ernakulam-682026
m +91 80864 45678
www.visionhonda.com



Rs. 10,411/-

(e) Total CSR obligation for the financial year [(b)+(c)-(d)].

Rs. 23,67,487/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

Rs. 23,80,000/-

(b) Amount spent in Administrative overheads.

Nil

(c) Amount spent on Impact Assessment, if applicable.

N/A

(d) Total amount spent for the Financial Year [(a)+(b)+(c)].

Rs. 23,80,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
23,80,000	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl.No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	23,77,898
(ii)	Total amount required to be set off for the financial year, if any	10,411
(iii)	Total CSR obligation for the financial year (i)- (ii)	23,67,487
(iv)	Total amount spent for the Financial Year	23,80,000
(v)	Excess amount spent for the Financial Year [(iv)-(iii)]	12,513
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(vii)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	12,513

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Nil

For and on Behalf of Board of Directors of
 Vision Motors Private Limited



Naveen Philip
 Naveen Philip
 Director
 DIN: 00018827

M. A Sajjan
 M. A Sajjan
 Director
 DIN: 01850974

Place: Kochi-25
 Date: 15.05.2024

Annexure B.1

Details of Amount spent/unspent for the Financial Year

1. (a) Details of CSR amount spent against ongoing projects for the financial year: Nil

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.



(b) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Project of KPTC	Promoting Education	No	Kerala,	Ernakulam & Alappuzha	23,80,000	No	K P Paul Foundation	CSR00015233
	Total					23,80,000			

(c) Amount spent in Administrative Overheads:

(d) Amount spent on Impact Assessment, if applicable: Nil

(e) Total amount spent for the Financial Year (1b+1c+1d) : 23,80,000.



For and on Behalf of Board of Directors of
 Vision Motors Private Limited

Naveen Philip
 Naveen Philip
 Director
 DIN: 00018827

M. A Sajjan
 M. A Sajjan
 Director
 DIN: 01850974

Place: Kochi-25
 Date: 15.05.2024

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

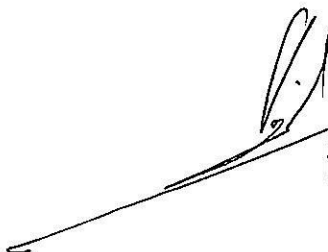

To

The Members
Vision Motors Private Limited
Kuttukaran Centre, Mamangalam,
Palarivattom P.O.,
Kerala- 682025.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Vision Motors Private Limited (CIN:U34100KL2008PTC022049) (hereinafter called the Company) having registered office at Door No 32/2571, Kuttukaran Centre, Mamangalam, Palarivattom P.O., Ernakulam, Kerala, Pin- 682025 and incorporated on 14.03.2008, carrying on the business of dealing in and servicing all kinds of Passenger Vehicles and other Vehicles and dealing in their Spare Parts and accessories. The Company has become deemed public Company, as its ultimate holding company M/s Popular Vehicles and Services Limited has got converted into a public company on 10th July 2018. The Company is also a step-down subsidiary of M/s Popular Vehicles and Services Limited and wholly owned subsidiary of M/s Popular Mega Motors (India) Private Limited; the latter is a wholly owned subsidiary of the first mentioned ultimate holding company M/s Popular Vehicles and Services Limited. The ultimate Holding Company M/s Popular Vehicles and Services Limited has become a Listed entity w.e.f. 19.03.2024 and the Company is a Material Subsidiary of M/s Popular Vehicles and Services Limited. It has been informed me that for the purpose of compliances under the Companies Act, 2013 and rules made thereunder by M/s Vision Motors Private Limited, it has been treated as a wholly owned subsidiary of a listed public company.

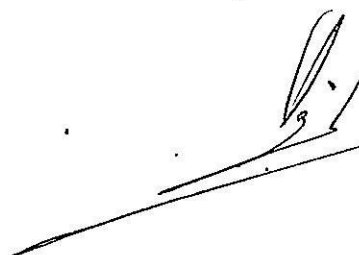

The Secretarial Audit of M/s Vision Motors Private Limited for the financial year ended on 31.03.2024 was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial

audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under-
Not applicable as the company is an unlisted/ deemed public company;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; The Company has dematerialized its share certificates and appointed M/s Integrated Registry Management Services Private Limited having Registered office at 2nd Floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai, Tamilnadu-600017 as Registrar and Transfer Agent (RTA) to comply with the provisions of the Act.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under; There was no Foreign Direct Investment in the company and the company has not made any Overseas Direct Investment and also had not availed External Commercial Borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (LODR) Regulations, 2015- Not applicable as the company is an unlisted/deemed public company;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not applicable as the company is an unlisted/deemed public company;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992-Not applicable as the company is an unlisted/deemed public company;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - The Company has complied with Regulations of SEBI (ICDR) Regulations, 2015 to the extent applicable to it, in connection with the Initial Public Offering of the ultimate holding Company M/s Popular Vehicles and Services Limited;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-Not applicable as the company is an unlisted/ deemed public company and has not offered any Employee Stock

Option Scheme and Employee Stock Purchase Scheme during the period under review;

- f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the company is an unlisted/deemed public company and has not offered any shares or granted any options pursuant to any Employee Benefit Scheme during the period under review;
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -- Not applicable as the company is an unlisted/deemed public company and has not issued and listed any debt securities during the period under review;
- h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not applicable as the company is an unlisted/deemed public company and not registered as Registrars to an Issue and Share Transfer Agent;
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the company is an unlisted/deemed public company; and
- j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the company is an unlisted/deemed public company and has not bought back any securities during the period under review.

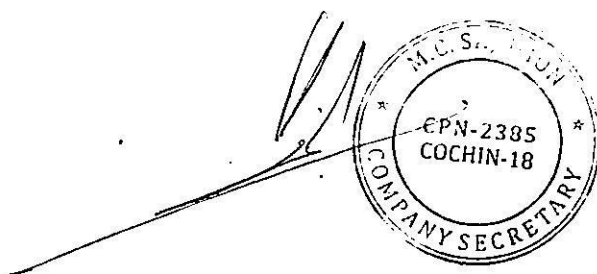
I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and Memorandum of Association of the company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above, to the extent applicable to the company.

VI. The company has identified and informed me that the industry/sector specific laws, applicable to the company under Central and/or State legislations, are:

- a) Motor Vehicles Act, 1988 and rules made there under;

VII. The company has also identified and informed me that the following Environmental Laws, Labour laws and General laws are specifically applicable to the company under Central and/or State legislations: **Environmental laws** viz; Environment Protection Act, 1986 and rules made there under; Water (Prevention and Control of Pollution) Act, 1974 and rules made there under; Air (Prevention and Control of Pollution) Act, 1981 and rules made there under; Noise Pollution (Regulation and Control) Rules, 2000, The Hazardous Wastes (Management Handling and Trans boundary Movement) Rules, 2008 and **Labour laws** viz; The Employees' State Insurance Act, 1965 and rules made there under, The Contract Labour (Regulation and

A handwritten signature in black ink is written over a circular stamp. The stamp is from the Institute of Company Secretaries of India (I.C.S.I.) and contains the text: "M.C.S. INSTITUTE OF COMPANY SECRETARIES", "EPN-2385", "COCHIN-18", and "COMPANY SECRETARY".

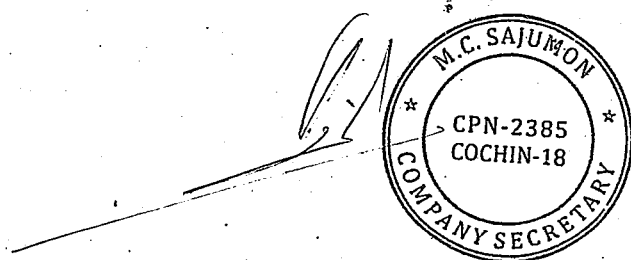
Abolition) Act, 1970 and rules made there under, Apprentices Act, 1961 and rules made there under, The Employees' Provident Fund & Misc. Provisions Act, 1952 and rules made there under; and Kerala Shops and Commercial Establishments Act, 1960 and **other General laws** viz; The Factories Act 1948 and rules made there under; The Industrial Disputes Act, 1947 and rules made thereunder; vis-a-vis The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

For the purpose of examining the adequacy of compliances with industry/sector specific laws and Environmental laws, reliance has been placed on information/records produced by the Company during the course of audit and the Compliance Certificate issued by the Managing Director of the Company, based on that I am of the opinion that the company has generally complied with the specific laws and Environmental laws etc.

I further report that the compliance by the company of the financial laws like direct and indirect tax laws and various labour laws and other laws has not been reviewed in this audit, since they do not come under the scope of this audit. However, based on the information received and records maintained by the company and on their examination I report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with general laws like Labour laws, Competition law, Environmental laws, Rules, Regulations and Guidelines.

I further report that the Board of Directors of the Company is duly constituted. The Ministry vide notification dated July 5th 2017 had amended Rule 4 of Companies (Appointment and qualification of Directors) Rules, 2014 in order to provide that an unlisted public company which is a wholly owned subsidiary will not be required to appoint Independent Directors. The Company is a deemed public company. Whereas, it has been explained that the company is treated as step down wholly owned subsidiary of M/s Popular Vehicles and Services Limited and exemption is available to wholly owned subsidiary from appointment of Independent Directors. Hence the Company has not appointed Independent Directors. During the period under report, the directors of the Company have filed Web-Form DIR-3 KYC WEB or Form DIR-3-KYCs as the case may be with MCA/ROC as it has been made mandatory for the DIN holders to update the DIN Status within the stipulated date by the MCA for updating its register with latest and personal information of DIN holders vide notification dated 5th July 2018. Mr. Lloyd Frankline Dsouza (DIN: 09186036), Director, who retired by rotation in terms of Section 152 of the Companies Act, 2013 was re-appointed as Director of the Company at the 15th Annual General Meeting held on 03.08.2023 as recommended by the Board of Directors at their meeting held on 23.05.2023.

I further report that the Company has held Six (6) Board meetings during the period under report respectively on 26.04.2023, 23.05.2023, 14.07.2023, 27.09.2023, 18.01.2024 and 25.03.2024 and adequate notice was given to all the directors to schedule the Board Meetings;

A handwritten signature in black ink is written over a circular stamp. The stamp is for M.C. SAJUMON, Company Secretary, with CPN-2385 and COCHIN-18. The stamp has a double border with stars at the top and bottom.

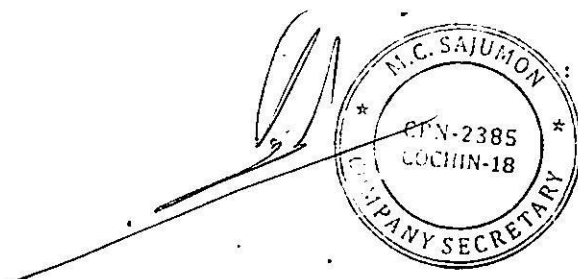
agenda and detailed notes on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The proceedings of the above meetings have been recorded and signed by the Chairman.

During the period under report, the Company has related party transactions with holding Company, ultimate holding Company and other group Companies/Associates, in the nature of purchase and sale of goods, fixed assets, availing or rendering of services, payment of Corporate Guarantee Commission etc. and in respect of which the Company has complied with provisions of Sections 188/186 of the Companies Act, 2013, as the case may be. Approval for entering into related party transactions during the financial year 2023-24 was accorded at the Board Meeting held on 10.02.2023.

The Board at the meeting held on 26.04.2023 had noted the declaration given by the directors pursuant to section 164(2) of the Act and ensured that none of the directors are disqualified under the provisions of section 164(2) of the Act. The Board also noted the Disclosure of interest and shareholding of Directors received, pursuant to section 184(1) of the Act. The Board in the meeting held on 23.05.2023 had considered and approved the draft financial statements as on 31.03.2023 and Auditor's Report thereon. The Board in the meeting held on 23.05.2023 had considered and approved the Directors' Report as on 31.03.2023 and draft notice of the 15th AGM for the Financial Year ended 31.03.2023 and fixed the AGM date.

During the financial year 2023-24, the Statutory Auditors of the Company M/s PSDY Associates, Chartered Accountants, Kochi -682020, were retired and M/s. R.G.N. Price & Co. (FRN 002785S), Chartered Accountants, Cochin- 682036, were appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the 15th Annual General Meeting for a term of consecutive five years till conclusion of the 20th Annual General Meeting of the Company to be held in the financial year 2027-28, pursuant to proviso to Section 139(1) of the Act. During the period under report, the Company has at the Board meeting held on 23.05.2023, appointed Mr. Sojan Chacko, Chartered Accountant as Internal Auditor of the Company as per Section 138(1) for a period of Three years with effect from 01st April 2023 to 31st March 2026. The Company has also appointed Secretarial Auditor for conducting Secretarial Audit pursuant to Section 204 of the Act for a period of Three years with effect from 01st April 2023 to 31st March 2026 in the Board Meeting held on 23.05.2023. The above appointments were duly intimated to the Registrar by filing necessary e-Forms.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.



The image shows a handwritten signature in black ink, which appears to be 'S. Sojan Chacko', written over a circular stamp. The stamp is black and white and contains the following text: 'M.C. SAJUMON' at the top, 'CFN-2385' in the center, 'COCHIN-18' below that, and 'COMPANY SECRETARY' at the bottom. There are small stars on either side of the center text.

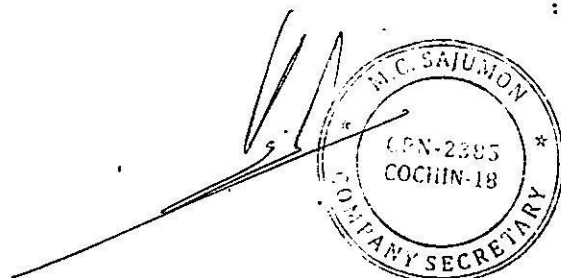
As regards constitution of Committees of the Board, it was explained that the wholly owned subsidiary Company of a Public Company is exempted from constituting Audit Committee and Nomination and Remuneration Committee vide MCA Notification dated 13th July 2017. Hence the company has not constituted Audit Committee and Nomination and Remuneration Committee.

During the financial year 2023-24, the Finance and Authorization Committee met Nine (9) meetings respectively on 26.04.2023, 01.06.2023, 24.07.2023, 20.10.2023, 18.11.2023, 28.12.2023, 17.01.2024, 27.02.2024 and 18.03.2024. The proceedings of the above committee meetings were duly recorded and signed by the Chairman and noted in the subsequent meetings of the Board.

The Company falls under the purview of Section 135 of the Companies Act, 2013 based on the Net profit criteria. Regarding the constitution of CSR Committee, it was explained that since the CSR amount to be spent by the Company is less than Rs.50 Lakh, the Constitution of CSR Committee is not mandatory and the Board itself can perform the functions of the CSR Committee as per the Companies (Amendment) Act, 2020. Further as per The Companies (CSR Policy) Amendment Rules, 2022 dated 20.09.2022, the Company is not mandatorily required to constitute CSR Committee since the Company has no unspent amount towards CSR. The Company was required to spend during the Financial Year 2023-24, an amount of Rs.23,77,898/- towards CSR obligations, being 2% of Average Net Profit of the Company as per Section 135(2) of the Act. The CSR amount available for set off for the Financial Year was Rs.10,411/-. Accordingly, the total CSR Obligation for the Financial Year 2023-24 was Rs.23,67,487/-. However, the Company had spent Rs.23,80,000/- towards CSR for the Financial Year 2023-24 through an implementation Agency K.P. Paul Foundation, a Trust bearing CSR Registration Number CSR00015233, towards promoting education through a project of setting up computer lab for students in Kuttukaran Poly Technic College.

The Company has a Vigil Mechanism Policy in compliance with Section 177(9) and Section 177(10) of the Companies Act, 2013 and has been disclosed on the website of the Company www.visionhonda.com.

As per explanation received and records of the Company, the Company has an Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Board of Directors at their meeting held on 25.03.2024 took note of the Annual Report under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Calendar Year 2023. As per explanation received and records of the Company, the Committee has submitted Annual Report to the Company and to the District Officer, pursuant to Section 21 of the POSH Act, 2013.



During the period under report, the Company has filed with ROC e-Form DPT-3 pursuant to Rule 16 of the Companies (Acceptance of Deposits) Rules 2014, for filing particulars of transactions by a company not considered as deposits as per Rule 2(1)(c) of the Companies (Acceptance of Deposits), Rules 2014.

The 15th Annual General Meeting of the Company for the financial year ending 31.03.2023 was held on 03.08.2023 at the Registered Office of the Company and the proceedings were duly recorded and signed by the Chairman.

I further report that based on the information received and records maintained by the company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.


I further report that during the audit period the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

This report is to be read with our letter of even date which is annexed hereto as Annexure A and forms an integral part of this report.

UDIN: A009868F000366565

Place: Kochi-18

Date: 15.05.2024



M.C.SAJUMON

Practicing Company Secretary

MN: A9868, C P. No.: 2385

ICSI Unique Code: I1995KE067800

Peer review Cert. No.713/2020

'Annexure A'

ANNEXURE TO SECRETARIAL AUDIT REPORT

To

The Members
Vision Motors Private Limited
Kuttukaran Centre, Mamangalam,
Palarivattom P.O.,
Kerala- 682025.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial or other statutory records is the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
5. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

UDIN: A009868F000366565

Place: Kochi-18
Date: 15.05.2024

M.C.SAJUMON

Practicing Company Secretary
MN: A9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer review Cert. No.713/2020





**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF VISION MOTORS PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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



Information other than the Financial Statements and Auditors Report thereon

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

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

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

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

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

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

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

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



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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate Report in Annexure A.
 - g. No managerial remuneration was paid during the year and hence reporting on compliance with the provisions of section 197 read with schedule V to the act is not applicable.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in Note No.28 of the financial statements;

Auditor's Responsibility for the Audit of the Financial Statements

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

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

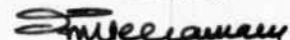
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management, as explained in Note No. 33(a) of the financial statements, has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management, as explained in Note No. 33(b) of the financial statements, has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures, that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e. The Company has not declared or paid any dividend during the year and hence reporting under this clause is not applicable.
- f. Based on our examination which included test checks, the company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except in respect of payroll records wherein the software did not have the audit trail feature enabled throughout the year. The audit trail facility has been operating in all other accounting software throughout the year for all relevant transactions recorded in such software. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with

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



P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

ANNEXURE

i) Fixed Assets

- (a) (A) The Company has maintained records showing particulars of Property, Plant and Equipment including quantitative details and situation
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) These Properties, Plant and Equipments have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification.
- (c) The Company does not own any immovable properties other than improvements to leasehold buildings.
- (d) The company has not revalued its Property, Plant and Equipments during the year.
- (e) As per the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) Inventories

- (a) The inventories have been physically verified by the management during the year at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of stock were not material having regard to the size of the operation of the company.
- (b) The company has been sanctioned /renewed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. In our opinion and according to the information and explanations furnished to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii) Investments/Loans/Advances and Guarantees

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



iv) Compliance with Sec 185 and Sec 186

In our opinion and according to the information and explanations given to us, the company had not granted any loans to parties to whom provisions of Sec 185 applies and consequently clauses relating to terms and conditions of loan, payment of interest and repayment of principal and status of overdue are not applicable.

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

v) Fixed Deposits

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

vi) Cost Records

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

vii) Statutory Dues

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

(b) According to the records of the company, the following disputed statutory dues are outstanding as on the date of balance sheet.

Name of Statute	Nature of Dues	Amount (Rs. In Millions)	Period to which the amount relates	Forum where the dispute is pending
Kerala Value Added Tax Act 2003	VAT	0.21	2009-10	Value Added Tax Appellate Tribunal, Kottayam
Finance Act 1994	Service Tax	0.03	Order In Appeal No.COC-EXCUS-000-APP-273-2023	The Assistant Commissioner, Central Tax & Central, Excise, Thrissur Division.
		0.49	Order No 58/2021-22/ST 2010-2011 To 2015-2016	



		0.09	Order No 59/2021-22/ST 2014-2017	
		1.42	Order No 36/2022 ST(KKD)2016-2017	
Goods and Service Tax Act	Goods and Service Tax	7.51	2019-2020	State GST Department, Aluva.
		65.96	Order No ZD321223036646N 2017 - 2018	Deputy Commissioner and taxpayer Services circle, Palarivattom

viii) Undisclosed Income

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

ix) Repayment of Loans

- (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of interest and principal to any lender.
- (b) Based on the information and explanations given to us, the company is not declared wilful defaulter by any bank or financial institution or any other lender;
- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company .
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.



x) Application of funds raised through public offer

- (a) The company has not raised any funds through public offer during the year.
- (b) The company has not raised any funds during the year by way of preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) .

xi) Frauds

- (a) According to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year.
- (b) As no fraud, on or by the company, has been noticed or reported during the year, reporting under this clause as per section 143(12) is not applicable.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii) Nidhi Company

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

xiii) Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

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

xiv) Internal Audit

- (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv) Non Cash Transactions

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



xvi) Registration with RBI

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

xvii) Cash Losses

The company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii) Resignation of Auditor

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

xix) Going Concern

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) Corporate Social Responsibility

- (a) The company does not have any unspent amount towards CSR on items other than ongoing projects and hence reporting under this clause is not applicable.
- (b) The company does not have any unspent amount due in respect of ongoing projects towards CSR and hence reporting under this clause is not applicable.

xxi) Observations by component auditors

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

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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF VISION MOTORS PRIVATE
LIMITED**

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

Vision Motors Private Limited, Ernakulam

Balance sheet (All amounts in INR millions)

	Note	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	4	326.19	276.12
Capital work-in-progress	4	0.20	12.16
Right of Use (ROU) Asset	32	186.53	228.27
Other Intangible assets	5	0.17	-
Financial assets			
Investments	6	6.48	2.24
Other financial assets	7	30.91	29.59
Deferred tax assets	27	1.24	2.71
Other non-current assets	8	7.63	14.52
Total non-current assets		559.35	565.61
Current assets			
Inventories	9	301.26	248.31
Financial assets			
Trade receivables	10	66.04	48.57
Cash and cash equivalents	11	11.47	14.73
Other bank balances	12	0.58	0.54
Income tax assets (net)	27	1.59	6.77
Other current assets	8	26.42	29.83
Total current assets		407.36	348.75
Total assets		966.71	914.36
Equity and liabilities			
Equity			
Equity share capital	13	146.77	146.77
Other Equity		357.33	244.73
Equity attributable to owners of company		504.10	391.50
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	8.54	27.35
Lease Liability	32	200.36	234.75
Provisions	16	3.16	3.31
Other non-current liabilities	17	40.47	-
Total non-current liabilities		252.53	265.41
Current liabilities			
Financial liabilities			
Borrowings	14	60.33	124.48
Lease Liability	32	37.55	44.55
Trade payables	18		
- Total outstanding dues of micro and small enterprises		7.74	5.77
- Total outstanding dues of creditors other than micro and small enterprises		18.29	21.47
Other financial liabilities	15	14.50	14.41
Provisions	16	1.46	1.27
Other current liabilities	17	70.21	45.50
Total current liabilities		210.08	257.45
Total equity and liabilities		966.71	914.36

Material accounting policies

1-3

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

As per our report of even date attached

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

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

Kochi

Date: 15.5.2024

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

Naveen Philip
Director
DIN: 00018827

Bijur Jose Thomas
Chief Executive Officer

Malini Eapen
Director
DIN: 02051164

Sreekanthan R Pillai
Chief Financial Officer

Surya Jacob
Company Secretary

Vision Motors Private Limited, Ernakulam

Statement of profit and loss

(All amounts in INR millions)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	19	3,046.45	3,229.69
Other income	20	14.26	12.66
Total income		3,060.71	3,242.35
Expenses			
Purchases of stock-in-trade	21	2,378.80	2,637.25
Change in inventories	22	(29.62)	(97.16)
Employee benefits expense	23	265.65	261.79
Finance costs	24	42.40	35.30
Depreciation and amortisation expense	25	78.50	73.85
Other expenses	26	174.41	170.78
Total expenses		2,910.14	3,081.81
(Loss)/profit before tax		150.57	160.54
Tax expense			
Current tax :	27	36.66	36.84
Deferred tax	27	1.43	3.24
(Loss)/profit for the year		112.48	120.46
Other comprehensive income			
Remeasurement of net defined benefit liability/ (asset)		0.16	(0.12)
Income tax relating to item that will not be reclassified to profit or loss		(0.04)	0.03
Total comprehensive income for the year		112.60	120.37
(Loss)/profit per share (Equity share of face value of INR 10 each)			
Basic	29	7.67	8.20
Diluted		7.67	8.20

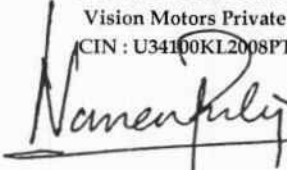

Material accounting policies

1-3

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

As per our report of even date attached

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

Naveen Philip
Director
DIN: 00018827

Malini Eapen
Director
DIN:02051164



Biju Jose Thomas
Chief Executive Officer

Sreekanth R Pillai
Chief Financial Officer

Surya Jacob
Company Secretary

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



P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

Kochi

Date: 15.5.2024

Vision Motors Private Limited, Ernakulam

Cash flow statement

(All amounts in INR millions)

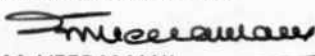
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit/Loss before tax	150.57	160.54
<i>Adjustments for</i>		
Finance charges	17.40	14.62
Credit Balance Written Back	(3.08)	(4.47)
Notional interest on rent deposit	(1.55)	(1.57)
Interest Income	(0.43)	(0.64)
Interest on Shortfall of Advance Tax	0.09	-
Interest Paid- Others	-	0.18
Reversal of Provision for bad and doubtful debts	(0.13)	(0.38)
Bad debts written off	1.54	3.37
Provision for gratuity	2.26	2.69
Gratuity premium paid	(2.67)	(6.19)
Provision for leave encashment	1.30	0.60
Leave encashment paid	(0.99)	(1.08)
Profit(+)/Loss (-) on sale of fixed assets	(0.73)	(0.39)
Interest on lease liability	24.91	20.50
Lease Rent Concession	(1.97)	(2.63)
Net change in fair value of financial Asset	-	0.06
Depreciation and Amortisation	78.50	73.85
Operating profit before working capital changes	265.02	259.06
Decrease/(Increase) in trade receivables	(18.88)	(0.27)
Decrease / (increase) in inventories	(52.95)	(79.23)
Decrease/ (Increase) in loans and advances	3.44	(17.74)
(Decrease)/ Increase in other current liabilities	26.67	(16.80)
Cash generated from/ (used) in operations	223.30	145.02
Taxes paid, net of refund received	(31.57)	(32.88)
Net cash generated from/ (used) in operating activities (A)	191.73	112.14
Cash flows from investing activities		
Non current loans and advances	5.57	(7.45)
Interest received	0.43	0.64
Purchase of fixed assets	(69.14)	(60.74)
Proceeds from disposal of fixed assets	2.84	4.23
Investments	(4.24)	(2.24)
Net cash used in investing activities (B)	(64.54)	(65.56)
Cash flows from financing activities		
Interest paid	(17.40)	(14.62)
Secured loans availed, net	(42.49)	32.24
Lease payments during the year	(70.52)	(69.41)
Net cash generated from financing activities (C)	(130.41)	(51.79)
Net increase in cash and cash equivalents (A+B+C)	(3.22)	(5.21)
Cash and cash equivalents at the beginning of the year	15.27	20.48
Cash and cash equivalents at the end of the year	12.05	15.27

(refer to note 11- Cash and bank equivalents & note 12 - Other bank balances)

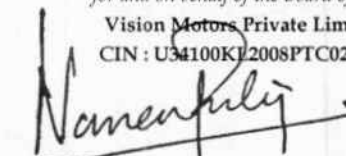
The accompanying notes 4 to 39 form an integral part of the financial statements

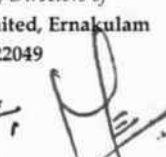
As per our report of even date attached


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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

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


Naveen Philip
Director
DIN: 00018827


Malini Eapen
Director
DIN:02051164


Biju Jose Thomas
Chief Executive Officer


Sreekanth R Pillai
Chief Financial Officer


Surya Jacob
Company Secretary

Kochi
Date: 15.5.2024

Vision Motors Private Limited, Ernakulam

Annexure IV - Consolidated statement of cash flows

(All amounts in INR millions)

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

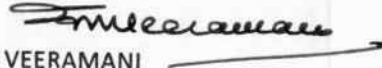
Particulars	As at 1 April 2023	Cash flows	Non cash changes		As at 31 March 2024
			Fair value changes	Others	
Non current borrowings *	49.39	(19.93)	-	-	29.46
Current borrowings	102.44	(63.03)	-	-	39.41
Lease liabilities (refer note 32)	279.30	(72.31)	-	30.92	237.91

Particulars	As at 1 April 2022	Cash flows	Non cash changes		As at 31 March 2023
			Fair value changes	Others	
Non current borrowings *	91.36	(41.97)	-	-	49.39
Current borrowings	28.23	74.21	-	-	102.44
Lease liabilities (refer note 32)	197.82	(69.41)	-	150.89	279.30

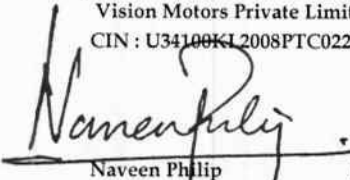
*includes current maturities of long -term borrowings

As per our report of even date attached


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



P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

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


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Sreekanthian R Pillai
Chief Financial Officer


Surya Jacob
Company Secretary

Kochi
Date: 12.5.2024

Vision Motors Private Limited, Ernakulam

Statement of Changes in Equity

(All amounts in INR millions)

A. Equity share capital

	Note	Equity shares	Amount
Balance as at 1 April 2023		14,676,666	146.77
Changes in equity share capital during 2023-24	13	-	-
As at 31 March 2024		14,676,666	146.77
Balance as at 1 April 2022		14,676,666	146.77
Changes in equity share capital during 2022-23	13	-	-
As at 31 March 2023		14,676,666	146.77

B Other equity

Particulars	Reserves and surplus		Items of other Comprehensive Income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2022	102.43	22.29	(0.36)	124.36
Total comprehensive income for the period ended 31 March 2023				
Profit for the year	-	120.46	-	120.46
Other comprehensive income, net of tax	-	-	(0.09)	(0.09)
Total comprehensive income	-	120.46	(0.09)	120.37
Balance as at 31 March 2023	102.43	142.75	(0.45)	244.73
Balance as at 1 April 2023	102.43	142.75	(0.45)	244.73
Total comprehensive income for the quarter ended 31 March 2024				
Profit for the year	-	112.48	-	112.48
Other comprehensive income, net of tax	-	-	0.12	0.12
Total comprehensive income	-	112.48	0.12	112.60
Balance as at 31 March 2024	102.43	255.23	(0.33)	357.33

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

1. Securities Premium

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

2 Retained earnings

Represents accumulation of retained earnings of earlier years.

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

As per our report of even date attached

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

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

P.M. VEERAMANI
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Naveen Philip
Director
DIN: 00018827

Mahini Eapen
Director
DIN:02051164

Biju Jose Thomas
Chief Executive Officer

Sreekanthan R Pillai
Chief Financial Officer

Surya Jacob
Company Secretary

Kochi
Date: 15.5.2024

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

1. Company overview

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

2. Basis of preparation

A. Statement of compliance

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

Details of Company's Material accounting policies are included in Note 3.

B. Functional and presentation currency

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

C. Basis of measurement

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

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

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



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

3. Material accounting policies

3.1 Property, plant and equipment

A. Recognition and measurement

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

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

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

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

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

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

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

B. Subsequent expenditure

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

C. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

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



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

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

Depreciation for the period is provided on proportionate basis.

3.2 Intangible assets:

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

The estimated useful lives are as follows:

Class of assets	Years
Software	3
Good Will	5

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

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

Amortization for the period is provided on proportionate basis.



3.3 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

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

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

Defined benefit plans

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

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

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

Other long term employee benefits

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



3.4 Provisions (other than for employee benefits)

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

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

3.5 Revenue

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

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

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

3.6 Inventories

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

Cost for this purpose is arrived at as follows:

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



3.7 Financial instruments

(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 Company becomes a party to the contractual provisions of the instrument.

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

(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 Company changes its business model for managing financial assets.

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

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

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

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



3.7 Financial instruments (continued)

Financial assets: Business model assessment

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

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

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

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

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

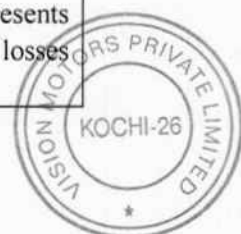
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and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

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

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

Financial assets: Subsequent measurement and gains and losses

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



3.7 Financial instruments (continued)

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) De recognition

Financial assets

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

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

Financial liabilities

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

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

iv) Off setting

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

v) Derivative financial instruments

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



3.8 Impairment

- Impairment of financial instruments

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

- Impairment of non- financial assets

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

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

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

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



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

3.8 Impairment (continued)

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

3.9 Leases

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

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

3.10 Recognition of interest income or interest expense

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

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

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

3.11 Income tax

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



3.11 Income tax (Continued)

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

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

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

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

3.12 Borrowing cost

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



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

3.13 Earnings/loss per share

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

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

3.14 Cash-flow statement

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

3.15 Cash and cash equivalents

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

3.16 Prior Period Items

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



Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in INR millions)

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

Particulars	Buildings #	Furniture and fixtures	Electrical equipment	Plant and machinery	Motor car	Computer Equipment	Office equipment	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross Block										
Balance at 1 April 2022	142.13	79.45	7.64	82.57	35.48	14.71	5.82	367.80	-	367.80
Additions/(transfers)	1.54	12.41	0.50	16.44	15.23	1.91	0.55	48.58	12.16	60.74
Disposals / capitalisation	0.09	16.20	1.91	7.63	6.20	5.12	2.52	39.67		39.67
Balance at 31 March 2023	143.58	75.66	6.23	91.38	44.51	11.50	3.85	376.71	12.16	388.87
Balance at 1 April 2023	143.58	75.66	6.23	91.38	44.51	11.50	3.85	376.71	12.16	388.87
Additions/(transfers)	35.93	14.36	4.23	3.91	17.30	4.37	1.00	81.10	0.20	81.30
Disposals / capitalisation	-	-	-	0.30	4.53	0.12	0.01	4.96	12.16	17.12
Balance at 31 March 2024	179.51	90.02	10.46	94.99	57.28	15.75	4.84	452.85	0.20	453.05
Accumulated Depreciation										
Balance at 1 April 2022	13.55	30.19	3.65	30.79	17.69	11.97	2.90	110.74	-	110.74
Depreciation for the year	2.44	7.92	0.66	7.19	4.62	1.93	0.91	25.67	-	25.67
Disposals	0.04	15.36	1.89	6.44	4.46	5.12	2.51	35.82	-	35.82
Balance at 31 March 2023	15.95	22.75	2.42	31.54	17.85	8.78	1.30	100.59	-	100.59
Balance at 1 April 2023	15.95	22.75	2.42	31.54	17.85	8.78	1.30	100.59	-	100.59
Depreciation for the year	2.65	8.70	0.78	7.43	6.18	2.21	0.97	28.92	-	28.92
Disposals	-	-	-	0.26	2.46	0.12	0.01	2.85	-	2.85
Balance at 31 March 2024	18.60	31.45	3.20	38.71	21.57	10.87	2.26	126.66	-	126.66
Carrying amounts (net)										
At 31 March 2024	160.91	58.57	7.26	56.28	35.71	4.88	2.58	326.19	0.20	326.39
At 31 March 2023	127.63	52.91	3.81	59.84	26.66	2.72	2.55	276.12	12.16	288.28



Include buildings constructed on leasehold land

Particulars	At 31 March 2024		At 31 March 2023	
	Gross block	Net block	Gross block	Net block
Building	179.51	160.91	143.58	127.63

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

Description	At 31 March 2024	At 31 March 2023
Title deeds held in the name of	Vision Motors Private Limited	Vision Motors Private Limited
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA	NA
Reason for not being held in the name of the Company	NA	NA

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

Capital Work in Progress Ageing Schedule:

As at March 31, 2024

Description	Amount in CWIP for a period of		
	Less than 1 Year	1-2 Years	2-3 Years
Projects in progress	0.20		
Projects temporarily suspended			

As at March 31, 2023

Description	Amount in CWIP for a period of		
	Less than 1 Year	1-2 Years	2-3 Years
Projects in progress	12.16	-	
Projects temporarily suspended			



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

5 Intangibles assets

	Computer software	Goodwill	Total
Gross Block			
Balance at 1 April 2022	0.45	44.70	45.15
Additions			-
Disposals	0.21		0.21
Balance at 31 March 2023	0.24	44.70	44.94
Balance at 1 April 2023	0.24	44.70	44.94
Additions	0.25	-	0.25
Disposals	-	-	-
Balance at 31 March 2024	0.49	44.70	45.19
Accumulated amortisation			
Balance at 1 April 2022	0.36	44.70	45.06
Amortisation for the year	0.09		0.09
Disposals	0.21		0.21
Balance at 31 March 2023	0.24	44.70	44.94
Balance at 1 April 2023	0.24	44.70	44.94
Amortisation for the year	0.08	-	0.08
Disposals			-
Balance at 31 March 2024	0.32	44.70	45.02
Carrying amounts (net)			
At 31 March 2024	0.17	-	0.17
At 31 March 2023	-	-	-



Notes to the financial statements (continued)

(All amounts in INR millions)

As at
31 March 2024 As at
31 March 2023

6 Investments

Non Current Investments

6.48 2.24

6.48 2.24

Investment in Mutual Funds

Note 1 : Details of Investments in mutual fund units

The balances held in mutual fund is as follows

Particulars	As at 31 March 2024		As at 31 March 2023	
	Units (in absolute numbers)	Amount	Units (in absolute numbers)	Amount
IIFL focussed equity Fund	41,024	1.68	10,345	0.31
Mirae Asset Large Cap Fund	26,577	2.56	12,834	0.98
UTI Flexi Cap Fund Reg	8,258	2.24	4,289	0.95
Total investments in Mutual Fund Units	75,859	6.48	27,468	2.24

7 Other financial assets

Non - Current

Considered good - Unsecured

Rent and other deposits

30.91 29.59

30.91 29.59

8 Other assets

Non-current

Prepaid expenses- non current

7.40 7.79

Advances for capital goods

0.23 6.73

7.63 14.52

Current

Prepaid expenses

1.22 1.19

Balance with statutory / government authorities

17.15 24.73

Advance to staff

0.01 0.01

Advance to suppliers and others

2.14 1.26

Disputed taxes

3.69 0.69

Other receivables

2.21 1.95

26.42 29.83



9 Inventories

(Valued at lower of cost and realisable value)

New vehicles	206.51	165.95
Goods in Transit- Vehicle	23.27	19.26
Used cars	25.37	21.79
Spares and lubricants	35.23	34.24
Goods in Transit- Spare	4.28	4.21
Accessories	6.89	3.72
	<u>301.55</u>	<u>249.17</u>

Less: Provision for obsolete inventory

0.29 0.86

301.26 248.31

10 Trade receivables **

Current

Considered good - Unsecured

Which have significant Increase in Credit Risk

Credit Impaired

2.91 1.74

1.57 1.70

4.48 3.44

Less: Allowance for expected credit loss

Others

1.57 1.70

63.13 46.83

66.04 48.57

Trade receivables ageing schedule

As at 31th March 2024

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i)Undisputed Trade receivables - considered good	63.13					63.13
ii)Undisputed Trade Receivables - which have significant increase in credit risk	1.30	0.48	0.72	0.09	0.32	2.91
iii)Undisputed Trade Receivables - credit impaired	0.30	0.14	0.72	0.09	0.32	1.57
	<u>64.73</u>	<u>0.62</u>	<u>1.44</u>	<u>0.18</u>	<u>0.64</u>	<u>67.61</u>

As at 31st March 2023

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i)Undisputed Trade receivables - considered good	46.83					46.83
ii)Undisputed Trade Receivables - which have significant increase in credit risk	0.40	0.54	0.16	0.17	0.47	1.74
iii)Undisputed Trade Receivables - credit impaired	0.40	0.50	0.16	0.17	0.47	1.70
	<u>47.63</u>	<u>1.04</u>	<u>0.32</u>	<u>0.34</u>	<u>0.94</u>	<u>50.27</u>

11 Cash and cash equivalents

Balance with banks

- in current accounts

- in Cash Credit Accounts

Cash on hand

Cheques in hand

Cash and cash equivalents in balance sheet

6.56 8.35

1.00 4.94

1.23 1.42

2.68 0.02

11.47 14.73

12 Bank balances

Deposit with Maturity more than three months (Out of this 0.53 Millions given as margin money)

0.58 0.54

0.58 0.54



13 Share capital	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares	15,500,000	155.00	15,500,000	155.00
	<u>15,500,000</u>	<u>155.00</u>	<u>15,500,000</u>	<u>155.00</u>
Issued, subscribed and paid-up				
Equity shares	14,676,666	146.77	14,676,666	146.77
Add: Issued during the year				
	<u>14,676,666</u>	<u>146.77</u>	<u>14,676,666</u>	<u>146.77</u>
(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
Equity shares of INR.10 each fully paid-up				
At the beginning of the year	14,676,666	146.77	14,676,666	146.77
At the end of the year	<u>14,676,666</u>	<u>146.77</u>	<u>14,676,666</u>	<u>146.77</u>

(b) Details of shareholders holding more than 5% shares of the Company	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Popular Mega Motors(India) Private Ltd	14,676,665	100.00%	14,676,665	100.00%

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

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

NIL

2) Details of Promoter's Shareholding:

Promoters Name	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Popular Mega Motors(India) Private Ltd	14,676,665	100%	14,676,665	100%
Naveen Philip (held as Nominee of Popular Mega Motors (India) Private Limited)	1	-	1	
Total	<u>14,676,666</u>		<u>14,676,666</u>	

(d) Proposed Dividend

The Board of Directors of the Company at its meeting held on 15 May 2024 have recommended payment of final dividend of Rs. 0.45 per Equity Share of face value of Rs. 10 each for the financial year ended 31 March 2024 amounting to Rs. 6.60 million which is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.



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

	As at 31 March 2024	As at 31 March 2023
14 Borrowings		
Non-current		
<i>Secured loans</i>		
Term loans from banks - Secured	-	19.01
Term loans from financial institution	8.54	8.34
	<u>8.54</u>	<u>27.35</u>
Current		
<i>Secured loans</i>		
Cash credit and overdraft facilities from banks	3.68	60.67
Short term loan from financial institution	35.73	41.77
Current maturities of long-term borrowings	20.92	22.04
	<u>60.33</u>	<u>124.48</u>
Total borrowings	<u>68.87</u>	<u>151.83</u>

- (a) Emergency Credit Line Loans Availed
Kotak Mahindra Bank Ltd
The facility is secured by extension of charge on primary securities available for existing facilities on a second ranking basis. All terms as per the National Credit Guarantee Trustee Company guidelines shall apply. Principal to be repaid in 36 equal monthly instalments post moratorium period of 12 months from the date of disbursement. The interest on loan is 1Y MCLR+1.2% , presently 8.4% pa payable at monthly intervals.
This Loan is closed during the year
- (b) Term loan from Kotak Mahindra Prime Limited is secured by first charge on entire Current Assets/ Movable assets of the dealership excluding the current assets of the dealership for Pathanamthitta, Calicut & Muvattupuzha locations , personal guarantee of the Directors and equitable mortgage of the personal properties held as common collateral for the group, ranking pari-passu with Kotak Mahindra Bank Limited. Term loans are repayable in monthly installments ranging from 13 months to 46 months. The finance facility for new cars would be charged at 8.25% p.a. & spares would be charged at 9.5% p.a. Interest on the Term Loan is 9.45%
- (c) Vehicle loans are secured by hypothecation of the Vehicle financed and personal guarantee of the directors of the company. Vehicle Loans are repayable in monthly installments ranging from 24 months to 49 Months. Interest charged on Vehicle Loan ranges from 8.75% to 9.25%
- (d) Aggregate amount of long term loans guaranteed by directors [Total (b)+Total (c)+Total (d)] Rs 8.54 millions (Rs 27.35 millions)
- (e) Short term loan from Kotak Mahindra Bank Limited is secured by first and pari-passu charge with Kotak Mahindra Prime Limited on all existing and future Current Assets/Movable fixed assets excluding the current assets of the dealership for Pathanamthitta , Calicut & Muvattupuzha, Aluva ,Thrissur locations, collateral security of personal properties of directors as common collateral for the group and the personal guarantee of directors.
- (f) Short term loans from Kotak Mahindra Prime Limited is secured by first charge on all existing and future Current Assets/ Movable fixed assets of the Company excluding the current assets of the dealership for Pathanamthitta , Calicut & Muvattupuzha, Aluva, Thrissur locations and equitable mortgage of the personal properties held as common collateral for the group, ranking pari-passu with Kotak Mahindra Bank Limited.
- (g) Short term loans from Bank of Baroda is secured by hypotication of stocks and Book debts arising out of invoices financed by Bank of Baroda, collateral security being corporate guarantee of the holding company.
- (h) The inventory funding from ICICI bank Ltd (contract no. 6923, 6924, 6925) is secured by exclusive charge on current assets of locations funded and personal guarantee of directors and holding company. The inventory funding from ICICI bank Ltd (contract no. 6922) is secured by charge on vehicles and book debts funded by ICICI and personal guarantee of directors and holding company.
- (i) The inventory funding from State Bank of India is secured by exclusive charge by way of Hypothecation over all the present and future stocks and receivables financed including the advance remittances made to Honda Cars India Ltd (HCIL) and Honda Cars India Ltd Spare Parts Division (HCIL - SPD) funded by State Bank of India and personal guarantee of Directors & corporate guarantees of holding company & KTV.
- (j) Aggregate amount of short term borrowings guaranteed by directors Rs 60.33 millions (Rs 124.48 millions)



Notes to the financial statements (continued)

(All amounts in INR millions)

14 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 31 March 2024	As at 31 March 2023
Non-current, secured			
Term loans from banks	Subsidiaries	-	31.95
Vehicle loans from financial institutions	Subsidiaries	29.46	17.44
Current, secured			
Cash credit and overdraft facilities from banks	Subsidiaries	3.68	60.67
Short term loan from financial institutions	Subsidiaries	35.73	41.77
		68.87	151.83

Note:

For Security terms of above borrowings, please refer Note 14

The balance includes current maturities of long -term borrowings

The borrowings from banks / financial institutions carry interest rates from 8.25% to 9.25% per annum



15 Other financial liabilities		
Interest accrued and not due on borrowings	0.19	0.20
Accrued salaries and benefits	14.31	14.21
	14.50	14.41
Provisions		
Non-current		
Compensated absences	2.91	2.78
Gratuity	0.25	0.53
	3.16	3.31
Current		
Compensated absences- Current	1.46	1.27
	1.46	1.27
17 Other Liabilities		
Non-current		
Advance from vendors for rebates	40.47	-
	40.47	-
Current		
Contract liabilities	17.65	9.00
CSR Liability	-	1.19
Advance from vendors for rebates- current	26.05	8.53
Vat on Warranty	-	4.47
Statutory dues payables	6.19	3.88
Other liabilities	20.32	18.43
	70.21	45.50
The contract liabilities primarily relate to the advance received from the customers for the sale of vehicles. This will be recognised as revenue as and when the company meet the performance obligation by delivering the vehicles.		
18 Trade payables		
Dues to Micro, Small and Medium Enterprises	7.74	5.77
Dues to creditors other than Micro, Small and Medium Enterprises	18.29	21.47
	26.03	27.24

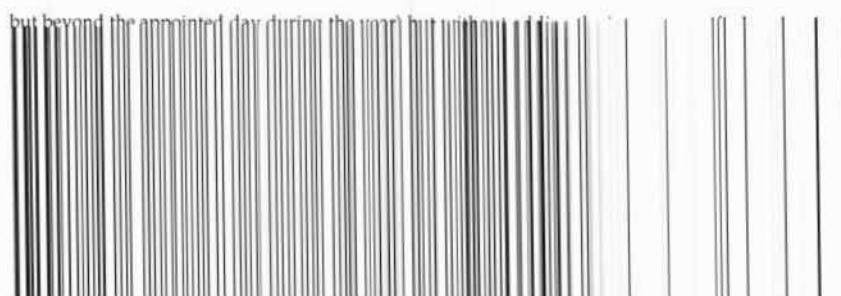
Trade payable ageing schedule

As at 31 March 2024				
Particulars	Less than 1	1-2 years	2-3 years	More than 3
	year			years
i)MSME	7.74	-	-	-
ii)Others	18.29	-	-	-
iii)Disputed Dues-MSME	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-
v)Unbilled dues	-	-	-	-
	26.03	-	-	-
As at 31 March 2023				
Particulars	Less than 1	1-2 years	2-3 years	More than 3
	year			years
i)MSME	5.77	-	-	-
ii)Others	21.47	-	-	-
iii)Disputed Dues-MSME	-	-	-	-
iv)Disputed Dues-Others	-	-	-	-
v)Unbilled dues	-	-	-	-
	27.24	-	-	-

All Trade Payables are 'current'

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

The principal amount remaining unpaid to any supplier as at the end of the year	7.74	5.77
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid	-	-



	Year ended 31 March 2024	Year ended 31 March 2023
19 Revenue from operations		
Sales - New Vehicles	1,769.87	1,966.03
Sales - Spares and Accessories	498.23	478.11
Sales - Used Vehicles	241.23	268.33
Discounts and incentives	62.52	55.85
Finance and insurance commission	60.34	49.62
Labour income	406.42	403.76
Other operating revenue	7.84	7.99
	3,046.45	3,229.69
Reconciliation of revenue from sale of products and services		
Gross revenue	2,969.21	3,156.43
Less: Trade Discount allowed	45.62	32.21
	2,923.59	3,124.22

(A) Disaggregate of revenue information

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue by nature		
Passenger cars	2,011.10	2,234.36
Others	1,035.35	995.33
	3,046.45	3,229.69
Revenue by contract type		
Fixed price	3,046.45	3,229.69
	3,046.45	3,229.69

(B) Contract balances

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Trade receivables	66.04	48.57
Contract liabilities	17.65	9.00

(C) Transaction price allocated to remaining performance obligations

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



Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Within 1 year	17.65	9.00
1-3 years		-
More than 3 years		-
Closing balance	17.65	9.00
20 Other income		
Notional interest on rent deposit	1.55	1.57
Interest Income - Others	0.09	0.03
Interest from fixed deposit with bank	0.03	0.03
Interest on income tax refund	0.31	0.58
Net change in fair value of financial Asset	0.94	-
Credit balance written back	3.08	4.47
Gain on sale of Property,Plant & Equipment	0.73	0.39
Reversal of Provision for bad and doubtful debts	0.13	0.38
Lease concession	1.97	2.63
Miscellaneous income	5.43	2.58
	14.26	12.66

Notes to the financial statements (continued)

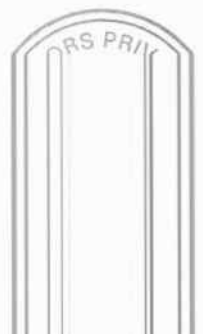
(All amounts in INR millions)

	Year ended 31 March 2024	Year ended 31 March 2023
21 Purchases of stock-in-trade		
Purchase - New Vehicles	1,746.81	1,978.56
Purchase - Used Vehicles	230.06	269.93
Purchase - Spares and Accessories	401.93	388.76
	2,378.80	2,637.25
22 Change in inventories of stock-in-trade		
Opening stock	244.09	146.93
Closing stock	273.71	244.09
	(29.62)	(97.16)
23 Employee benefits expense		
Salaries and allowances	231.89	231.04
Contribution to provident and other funds	13.21	12.10
Provision for Gratuity	2.26	2.69
Provision for Leave Encashment	1.30	0.60
Staff welfare expense	16.99	15.36
	265.65	261.79
24 Finance cost		
Interest on borrowings	16.27	13.81
Corporate Guarantee Commission	1.13	0.81
Interest on Lease Liability	24.91	20.50
Interest expense on Actuarial Valuation	-	0.18
Interest on Shortfall of Advance Tax	0.09	-
	42.40	35.30

	Year ended 31 March 2024	Year ended 31 March 2023
25 Depreciation and amortisation		
Depreciation on property, plant and equipment	28.92	25.67
Amortisation on intangible assets	0.08	0.09
Amortisation on Right of Use (ROU) Asset	49.50	48.09
	<u>78.50</u>	<u>73.85</u>
26 Other expenses		
Transportation charges	1.50	2.27
Commission	0.01	0.03
Power, water and fuel	15.70	14.11
Consumables	50.41	48.47
Pre delivery inspection charges	16.14	14.68
Insurance	3.09	3.07
Repairs and maintenance - others	13.62	16.85
Communication	4.16	4.07
Advertising and promotional	11.48	9.67
Loss on sale of property, plant and equipment	-	-
Rates and taxes	2.00	1.96
Legal, professional and other consultancy	2.11	1.44
Travelling and conveyance	11.56	12.34
Housekeeping and security	14.63	12.21
Rent	6.56	4.73
Corporate Social Responsibility	2.38	1.19
Office expenses	10.46	10.46
Printing and Stationery	2.89	2.54
Bad debts written off	1.54	3.37
Bank Charges	4.11	7.16
Net change in fair value of financial Asset	-	0.06
Miscellaneous expenses	0.06	0.10
	<u>174.41</u>	<u>170.78</u>

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

	As at 31 March 2024	As at 31 March 2023
27 Taxes		
Income tax assets/(liability)		
Income tax assets (Net)	1.59	6.77
Net income tax assets/(liability) at the end	<u>1.59</u>	<u>6.77</u>
Deferred tax assets/(liabilities)		
Deferred income tax assets		
Trade receivables	0.39	0.43
Gratuity Payable	0.06	0.13
Deduction under section 35 D	-	0.05
Leave Encashment	1.10	1.02
Impact of IndAS 116	12.93	12.84
Total deferred income tax assets	<u>14.48</u>	<u>14.47</u>
Deferred income tax liabilities		
Property, plant and equipment and computer software	13.24	11.76
Total deferred income tax liabilities	<u>13.24</u>	<u>11.76</u>
Deferred income tax assets after set off	<u>1.24</u>	<u>2.71</u>
	Year ended 31 March 2024	Year ended 31 March 2023
Income tax expense / (benefits)		
Current tax	36.66	36.84
Deferred tax relating to item that will not be reclassified to P&L	(0.04)	0.03
Deferred tax	1.47	3.21
	<u>38.09</u>	<u>40.08</u>
Income tax expense for the year reconciled to the accounting profit		
Particulars		
Profit before Tax	150.57	160.54
Income Tax expense		
Current tax	36.66	36.84
Deferred Tax	1.43	3.24
Profit after Tax	<u>112.48</u>	<u>120.46</u>
Income Tax rate on normal Income	25.168%	25.168%
Income tax expense	37.90	40.40
Admissible expenses	(9.42)	(9.31)
Inadmissible expenses	8.82	7.66
Ind AS adjustments	(0.64)	(1.91)
Income Tax expense recognised in Profit or Loss	<u>36.66</u>	<u>36.84</u>



Notes to the financial statements (continued)

(All amounts in millions)

28 Contingent liabilities and commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Contingent liabilities		
Claims against the Company not acknowledged as debts		
- KVAT related matters	0.25	0.25
- Service Tax	2.11	4.35
- Goods and Service Tax	77.03	6.19
Bank guarantees	2.00	2.00
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not	11.39	5.29

29 Earnings/(loss) per share

A. Basic earnings/(loss) per share

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

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(Loss)/profit for the year, attributable to the equity share holders	112.60	120.37

ii) Weighted average number of equity shares (basic)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance (Refer note 12)	14,676,666	14,676,666
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares of INR 10 each for the year	14,676,666	14,676,666
Earnings / (loss) per share, basic	7.67	8.20

B. Diluted earnings/(loss) per share

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

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

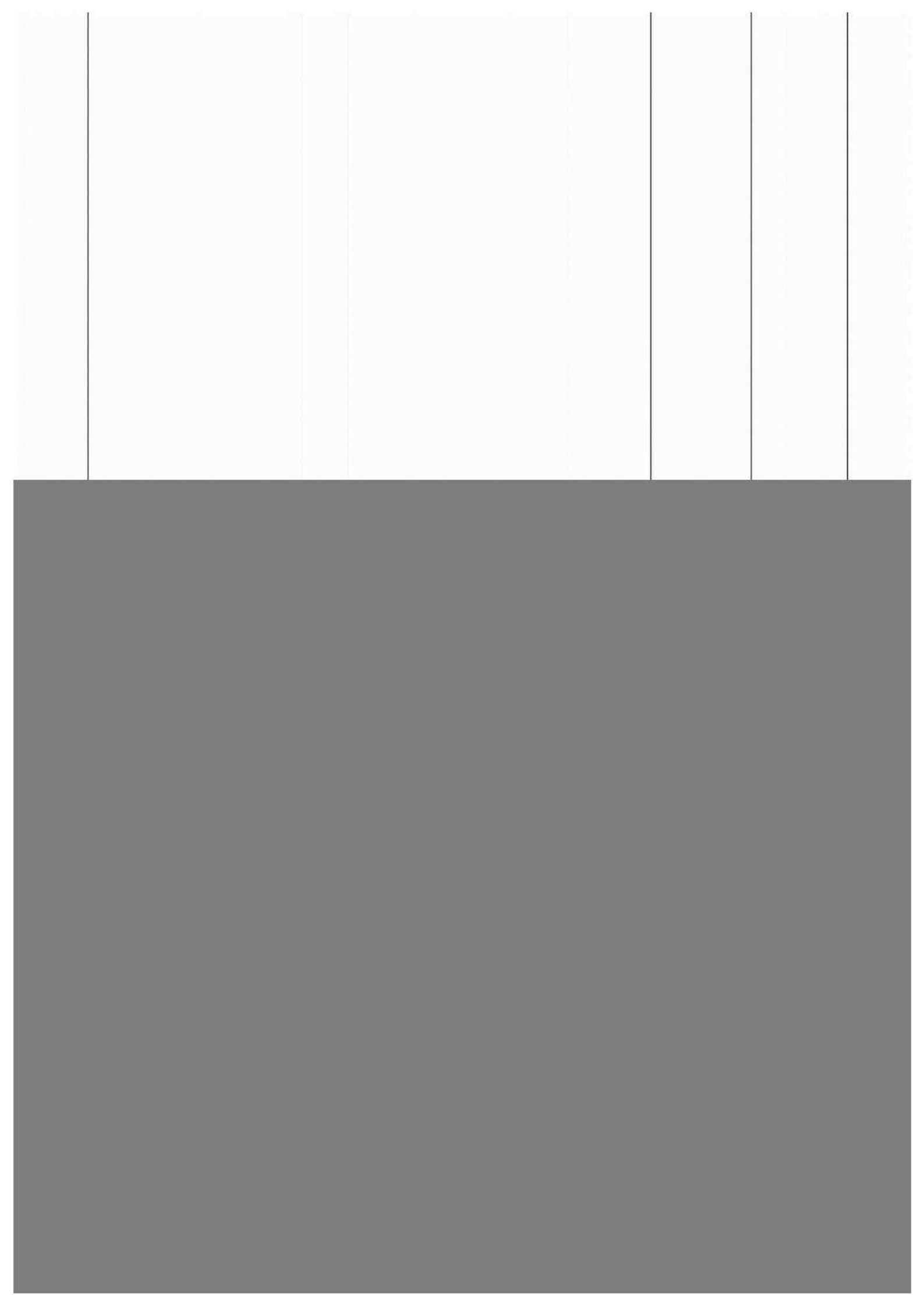
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit/(loss) for the year, attributable to the equity share holders	112.60	120.37

ii) Weighted average number of equity shares (diluted)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of equity shares of INR 10 each for the year (basic)	14,676,666	14,676,666
Weighted average number of equity shares of INR 10 each for the year (diluted)	14,676,669	14,676,666
Earnings / (loss) per share, diluted	7.67	8.20

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023



MADE BY THESE FINANCIAL STATEMENTS.

32 IndAS 116

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified restrospective approach, under which the cumulative effect of initial applcation is recognised in the retained earnings at April 1, 2019.

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

During the period ended March, 2024, the company has recognised interest expense on lease liabilities amounting to Rs. 24.91 millions and

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance for the Period	228.27	142.61
Add: Additions during the Period	6.18	132.26
Less: Reversal of ROU asset due to cancellation of lease agreement	-	-
Less: Depreciation	47.92	46.60
Closing Balance	186.53	228.27

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

The following is the breakup of current and non-current lease liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current lease liabilities	37.55	44.55
Non-current lease liabilities	200.36	234.75
Total	237.91	279.30

The following is the movement in lease liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance for the Period	279.31	197.81
Add: Additions during the Period	6.18	133.04
Add: Finance Cost accrued during the period as per IND AS 116	24.91	20.50
Less: Reversal of liability due to cancellation of lease agreement	-	-
Less: Lease liabilities for the period as per rent agreement	72.49	72.04
Closing Balance	237.91	279.31

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
-------------	-----------------------------	-----------------------------

Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in millions)

33 Related parties

I. Names of related parties and description of relationship:

- (a) Ultimate Holding Company
Popular Vehicles and Services Limited
- (b) Holding company
Popular Mega Motors (India) Private Limited, India
- (c) Associates
Popular Auto Dealers Private Limited
Popular Auto Works Private Limited
Kuttukaran Green Private Limited

(d) Other related parties with whom the company had transactions during the year

- Key management personnel and their relatives (KMP)

Mr. Naveen Philip, Director
Mrs. Malini Eapen, Director
Mr. Francis K Paul, Relative of Director
Mr. Maniyara Abraham Sajjan, Director
Mr. Lloyd Frankline Dso'za, Director
Mr. Jacob Kurian, Independent Director
Mr. Raj Narayanan, Chief Executive Officer
Mr. Sreekanthan R Pillai, Chief Financial Officer
Mrs. Surya Jacob, Company Secretary

II. Related party transactions:

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations		
Popular Vehicles & Services Limited	17.86	35.16
Popular Mega Motors (India) Private Limited	1.20	0.26
Popular Auto Dealers Private Limited	7.08	1.84
Kuttukaran Green Private Limited	0.02	0.01
Mr. Jacob Kurian	1.93	
Rent Expense		
Mr. Naveen Philip	2.43	2.30
Mr. Francis K Paul	4.16	3.95
Expenses met on behalf of the company		
Popular Vehicles & Services Limited	0.88	0.11
Popular Mega Motors (India) Private Limited	0.71	0.21
Popular Auto Dealers Private Limited	0.58	1.58
Popular Auto Works Private Limited	0.10	
Rent Income		
Popular Vehicles & Services Limited	0.11	0.12
Purchase of Fixed Assets		
Popular Mega Motors (India) Private Limited	0.87	



Purchase of goods		
Popular Mega Motors (India) Private Limited	-	0.83
Popular Auto Dealers Private Limited	22.52	30.69
Corporate Guarantee Commission Paid		
Popular Vehicles & Services Limited	0.43	0.29
Popular Mega Motors (India) Private Limited	0.70	0.52
Commission Expense		
Popular Auto Dealers Private Limited	-	0.02
Expenses met by the company		
Popular Vehicles & Services Limited	5.79	6.89
Popular Mega Motors (India) Private Limited	0.17	
Popular Auto Dealers Private Limited	-	0.02
Remuneration		
Mr.Sreekanthan R	1.12	-
Balance receivable from/(payable) to related parties as at Balance Sheet date.		
Corporate Guarantee Commission Payable		
Popular Vehicles & Services Limited	0.12	0.14
Popular Mega Motors (India)Private Limited	0.12	0.29
Trade Payable		
Popular Vehicles & Services Limited		0.67
Popular Mega Motors (India)Private Limited	0.09	-
Popular Auto Dealers Private Limited		2.38
Kuttukaran Green Private Limited		-
Naveen Philip	0.22	-
Francis K Paul	0.37	0.37
Trade Receivable		
Popular Vehicles & Services Limited	1.28	0.61
Popular Mega Motors (India)Private Limited		
Popular Auto Dealers Private Limited	0.06	

- (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries
- (b) The Company has not received any funds from any person(s) or entity(ies) ("Funding Party") with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



Vision Motors Private Limited, Ernakulam

Notes to the financial statements (continued)

All amounts in INR millions)

34 Employee benefits

A Defined contribution plan

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

B Defined Benefit Plan

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

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

Reconciliation of the projected Defined benefit plan

Particulars	As at 31 March 2024	As at 31 March 2023
Defined Benefit Plan	13.71	14.03
Plan Assets	13.46	13.50
Net Defined benefit liability/(Asset)	0.25	0.53
Liability for compensated absences	4.37	4.05
Total employee benefit liability	4.62	4.58
Non-current defined benefit liability	3.16	3.31
Current defined benefit liability	1.46	1.27
Other current assets (Balance with Life Insurance Corporation -Gratuity Fund (Net))	-	-

C Reconciliation of net defined benefit (assets)/liability

i) Reconciliation of present values of defined benefit obligation

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

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at the beginning of the year	14.03	13.75
Current service cost	2.93	2.95
Past service cost	-	-
Interest cost	0.90	0.69
Benefits paid	(3.90)	(3.71)
Re-measurements	-	-
Actuarial Gain/(loss) recognised in other comprehensive income		
-changes in financial assumptions	(0.43)	(0.35)
-changes in experience over the past period	0.17	0.70
Defined benefit obligation as at the end of the year	13.70	14.03

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at the beginning of the year	13.50	10.02
Contributions paid into the plan	2.38	6.45
Benefits paid	(3.22)	(3.71)
Interest income	0.90	0.50
Re-measurements	-	-
- changes in demographic assumptions	-	-
- return on plan asset	(0.10)	0.24
Balance at the end of the year	13.46	13.50
Net defined benefit liability	0.24	0.53



34 Employee benefits (continued)

ii) Reconciliation of present value of plan assets

Expenses recognised in the standalone statement of profit and loss

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

Particulars	As at	
	31 March 2024	31 March 2023
Current service cost	2.94	2.95
Past service cost	-	-
Net interest on net defined liability	-	0.18
Employer contribution	2.38	(6.45)
Net gratuity cost	5.32	(3.32)

(ii) Remeasurements recognised in other comprehensive income

Particulars	As at	
	31 March 2024	31 March 2023
OCI at the beginning of the year	0.57	0.45
Actuarial (gain)/ loss on defined	(0.26)	0.36
Return on plan asset excluding interest income	0.11	(0.24)
Net gratuity cost	0.42	0.57

E Plan Asset

Plan asset comprises of the following:

Particulars	As at	
	31 March 2024	31 March 2023
Funds managed by Life Insurance Corporation of India	13.46	13.50

The Company makes annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by LIC. The Company was not informed by LIC of the investments made by them or the break up of the plan assets into various type of investments.

F Defined Benefit Obligation

(i) Actuarial Assumptions

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

Particulars	As at	
	31 March 2024	31 March 2023
Discount rate	7.15%	7.30%
Salary growth rate	6.00%	7.00%
Attrition rate	25% p.a withdrawal rate at all ages	25% p.a withdrawal rate at all ages
Weighted average duration of defined benefit obligation	3.64 years	3.70 years

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

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

(ii) Sensitivity analysis

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

Particulars	As at		As at	
	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(13.80)	14.31	(13.77)	14.29
Future salary growth (0.5% movement)	14.31	(13.79)	14.29	(13.77)

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.



35 Financial Instruments- Fair values and risk management

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.
As at 31 March 2024

Particulars	Note	Carrying amount			Fair value				
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	11	11.47	-	-	11.47	-	-	-	-
Bank balances other than cash and cash equivalents	12	0.58	-	-	0.58	-	-	-	-
Trade receivables	10	66.04	-	-	66.04	-	-	-	-
Other financial assets	7	2.95	-	-	2.95	-	-	-	-
Financial assets measured at fair value									
Rent Deposit (Included in other financial Assets)	6	-	27.96	-	27.96	-	27.96	-	6.48
Investments		-	6.48	-	6.48	-	6.48	-	6.48
Total		81.04	34.44	-	115.48	-	6.48	27.96	6.48
Liabilities									
Financial liabilities measured at amortised cost									
Trade payables	18	-	-	26.03	26.03	-	-	-	-
Borrowings #	14	-	-	68.87	68.87	-	-	-	-
Lease liabilities	32	-	-	237.91	237.91	-	-	-	-
Other financial liabilities	15	-	-	14.50	14.50	-	-	-	-
Total		-	-	347.31	347.31	-	-	-	-

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.
As at 31 March 2023

Particulars	Note	Carrying amount			Fair value				
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Cash and cash equivalents	11	14.73	-	-	14.73	-	-	-	-
Bank balances other than cash and cash equivalents	12	0.54	-	-	0.54	-	-	-	-
Trade receivables	10	48.57	-	-	48.57	-	-	-	-
Other financial assets	7	2.63	-	-	2.63	-	-	-	-
Financial assets measured at fair value									
Rent Deposit (Included in other financial Assets)	6	-	26.96	-	26.96	-	26.96	-	2.24
Investments		-	2.24	-	2.24	-	2.24	-	2.24
Total		66.47	29.20	-	95.67	-	2.24	26.96	2.24

Liabilities				
Financial liabilities measured at amortised cost				
Trade payables	18	-	27.24	27.24
Borrowings #	14	-	151.83	151.83
Lease liabilities	32	-	279.30	279.30
Other financial liabilities	15	-	14.41	14.41
Total		-	472.78	472.78

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

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

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

Measurement of fair values

The fair value of the financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

Level 1 fair values

Investment in equity shares that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2 fair values

Investment in mutual funds - is unquoted price and are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 fair values

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3.

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 31 March 2024 and 31 March 2023 has not been disclosed as it is not material to the Group.



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

(All amounts in INR millions)

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

B Financial risk management

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

i) Risk management framework

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

ii) Credit risk

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

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

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

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	67.61	50.27
	67.61	50.27

Impairment analysis

The ageing of trade receivables is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	65.35	48.67
1-2 years	1.44	0.32
2-3 years	0.18	0.34
More than 3 years	0.64	0.94
	67.61	50.27

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

Allowance for credit loss	As at 31 March 2024	As at 31 March 2023
Balance at the beginning	1.70	2.08
Provision created during the year	-	-
Impairment loss recognised/ (reversed)	(0.13)	(0.38)
Balance at the end	1.57	1.70

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

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



35 Notes to the financial statements (continued)

(All amounts in INR millions)

iii) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Payable within 1 year		Total
	1 year	More than 1 year	
Trade payables	26.03	-	26.03
Borrowings #	60.33	8.54	68.87
Lease liabilities	37.55	200.36	237.91
Other financial liabilities	14.50	-	14.50

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

Particulars	Payable within 1 year		Total
	1 year	More than 1 year	
Trade payables	27.24	-	27.24
Borrowings #	124.48	27.35	151.83
Lease liabilities	44.55	234.75	279.30
Other financial liabilities	14.41	-	14.41

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

iv) **Market risk**

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

Foreign currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Company. The functional currency of the Company is INR and the Company does not have any material foreign currency transactions during the years ended 31 March 2024 and 31 March 2023.

Cash flow and fair value interest rate risk

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

(a) **Interest rate risk exposure**

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

Financial liabilities (bank borrowings)	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Variable rate long term borrowings including current maturities	-	-	-	31.94

Sensitivity

Particulars	Impact on profit or (loss)		Impact on other components of equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
1% increase in variable rate	-	(0.32)	-	(0.24)
1% decrease in variable rate	-	0.32	-	0.24

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



Vision Motors Private Limited, Ernakulam

Notes to Financial Information

(All amounts in millions)

36 Ratios as per the Schedule III requirements

1 Current Ratio = Current Assets divided by Current Liabilities

Particulars	March 31,2024	March 31,2023
Current Assets	407.36	348.75
Current Liabilities	210.08	257.45
Ratio	1.94	1.35
% Change from previous year	43.7%	

Reason for change more than 25%

The ratio has increased to 1.97 in FY 23-24 due to reduction in current liabilities as a result of repayment of Term Loan.

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

Particulars	March 31,2024	March 31,2023
Short Term Borrowings * [a]	60.33	124.48
Non Current Borrowings [b]	8.54	27.35
Total debt	68.87	151.83
Total equity	504.10	391.50
Ratio	0.14	0.39
% Change from previous year	-64.10%	

* Short Term Borrowings includes Current Maturities of Non Current Borrowings

Reason for change more than 25%

The ratio has decreased to 0.14 in FY 23-24 due to reduction in total debts as a result of repayment of Term Loan.

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

Particulars	March 31,2024	March 31,2023
EBITDA	271.47	269.69
Interest Cost	42.40	35.30
Long Term Borrowings	8.54	27.35
Short Term Borrowings*	60.33	124.48
Debt Service Coverage Ratio	2.44	1.44
% Change from previous year end	69%	

* Short Term Borrowings includes Current Maturities of Non Current Borrowings

Reason for change more than 25%

The ratio has increased to 2.44 in FY 23-24 due to reduction in total debts as a result of repayment of Term Loan.

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

Particulars	March 31,2024	March 31,2023
Net Profit after tax	112.48	120.46
Total equity	504.10	391.50
Ratio	0.22	0.31
% Change from previous year	-29.03%	

Reason for change more than 25%

The ratio has decreased to 0.22 in FY 23-24 due to drop in profit / no increase in profit as a proportionate to equity hike.



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

Particulars	March 31,2024	March 31,2023
Net Profit after tax	112.48	120.46
Sales	3,046.45	3,229.69
Ratio	0.04	0.04
% Change from previous year	0.00%	

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

Particulars	March 31,2024	March 31,2023
Purchase of stock in trade [a]	2,378.80	2,637.25
Changes in inventories of stock-in-trade [b]	(29.62)	(97.16)
Cost of Material Consumed [a]+[b]	2,349.18	2,540.09
Closing Inventory	242.51	248.31
Ratio	9.69	10.23
% Change from previous year	-5.3%	

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

Particulars	March 31,2024	March 31,2023
Total income	3,060.71	3,242.35
Current Asset [a]	407.36	348.75
Current Liability [b]	210.08	257.45
Net Working Capital [a]-[b]	197.28	91.30
Ratio	15.51	35.51
% Change from previous year	-56.3%	

Reason for change more than 25%

The change in ratio is on account of increase in net working capital due to increase in current assets compared to minimal increase or decrease in current liabilities.

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

Particulars	March 31,2024	March 31,2023
Total Income	3,060.71	3,242.35
Trade Receivable	66.04	48.57
Trade Receivable Turnover Ratio	46.35	66.76
% Change from previous year end	-30.6%	

Reason for change more than 25%

The ratio has decreased to 46.35 in FY 23-24 due to increase in Insurance claim receivables.

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

Particulars	March 31,2024	March 31,2023
EBIT	192.97	195.84
Total Asset [a]	966.71	914.36
Current Liability [b]	210.08	257.45
Capital Employed [a]-[b]	756.63	656.91
Ratio	0.26	0.30
% Change from previous year	-13.3%	

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

Particulars	March 31,2024	March 31,2023
Purchase of Stock in trade	2,378.80	2,637.25
Trade Payable	26.03	27.24
Trade Payable Turnover Ratio	91.39	96.82
% Change from previous year end	-5.6%	



37 Capital Management

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Total equity attributable to the equity shareholders of the Company	504.1	391.5
As a percentage of total capital	88%	72%
Long-term borrowings	8.54	27.35
Short-term borrowings	60.33	124.48
Total borrowings	68.87	151.83
As a percentage of total capital	12%	28%
Total capital (equity and borrowings)	572.97	543.33

38 Details of Corporate social responsibility expenditure

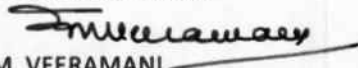
	Year ended 31 March 2024	Year ended 31 March 2023
--	-----------------------------	-----------------------------

(i) Gross amount required to be spent during the year	2.38	1.19
(ii) Amount approved by the Board to be spent during the period/year	2.38	1.19
(iii) Amount spent during the year on ; Construction/ acquisition of asset On purposes other than above	2.38	1.19
(iv) (Shortfall) / Excess at the end of the period/year Corporate Social Responsibility	-	-
(v) Total of previous years shortfall	-	-
(vi) Details of related party transactions	NA	NA
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	NA	NA
(viii) Reason for shortfall:	NA	NA
(ix) Nature of CSR activities: a) Payment to Prime minister national relief fund b) Skill development c) Education d) Rural development e) Payment to trust	2.38	1.19

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

As per our report of even date attached

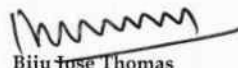
For R.G.N. PRICE & CO.
Chartered Accountants

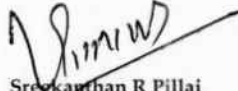

P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855


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


Naveen Philip
Director
DIN: 00018827


Malini Eaper
Director
DIN:02051164


Biju Jose Thomas
Chief Executive Officer


Sreekanth R Pillai
Chief Financial Officer


Surya Jacob
Company Secretary

Kochi
Date: 15.5.2024

VISION MOTORS PRIVATE LIMITED
DEPRECIATION STATEMENT FOR INCOME TAX PURPOSES FOR THE PERIOD ENDED 31.03.2024
CONSOLIDATED

PARTICULARS	WDV AS ON 01.04.2023	ADDITIONS		DELETIONS	TOTAL	RATE	DEPRECIATION	WDV AS ON 31.03.2024
		More than 180 days	Less than 180 days					
Building	68,003,307	12,341,984	23,583,043		103,928,334	10%	9,213,681	94,714,653
Goodwill (*)	11,603,047				11,603,047	25%	-	11,603,047
Furniture & Fittings	63,906,535	3,209,899	11,147,476		78,263,910	10%	7,269,017	70,994,893
Computer	3,294,855	2,183,096	2,441,566		7,919,517	40%	2,679,494	5,240,023
Office Equipments	4,130,572	65,857	934,705		5,131,134	15%	699,567	4,431,567
Vehicles	27,676,007	10,637,386	5,779,018	2,838,486	41,253,925	15%	5,754,662	35,499,263
Vehicles (**)	908,755.00				908,755	30%	272,627	636,128
Electric Vehicles (***)	-	879,799			879,799	40%	-	879,799
Air Conditioner	4,607,475	1,258,794	2,976,135		8,842,404	15%	1,103,150	7,739,254
Plant & Machinery	45,260,167	1,298,907	2,610,471		49,169,545	15%	7,179,646	41,989,899
Total	229,390,720	31,875,722	49,472,414	2,838,486	307,900,370		34,171,844	273,728,526

(*) Note:- No depreciation is claimed on Goodwill pursuant to amendment in Finance Act 2021.

(**) Note:- As per Notification No. 69/2019 Dated 20-09-2019 Motor Car purchased on or after 23rd August 2019 but before 1st April 2020 is eligible for higher rate of depreciation of

(***) Note:- Represents electrically operated vehicles under the head renewable energy devices as per clause (xiii) (o) of New Appendix I of Income Tax Rules. No depreciation is claimed on the same, since the vehicle is used by sister concern and not by this company.



Deferred Tax Workings

2023-24

Particulars	Balance as per Books	Balance as per IT Act	Difference	DTA	DTL
WDV	326,361,048	273,728,526	52,632,522	-	13,246,553
Provision for bad and doubtful debts	1,568,788	-	1,568,788	394,833	
Provision for Gratuity	247,695	-	247,695	62,340	
Provision for Leave Encashment	4,368,168		4,368,168	1,099,381	
Ind AS 116	51,383,996		51,383,996	12,932,324	
				14,488,878	13,246,553

Opening balance 2,707,952
 Closing balance 1,242,325
Provision / (reversal) to be made 1,465,627

Entry to be made :
 Profit & Loss A/c 1,424,661
 To OCI (40,966)
 To DTA 1,465,627

(Being the provision Reversed)

Note: Leave encashment provision was allowed as expenditure in the Income tax assessment in the earlier years and DTA is considered only for the provision from 31.03.2020 onwards where the premium was disallowed in the income tax assessments.

