Popular Vehicles and Services Ltd
Kuttukaran Centre
Mamangalam, Kochi 682025
t 0484 2341134
e cs@popularv.com
www.popularvehicles.in

CIN L50102KL1983PLC003741
KERALA – **GSTIN** 32AABCP3805G1ZW
TAMIL NADU- **GSTIN** 33AABCP3805G1ZU
KARNATAKA - **GSTIN** 29AABCP3805G1ZJ
TELANGANA - **GSTIN** 36AABCP3805G1ZO

Ref No: PVSL/SEC/38/2026-27

Date: 04th August, 2026

To,	To,
BSE Limited ("BSE"),	**National Stock Exchange of India Limited ("NSE")**,
Corporate Relationship Department,	Exchange Plaza, Plot No. C-1, Block G,
2nd Floor, New Trading Ring,	Bandra Kurla Complex, Bandra (East),
P.J. Towers, Dalal Street,	Mumbai – 400 051.
Mumbai – 400 001.	
Scrip Code: 544144	**NSE Code: PVSL**
ISIN: INE772T01024	**ISIN: INE772T01024**

Dear Sir/Madam,

Sub: Annual Report under Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the copy of the Annual Report of the Company for the financial year ended March 31, 2026, along with the Notice convening the 42nd Annual General Meeting (AGM) of the Company, which is being circulated to the shareholders of the Company.

The 42nd (Forty-Second) Annual General Meeting (AGM) of the Company will be held on Friday, 28th August, 2026, at 04.00 p.m. (IST) through Video Conferencing / Other Audio-Visual Means.

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The Notice of the 42nd AGM and the Annual Report for the FY 2025-26 will be available on the website of the Company at www.popularvehicles.in, website of stock exchanges, i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and on the website of MUFG Intime India Private Limited ("MUFG") at www.instavote.linkintime.co.in

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For Popular Vehicles and Services Limited

VARUN T V Digitally signed by VARUN T V Date: 2026.08.04 11:44:28 +05'30'

Varun T.V.
Company Secretary & Compliance Officer
Membership No: A22044
Place: Kochi-25

Popular Vehicles & Services Limited

Kuttukaran
journeys with you

Expanding Destinations Navigating New Terrains

Annual Report 2025-26

About **US**

Driven by trust. Defined by mobility.

We operate at the intersection of automotive retail and customer experience. As part of the Kuttukaran Group, we represent leading automotive brands while building lasting relationships rooted in reliability, service excellence, and deep market familiarity. Our role extends beyond transactions - we serve as a trusted partner across the mobility journey.

Built for continuity and connection

By combining a strong physical network with an integrated operating model, we stay closely connected to customers at every stage of ownership. Our approach enables seamless engagement, strengthens OEM partnerships, and supports our relevance in a transforming mobility landscape.

An integrated mobility ecosystem

Our business brings together vehicle sales, after-sales service, spare parts distribution, and allied solutions on a single cohesive platform. With a presence across passenger and commercial vehicles, as well as emerging mobility segments, we cater to evolving customer needs while maintaining consistent service delivery.

Network
~500
Touchpoints

Workforce
11,096

Geographic Presence
7
States

Product Segments
PV,CV,EV,
Spares

Customer Touchpoints
208
Showrooms & Sale Outlets

Service Operations
171
Service Centres

OEMs
6

Expanding Destinations
NAVIGATING NEW TERRAINS

FY2026 was a year in which Popular Vehicles and Services widened its map and deepened its purpose. We journeyed into new destinations, Punjab, Telangana and Andhra Pradesh, welcomed new partnerships with Audi and BKT, and strengthened our electric mobility presence with Ather across the western region. At the same time, we navigated new terrains: portfolio rationalisation, disciplined exits, integration of acquired businesses and a transforming mobility landscape shaped by GST 2.0 and electrification. With ~500 touchpoints across seven states, our journey continues, guided by trust, powered by relationships and directed towards sustainable, profitable growth.

In the pages that follow, we take you through this journey: the milestones that shaped our legacy, a year of strategic recalibration, our integrated business model and widening presence, and a detailed review of our performance across every segment.

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Reflections on a REMARKABLE JOURNEY

A Note from Mr. Francis K. Paul Whole-Time Director

Dear Friends,

As I near the close of my present term, I do so with deep gratitude and quiet emotion. My journey with Popular has been one of the most meaningful chapters of my life. From the Company's early years after its incorporation in 1983, and the award of the first Maruti Suzuki dealership in Kerala - having received the Letter of Intent from MSIL in 1983 itself and commencing operations in 1984 as part of Maruti Suzuki's first batch of dealerships in India, I have had the privilege of witnessing an extraordinary transformation. Over the years, Popular has grown into a diversified automotive retail enterprise spanning passenger and commercial vehicles, as well as electric mobility, supported by a strong sales and service network. The Company's entry into the public markets in March 2024 marked yet another defining milestone in this journey.

What stays with me most, however, is not only the scale of this progress, but the values that shaped it - integrity, commitment, humility and enduring relationships. Having spent over five decades in the automobile sector, I feel privileged to have contributed to an institution built on trust and strengthened by the dedication of its people. As my present term comes to an end on 31 March 2026, I step back with pride, affection and confidence in the future of this Company.

With warm regards,

Francis K. Paul
Whole-Time Director

MILESTONES

We entered the automobile industry in 1941 through Popular Industrials, which was into automobile tyre and tube vulcanisation and automobile battery restoration. This eventually led to the spare parts business in 1944 called Popular Automobiles, marking the foundation of a long-standing presence in the mobility ecosystem, built on deep market understanding and customer relationships.

1984 – 1997 | Establishing dealership presence

This period marked the group's transition from a parts-led business into full-fledged automobile retailing. By partnering with leading OEMs, the group established its dealership presence in Kerala, setting the stage for future expansion across vehicle segments.

1984: Commenced automobile dealership with Maruti Suzuki in Trivandrum, Kerala

1997: Commenced Tata Motors CV dealership in Kerala

2002 – 2010 | Expanding across segments and geographies

With a strong base in Kerala, the group expanded into new geographies and diversified its portfolio across passenger vehicles and premium segments. Strategic alliances with global OEMs strengthened its positioning in the evolving automobile market.

2002: Started Maruti Suzuki PV dealership in Chennai, Tamil Nadu

2005: Commenced spare parts distributorship business in Kerala

2006: Started Tata Motors CV dealership in Tamil Nadu

2009: Began Honda PV dealership in Kerala under Vision Motors

2010: Commenced JLR dealership in Karnataka

2012 – 2015 | Strengthening portfolio and attracting capital

This phase focused on expanding into commercial vehicle segments while strengthening the overall dealership portfolio. The entry of institutional capital further validated the group's growth trajectory and operational strength.

2012: Started Bharat Benz dealership in Tamil Nadu

2015: Acquired Tata Motors (Commercial) dealership in North Kerala

2015: BanyanTree invested ₹65 crore

2016 – 2019 | Inorganic growth and consolidation

The group accelerated its expansion through acquisitions, strengthening its presence across key markets. These moves enabled deeper market penetration and enhanced its integrated business model.

2016: Acquired an existing Honda car dealership in Kerala

2019: Acquired operations of a sizeable spare parts distributor in Karnataka

2021 – 2023 | Diversification and network expansion

Aligned with changing mobility trends, the group expanded into electric vehicles while also scaling its traditional dealership network. Strategic acquisitions and expansions enhanced its presence across multiple states and segments.

2021: Took over 11 service centres and 2 showrooms from a Maruti Suzuki dealer in Kerala

2021: Began Piaggio dealership for 3W EV in Kerala

2021: Commenced 2W EV dealerships with Ather Energy in Trivandrum

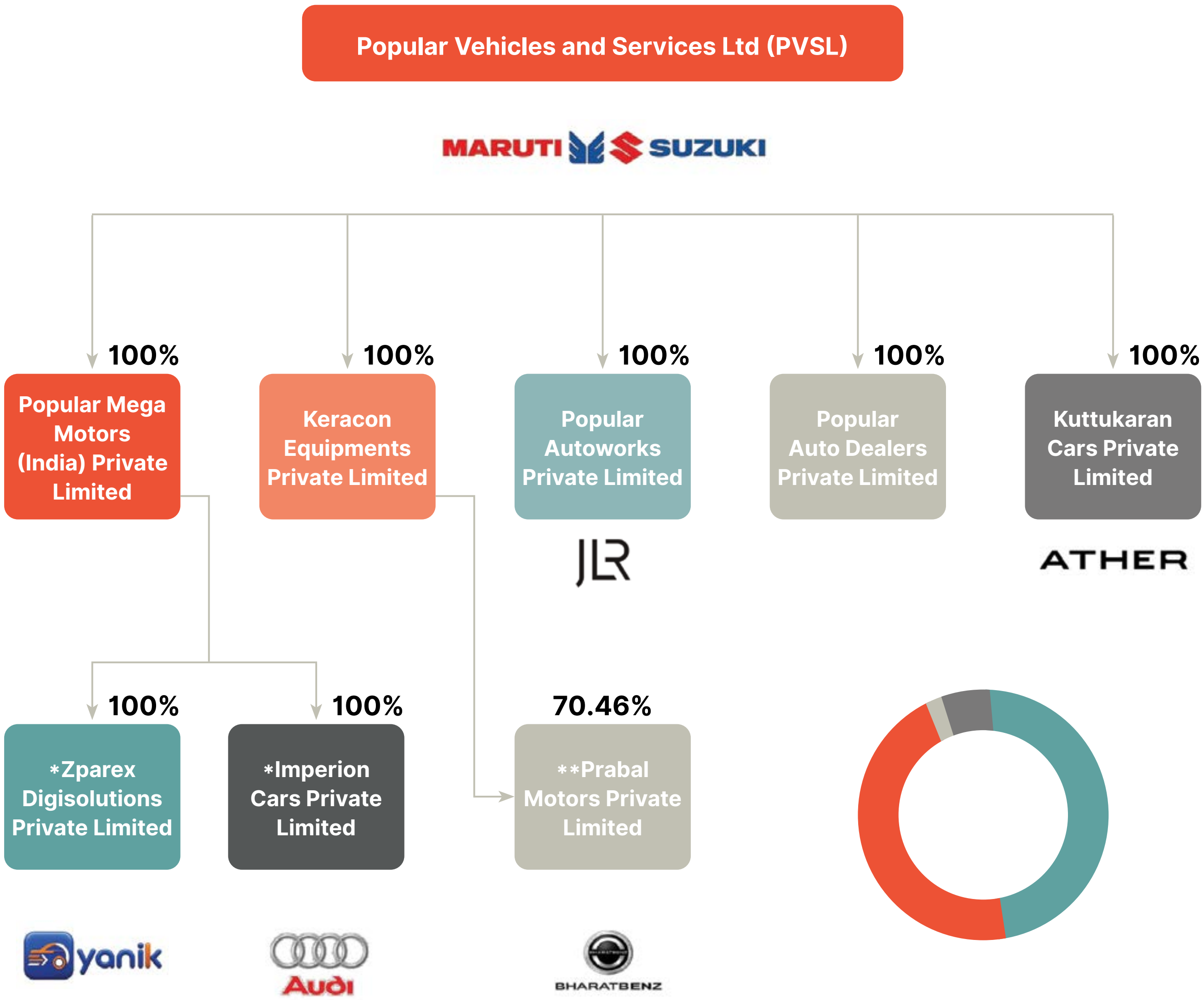
2023: Acquired Prabal Motors Private Limited, expanding Bharat Benz presence across Tamil Nadu and Maharashtra. Received in-principle approval for Maruti Suzuki Arena dealership in Karnataka

2024 | Transition to a listed entity

This year marked a defining milestone as the group entered the capital markets, reflecting its scale, credibility, and readiness for the next phase of growth.

2024: Became publicly listed on BSE and NSE on March 19, 2024

Organizational STRUCTURE



*100% held by Popular Mega Motors (India) Private Limited, the wholly owned subsidiary of the Company.

**70.46% is held by Keracon Equipments Private Limited and 29.54% is held by Popular Vehicles and Services Limited.

Popular Vehicles & Services Ltd – Maruti Suzuki

The flagship of the group, Popular Vehicles & Services Ltd began its journey in 1984 as the first Maruti Suzuki dealership in keralam. Today it commands a network of touchpoints across South India, spanning Arena and Nexa showrooms, True Value outlets for preowned cars, service outlets and Maruti Driving Schools.

Popular Mega Motors (India) Pvt. Ltd. – Tata Motors Commercial Vehicles

Established in 1997, Popular Mega Motors (India) Pvt. Ltd. is the group's authorised dealership for Tata Motors commercial vehicles in Keralam and Tamil Nadu. Through multiple showrooms, customer touchpoints and service centres, it supports the cargo and passenger transport needs of the region with sales, service, spare parts and roadside assistance.



Keracon Equipments Private Limited

A wholly owned subsidiary of Popular Vehicles & Services Ltd. (PVSL), Keracon Equipments Private Limited serves as the holding company for the Group's BharatBenz commercial vehicle business. Through its 70.46% stake in step-down subsidiary Prabal Motors Private Limited, Keracon extends the Group's presence in the heavy commercial vehicle segment. Operating under the Prabal Trucking banner since 2012, Prabal Motors runs authorised BharatBenz dealerships across Tamil Nadu, Maharashtra and Punjab. Its strategically located sales and service touchpoints support fleet operators through comprehensive maintenance, on-road driver assistance and driver training initiatives.

Popular Autoworks Pvt. Ltd. (Marqland) – Land Rover

Marqland brings the Land Rover experience to customers of Popular Autoworks Pvt. Ltd., a subsidiary of PVSL. Set up in 2009, it retails and services the Range Rover, Defender and Discovery models through full 3S facilities in Bengaluru, Mangaluru and Nagpur, including two sales outlets and a dedicated service facility in Bengaluru.

Popular Auto Dealers Pvt. Ltd. – Multi OEM Spare Parts and BKT Tyres

On the distribution side of the business, Popular Auto Dealers Pvt. Ltd. (PADL) is a leading supplier of automotive spare parts across multiple OEMs, including Maruti Suzuki, Tata Motors and Ashok Leyland, along with BKT tyres. It keeps dealers, service centres and workshops across Keralam and select regions of Karnataka stocked to meet ongoing service and maintenance needs.

Kuttukaran Cars Pvt. Ltd. (Ecomarq) – Ather Energy

Ecomarq is the electric mobility arm of Kuttukaran Cars Pvt. Ltd., representing Ather Energy electric two wheelers. Its 18 experience centres and service facilities span keralam, Tamil Nadu, Karnataka and Maharashtra, covering cities such as Thiruvananthapuram, Chennai, Bengaluru and Nagpur, and offering test rides, battery support and charging setup assistance.

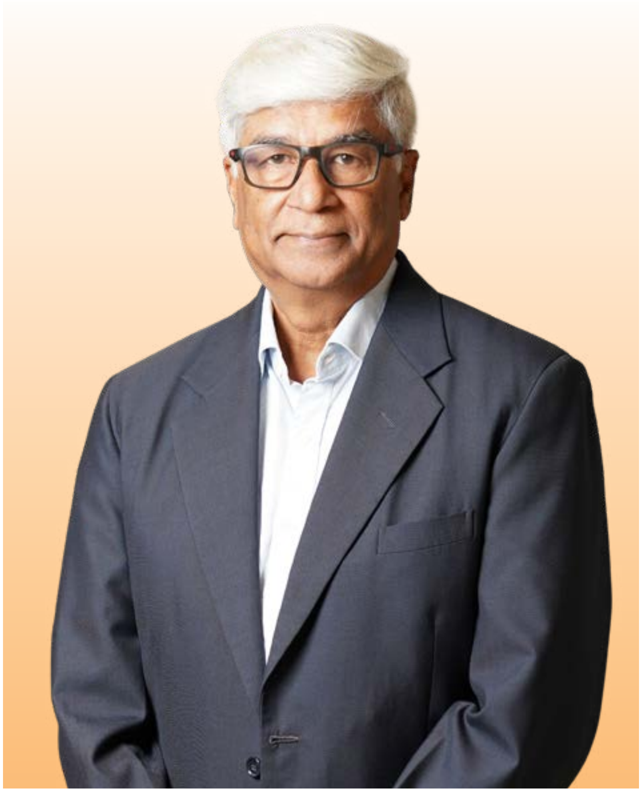
Zparex Digisolutions Private Limited

A wholly owned step-down subsidiary of Popular Vehicles & Services Ltd. (PVSL) through Popular Mega Motors (India) Private Limited, Zparex Digisolutions Private Limited drives the Group's digital automotive aftermarket strategy. Through yanik.in, it operates an online marketplace for automotive spare parts and accessories, enabling dealers, workshops and service centres across India to source genuine parts efficiently. The platform combines digital convenience with the Group's established distribution network, enhancing availability, reach and customer service across the aftermarket ecosystem.

Imperion Cars Private Limited

A wholly owned step-down subsidiary of Popular Vehicles & Services Ltd. (PVSL) through Popular Mega Motors (India) Private Limited, Imperion Cars Private Limited represents the Group's presence in the luxury mobility segment. As an authorised Audi dealership, it operates two sales showrooms and three service facilities across Hyderabad, Visakhapatnam and Vijayawada. The company supports customers throughout the ownership journey, from vehicle purchase and test drives to aftersales service and maintenance, delivering a premium ownership experience aligned with Audi's global standards.

Message from the CHAIRMAN



Dear Shareholders,

It gives me great pride to write to you as Chairman of Popular Vehicles and Services Limited, at the close of a year that our industry will long remember, and a year that has tested and proved the strength of the institution we have built together over more than four decades.

A Legacy Built Over Four Decades

Our journey did not begin with a dealership. It began in 1941 with Popular Industrials, a small enterprise engaged in automobile tyre and tube vulcanisation and battery restoration. By 1944, this had grown into Popular Automobiles, a spare parts business that planted the first seeds of what would eventually become one of India's most trusted automotive retail groups, the Kuttukaran Group.

The Company itself was incorporated in 1983, and in 1984 we commenced our very first automobile dealership, with Maruti Suzuki in Trivandrum, Keralam as part of Maruti Suzuki's first batch of dealerships anywhere in India. That single showroom has today grown into a network of about 500 touchpoints spread across seven states, supported by more than 11,000 employees and relationships with six leading OEMs spanning passenger vehicles, luxury vehicles, commercial vehicles and electric mobility.

Our listing on the NSE and BSE in March 2024 marked yet another defining milestone in this journey, from a family run spare parts business to a professionally governed, publicly listed automotive retail platform. What has stayed constant through every phase of this growth is not the scale, but the values that shaped it: integrity, commitment, humility and enduring relationships.

On behalf of the Board, I would also like to place on record our deep gratitude to Mr. Francis K. Paul, whose term as Whole Time Director came to a close on 31 March 2026. Mr. Paul's association with this Company goes back to its earliest years, to the incorporation of Popular in 1983 and the receipt of our very first Letter of Intent from Maruti Suzuki that same year, followed by the commencement of dealership operations in 1984 as part of Maruti Suzuki's first batch of dealers anywhere in India. Over more than five decades in the automobile sector, he has been a steady and generous presence in this Company, guiding it with the same integrity, commitment and humility that he wrote about so movingly in his own note to shareholders this year. As he steps back from an executive role, the Board does so not in farewell, but with the quiet confidence that the values he instilled, trust, patience and enduring relationships, will continue to guide this institution for decades to come.

The Industry: A Landmark Year for Indian Mobility

FY26 was, by any measure, a landmark year for the Indian automobile industry. Total domestic vehicle retail touched a historic high of 2,96,71,064 units, growing 13.30 percent over the previous year, with five of six vehicle categories setting new annual records, as reported by the Federation of Automobile Dealers Associations. According to SIAM, domestic wholesales reached 2,82,65,519 units, up 10.4 percent.

The year unfolded in two distinct phases. The first five months, from April through August, saw measured momentum as consumers awaited policy clarity. The turning point arrived in September 2025 with the implementation of GST 2.0, a rate rationalisation that meaningfully improved affordability across mass segment two wheelers, small cars, three wheelers and select commercial categories. From that point onward, the industry saw a decisive and sustained inflection, with October 2025 alone delivering an all time record monthly retail of over 40 lakh units.

This demand revival was supported by a rare combination of macroeconomic tailwinds: GDP growth of close to 7 percent, inflation at historic lows of around 2 to 2.6 percent, multiple RBI repo rate cuts taking the policy rate to 5.25 percent, and a strong monsoon that lifted rural incomes. Rural retail nearly matched urban growth for the year, a sign of how broad based this recovery truly was.

The transition toward newer forms of mobility also deepened meaningfully during the year. Electric vehicle retail grew close to 25 percent, with EV penetration reaching 60.95 percent in three wheelers, 6.54 percent in two wheelers and 4.25 percent in passenger vehicles. As a Company with an early presence in the Ather electric ecosystem and a growing multi brand, multi fuel portfolio, we believe we are well positioned to participate in this shift, rather than be disrupted by it.

Looking ahead, the industry outlook remains constructive. As per FADA's Online Members Survey, close to 75 percent of dealers expect FY27 growth to fall within a healthy 3 to 7 percent range, and the Reserve Bank of India has projected FY27 GDP growth of 6.6 percent, suggesting that the momentum built through FY26 rests on a structurally sound foundation rather than a one off festive push.

Governance: The Foundation of Sustainable Growth

A business built on trust, as ours has been since 1941, must be governed with the same care with which it is grown. Your Board remains firmly committed to the highest standards of corporate governance, transparency and accountability to all our stakeholders.

During the year, and shortly after its close, the Board undertook a considered re composition of its key committees to further strengthen independent oversight. Effective 26 May 2026, the Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee and Finance and Authorisation Committee were reconstituted, bringing together the diverse experience of our independent directors across banking, finance, consumer insight and technology.

The Board has also recommended, on the advice of the Nomination and Remuneration Committee, the appointment of Mr. Paul Francis Kuttukaran as a Non Executive Director, subject to shareholder approval at the forthcoming 42nd Annual General Meeting, a further step in strengthening the depth and continuity of our leadership.

Equally, this was a year in which governance translated into tangible capital discipline. The Board approved the divestment of our stakes in Vision Motors and Kuttukaran Green, non core businesses that were not material to our consolidated performance, executed at arm's length on the basis of independent valuation, and unlocking ₹ 70 crore that has since been redeployed into higher return opportunities. We also continue to invest in strengthening internal controls, cybersecurity and enterprise risk management, recognising that the risks facing our industry, from OEM concentration to evolving customer preferences, require constant vigilance rather than periodic review.

A Word on the Road Ahead

The Company has evolved from a single dealership in Thiruvananthapuram into a diversified, pan-India mobility platform, with a clear and confident direction for the future. The trends reshaping our industry, electrification, premiumisation, geographic diversification and digital engagement, all play to the strengths of the integrated model we have spent over four decades building.

On behalf of the Board, I would like to thank Mr. Naveen Philip and his management team for their steady execution through a year of real complexity, our OEM partners for their continued trust, and each one of you, our shareholders, for the confidence you place in this institution. We remain committed to building an organisation that our founders would recognise, and one that our children's generation will be proud to inherit.

With warm regards,

Jacob Kurian
Chairman and Non Executive Independent Director

Review by the MANAGING DIRECTOR

Dear Shareholders,

FY26 was a year of strategic execution and recovery for Popular Vehicles and Services Limited. After a difficult FY25 that tested our business model, we entered the year with a clear agenda: diversify our geography, strengthen our multi brand portfolio and deliver a genuine volume recovery. I am pleased to report that we delivered on all three fronts, and I look forward to sharing with you a full account of our performance and the strategy that will carry us into FY27.

Business Performance: A Year of Strong Recovery

Consolidated total income for FY26 grew 15.2 percent to ₹ 6,401 crore, compared to ₹ 5,562 crore in FY25. This recovery gathered pace steadily through the year and culminated in an exceptional fourth quarter, with Q4 FY26 revenue growing approximately 28 percent year on year, our strongest quarter of the year by a clear margin.

New vehicle volumes reached an all time high of 53,452 units, up 21.2 percent over the previous year, driven by the tailwinds of GST 2.0, the addition of Audi from Q4 FY26, and steady contribution from our newly acquired businesses. New vehicle inventory days improved meaningfully, falling to around 29 days from approximately 41 days a year earlier, reflecting healthier sell through and disciplined working capital management.

Reported EBITDA for the year stood at ₹ 203 crore, up 16 percent over FY25. On an adjusted basis, excluding the impact of divested businesses, acquisition related items and one off provisions, EBITDA grew a stronger 28 percent to ₹ 200.9 crore, a truer reflection of the underlying momentum in our core business. Our reported net loss of ₹ 12.5 crore was largely a function of Ind AS related acquisition accounting and integration costs from businesses acquired during the year, effects that are typical in the first year after an acquisition and which we expect to normalise as these businesses mature through FY27.

Segment Performance

Growth this year was broad based across every segment of our business, with commercial vehicles leading the way.

Our commercial vehicle business delivered its best ever performance, with revenue growing 31.3 percent, powered by strong Tata Motors volumes and the successful launch of BharatBenz in Punjab. Our electric vehicle business scaled rapidly through the year, with Ather two wheeler volumes up 102 percent and EV service volumes up 79 percent, as we opened six new Ather touchpoints across the country. Our service business saw a mid-single digit decline in volumes, though higher average selling prices and a sharper focus on collision repair and higher value work helped protect revenue, which grew 8.3 percent even as job card volumes declined.

Strategic Moves That Shaped the Year

- Entered three new states, Telangana, Andhra Pradesh and Punjab, adding new OEM relationships including Maruti Suzuki in Telangana, BharatBenz in Punjab and Audi in Telangana and Andhra Pradesh.
- Completed the acquisitions of Globe, RKS Motors and Olympus Motors, expanding our commercial vehicle and dealership footprint.

- Divested our non core Honda and Piaggio businesses, unlocking ₹ 70 crore that has been redeployed toward higher return opportunities.
- Commenced BKT tyre distributorship across Keralam and Karnataka, adding a new high margin revenue stream.
- Grew revenue from outside Keralam to approximately 47 percent of our total revenue, up from 28 percent at the time of our IPO, a direct result of our sustained geographic diversification strategy.

I am also proud that our Tata Motors subsidiary, PMMIL, was recognised with four awards at the South Zonal Meeting, for Channel Partner Score, Best Customer Support, Customer Success Centre and SMILE Driver in Sales, a reflection of the quality of execution on the ground that underpins every number in this report.

Our Strategy for FY27

As we enter FY27, our strategy rests on five clear priorities, each designed to convert the scale we have built in FY26 into sustainable, profitable growth.

On the service front, while contribution to our overall revenue has not expanded meaningfully over the last two years, we have laid the foundation through network expansion and acquisitions, and we expect the benefits of these investments to reflect more visibly in our numbers as operating leverage improves through FY27. We also remain focused on further reducing our Net Debt to EBITDA ratio, which stood at 3.1x in FY26, through a combination of stronger cash generation and continued capital discipline.

Closing Thoughts

This year also marks the end of an era for our management team, with Mr. Francis K. Paul completing his term as Whole Time Director on 31 March 2026. I have had the privilege of working closely with him for many years, and I can say with certainty that much of the discipline, humility and customer first thinking that defines Popular today carries his imprint. From guiding our corporate social responsibility efforts to mentoring generations of colleagues across our showrooms and workshops, his contribution reaches far beyond any single balance sheet number. On behalf of the entire management team, I thank him for his guidance over the years and wish him continued good health and happiness ahead.

None of what we achieved this year would have been possible without the trust our OEM partners placed in us, the hard work of our more than 11,000 employees across showrooms, workshops and back offices, and the confidence our customers continue to show in the Popular name. I would like to thank each of them, along with our Board and my fellow members of the management team, for a year of genuine, hard fought progress.

As we look to FY27, I remain confident that the foundations we have strengthened this year, a wider geography, a broader brand portfolio and a sharper focus on our core, higher margin businesses, will position us well to deliver consistent, profitable and sustainable growth for all our stakeholders.

With warm regards,

Naveen Philip
Managing Director

Board of **DIRECTORS**

Mr. Jacob Kurian
Chairman and Non-Executive Independent Director

AC NRC CSR

He holds a bachelor's degree in Electrical Engineering from the University of Madras and a postgraduate diploma in Business Management from Xavier Labour Relations Institute, Jamshedpur. Prior to joining the Company, he was the Country Manager at TATA Unisys Limited and also worked at TATA Services Limited and Titan Industries Limited.

Mr. Naveen Philip
Managing Director

CSR SRC RMC FAC

He holds a bachelor's degree in Mechanical Engineering from the University of Calicut and a postgraduate diploma in Management from the Xavier Institute of Management, Bhubaneswar. He has more than 29 years of experience in the automobile industry. Previously, he served as a Manager at Godrej Telecom Limited. He is the Vice Chairman of the Automotive Network for YPO, a global association of Young Presidents' Organisation. He is also actively associated with Young India, having served as its past Chapter Chair and National Youth Affairs Chair.

Mr. John K. Paul
Whole-Time Director

SRC FAC

He holds a bachelor's degree in Mechanical Engineering from the University of Calicut. He is responsible for the Maruti Suzuki dealership operations of the group. With over 51 years of experience in the automobile industry, he is currently the President of the Kerala Automobiles Dealers Association and a member of the Federation of Automobile Dealers Associations' Governing Council. Additionally, he is a trustee of the Lawrence School Lovedale Alumni Foundation.

Ms. Preeti Reddy
Non-Executive Independent Director

AC NRC SRC

She holds a bachelor's degree in Arts from the University of Delhi and an honours diploma in Management from Xavier Labour Relations Institute, Jamshedpur. She was the Chairperson, South Asia, of the Kantar Consumer Insights Organisation. She has previously served as Senior Vice President at IMRB International Limited and has worked in consumer insights as Vice President at KSA Technopak (I) Pvt. Ltd. Additionally, she has served as Market Research Manager at VST Industries Limited. She is currently serving as an Independent Director on the boards of ICICI Prudential Asset Management Company Limited, JSW Cement Limited and ICICI Lombard General Insurance Company Limited.

Mr. George Joseph
Non-Executive Independent Director

AC SRC RMC

He holds a bachelor's degree in Commerce from the University of Kerala and is a certified associate of the Indian Institute of Bankers. He has also completed a banking diploma from the Institute of Bankers, London. He retired as CMD of Syndicate Bank and was associated with Canara Bank for over 37 years, resigning as General Manager in 2006. He has also served as Chairman, Whole-Time Director and Joint Managing Director of Wonderla Holidays Limited, and as an Independent Director of Muthoot Finance Limited and ESAF Small Finance Bank Limited. He also served as Chairman and Lead Independent Director of CreditAccess Grameen Bank Limited. Currently, he is serving as the Independent Director in Muthoot Finance Limited, Veegaland Developers Limited and Prabal Motors Private Limited.

Mr. Neeraj Jain
Non-Executive Independent Director

AC NRC RMC

He is a rank-holder Chartered Accountant and Company Secretary with 30+ years of leadership experience in finance, supply chain, and business management across Johnson & Johnson (J&J) and Hindustan Unilever (HUL), in roles of increasing responsibility across India, ASEAN, and Asia Pacific. Mr. Neeraj was awarded as one of the 100 most influential CFOs in India in 2016 by CImA. Earlier he was recognized amongst the top 100 CFOs in 2015 by 9.9 Media.He is a Director at Value Angels Network Private Limited and currently serves as an Independent Director on the Boards of Tata Pension Fund Management Private Limited, Tata Trustee Company Private Limited, Gromax Agri Equipment Limited, and Radiowalla Network Limited.

Mr. Murali Narayanan
Non-Executive Independent Director

SRC RMC

Murali Narayanan is a technology executive with 26+ years of global experience in driving digital transformation, innovation and measurable financial outcomes through the strategic deployment of Data, Artificial Intelligence (AI), Generative AI (GenAI) and Cloud Infrastructure. He currently serves as the Global Head of SRE Operations and AIOps at GSK. Earlier, he served as CTO for the IMS Business at Dell Technologies, where he was responsible for driving enterprise-wide AI adoption and managed services innovation across global operations.

Committee Indications

AC	Audit Committee
CSR	CSR Committee
FAC	Finance & Authorisation Committee
NRC	Nomination & Remuneration Committee
RMC	Risk Management Committee
SRC	Stakeholder's Relationship Committee

** Mr. Francis K. Paul resigned from the Board of Directors of the Company and its committees with effect from 31st March 2026.*

Strategic DIRECTION

At Popular Vehicles and Services Ltd., our renewed strategic direction in FY26 centred on ensuring business model agility through sharper portfolio choices, calibrated expansion and disciplined capital allocation.

During the year, we rationalised non-core businesses, expanded JLR's presence into Maharashtra (with JLR Nagpur operations officially commencing on 1st April 2026), extended Ather's network into Karnataka and Maharashtra, and commenced our E-commerce business. We deepened our presence in high-potential markets through Maruti Suzuki in Telangana, BharatBenz in Punjab and Audi in Telangana and Andhra Pradesh, and widened our play in EVs and the automotive aftermarket through Ather and BKT. These choices strengthened our integrated mobility model while improving resilience, geographic diversification and long-term value creation.

Winning Aspiration

At Popular Vehicles and Services Ltd., we aim to build a more agile and diversified mobility platform that serves customers across segments and across the vehicle lifecycle. Our focus is on creating long-term value through a resilient business mix, stronger customer relevance and disciplined expansion into future-ready mobility opportunities.

Management Systems

We pursue expansion through disciplined capital allocation, governance-led decision-making and close operating control. During FY26, this meant portfolio rationalisation, structured integration of new businesses, tighter inventory management and a sharper focus on return-accretive, scalable opportunities across our automotive platform.

Where to Play

We operate across keralam, Tamil Nadu, Karnataka, Maharashtra, Punjab, Telangana, and Andhra Pradesh, with a presence in passenger vehicles, commercial vehicles, luxury vehicles, and EVs. Our play extends beyond retail to services, spares distribution, pre-owned vehicles and allied mobility formats, enabling us to participate across customer segments and ownership journeys.

Strategic Progress

During the year, we exited select non-core businesses, entered Telangana through Maruti Suzuki, expanded BharatBenz into Punjab, added Audi in Telangana and Andhra Pradesh, strengthened Ather's presence in Bengaluru and Maharashtra, extended JLR into Maharashtra, commenced our E-commerce business, and broadened our aftermarket portfolio through the BKT distribution agreement in Keralam and Karnataka. These moves meaningfully widened our footprint and strengthened our business mix.

How to Win

Our ability to win lies in our integrated dealership model, long-standing OEM relationships and execution across sales, service, spares and pre-owned vehicles. We will continue to combine organic expansion, selective acquisitions, digital strengthening and higher contribution from margin-accretive businesses to improve resilience and operating leverage.

Future Outlook

Looking ahead, we will focus on integrating recent additions, deepening our non-Keralam presence, and increasing contributions from services, spares, and premium mobility formats. With demand trends improving across PV, CV and EV segments, and recent acquisitions expected to contribute more fully, we are positioning the business for stronger, more balanced growth.

Core Capabilities

Our operations are supported by an integrated business model, long-standing OEM partnerships, ~500 touchpoints and a workforce of over 11,000 people. These capabilities, together with our service network, distribution reach and multi-state presence, provide the scale and execution depth required to support the next phase of growth.

A Year of STRATEGIC RECALIBRATION

FY2026 has been a strategically significant year for the Company, marked by decisive actions to navigate a dynamic and challenging operating environment while strengthening its long-term positioning. During the year, the Company undertook a series of calibrated initiatives spanning portfolio rationalisation, capital optimisation and disciplined exits from sub-scale businesses, alongside targeted expansion into high-growth, future-ready segments such as electric mobility, aftermarket distribution, and luxury vehicles.

At the same time, the Company deepened its geographic footprint through strategic entries into new markets and strengthened partnerships with leading OEMs, enabling scale, operating leverage and diversification. These actions collectively reflect a balanced approach—sharpening focus on core strengths while investing in emerging opportunities—to enhance resilience, improve capital efficiency and drive sustainable value creation.

Divestment - Strategic Portfolio REALIGNMENT AND CAPITAL OPTIMISATION

During the year, the Company approved the divestment of its entire equity stake in Vision Motors Private Limited and Kuttukaran Green Private Limited. These subsidiaries were not material to the Company's consolidated performance, with one contributing a relatively modest share of revenue and the other reflecting a negative net worth. The decision forms part of a broader portfolio rationalisation exercise aimed at sharpening strategic focus, simplifying the corporate structure and exiting businesses that are either sub-scale or not aligned with the Company's long-term return expectations.

The transaction enables the Company to unlock ₹70 crore in capital, strengthening liquidity and enhancing financial flexibility. The proceeds will support disciplined capital allocation toward core automotive operations and higher-return opportunities, while also improving balance sheet quality and return metrics. Executed at arm's length based on an independent valuation, the divestment reflects the Company's continued emphasis on prudent governance, capital efficiency and sustainable value creation for shareholders.

Also during the year, the Board of the wholly owned subsidiary, Popular Auto Dealers Private Limited, approved the closure of its sales and service operations as an authorised distributor for JCB India Limited. The business contributed a relatively small share of consolidated revenue and generated negligible net worth contribution, while operating under lower margins and facing foreseeable challenges to long-term viability. The closure reflects a measured decision to disengage from sub-optimal segments and redeploy managerial and financial resources toward stronger, scalable and margin-accretive areas within the automotive portfolio.

A Year of Strategic Recalibration

Accelerating EV Expansion: STRENGTHENING OUR FOOTPRINT THROUGH INTEGRATED FACILITIES

Through our wholly owned subsidiary, Kuttukaran Cars Private Limited, we have commenced operations at Ather 3S facilities in Nagpur, Chandrapur, Waluj, and Kamptee. Additionally, we have received Letters of Intent (LOIs) for two more locations in Harsul and Hingna. This marks our strategic expansion in Maharashtra, strengthening our presence in the western region while building on the strong foundation we have established in Kerala and Tamil Nadu. This marks our strategic entry into the western region with Ather, building on the strong foundation we have established in Keralam and Tamil Nadu. Each 3S facility will integrate experience, service and warehousing under one roof, enabling us to capture the full value chain in the fast-evolving electric two-wheeler segment. By entering high-potential urban centres with a calibrated rollout in the second quarter, we are positioning ourselves early in markets experiencing rising EV adoption, thereby expanding our addressable opportunity and diversifying our revenue mix toward future-ready mobility formats.

The rapid expansion of two-wheeler EV marketing in India presents a significant opportunity. According to McKinsey, electric two-wheelers are expected to account for nearly 60–70% of new two-wheeler sales by 2030. From a strategic standpoint, two-wheeler customers represent a strong pipeline for future passenger vehicle customers. Engaging with this segment enables us to build relationships at a very early stage, creating familiarity and trust that can translate into long-term customer value as mobility needs evolve.

This development reflects the structural advantage of PVSL's long-standing OEM partnerships and our proven ability to scale multi-brand operations across geographies. Over decades, we have built credibility with leading automotive manufacturers through disciplined execution, robust infrastructure, strong governance standards, and an integrated dealership model spanning sales, service, spares, pre-owned vehicles, and allied financial products. Our expanding footprint in Maharashtra—where we already operate with established OEM partners—provides operating leverage, supply chain efficiencies and cross-brand customer synergies, enabling us to accelerate break-even timelines and enhance capital productivity. By deepening our partnership with Ather and strengthening our EV portfolio, we are not only broadening our product offering but also reinforcing a medium- to long-term strategy focused on sustainable growth, resilience across mobility cycles and consistent value creation for our shareholders.

Further, we expanded our association with Ather through our wholly owned subsidiary, Kuttukaran Cars Pvt. Ltd., which received two Letters of Intent to set up Ather facilities in Bengaluru. This development marks our entry into Karnataka, the fourth state in our growing Ather network. The facilities will be established across two locations: one dedicated to an Experience Centre, and the other comprising an Experience Centre, Service Centre, and warehouse. The service centre will be equipped with five bays, capable of servicing approximately 550 vehicles per month.

Expanding Beyond Dealerships: BUILDING A DIVERSIFIED DISTRIBUTION ENGINE

Through our wholly owned subsidiary, Popular Auto Dealers Private Limited, we have entered into an agreement with Balkrishna Industries Limited (BKT) to serve as the authorised distributor for its 2-wheeler and passenger car radial (PCR) tyre segment across Keralam and select regions of Karnataka. This marks the beginning of a new relationship with a globally recognised tyre manufacturer and represents our calibrated entry into a complementary product vertical beyond core vehicle retailing. By adding BKT's upcoming 2-wheeler and PCR portfolio to our distribution basket, we are strengthening our presence in the automotive aftermarket and creating an additional, less cyclical revenue stream than vehicle sales, thereby enhancing the resilience of our overall business model.

This partnership builds on our established spare parts distribution capabilities across Keralam and Karnataka, where we already service leading OEM brands through a robust regional network, warehousing infrastructure and disciplined execution framework. Our deep understanding of local market dynamics, strong channel relationships, and operational scale provide a structural advantage in onboarding and efficiently expanding into new product verticals. By leveraging existing infrastructure and distribution reach, we expect to drive operating leverage, optimise capital deployment and accelerate market penetration in the non-OHT tyre segment. This strategic expansion reinforces our medium- to long-term focus on diversification, margin enhancement and sustainable value creation for our shareholders.

A Year of Strategic Recalibration

Entry into Punjab

BHARATBENZ

Through our 100% step-down subsidiary, Prabal Motors Private Limited, we have completed the acquisition of BharatBenz dealership operations in Punjab from Globe CV Private Limited under a Business Transfer Agreement. This transaction gives us control of eight strategically located facilities across key cities in the state, including seven integrated 3S outlets and a dedicated spare parts operation. With the transfer of vehicle inventory, operational assets and an experienced workforce, we are entering Punjab with an established platform that is immediately revenue-accretive and operationally active. This move extends our commercial vehicle footprint into Northern India, complementing our presence in Maharashtra and Tamil Nadu, and positions us to participate meaningfully in a market driven by freight mobility, infrastructure development and industrial activity.

The acquisition reflects our disciplined growth strategy of scaling through operationally viable assets where we can apply our integrated dealership capabilities to unlock higher productivity and sustainable growth. By combining modern showrooms, advanced service workshops, spare parts distribution and pre-owned operations under one framework, we aim to enhance throughput, improve service absorption and deepen customer engagement across the vehicle lifecycle. Our long-standing partnership with BharatBenz and our proven expertise in managing multi-location CV operations provide us with a structural advantage in integrating and optimising these facilities. As the exclusive BharatBenz dealer partner in Punjab, we are strengthening our position as a pan-India commercial vehicle player, building scale, improving capital efficiency and reinforcing long-term value creation for our shareholders.

A Year of Strategic Recalibration

Expansion of Luxury Portfolio in TELANGANA & ANDHRA PRADESH

We strengthened our luxury vehicle portfolio through our step-down subsidiary, Imperion Cars Private Limited, which received three Letters of Intent from Audi India for retail operations across Telangana and Andhra Pradesh. A commissioned strategic analysis by Accenture confirms Andhra Pradesh and Telangana as the key high-potential areas for upcoming expansion. This marks the start of our dealer relationship with Audi and enables us to assume operations at the existing dealer in these markets. Through facilities in Hyderabad, Visakhapatnam and Vijayawada, we will represent the Audi brand across sales and after-sales, aligning our infrastructure and service capabilities with the brand's global standards.

This development advances our strategy to deepen our presence in high-growth markets and expand our luxury segment beyond our existing Jaguar Land Rover association. The Hyderabad facility consolidates our recent expansion in Telangana, while our entry into Visakhapatnam and Vijayawada marks our foray into Andhra Pradesh, a new state for us. With five dedicated touchpoints, including showrooms and service centres, we are building a focused luxury footprint supported by strong execution capabilities and service infrastructure.

A Year of Strategic Recalibration

Expansion into Telangana

MARUTI SUZUKI

We forayed into the state of Telangana in partnership with our long-standing OEM partner, Maruti Suzuki India Limited, upon receiving in-principle approval to acquire an existing authorised dealership. We subsequently executed a slump sale agreement, effective October 15, 2025, for the acquisition of the business of R.K.S. Motor Private Limited on a going-concern basis. This development strengthens our association with MSIL and marks our strategic entry into Telangana, further diversifying our geographic presence beyond keralam, Karnataka and Tamil Nadu.

The acquired dealership operates through a network of 19 locations, comprising 5 owned and 14 leased/licensed premises, with 26 authorised touchpoints across Arena, Nexa, True Value, Service, Bodyshop, Commercial, Driving Schools and Stockyards. The transaction includes the transfer of operational assets, such as leasehold improvements, plant and machinery, tools and equipment, furniture and fixtures, and computers and digital assets, while excluding the vendor's land and buildings. Inventory was valued separately and transferred in accordance with agreed terms, and employees were selectively onboarded based on operational requirements and organisational alignment. Additionally, a limited, non-exclusive, royalty-free co-branding licence has been secured for a period of up to 36 months to ensure continuity and customer familiarity.

Through this acquisition, we significantly scale our presence in one of India's rapidly growing automotive markets. The addition of a 26-touchpoint network enhances our ability to capture market share, expand service revenues and build operating leverage in the passenger vehicle segment. As we integrate these operations into our platform, we remain focused on strengthening execution, expanding customer reach, and advancing our strategy to build a diversified, pan-India automotive dealership network.

From Intent to **EXECUTION**

Increased product offerings	Our strategic direction was to align the portfolio with evolving customer preferences by strengthening premium offerings and deepening our EV presence. During the year, this became visible through sustained momentum in premium vehicles, continued rise in EV two-wheeler penetration led by Ather, and the addition of Audi to our premium luxury portfolio.
New dealerships	Expansion in FY25 had been positioned as selective but preparatory. During the year, that groundwork translated into visible rollout through new touchpoints, including a Tata Motors CV sales outlet at Manathavady and Ather sales and service outlets in Bangalore. The acquisition and commencement of operations of the Audi business in Telangana and Andhra Pradesh further strengthened our physical presence, while our network expanded to ~500 touchpoints across 7 states.
De-risking revenue model	Our intent was to reduce dependence on lower-return businesses and redirect capital toward higher-value segments and geographies. During the year, this became more tangible through the divestment-adjusted operating snapshot excluding Honda and Piaggio, alongside expansion into premium, luxury and newer markets through acquisitions and allied distribution opportunities.
Increase sales of premium vehicles	Premiumisation remained one of our key growth levers. During the year, our luxury vehicle revenues grew by approximately 16% YoY (JLR revenue: ₹524 Cr in FY26 vs ₹471 Cr in FY25), and our premium luxury presence expanded further with the addition of Audi. At the same time, luxury volumes were temporarily affected by a cyber incident at one OEM partner.
Increase sale of services and repairs business	Our focus here was on improving the quality of service revenues through higher-value engagements and premium offerings. During the year, service revenues remained resilient despite softer service volumes, supported by a continued emphasis on collision and repair work.

Increase the automotive distribution business

The direction outlined earlier was to deepen our presence in higher-margin distribution activities. During the year, this agenda advanced through the BKT distributorship in Keralam and Karnataka and through the continued positioning of spare parts and accessories as a distinct business lever.

This trajectory is expected to strengthen further with the introduction of Zparex, our online spares platform, which is positioned to enhance margins and expand reach within the spare parts distribution business. As this channel scales up, it is likely to complement existing distribution operations and support a more sustained improvement in profitability from this segment.

Digital growth

Our FY25 direction linked digital initiatives with stronger service conversion, engagement and efficiency. During the year, however, the available disclosure provides only limited direct visibility on this front. The clearest indication of digital progression is the positioning of Zparex Digisolutions as an e-commerce platform for spare parts and accessories.

The current disclosure highlights foundational steps toward building a digital ecosystem such as development of an omnichannel distribution network via onboarded IWs, and diversification of the supplier base. While positioning Zparex Digisolutions as an e-commerce platform is strategically relevant for market consolidation.

Organic growth opportunities

Our stated focus was to create room for growth through network expansion, operational optimisation and stronger productivity. During the year, progress became evident through new touchpoints, deeper market entry in Karnataka, a wider state footprint, and continued recognition in service and parts performance.

Inventory efficiency remains healthy, with new vehicle inventory days at 29,slightly better than the industry average,indicating effective working capital management. In parallel, ongoing training programs and AI-led initiatives aimed at improving employee productivity further strengthen execution capabilities. Together, these factors complement network expansion efforts and contribute to more sustainable and efficient growth.

Inorganic growth opportunities

In FY25, inorganic expansion had remained under discussion. During the year, this moved decisively into execution through acquisitions in Punjab, Telangana and Andhra Pradesh, including the Audi platform. These transactions have expanded our footprint, added new touchpoints and are expected to contribute more meaningfully from the second half onwards, making inorganic growth one of the clearest examples of strategic follow-through during the year.

This early-stage impact, particularly in RKS, is largely attributable to Ind AS-related accounting effects and integration costs, which are typical in the first year post-acquisition. As these effects normalize and operational efficiencies improve, the performance of these businesses is expected to turn favourable over time.

Our BUSINESS MODEL

1 Value We Create

We create value by enabling a seamless mobility journey across the vehicle ownership lifecycle. Our integrated presence converts vehicle sales into long-term relationships, repeat business, and recurring revenue.

2 Key resources

- Multi-brand OEM trust, deep physical reach, and a proven operating backbone.
- Long-standing relationships with leading OEMs including Maruti Suzuki, Jaguar Land Rover, Audi, Tata Motors Commercial Vehicles, BharatBenz, and Ather.
- A strong physical network of ~500 touchpoints, supported by 11,000+ employees and presence across 7 states.
- An integrated operating base comprising 208 showrooms and sale outlets, 171 service centres, 77 spare-parts touchpoints, and driving schools.
- A diversified business platform backed by the Kuttukaran Group's long automotive heritage and a corporate structure aligned to multiple business verticals.
- Recent strategic additions such as the Audi dealership business in Telangana and Andhra Pradesh and the BKT distribution arrangement in Keralam and Karnataka.

3 Key processes

Our operating model is driven by co-ordinated sales, service, spare parts, finance facilitation and pre-owned operations across an integrated network. Standardised service execution, preventive maintenance, parts availability, customer database management, trained frontline teams, and digital and call-centre support help improve customer satisfaction while strengthening retention, service revenues, margins and overall profitability.

Profit formula

Scale from vehicle sales; profitability from after-sales and distribution.

Our model combines high-volume new vehicle sales with recurring, margin-accretive businesses. Vehicle sales drive customer acquisition, OEM-linked scale, and market reach, while Services & Repairs and Spare Parts Distribution provide stronger profitability and earnings resilience. In FY26, these after-sales businesses contributed a significantly higher share of EBITDA relative to their revenue contribution, underlining their role as the company's core profitability engine. Pre-owned vehicles and third-party finance and insurance further enhance monetisation across the ownership lifecycle.

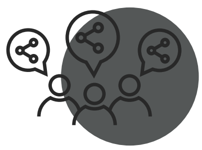
Integrated BUSINESS MODEL

Experience

Dedicated experience centres designed to showcase the complete product portfolio, sales teams, and digital interfaces.

Service

Fully equipped service centres delivering preventive maintenance, repairs and technical support.



Warehousing

Integrated warehousing facilities managing spare parts, accessories and inventory with optimised supply chain processes.

Strategic Advantage

Bringing experience, service and warehousing under one roof enables tighter operational control, faster customer response, improved working capital management and stronger OEM alignment—creating a scalable, capital-efficient model that enhances long-term value creation.

Dealership and **SERVICES**

Popular Vehicles and Services has built an integrated mobility ecosystem that addresses multiple customer needs across the vehicle ownership journey. With a multi-brand presence spanning passenger, luxury, and commercial vehicles, as well as electric mobility, the business is supported by a strong after-sales network and allied offerings, including pre-owned vehicle solutions, spare parts distribution, driving schools, and third-party finance and insurance facilitation.

DEALERSHIP and SERVICES SEGMENTS

Passenger Vehicles

Luxury vehicles

Commercial Vehicles

Electric Vehicles

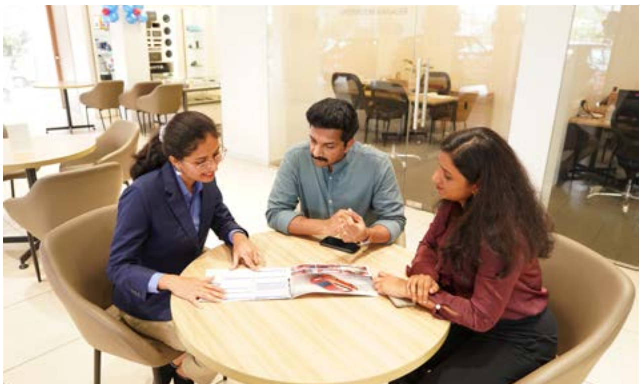
Pre-Owned Vehicles

Services and Repairs

Driving Schools

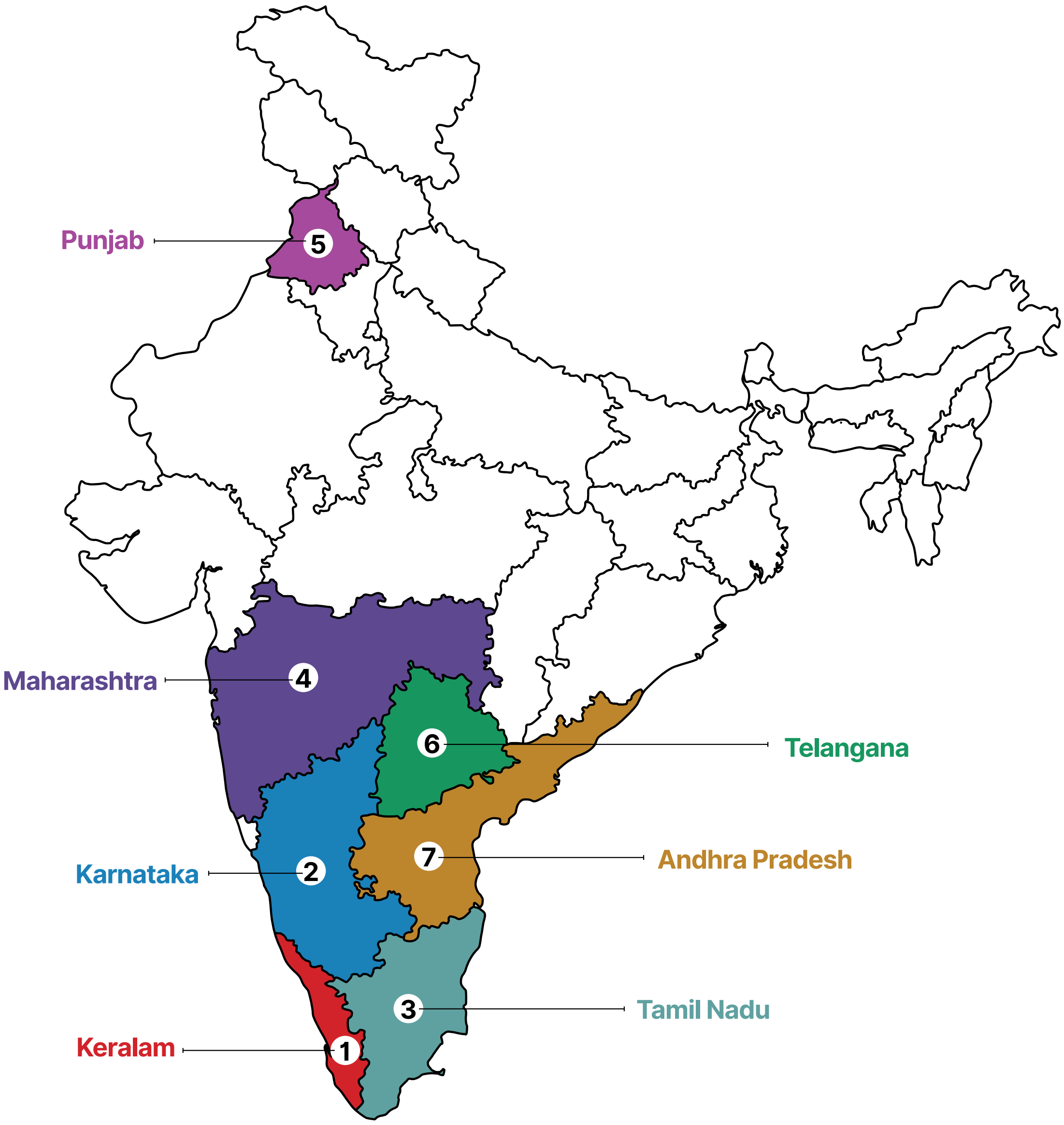
Spare Parts Accessories and Distribution

Third-Party Financial & Insurance Products



Beyond keralam,
BROADENING STRENGTH

The Company has significantly widened its geographical footprint, with a network of ~500 touchpoints across seven states as of 31 March 2026. This expanded presence now spans keralam, Karnataka, Tamil Nadu, Maharashtra, Punjab, Telangana and Andhra Pradesh, strengthening customer reach and service accessibility across a broader operating landscape. Keralam continues to be the largest market; however, the overall revenue mix has become more diversified over time.



Popular Vehicles' expansion beyond Keralam reflects a deliberate diversification strategy that has steadily widened its geographic base and reduced revenue concentration. From its beginnings as one of Maruti Suzuki's earliest dealers in India, the Company has evolved into an integrated mobility platform with ~500 touchpoints across seven states as on 31 March 2026, spanning new vehicles, aftersales, spare parts distribution, pre-owned vehicles and allied services. This broader footprint has strengthened the contribution from markets outside keralam, positioning the business on a more balanced and resilient growth path.

1 Keralam

329
Total touchpoints

33
Showrooms

107
Sales outlets

101
Service centres

28
Pre-owned vehicle outlets

2 Karnataka

38
Total touchpoints

6
Showrooms

—
Sales outlets

5
Service centres

1
Pre-owned vehicle outlets

3 Tamil Nadu

69
Total touchpoints

17
Showrooms

22
Sales outlets

28
Service centres

2
Pre-owned vehicle outlets

4 Maharashtra

23
Total touchpoints

5
Showrooms

5
Sales outlets

13
Service centres

—
Pre-owned vehicle outlets

5 Punjab

10
Total touchpoints

1
Showrooms

1
Sales outlets

8
Service centres

—
Pre-owned vehicle outlets

6 Telangana

28
Total touchpoints

7
Showrooms

3
Sales outlets

14
Service centres

1
Pre-owned vehicle outlets

7 Andhra Pradesh

3
Total touchpoints

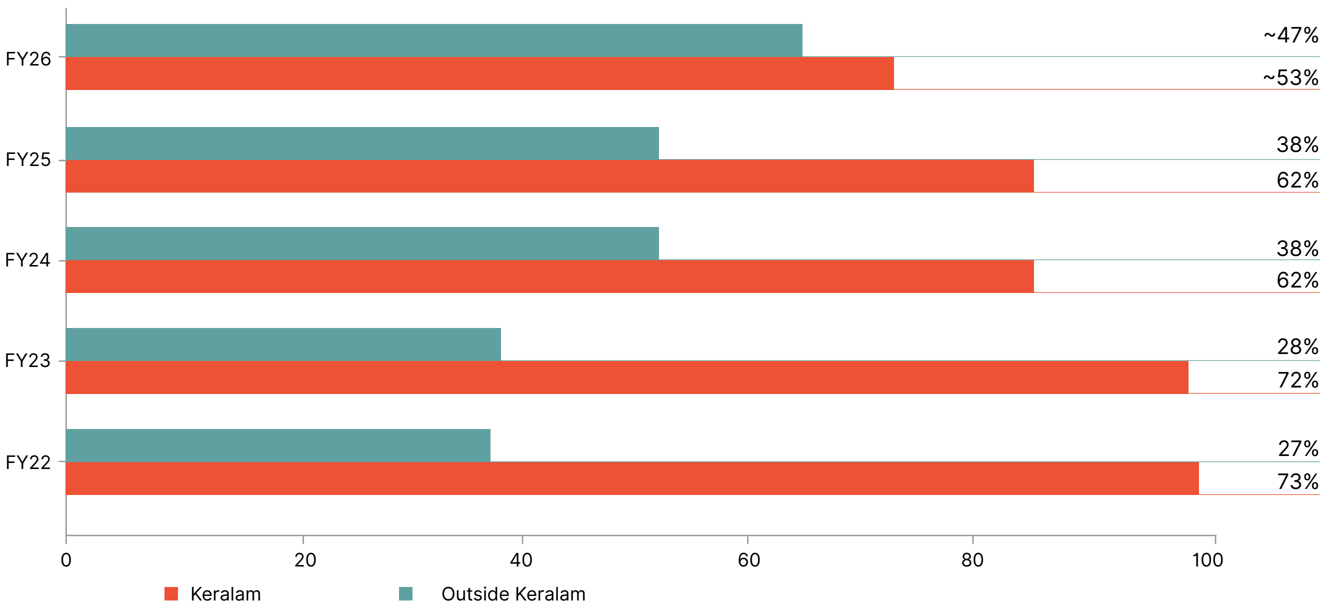
1
Showrooms

—
Sales outlets

2
Service centres

—
Pre-owned vehicle outlets

Revenue mix from outside Keralam



Customer SERVICES

We continued to strengthen customer service by focusing on responsiveness, convenience and long-term engagement across the vehicle ownership journey. While service volumes reflected the impact of softer vehicle sales in earlier periods, our focus on higher-value services, stronger customer retention, and an expanding multi-brand service ecosystem helped maintain service resilience. With demand trends improving and the network continuing to broaden, we remain committed to delivering a consistent and responsive service experience across our touchpoints.

Customer Feedback and Helplines

Our customer service approach is built around listening closely and responding promptly at every stage of the ownership journey. Feedback is captured across booking, delivery and aftersales interactions, enabling our teams to address concerns quickly and improve service consistency. During FY26, our customer-facing capabilities were further validated through recognition received for Customer Support and Customer Success Centre performance, underscoring the strength of our service response systems.

Callouts

6
OEMs

6
Centralised support structure

100%
Grievance redressal tracking

Customer Call Centres

Our call-centre-led engagement continues to support service bookings, reminders, customer follow-ups and resolution support across brands. In FY26, service call centres remained central to our customer retention strategy, with the business explicitly prioritising service-led engagement, preventive maintenance awareness, and regular contact with customers. This structured outreach helps improve service conversion, supports repeat engagement and strengthens the quality of the aftersales relationship.

Callouts

6

Maruti call centres

5

Call centres for other OEMs

500+

Trained personnel

Service and Repair Initiatives

Our service and repair offerings span the full range of customer needs, including warranty support, paid services, running repairs, periodic maintenance, auto body repair, collision repair, AC and electrical work, tyre and battery services, and detailing. In FY26, we continued to focus on higher-margin services such as collision and repair, which helped offset softer service volumes in some areas. The investor presentation also highlights growing servicing opportunities in commercial vehicles, supported by modernisation and technology upgrades, while EV servicing continued to gain relevance alongside the expansion of the Ather network.

Callouts

24x7

Assistance

50+

Extended hours at multiple centres

15+

Service types offered

Customer SERVICES

Service Centres and Body Shops

Our service network continued to expand in FY26, reinforcing our ability to serve customers across multiple brands and geographies. A key development during the year was the commencement of operations for the acquired Audi dealership business in Telangana and Andhra Pradesh, including service centres in Hyderabad, Visakhapatnam and Vijayawada. New Ather outlets including a service centre in Bangalore, further widen the reach of the EV aftersales network. These additions strengthened our capacity to deliver responsive and brand-aligned service support across a broader footprint.

Callouts

20+

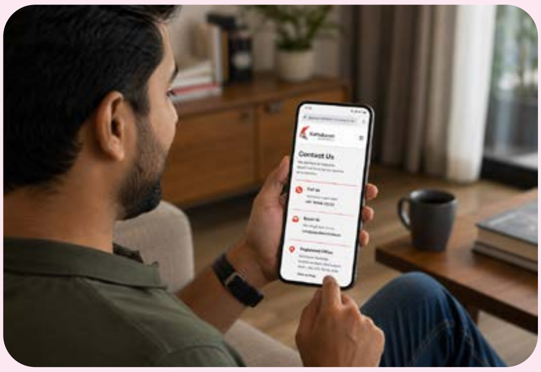
Body shops

7

States

100%

OEM-compliant repair infrastructure



Digital Engagement

We continued to sharpen our digital engagement with customers by enhancing online visibility and making our platforms more informative and user-friendly. The company's digital growth priorities for FY26 include strengthening its digital and online presence and improving how customers access information about products and services. This supports a smoother customer journey, builds stronger recall and helps customers engage more easily with the business across service and ownership touchpoints.

Callouts

1

Proprietary app

50+

Digital campaigns

100%

Online booking enabled

Technological Tools

Technology continues to support our service operations by improving efficiency, responsiveness and process integration. FY26 priorities highlight efficient parts inventory management, database-led customer engagement and service-led follow-up as important pillars of performance. In addition, modernisation and technology upgrades in the commercial vehicle segment are creating higher service requirements, opening up new opportunities for service delivery and customer support.

Callouts

5+

Digital platforms

Yes

ERP, CRM, HRMS integrated

80%

Cloud-enabled operation

Training and Development

Customer service quality is sustained through continuous capability building across the frontline and aftersales teams. The FY26 strategy places a clear emphasis on strengthening customer retention, enhancing salesperson training programmes, and improving service conversion through better engagement and awareness. This ongoing development focus helps teams stay aligned with service protocols, customer expectations and the needs of a growing multi-brand service ecosystem.

Callouts

500+

Training sessions annually

6

OEM tie-ups

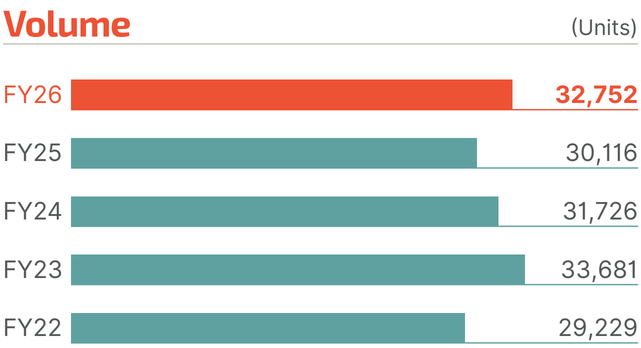
360°

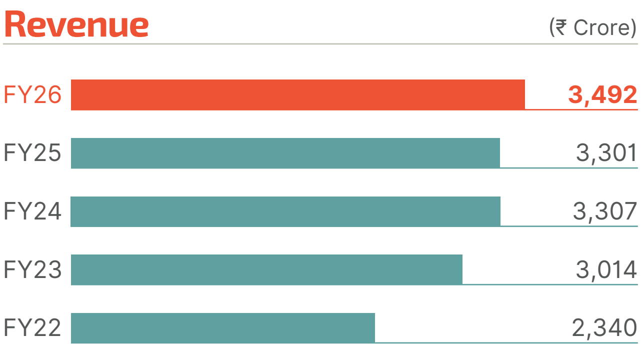
Staff development model

Review of PERFORMANCE

Passenger Vehicles

Our passenger vehicle business remained the anchor of the Company's portfolio in FY26, built on brand diversity, long standing OEM relationships and a wide geographic footprint. During the year we deepened our Maruti Suzuki presence with the addition of the Telangana operations acquired from R.K.S. Motor, continued our Jaguar Land Rover luxury business, and added Audi in Telangana and Andhra Pradesh through the acquisition of Olympus Motors (operations commenced January 2026). The Honda business, operated under Vision Motors, was divested in August 2025 and is included only up to that date. Passenger vehicle volumes recovered to 32,752 units in FY26 from 30,116 units in FY25, aided by GST 2.0 led improvement in affordability and stronger entry level demand in the second half, even as select supply constraints in Keralam moderated revenue growth.





Relationship Capital — FY26

OEM / Partner	Segment	Years (FY26)	FY26 Status
MARUTI SUZUKI	Economy to Premium	42	Active — largest MSIL dealer in India; Telangana added
JAGUAR LAND ROVER	Luxury	16	Active; Nagpur (Maharashtra) commenced 1 April 2026
Audi	Luxury	<1	New — commenced 1 January 2026 (Telangana & Andhra Pradesh)

Passenger vehicle network as on 31 March 2026: 117 showrooms / sale outlets and 99 service centres.

Review of PERFORMANCE

Commercial Vehicles

Our commercial vehicle business delivered the strongest growth of any segment in FY26, supported by long standing partnerships with Tata Motors and BharatBenz. The acquisition of the BharatBenz dealership in Punjab from Globe CV (August 2025) extended our footprint into North India, while the Tata Motors business, operated through Prabal Motors, continued to gain traction. Commercial vehicle volumes rose to 12,546 units in FY26 from 9,658 units in FY25, with revenue supported by improving freight demand, network expansion and better utilisation of the expanded 3S network. Popular Mega Motors won four awards at the Tata Motors South Zonal Meeting for Q4 FY26 performance.

Volume

(Units)

FY26	12,546
FY25	9,658
FY24	10,601
FY23	10,758
FY22	8,390

Revenue

(₹ Crore)

FY26	2,477
FY25	1,883
FY24	1,954
FY23	1,570
FY22	959

Relationship Capital — FY26

OEM / Partner	Segment	Years (FY26)	FY26 Status
TATA MOTORS	Commercial Vehicles	29	Active; won 4 Tata South Zonal awards in FY26
BHARATBENZ	Commercial Vehicles	14	Active; Punjab added in FY26 (Globe CV acquisition)

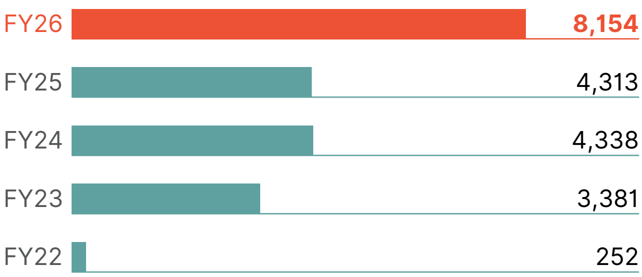
Commercial vehicle network as on 31 March 2026: 72 showrooms / sale outlets and 56 service centres.

Review of PERFORMANCE

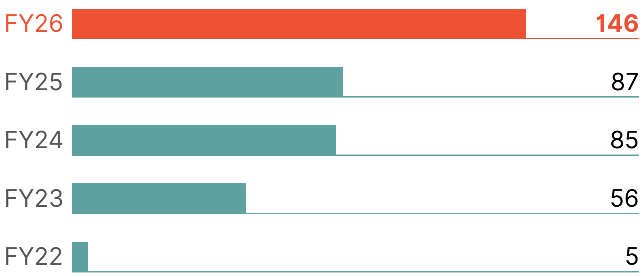
Electric Vehicles

Our electric vehicle business scaled sharply in FY26, led by Ather in the two wheeler segment. We opened new Ather touchpoints across Karnataka, Keralam and Maharashtra, and Ather new vehicle volumes more than doubled during the year (from 3,974 units in FY25 to 8,025 units in FY26). The Piaggio three wheeler business, operated under Kuttukaran Green, was divested in August 2025 and is included only up to that date, so FY26 reflects our continuing Ather led EV operations. Total EV volumes rose to 8,154 units in FY26 from 4,313 units in FY25.

Volume
(Units)



Revenue
(₹ Crore)



FY26 revenue: Ather New ₹137 Cr + Service ₹9 Cr. FY22 to FY25 include Piaggio (3W), which was divested in August 2025; FY26 reflects continuing Ather (2W) operations plus the Piaggio stub up to August 2025.

Relationship Capital — FY26

OEM / Partner	Segment	Years (FY26)	FY26 Status
ATHER	EV — Two Wheeler	5	Active; new touchpoints in Karnataka, Keralam & Maharashtra
PIAGGIO	EV — Three Wheeler	Exited — divested August 2025 (included up to Aug 2025)	

Electric vehicle network as on 31 March 2026: 19 showrooms / sale outlets and 16 service centres.

Review of PERFORMANCE

Services and Repairs

The services and repairs vertical remains central to our business model as a source of recurring, higher margin revenue. In FY26, total service volumes declined to 9,82,100 jobs from 10,42,298 jobs in FY25, a mid single digit decline that partly reflects the rationalisation of low value job cards and the Honda and Piaggio exits. Revenue remained resilient, rising to ₹968 Crore from ₹894 Crore in FY25, supported by higher service realisations, a greater share of collision and higher value repair work, and strong growth in commercial vehicle and electric vehicle servicing.

Volume

	(Units)
FY26	**9,82,100**
FY25	10,42,298
FY24	10,53,545
FY23	9,57,148
FY22	7,21,400

YoY Growth — Units

	(%)
FY26	**-5.8%**
FY25	-1.1%
FY24	10.1%
FY23	32.7%
FY22	11.6%

Revenue

	(₹ Crore)
FY26	**968**
FY25	894
FY24	865
FY23	714
FY22	533

YoY Growth — Revenue

	(%)
FY26	**8.3%**
FY25	3.3%
FY24	21.2%
FY23	34.0%
FY22	23.1%

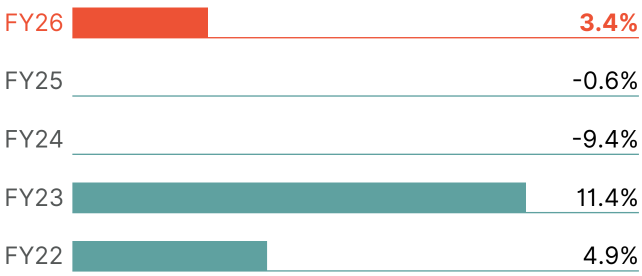
FY26 total service volume and revenue are the sum of passenger vehicle, commercial vehicle and electric vehicle servicing volumes 7,39,794 + 2,02,647 + 39,659; revenue ₹607 Cr + ₹351 Cr + ₹9 Cr. FY26 YoY growth is computed against the FY25 figures shown above.

Pre-Owned Vehicles

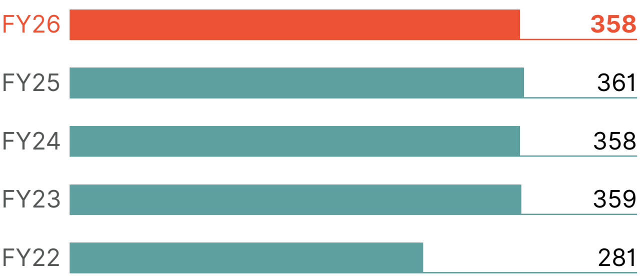
The pre-owned vehicle segment complements our new vehicle business, offering trade in options and certified pre-owned vehicles that support customer retention and broaden market reach.

Volume (Units)

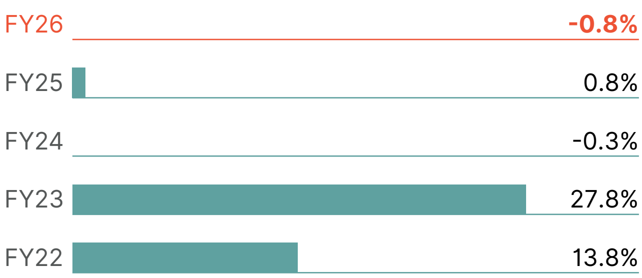
YoY Growth — Units (%)



Revenue (₹ Crore)



YoY Growth — Revenue (%)

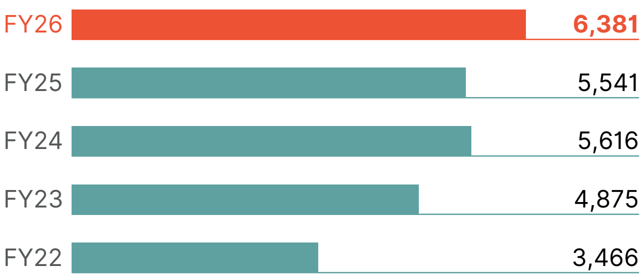


Review of PERFORMANCE

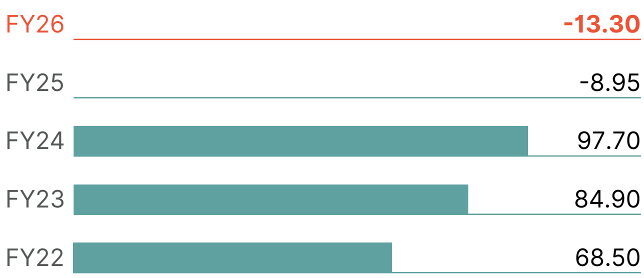
Financial Highlights

FY26 marked a return to revenue growth, with total revenue from operations rising 15% to ₹6,381 Crore. EBITDA recovered to ₹203 Crore from ₹175 Crore, though margins held at 3.2% as employee and integration costs from the Telangana, Punjab and Andhra Pradesh operations, higher depreciation and finance costs, and a one off cess provision weighed on profitability.

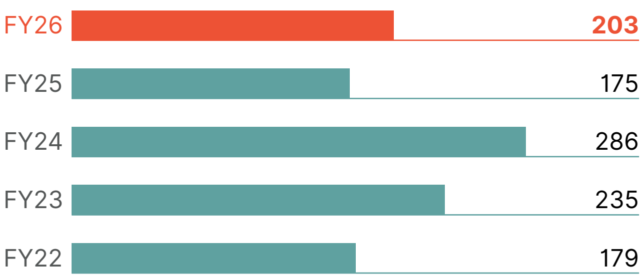
Revenue from Operations



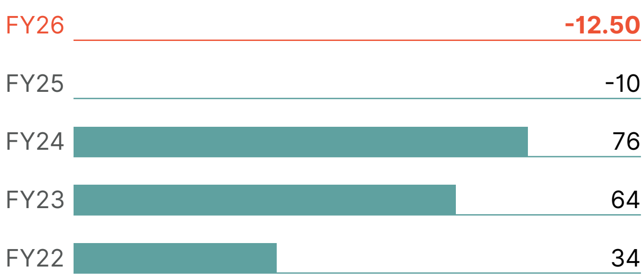
PBT



EBITDA

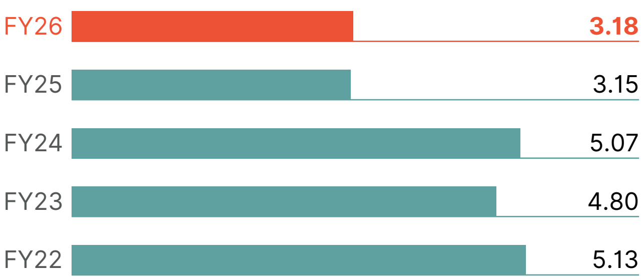


PAT



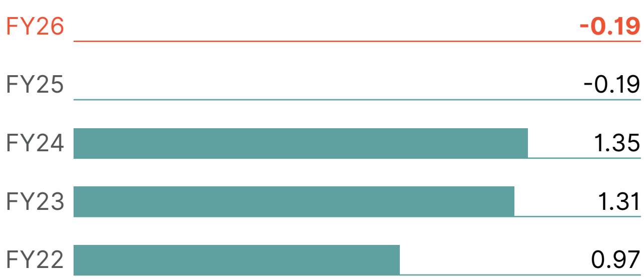
EBITDA Margin

(%)



PAT Margin

(%)

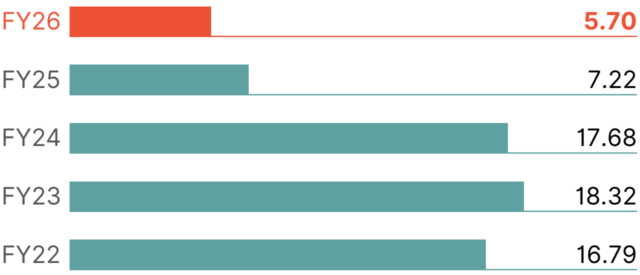


Key Ratios

Return ratios remained subdued in FY26 as profitability normalised after the acquisition led expansion. Return on capital employed stood at 5.7% against 7.2% in FY25. Net Debt to EBITDA rose to 3.1x from 2.2x in FY25, reflecting higher borrowings taken on for acquisitions, while Debt to Equity was 1.1x. These metrics are expected to improve as integration completes and operating leverage builds.

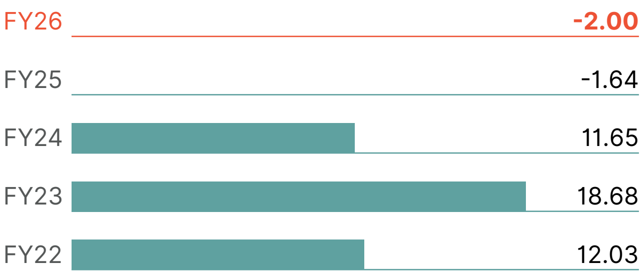
ROCE

%

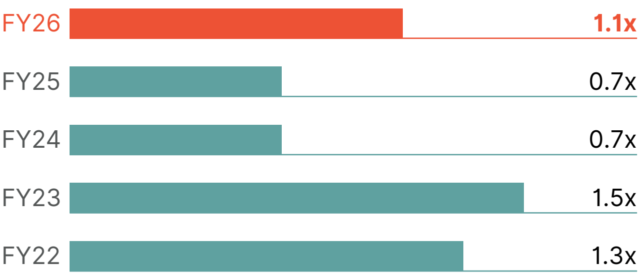


ROE

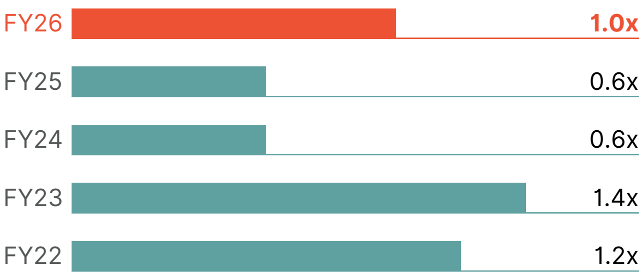
(%)



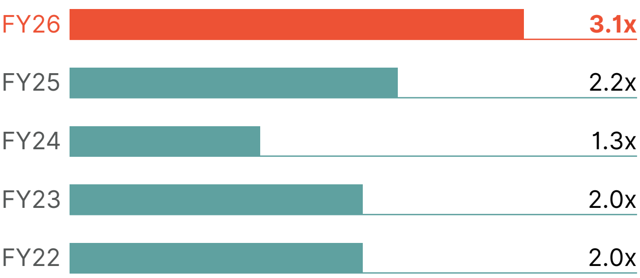
Debt to Equity



Net Debt / Equity



Net Debt / EBITDA



CSR

SurakshitMarg

SurakshitMarg is a structured road safety initiative of Kuttukaran, implemented in association with SiRST, aimed at building a culture of safer mobility by transforming students from passive road users into active safety advocates within a larger ecosystem of teachers, parents, school stakeholders, communities and public institutions. In Phase I, the initiative laid the foundation for this journey by introducing the 5E framework of education, engineering, enforcement, emergency care and evaluation; taking road safety learning into schools; promoting safer school-zone interventions; encouraging parent and community participation; building first responder capability; and creating an implementation and evaluation structure that could be scaled in subsequent phases. Building on this base, Phase II deepened reach, participation and measurable on-ground impact.

Education and student activation

In Phase II, the initiative deepened school-level engagement by bringing a wide institutional base into the programme and creating sustained student participation through road safety activities, club formation and baseline surveys. This helped embed road safety awareness into the school environment rather than treating it as a one-time campaign.

Number highlights: 191 schools engaged | 3,820 activities conducted | 57,400 students involved | 146 active road safety clubs established | 8,886 pre-road safety surveys completed.

Engineering safer school environments

Phase II translated awareness into visible on-ground action through road audits and local safety improvements. By assessing school surroundings and addressing risk points, the initiative strengthened the physical safety environment around campuses and helped make school zones more secure for students and communities.

Number highlights: 74 IRF road audits completed | 58 schools installed permanent SurakshitMarg boards | 430+ road sign boards cleaned.

Behavioural change and enforcement

The programme also focused on encouraging responsible road behaviour through student-led discipline and public commitment. By combining safety pledges with the deputation of students as Chota Cops, SurakshitMarg strengthened peer-driven accountability and reinforced safer practices in everyday mobility behaviour.

Number highlights: 13,668 road safety pledges signed | 6,594 students deputed as Chota Cops.

Community outreach and public resonance

SurakshitMarg extended its impact well beyond school premises by taking the road safety message into the community through large-scale engagement and digital amplification. This broadened the initiative's relevance from student sensitization to wider public awareness, helping the programme resonate with families, local residents and road users at large.

Number highlights: 3,00,000+ people reached | 6 student-led short films launched for public outreach.

Evaluation and implementation discipline

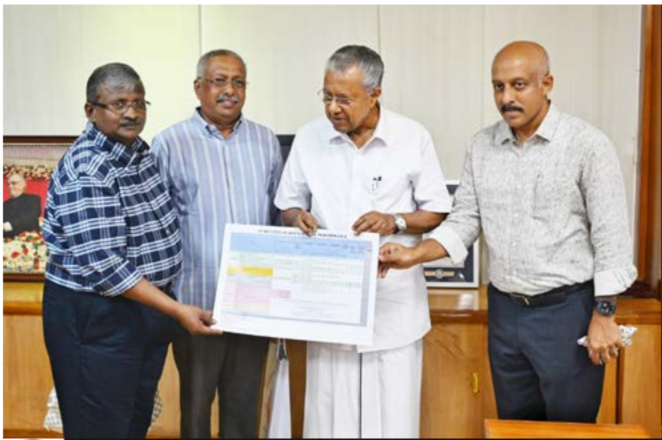
A key strength of Phase II lay in its emphasis on measurement and execution discipline. The programme tracked participation and progress through a structured funnel from registration to funding milestones, supported by self-assessment reporting that enabled better review and accountability across participating schools.

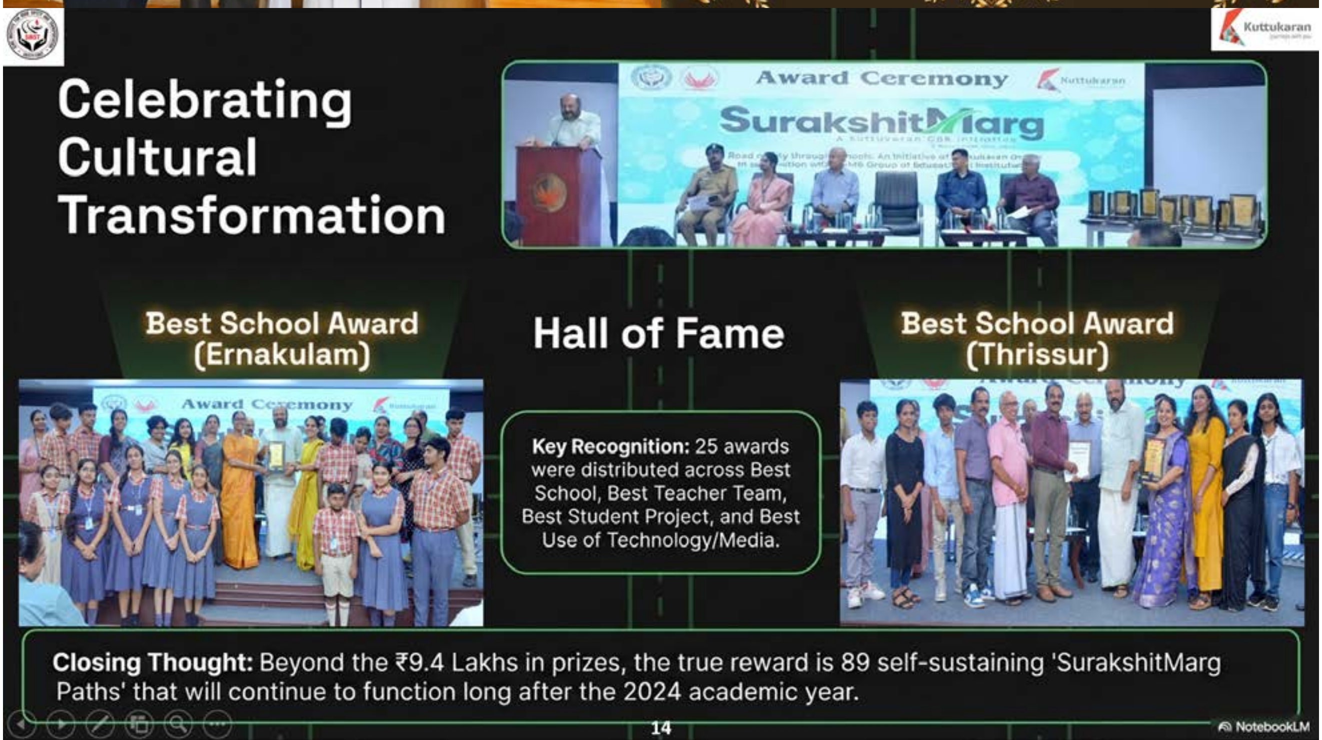
Number highlights: 193 schools registered | 191 attended Training of Trainers | 191 received first installment | 120 successfully received second installment | 120 self-assessment reports submitted.

Financial stewardship

Phase II reflected a focused approach to resource deployment, with funds being directed towards programme execution and grassroots implementation. The scale of utilization indicates that the initiative maintained strong momentum while ensuring that available resources were actively converted into field-level outcomes.

Number highlights: ₹37,06,430 funds received as of February 2026 | ₹36,25,422 funds utilized as of March 2026.





Mathrubhumi മാതൃഭൂമി

സുരക്ഷിത് മാർഗ് കൈപ്പുസ്തകം പ്രകാശനം ചെയ്തു

തിരുവനന്തപുരം ▸ സ്കൂളുകളും പരിസരവും യാത്രാസുരക്ഷിതമാക്കുന്നതിന് കുറ്റൂക്കാരൻ ഗ്രൂപ്പും എസ്‌സിഎംഎസ് ഇൻസ്റ്റിറ്റ്യൂട്ട് ഫോർ റോഡ് സേഫ്റ്റി ആൻഡ് ട്രാൻസ്പോർട്ടേഷനും ചേർന്ന് സ്കൂളുകളിൽ നടപ്പാക്കുന്ന സുരക്ഷിത് മാർഗ് പദ്ധതിയുടെ അധ്യാപക കൈപ്പുസ്തകവും മൂല്യനിർണയ ടേബിളും മുഖ്യമന്ത്രി പിണറായി വിജയൻ പ്രകാശനം ചെയ്തു. തിരുവനന്തപുരം, കൊല്ലം, ആലപ്പുഴ, കോട്ടയം, കോഴിക്കോട് ജില്ലകളിലെ തിരഞ്ഞെടുത്ത സ്കൂളുകളുടെ പരിസരത്ത് റോഡപകടം ഒഴിവാക്കുകയാണ് പദ്ധതിയുടെ ലക്ഷ്യം.

കുറ്റൂക്കാരൻ ഗ്രൂപ്പിന്റെ സിഎസ്ആർ ഫണ്ട് ഉപയോഗിച്ചാണ് പദ്ധതി നടപ്പാക്കുന്നത്. ഇതിനായി എസ്‌സിഎംഎസ് ഗ്രൂപ്പിലെ അധ്യാപകരും വിദ്യാർഥികളും പോപ്പുലർ വെഹിക്കിൾസിലെ ജീവനക്കാരും സ്കൂൾ അധ്യാപകരോടൊപ്പം ചേർന്ന് പ്രവർത്തിക്കും. ഇതിന്റെ ഭാഗമായ വിദ്യാലയങ്ങൾക്ക് 25000 രൂപവീതം ലഭിക്കും. മികച്ച രീതിയിൽ പദ്ധതി നടപ്പാക്കുന്ന ഓരോ ജില്ലയിലെയും സ്കൂളുകൾക്ക് ഒരുലക്ഷം രൂപവരെയുള്ള അവാർഡുകളുമുണ്ടാകും.

വിദ്യാഭ്യാസം, എൻജിനിയറിങ്, എമർജൻസി മെഡിക്കൽ കെയർ തുടങ്ങിയവയെല്ലാം പദ്ധതിയിൽ ഉൾപ്പെടുത്തിയിട്ടുണ്ട്. കുറ്റൂക്കാരൻ ഗ്രൂപ്പ് എംഡി നവീൻ ഫിലിപ്പ്, എസ്‌സിഎംഎസ് ഗ്രൂപ്പ് മാനേജിങ് ഡയറക്ടർ ആൻഡ് എക്സിക്യൂട്ടീവ് ട്രസ്റ്റി പ്രൊഫ. പ്രമോദ് പി. തേവന്നൂർ, എസ്‌സിഎംഎസ് ഗ്രൂപ്പ് ഡയറക്ടർ പ്രതീക് നായർ, എസ്‌സിഎംഎസ് ഇൻസ്റ്റിറ്റ്യൂട്ട് ഫോർ റോഡ് സേഫ്റ്റി ആൻഡ് ട്രാൻസ്പോർട്ടേഷൻ ഡയറക്ടർ ജി. ആദർശ് കുമാർ എന്നിവർ പങ്കെടുത്തു.

സുരക്ഷിത് മാർഗ് പദ്ധതിയുടെ ഭാഗമായി അധ്യാപകർക്കുള്ള കൈപ്പുസ്തകവും മൂല്യനിർണയ ടേബിളും മുഖ്യമന്ത്രി പിണറായി വിജയൻ പ്രകാശനം ചെയ്യുന്നു. പ്രതീക് നായർ, പ്രൊഫ. പ്രമോദ് പി. തേവന്നൂർ, ജി. ആദർശ് കുമാർ, നവീൻ ഫിലിപ്പ് എന്നിവർ സമീപം

28/08/2025 KOTHAMANGALAM-MUVATTUPUZHA Pg 04

Directors' Report

To,
The Members,
Popular Vehicles and Services Limited

Your Directors are pleased to present the Company's 42nd 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, 2026.

Operational Review

1. FINANCIAL STATEMENTS & RESULTS

Financial Results

a) Standalone Performance

During the year under review, the revenue from operations was at ₹28,492.86 million as against ₹25,769.00 million in the previous year, recording an increase of 10.57%. The loss was recorded at ₹511.36 million in the current year as against a loss of ₹336.17 million in the previous year.

b) Consolidated Performance

During the year under review on a consolidated basis, the revenue from operations was at ₹63,810.96 million as against ₹55,412.29 million in the previous year, an increase of 15.16%. The Company recorded a consolidated loss of ₹124.74 million in the current year as against a loss of ₹104.63 million in the previous year.

(In INR millions, except earnings per share data)

Particulars	Standalone		Consolidated	
	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025
Revenue from Operations	28,492.86	25,769.00	63,810.96	55,412.29
Other Income	190.66	236.50	199.89	203.63
Total Revenue	28,683.52	26,005.50	64,010.85	55,615.92
Employee Benefits expense	2,475.00	2,316.69	4,138.99	3,870.84
Finance costs	676.77	509.05	1,032.89	855.68
Depreciation and amortization expense	783.18	528.32	1,273.46	987.87
All other expenses	25,443.60	23,066.69	57,837.92	49,991.01
Total Expenses	29,378.55	26,420.75	64,283.26	55,705.40
Profit / (Loss) Before Tax and exceptional item	(695.03)	(415.25)	(272.41)	(89.48)
Exceptional item	2.87	0	139.41	0
Profit / (Loss) Before Tax	(692.16)	(415.25)	(133.00)	(89.48)
Tax Expense:				
Current Tax	0	21.25	225.54	135.40
Deferred Tax	(180.80)	(100.33)	(233.80)	(120.25)
Profit after tax for the year	(511.36)	(336.17)	(124.74)	(104.63)
Earnings per equity share (in ₹)				
Basic	(7.18)	(4.72)	(1.75)	(1.47)
Diluted	(7.18)	(4.72)	(1.75)	(1.47)

2. TRANSFER TO RESERVES

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

3. DIVIDEND

The Board of Directors of your Company has not recommended any dividend for the financial year under review.

Pursuant to the provisions of Regulation 43A of the Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy which details the dividend philosophy of the Company, the factors which are considered by the Board while recommending/declaring dividend, suggested band for proposing dividend pay-out, periodicity of dividend, circumstances in which dividend is considered, etc. The said policy is placed on the website of the Company at: https://assets.popularvehicles.in/Dividend_Distribution_Policy_a33d32306e/Dividend_Distribution_Policy_a33d32306e.pdf

4. CHANGE IN NATURE OF BUSINESS

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

5. 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.

6. CAPITAL & DEBT STRUCTURE

(i) Share Capital:

During the year under review, the Company has not altered/modified its authorised share capital and has not issued any shares.

The authorized share capital of the Company as on 31st March, 2026 was ₹15,00,00,000, and the paid-up equity share capital of the Company was ₹14,23,96,396 consisting of 7,11,98,198 equity shares of face value ₹2/- each.

Ranking as per Market Capitalization as on 31st December, 2025

As per the market capitalization of listed companies as at the end of 31st December 2025, your Company has been ranked 1434th in the top 2000 category.

Payment of Listing Fee:

Your Company has paid the listing fee for the Financial Year 2025 - 26 to both the Stock Exchanges, BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

7. 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.

During the period under review, the Company does not have any amount due to be credited to the Investor Education and Protection Fund as provided in the provisions of Section 125 of the Companies Act, 2013.

However, as on 31.03.2026, the Company has an amount of ₹41,467.50 in the unpaid/unclaimed dividend Account and 82,935 corresponding equity shares relating to FY 2024-25, which shall be transferred to the IEPF upon expiry of seven years from the date of transfer of such dividend to the Unpaid Dividend Account of the Company, in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

The Company has complied with the provisions of Sections 124 and 125 of the Companies Act, 2013 relating to the transfer of unpaid dividend to the Unpaid Dividend Account and filing of the prescribed statements of unclaimed and unpaid amounts with the Investor Education and Protection Fund Authority in respect of the dividend declared for the financial year 2024-25.

8. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Fair Disclosure Code) for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The same is available on the website of the Company at: https://assets.popularvehicles.in/Code_of_practices_and_procedures_for_fair_disclosure_of_UPSI_ff19c9cf0a/Code_of_practices_and_procedures_for_fair_disclosure_of_UPSI_ff19c9cf0a.pdf

9. PREVENTION OF INSIDER TRADING

The Board has formulated a code of conduct for regulating, monitoring and reporting of trading of shares by Insiders. This code lays down guidelines and procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautions them of the consequences of non-compliance. The same is available on the website of the Company at: https://assets.popularvehicles.in/Insider_Trading_Policy_900c497702/Insider_Trading_Policy_900c497702.pdf

10. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Board of Directors

As on 31st March, 2026, the Board of your Company comprised of Eight Directors with three Executive Directors and Five Non-Executive Independent Directors. The composition of the Board of Directors meets the requirement of provisions of Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

The Board of Directors of the Company as on 31st March, 2026 are as follows:

Name of the Director	Designation	DIN
Mr. Naveen Philip	Managing Director	00018827
Mr. John Kuttukaran Paul	Whole Time Director	00016513
Mr. Francis Kuttukaran Paul	Whole Time Director	00018825
Mr. Jacob Kurian	Independent Director	00213259
Mr. George Joseph	Independent Director	00253754
Ms. Preeti Reddy	Independent Director	07248280
Mr. Neeraj Jain	Independent Director	00348591
Mr. Murali Narayanan Chinnasamy	Independent Director	11356917

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

During the year under review, there was no changes on the Board of Directors ('Board') except as mentioned below;

i) Appointment:

a. Mr. Neeraj Jain (DIN: 00348591) was appointed as the Independent Director on the Board of the company for a term of five consecutive years as recommended by the Nomination and Remuneration Committee ("NRC") and the Board, and subsequently approved by the shareholders by way of a special resolution at the Annual General Meeting held on 29th September 2025.

b. Mr. Murali Narayanan Chinnasamy (DIN:11356917) was appointed as an Independent Director for a term of five consecutive years, as recommended by the NRC and Board and subsequently approved by the shareholders by way of a special resolution through postal ballot concluded on 29th December, 2025.

c. The term of Mr. John Kuttukaran Paul (DIN: 00016513), Whole Time Director of the Company, who was last reappointed for the period from 01.04.2024 to 31.03.2026 through a postal ballot dated 11th July 2024, has ended on 31.03.2026 and accordingly, the Members of the Company, as recommended by the Nomination and Remuneration Committee and the Board of Directors, have reappointed Mr. John Kuttukaran Paul as Whole Time Director, for a further term of two years from 01.04.2026 to 31.03.2028, through a Special Resolution passed by postal ballot dated 28.03.2026.

Mr. John Kuttukaran served as a Director of the Kerala Chamber of Commerce and Industries (KCCI) during the financial years 2012–13, 2013–14 and 2014–15, during which period KCCI was found to be in violation of Sections 209(1) and 217(3) of the Companies Act, 1956. Being a director, Mr. John Kuttukaran Paul pleaded guilty and was convicted in connection with the said violations by the Honourable Additional Chief Judicial Magistrate (Economic Offences), Ernakulam. The court sentenced him to pay fine of ₹5,000/- (Rupees five thousand) and ₹10,000/- (Rupees Ten thousand) for the offence punishable u/s 209 (5) and 217 (5) of the Companies Act 1956 respectively.

Mr. John Kuttukaran Paul remitted the fines of ₹5,000 in ST 42/19 and ₹10,000 in ST 43/19 before the CJM (EO) Court, Ernakulam, and the matter stood closed upon payment of the fines. However, due to this conviction, approval of the Central Government was required for his appointment/reappointment as Managing Director/Whole Time Director of the Company, in terms of Part I of Schedule V to the Companies Act, 2013.

Accordingly, the Company had sought the approval of the Central Government for the appointment of Mr. John Kuttukaran Paul as Managing Director of the Company (for the period from 01.04.2022 to 15.06.2022) and also for his subsequent appointment as Whole-Time Director (for the period from 15.06.2022 to 31.03.2024). However, both the applications filed in Form MR-2 were not considered and were disposed of by the Ministry of Corporate Affairs vide its letter dated 29 April 2024, after expiry of the said terms, without stating any reasons.

Thereafter, a fresh shareholders' approval was obtained for his reappointment for the period from 01.04.2024 to 31.03.2026, through a postal ballot concluded on 11th July 2024. Pursuant to which a fresh Form MR-2 was filed with the Ministry on 25th July 2024 seeking approval for his appointment as Whole-time Director for the said period. The said application is still under process and pending with the regulatory authorities. No communication was received by the company till date of the said application.

Company has filed fresh application for seeking central government approval for the current appointment of Mr. John Kuttukaran Paul as Whole-time Director for a further term of two years from 01.04.2026 to 31.03.2028.

ii) Resignation:

Mr. Rakesh Kumar Bhutoria, (DIN: 08449728) had resigned from the position of Nominee Director with effect from 08th December, 2025.

Mr. Francis K. Paul, Whole-time Director (DIN: 00018825) of the Company, ceased to hold office upon the expiry of his term as Whole Time Director on 31st March, 2026, and he resigned from the directorship of the Company with effect from the same date.

iii) Retirement by rotation:

In accordance with the Provisions of the Companies Act, 2013 and the Articles of Association (AOA) of the Company, Mr. John K. Paul (DIN: 00016513), retires from the Board by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. A brief profile of Mr. John K. Paul and the details as per Regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI Listing Regulations") is produced below:

Details of directors recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of the Director	**Mr. John Kuttukaran Paul**
Brief Profile	Mr. John K. Paul is the Whole-Time Director of the Company. He is responsible for the Maruti Suzuki dealership operations of the group. With over 50 years of experience in the automobile industry, he is currently the President of the Kerala Automobiles Dealers Association and a member of the Federation of Automobile Dealers Association's Governing Council. Additionally, he is a trustee of the Lawrence School Lovedale Alumni Foundation.
Age	73 years
Date of First Appointment on the Board	05th July, 1983
Qualifications	Bachelor's degree in mechanical engineering from the University of Calicut.
Nature of expertise, experience in specific functional areas.	Over 50 years of experience in the automobile industry and responsible for the Maruti Suzuki dealership operations of the group.
Past Remuneration	Details have been provided in the Corporate Governance Report which forms part of the Annual Report 2025-26.
Terms and conditions of appointment/ re-appointment including Remuneration to be paid.	Re-appointment as a Director, liable to retire by rotation.
Number of shares held in the Company including shares held as a Beneficial Owner as on March 31, 2026.	1,45,19,362
Relationship with other Directors / KMPs.	Brother of Mr. Francis K. Paul (Whole-Time Director) and Uncle of Mr. Naveen Philip (Managing Director).
Directorships held in other Companies.	Director at: Bluetimbre Music Private Limited, Keracon Equipments Private Limited, Kuttukaran Cars Private Limited, Memorytrain Creatives Private Limited, Popular Auto Dealers Private Limited, Popular Auto Spares Private Limited, Popular Autoworks Private Limited, Prabal Motors Private Limited, and Regiis Insurance Broker Private Limited, Foundation For Entrepreneurial Development (Kerala). Designated Partner at: Kuttukaran Mobility Services LLP Kuttukaran Homes LLP

b) Key Managerial Personnel

The Key Managerial Personnel of the Company in accordance with Regulation 2(1)(bb) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations and Section 2(51) of the Companies Act, 2013 during the period under review are as follows:

Sl No	Name	Designation
1.	Mr. Naveen Philip	Managing Director
2.	Mr. John K. Paul	Whole Time Director
3.	Mr. Francis K. Paul	Whole Time Director
4.	Mr. Raj Narayan	Chief Executive Officer
5.	Mr. Abraham Mammen	Group Chief Financial Officer*
6.	Mr. Varun T.V.	Company Secretary and Compliance Officer

*Mr. John Verghese, the former Group Chief Financial Officer (CFO) of the Company, attained the retirement age of 58 years and his service was extended in light of the Initial Public Offer (IPO) for a period of two years till 31st March, 2024 in the meeting of the Nomination and Remuneration Committee held on 30th March, 2022. Further, for the seamless transition of the Company into a listed entity, the service of Mr. John Verghese was extended for another period of one year ending on 31st March, 2025 by the Board at its meeting held on 28th May, 2024 as recommended by the NRC meeting held on the same day. In order to ensure a smooth transition of the responsibilities and for a successful completion and hand over of several ongoing finance and other initiatives, the service of Mr. John Verghese, was further extended till 30th June, 2025 by the Board in its meeting held on 12th February, 2025 as recommended by the NRC Committee held on the same day. Board also approved to avail his continued support to the Company as a Consultant till 30th September, 2025.

Mr. Abraham Mammen was appointed as Group Chief Financial Officer Designate and Senior Management Personnel of the Company at the Board meeting held on 12th February, 2025, on the recommendation of the NRC held on the same day, to take effect from 12th February, 2025 till 30th June, 2025. Upon the retirement of Mr. John Verghese, Mr. Abraham Mammen succeeded as the Group Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 01st July, 2025.

In addition, for the year under review, the following Key Managerial Personnel (KMPs) of the Company also hold positions of KMP in the Wholly Owned Subsidiary Companies as under:

Sl. No	Name	Designation in Subsidiary	Name of Subsidiary
1.	Mr. Naveen Philip	Managing Director	Popular Mega Motors (India) Private Limited
2.	Mr. Abraham Mammen*	Chief Financial Officer	Popular Autoworks Private Limited
3.	Mr. Varun T.V.	Company Secretary	Popular Autoworks Private Limited

*Mr. Abraham Mammen took over as the Chief Financial Officer of Popular Autoworks Private Limited with effect from 04th August, 2025 pursuant to the resignation of Mr. John Verghese from the position of Chief Financial Officer of Popular Autoworks Private Limited w.e.f. 03rd August, 2025.

c) Criteria for Determining Qualifications, Positive Attributes and Independence of a Director.

The Nomination and Remuneration Committee has formulated Nomination, Remuneration and Evaluation Policy, which details the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the Listing Regulations. The Nomination, Remuneration and Evaluation Policy is available on the website of the Company at the link https://assets.popularvehicles.in/Nomination_and_Remuneration_Policy_0d8b2c3e75/Nomination_and_Remuneration_Policy_0d8b2c3e75.pdf

d) Declaration by Independent Directors.

In terms of Section 149 of the Companies Act, 2013 and other applicable regulations, the following are the Independent Directors of the Company as on the date of this report:

(i) Mr. George Joseph

(ii) Mr. Jacob Kurian

(iii) Mr. Murali Narayanan Chinnasamy

(iv) Mr. Neeraj Jain and

(v) Ms. Preeti Reddy

- As required under Section 149(7) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Independent Directors have submitted the necessary declarations confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 25(8) read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.
- The Company has also received declarations from the Independent Directors confirming compliance with Rule 6(1) and Rule 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding inclusion of their names in the databank maintained by the Indian Institute of Corporate Affairs (IICA), the status of the online proficiency self-assessment test conducted by IICA, payment of the prescribed fees and timely renewal of their registration.
- The Independent Directors have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and Senior Management Personnel formulated by the Company.

e) Women Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1)(a) of the Listing Regulations, the Company has appointed Ms. Preeti Reddy (DIN: 07248280) as an Independent Woman Director of the Company.

f) Certificate from Practising Company Secretary

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, Mr. Myladoor Cherian Sajumon, Practicing Company Secretary, Cochin, has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority and the certificate forms part of the Report of Corporate Governance forming part of this Annual Report.

g) Performance Evaluation

As per Part D of Schedule II SEBI (LODR) Regulations, 2015 read with Regulation 16 of SEBI (LODR) and as prescribed u/s 149(6) of the Companies Act, 2013, annual evaluation of the performance of the Board, the Directors and its committees was carried out through an in-house mechanism via online survey through structured questionnaires.

- The Chairperson of Nomination and Remuneration Committee of the Company had internally carried out the performance evaluation of each individual Director, Committee, Board process and Board as a whole.
- Performance evaluation was carried out internally, based on a structured questionnaire, formulated taking into consideration the criteria approved by the Nomination and Remuneration Committee.
- Evaluation criteria of the Board was made based on the role played by the Board in the governance, overall functioning, evaluating strategic proposals, financial reporting process, internal controls and its effectiveness and review of risk management process.
- The evaluation of the individual Directors was carried out based on various parameters such as participation in the Board and its Committee meetings, contribution towards strategic proposals, suggesting risk mitigation

measures, putting in place internal controls, governance, leadership and talent development and managing external stakeholders.

- Performance evaluation of various committees of the Board was carried out based on the criteria such as constitution, effective functioning of the committees as per the terms of reference, periodical suggestions and recommendations given by the committees to the Board etc.

h) Familiarisation Programme

In terms of Regulation 25(7) of the Listing Regulations, the Company familiarises its Independent Directors about their roles and responsibilities at the time of their appointment through a formal letter of appointment. The draft letter of appointment / re-appointment is available on the website of the Company at: https://www.popularvehicles.in/investors/corporate-governance?type=investors

Further, the Company conducted familiarisation programmes with regard to SEBI LODR compliances, Insider Trading compliances, Board and Committee responsibilities, Enterprise Risk Management (ERM Workshop) and Environment Social and Governance (ESG Program) etc.

In terms of Regulation 46 (2)(i) of the Listing Regulations, details of familiarisation programmes imparted to Independent Directors, including the number of programmes attended by independent directors(during the year and on cumulative basis till date), number of hours spent by Independent Directors in such programmes (during the year and on cumulative basis till date) and such other relevant details are available on the website of the Company at:

https://popularvehicles.in/investors/corporate-governance?type=investors

11. NUMBER OF MEETINGS OF THE BOARD & COMMITTEES

a) Board meetings

During the financial year ended 31st March, 2026, the Board of Directors met 6 (six) times on 29th May, 2025, 14th August, 2025, 08th October, 2025, 10th November, 2025, 10th February, 2026 and 31st March, 2026.

Requisite quorum was present in all the meetings and the intervening gap between the meetings is within the period as prescribed under Section 173 (1) of the Companies Act, 2013 and the Listing Regulations.

The details of the Board meetings are given in the Report on Corporate Governance, which forms part of this Report. The Company provides all the Board members the facility to participate in the meetings of the Board and its committees through Video Conferencing/ Other Audio-Visual Means.

Pursuant to the requirements of Schedule IV of the Companies Act and the SEBI Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 31st March, 2026, and the Directors reviewed the matters enumerated under Schedule IV(VII)(3) to the Act and Regulation 25(4) of the SEBI (LODR) Regulations, 2015. All the Independent Directors attended the said meeting.

b) Board Committees

In accordance with the provisions of the Companies Act, 2013 and the applicable SEBI Listing Regulations, the Board of Directors has established various Committees to facilitate effective governance and oversight, namely the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The details regarding the composition, terms of reference, number of meetings held during the year and attendance of Directors at such meetings are provided in the Corporate Governance Report forming part of this Annual Report.

The Board has accepted all recommendations made by the Committees, including those of the Audit Committee.

12. PARTICULARS OF REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

The remuneration details of Directors and Key Managerial Personnel and the ratio of remuneration of each Director to the median of employees' remuneration as per Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed as **Annexure A.**

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees drawing remuneration and other particulars, as prescribed in the said Rules, is provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members, excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said annexure is open for inspection, and any Member interested in obtaining a copy of the same may write to the Company Secretary at cs@popularv.com.

Remuneration received by Managing Director/ Whole Time Director from the holding or Subsidiary Company.

Mr. Naveen Philip, Managing Director (DIN: 00018827) of the company, is receiving remuneration, including performance incentives from Popular Mega Motors (India) Private Limited, the wholly owned subsidiary of the company.

Performance Incentives

The remuneration of the Executive Directors includes payment of performance incentives apart from Salary and Perquisites. The payment of performance incentive to Mr. Naveen Philip, Managing Director, is paid by the wholly owned subsidiary, Popular Mega Motors (India) Private Limited. However, due to losses incurred by the Company, the performance incentive for the Financial Year 2025-26 was not recommended by the Nomination and Remuneration Committee and the Board, and hence, was not paid for the period ended 31st March, 2026.

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b) Such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2026 and of the loss of the company for that year;

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

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

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

f) Internal financial controls were followed by the company and such internal financial controls are adequate and operating effectively.

14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS(IFC)

- The Company has in place an adequate system of Internal Financial Controls commensurate with the nature, size and complexity of its business operations.
- The Audit Committee reviews, on a periodic basis, the adequacy and effectiveness of the internal control framework and monitors the implementation of recommendations arising from internal audit observations.
- These controls are regularly tested by the Internal Auditors. No material weaknesses or significant deficiencies in the Internal Financial Controls were reported during the year.
- The Statutory Auditors have also examined the adequacy of the Company's Internal Financial Controls over Financial Reporting as at 31st March 2026 and their report forms part of the Independent Auditor's Report.

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

As on the date of the Report, the Company has no Joint Ventures or Associate Companies. The details of the Subsidiary Companies are given below:-

Sl. No.	Name of the Company	Holding/ Subsidiary/ Associate	Applicable Section
1	Popular Mega Motors(India) Private Limited	Wholly owned Subsidiary	2 (87)
2	Popular Autoworks Private Limited	Wholly owned Subsidiary	2 (87)
3	Popular Auto Dealers Private limited	Wholly owned Subsidiary	2 (87)
4	Kuttukaran Cars Private Limited	Wholly owned Subsidiary	2 (87)
5	Keracon Equipments Private Limited	Wholly owned Subsidiary	2 (87)
6	Prabal Motors Private Limited#	Subsidiary	2 (87)
7	Zparex Digisolutions Private Limited*	Step Down wholly owned Subsidiary	2 (87)
8	Imperion Cars Private Limited*	Step Down wholly owned Subsidiary	2 (87)

* Wholly owned subsidiary of Popular Mega Motors(India) Private Limited.

\# 70.46% held by Keracon Equipments Private Limited and 29.54% held by Popular Vehicles and Services Limited.

During the year under review, the Company has incorporated the following new subsidiary Companies:

Imperion Cars Private Limited was incorporated on 28th November 2025, under the provisions of the Companies Act, 2013. The Company is a step-down subsidiary of Popular Vehicles and Services Limited through the subsidiary Popular Mega Motors(India) Private Limited and was incorporated to undertake the business of trading, distribution, servicing and maintenance of automobiles and automobile parts, along with operating online e-commerce platforms and digital marketplaces for trading and selling goods and services.

Zparex Digisolutions Private Limited was incorporated on 10th November 2025 under the provisions of the Companies Act, 2013. The Company is a step-down subsidiary of Popular Vehicles and Services Limited through the subsidiary Popular Mega Motors(India) Private Limited and was incorporated to carry on the business of digital marketing, advertising, event management and public relations, along with developing and operating e-commerce platforms and carrying on the trading, distribution and servicing of automobiles and automobile parts.

Material subsidiaries:

In terms of Regulation 16(1)(c) of the SEBI Listing Regulations, subsidiary whose turnover or net worth exceeds ten per cent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year shall be identified as material subsidiary. Accordingly, Popular Mega Motors (India) Private Limited and Prabal Motors Private Limited are identified as Material Subsidiaries of the Company.

During the year under review, the following Companies ceased to be the subsidiaries of Popular Vehicles and Services Ltd:

Pursuant to the approval of the Board of Directors at its meeting held on 29th May 2025 and the approval of the shareholders through Postal Ballot on 04th July 2025, the Company has divested its investment in Vision Motors Private Limited and Kuttukaran Green Private Limited. Consequently, Vision Motors Private Limited and Kuttukaran Green Private Limited ceased to be subsidiaries of the Company.

Financial Position and Performance of Subsidiaries, Joint Ventures and Associates

The consolidated financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act (Ind AS compliant Schedule III), as applicable to the consolidated financial statements, and the same forms an integral part of this Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries, Associates, and Joint Ventures for the Financial Year 2025-26 is given in Form AOC-1, which forms an integral part of this Annual Report as **Annexure B**. In accordance with

Section 136(1) of the Act, the Annual Report of your Company containing, inter alia, financial statements including consolidated financial statements, has been sent through electronic mode to the members and has been placed on the Company's website: at https://www.popularvehicles.in/investors/annual-reports?type=investors

Any member desirous of inspecting or obtaining copies of the audited financial statements, including the consolidated financial statements of the Company or the audited financial statements of the subsidiary companies, may write to the Company Secretary and Compliance Officer of the Company at cs@popularv.com.

ANY REVISION MADE IN FINANCIAL STATEMENTS OR BOARD'S REPORT

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding Financial Years.

17. MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, is not required by the Company, and accordingly, such accounts and records are not made and maintained.

18. DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there are no details or particulars to be reported under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

19. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES

During the reporting period, the Board of Directors of the Company, at its meeting held on 10th November, 2025, approved the grant of inter-corporate loan to its wholly owned subsidiary Kuttukaran Cars Private Limited (KCPL) amounting to ₹4,50,00,000 (Rupees Four Crores and Fifty Lakhs only).

During the reporting period, the Board of Directors of the Company, at its meeting held on 10th February, 2026, approved granting an inter-corporate loan of ₹3,50,00,000 (Rupees Three Crores and Fifty Lakhs only) to its wholly owned subsidiary Popular Auto Dealers Private Limited (PADL) to support its business expansion and working capital requirements following its appointment as an authorized distributor of Balkrishna Industries Limited (BKT) in the States of Kerala and Karnataka.

The details of Investments, Loans, Guarantees and Securities have been disclosed in the Financial Statements under Schedule 6 and Schedule 36 of Standalone Financials.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The transactions with related parties are in compliance with the provisions of Section 188(1) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. Information on 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 C** in Form AOC-2 and the same forms part of this report.

In accordance with the requirements of the Listing Regulations, the Company has also adopted Policy on Materiality and dealing with Related Party Transactions and the same has been placed on the website of the Company at https://assets.popularvehicles.in/Policy_on_Related_Party_Transactions_c771fc21a4/Policy_on_Related_Party_Transactions_c771fc21a4.pdf

21. CORPORATE SOCIAL RESPONSIBILITY.

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a Corporate Social Responsibility (CSR) Committee.

The composition of CSR Committee as on 31st March, 2026 is as follows:

1. Mr. Francis K. Paul, Chairman
2. Mr. Naveen Philip, Member
3. Mr. Jacob Kurian, Member

Mr. Francis K. Paul, Whole-time Director (DIN: 00018825) of the Company, ceased to hold office upon the expiry of his term as Whole Time Director on 31st March, 2026, and he resigned from the directorship of the Company and, consequently, from the Committee, with effect from the same date.

The CSR Policy of the Company is available on the Company's website and can be accessed in the link: https://assets.popularvehicles.in/Corporate_Social_Responsibility_Policy_0e1ec15f81/Corporate_Social_Responsibility_Policy_0e1ec15f81.pdf

The CSR Committee met once during the financial year on 31st March, 2026.

As part of our unwavering commitment to road safety and in line with our CSR Policy, our company has significantly amplified its efforts to positively impact society through our ongoing CSR initiative, 'SurakshitMarg'. The CSR initiative, 'SurakshitMarg', was launched with an aim to foster a culture of responsible road behavior in school students. 'SurakshitMarg' is an ongoing initiative that will continue until 2028. The CSR obligation is carried out in collaboration with our group companies through the implementing agency, the K. P. Paul Foundation. By conducting a variety of impactful programs in schools, the initiative aims to influence students, thereby indirectly fostering safer road habits within their families and the wider community. The CSR initiative, 'SurakshitMarg' is covered under Schedule VII to the Companies Act, 2013. For the Financial Year ended 31st March, 2026, the CSR obligation of the Company aggregated to ₹1.78 Millions.

The details of the CSR initiative has been mentioned in **Annexure D** which forms part of this Report.

22. 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 for its office and workshops 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.

23. RISK MANAGEMENT

Your Company has formulated a Risk Management Policy in accordance with the guidelines provided under the Charter of the Risk Management Committee of the Board of Directors, and pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Risk Management Charter and Policy institutionalise a formal risk management function and framework consisting of risk management process, risk governance and communication structure. The Risk Management policy provides a structured, consistent, and continuous process across the whole organisation for identifying and assessing risk, deciding on mitigations, and reporting on the opportunities and threats that may affect the achievement of its strategic objectives. 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. The policy formulated in line with the provisions of the Act and the Listing Regulations is available on the website of the Company: https://assets.popularvehicles.in/Risk_Management_Policy_34d960e0e1/Risk_Management_Policy_34d960e0e1.pdf

VIGIL MECHANISM

Your Company, as required under Section 177 (9) & (10) of the Companies Act 2013 and Regulation 22 of the Listing Regulations, has established a Whistle Blower Policy, which enables the Directors and Employees to report instances of unethical behaviour, fraud or violation of the Company's Code of Conduct. The policy provides for direct access to the Chairperson of the Audit Committee and for safeguarding the employees and Directors who raise grievances against victimisation. The policy has been circulated amongst the employees of the Company working at various locations, divisions/units. The policy formulated in line with the provisions of the Act and the Listing Regulations is available on the website of the Company https://assets.popularvehicles.in/Whistle_Blower_Policy_74849727e3/Whistle_Blower_Policy_74849727e3.pdf

24. CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance, as required under Regulation 34(3), read with Schedule V of the Listing Regulations, forms part of this Annual Report.

Further, as required under Regulation 17(8) of the Listing Regulations, a certificate from the Chief Executive Officer and Chief Financial Officer is annexed to the Corporate Governance Report.

The Certificate of Corporate Governance as per Schedule V of SEBI (LODR) Regulations 2015 as required under Regulation 34(3) read with Schedule V(E) of SEBI (LODR) Regulations 2015, from Mr. Myladoor Cherian Sajumon, Practising Company Secretary, confirming the compliance of the Company with the conditions of Corporate Governance as stipulated under the Listing Regulations, is also attached to the Corporate Governance Report.

25. MATERIAL ORDERS OF JUDICIAL BODIES/ REGULATORS

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

26. STATUTORY AUDITORS

The term of the existing auditors M/s. BSR & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024) expires at the conclusion of the ensuing 42nd Annual General Meeting (AGM).

Based on the recommendation of the Audit Committee, the Board of Directors has recommended the appointment of M/s. MSKA & Associates LLP, Chartered Accountants (Firm Registration No. 105047W / W101187), as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the ensuing 42nd Annual General Meeting until the conclusion of the 47th Annual General Meeting, subject to the approval of the Members of the Company at the 42nd AGM.

27. STATUTORY AUDITOR'S REPORT

The Statutory Auditors' Report (Standalone and Consolidated) for the financial year ending 31st March, 2026 does not contain any qualification, reservation or adverse remark.

28. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members of the Company at the 41st Annual General Meeting held on 29th September, 2025 approved the appointment of Mr. Myladoor Cherian Sajumon (ACS No. 9868; CP No. 2385), Practising Company Secretary, Kochi, as the Secretarial Auditor of the Company for a term of five consecutive years from Financial Year 2025-26 to Financial Year 2029-30, w.e.f 01st April 2025.

The Secretarial Auditor has conducted the Secretarial Audit of the Company for the financial year ended 31st March, 2026 and the Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Audit Report in Form MR-3 is annexed to this Board's Report as **Annexure E**. Further, the Secretarial Audit Reports of the material subsidiaries, namely Popular Mega Motors (India) Private Limited and Prabal Motors Private Limited, are annexed to this Board's Report as **Annexure F**.

29. INTERNAL AUDIT

Over the years, the Company has established a full-fledged internal audit team headed by Mr. Sojan Chacko, a qualified Chartered Accountant, appointed for a period of three years w.e.f., 01st April, 2023 to 31st March, 2026. He also acts as the Group Internal Auditor, overseeing the overall internal audit functions of the Kuttukaran Group.

The tenure of Mr. Sojan Chacko as the Internal Auditor of the Company concluded on 31st March 2026. In consideration of the expansion of operations of the Company to multiple states and the resultant increase in the scale of operations, it was considered appropriate to strengthen the internal audit framework by allocating audit responsibilities on a geographical basis.

Accordingly, M/s Kumar Jain and Associates, Chartered Accountants, have been appointed as Internal Auditors for the States of Tamil Nadu and Karnataka; M/s V.R. Saboo & Co., Chartered Accountants, as Internal Auditors for the State of Telangana; and Mr. Sojan Chacko as Internal Auditor for the State of Kerala for a period of three years from 01st April, 2026 to 31st March, 2029, with remuneration to be finalized by the Group Chief Financial Officer in consultation with the respective Internal Auditors.

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

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to the Meetings of the Board of Directors and General Meetings. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems were adequate and operating effectively.

31. ANNUAL RETURN

Pursuant to Section 134 and Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company containing the prescribed particulars, in Form MGT-7, as on 31st March, 2025, is made available on the Company's website at https://assets.popularvehicles.in/AB_8967494_SD_compressed_4de42365b9.pdf

The draft of Form MGT-7, as on 31st March, 2026, is made available on the Company's website at https://www.popularvehicles.in/

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of the Listing Regulations, a detailed Management Discussion and Analysis Report for the financial year under review is presented in a separate section, forming part of the Annual Report. The state of the affairs of the business, along with the financial and operational developments, has been discussed in detail in the Management Discussion and Analysis Report.

33. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social and governance perspective for the Financial Year 2025-26 have been given in the Business Responsibility and Sustainability Report (BRSR) as per the format specified by SEBI Circular No. SEBI/HO/CFD/CMD2/P/CIR/2021/562 dated 10th May, 2021, which forms part of this report as **Annexure G**.

34. CREDIT RATING

The Company has obtained Credit Ratings for outstanding Debt Instruments/facilities amounting to ₹6,430 Millions. The CRISIL Rating on the Bank Facilities of the Company was reaffirmed as provided below via a letter dated 05th February 2026:

Name of the credit rating agency	Crisil Ratings Limited
Long Term Rating	Crisil A/Stable
Short Term Rating	Crisil A1

35. HUMAN RESOURCES MANAGEMENT

The Human Resource Department plays a pivotal role in achieving organisational excellence. Your Company constantly strives to develop quality human resources, to meet the challenges of a 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 skills of its employees at all levels through training and development.

As on 31st March, 2026, the Company had a headcount of 7,200 employees, an increase of 1,036 people over the previous year.

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

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 2025-26 is as follows:

No of complaints pending at the beginning of the year	: 0
Number of complaints received	: 4
Number of complaints disposed off	: 4
Number of complaints pending	: 0

The Committee has submitted the Annual Report under the POSH Act to the Company and the Board of Directors took note of the same at their meeting dated 10th February, 2026. The report has also been submitted to the District Officer, pursuant to Section 21 of the POSH Act, 2013.

37. MATERNITY BENEFIT ACT COMPLIANCE:

Your Company confirms adherence to the Maternity Benefit Act, 1961 regarding the maternity leave benefits, workplace facilities and the related provision during the period under review.

38. INDUSTRIAL RELATIONS

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

39. DISCLOSURE ABOUT THE APPLICATION MADE OR ANY PROCEEDING 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

40. 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

41. 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
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May 2026

Naveen Philip
Managing Director
(DIN: 00018827)

John K. Paul
Whole Time Director
(DIN: 00016513)

ANNEXURE A

INFORMATION REQUIRED UNDER SECTION 197 OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY25-26 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the FY 2025-2026:

Name of the Director and Key Managerial Personnel	Designation	Ratio to the median remuneration of the employees	% increase in remuneration
Mr. Naveen Philip	Managing Director	NA*	-
Mr. John K Paul	Whole Time Director	50.51	-
Mr. Francis K Paul	Whole Time Director	50.51	-
Mr. Jacob Kurian	Independent Director	7.6	-
Ms. Preeti Reddy	Independent Director	8.08	-
Mr. George Joseph	Independent Director	9.5	-
Mr. Murali Narayanan Chinnasamy	Independent Director	1.43	-
Mr. Neeraj Jain	Independent Director	3.33	-
Mr. Raj Narayan	Chief Executive Officer	66	-
Mr. Abraham Mammen	Group Chief Financial Officer	40	-
Mr. Varun T.V	Company Secretary and Compliance Officer	15	9%

2. The percentage increase in the median remuneration of employees in the financial year 2025-26: 8.9%
3. The number of permanent employees on the rolls of the Company as on 31st March, 2026: 6,603.
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The percentage increase in the salaries in Financial Year 2025-2026 of Managerial Personnel was 1.16% and employees other than Managerial Personnel was 4.46%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
5. Affirmation that the remuneration is as per the remuneration policy of the company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Note:

* Mr. Naveen Philip, Managing Director, is drawing remuneration from the wholly owned subsidiary Popular Mega Motors (India) Private Limited hence, increase in remuneration and the ratio of his remuneration to median remuneration of the employees is not comparable and hence not stated.

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May 2026

Naveen Philip
Managing Director
(DIN: 00018827)

John K. Paul
Whole Time Director
(DIN: 00016513)

Annexure B

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, ASSOCIATE COMPANIES OR JOINT VENTURES

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

(₹ in millions)

Sl. No	Name of Subsidiary	Financial period ended	Date since when subsidiary was acquired	Reporting Currency	Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	PBT	Provision for Tax	Profit After tax	Proposed Dividend	% of shareholding
1	Popular Mega Motors (India) Private Limited	March 31, 2026	21.06.2004	INR	69.44	1,691.22	3,394.36	1,633.70	158.72	15,126.40	670.29	119.24	551.04	NIL	100%
2	Popular Autoworks Private Limited	March 31, 2026	09.01.2014	INR	251.12	336.61	1,838.04	1,250.31	NIL	5,242.28	174.08	48.05	126.03	NIL	100%
3	Popular Auto Dealers Private limited	March 31, 2026	01.10.2015	INR	5.10	411.09	1,154.58	738.39	26.01	2,681.47	-48.48	-11.65	-36.83	NIL	100%
4	Kuttukaran Cars Private Limited	March 31, 2026	06.01.2014	INR	55.47	-58.10	497.50	500.13	NIL	1,395.05	-43.03	-11.25	-31.78	NIL	100%
5	Keracon Equipments Private Limited	March 31, 2026	01.02.2023	INR	9.48	-4.55	5.22	0.28	0.01	NIL	1.78	0.44	1.34	NIL	100%
6	Prabal Motors Private Limited	March 31, 2026	01.02.2023	INR	0.14	457.08	2,893.22	2,436	NIL	9,653.95	127.94	33.89	94.05	NIL	100%
7	Zparex Digisolutions Private Limited	March 31, 2026	10.11.2025	INR	20.00	-2.53	19.09	1.62	NIL	NIL	-3.38	-0.85	-2.53	NIL	100%
8	Imperion Cars Private Limited	March 31, 2026	28.11.2025	INR	1.00	-4.92	890.87	894.79	NIL	199.12	-6.55	-1.63	-4.92	NIL	100%

The company does not have any associate companies or joint ventures as on March 31, 2026.

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May 2026

Naveen Philip
Managing Director
(DIN: 00018827)

John K. Paul
Whole Time Director
(DIN: 00016513)

FORM NO. AOC -2

ANNEXURE C 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 material contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the 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/transactions	
c	Duration of the contracts/arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions, 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 contracts/ arrangements/transactions	
c	Duration of the contracts /arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions, including the value, if any	
e	Dates of approval by the Board, if any	
f	Amount paid as advance, if any	

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May 2026

Naveen Philip
Managing Director
(DIN: 00018827)

John K. Paul
Whole Time Director
(DIN: 00016513)

ANNEXURE D

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 has been a long-standing commitment at Popular Vehicles and Services Limited ("Company") and forms an integral part of our activities. Being a responsible corporate citizen, the Company is committed to performing its role towards the society at large. In alignment with its vision, the Company always works towards adding value to its stakeholders by going beyond business goals and contributing to the well-being of the community. Its contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Company and with the broader community.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Francis K. Paul	Chairman	1	1
2	Mr. Jacob Kurian	Member	1	1
3	Mr. Naveen Philip	Member	1	1

The CSR Committee was reconstituted by the Board of Directors at its meeting held on 10th November, 2025 with the induction of new members. During the financial year ended 31st March, 2026, the reconstituted Committee met once, on 31st March, 2026.

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.

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of the Directors, is available on the Company's website at: https://assets.popularvehicles.in/Corporate_Social_Responsibility_Policy_0e1ec15f81/Corporate_Social_Responsibility_Policy_0e1ec15f81.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.

₹ 89 million

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

₹ 1.78 million

(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.

₹ 0.000 million

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

₹ 1.78 million

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

₹ 2.38 Million

(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)].

₹ 2.38 Million

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1.13 million	₹ 0.65 million	10.04.2026 (₹0.37 Million) 16-04-2026 (₹0.28 Million)	NA	NIL	NA

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

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 1.78 million
(ii)	Total amount required to be set off for the financial year, if any	₹ 0.000 million
(iii)	Total CSR obligation for the financial year (i)- (ii)	₹ 1.78 million
(iv)	Total amount spent for the Financial Year	₹ 1.13 million
(v)	Excess amount spent for the Financial Year [(iv)-(iii)]	Nil
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(vii)	Amount available for set off in succeeding Financial Years [(iv)-(iii)]	Nil

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 ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	₹4.83 Million	NIL	₹1.25 Million	NIL	NIL	₹3.58 Million	NIL
2	FY-2	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	FY-3	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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.

CSR Committee has approved 'SurakshitMarg', the CSR initiative as an ongoing project due to which the amount allocated will be spent within three financial years as per section 135 of the Companies Act, 2013.

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May, 2026

John K. Paul
(Chairman of CSR committee)
(DIN: 00016513)

ANNEXURE E

SECRETARIAL AUDIT REPORT For the financial year ended on 31.03.2026

[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
Popular Vehicles and Services Limited
(CIN: L50102KL1983PLC003741)
Kuttukaran Centre
Mamangalam Cochin
Ernakulam 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 Popular Vehicles and Services Limited (CIN: L50102KL1983PLC003741) (hereinafter called the Company). The company has five subsidiaries and three step-down subsidiaries. Secretarial Audit of M/s Popular Vehicles and Services Limited for the financial year ending on 31.03.2026 was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/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 31.03.2026, 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 31.03.2026, 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 thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent they were applicable during the Audit Period:-

a) The Securities and Exchange Board of India (LODR) Regulations, 2015;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended/replaced by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014 as amended/replaced by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended/replaced by the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (NCS Regulations);

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

k) The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) Memorandum of Association of the company and

(iii) The Listing Agreements entered into by the Company with Stock Exchanges (NSE and BSE).

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 thereunder.

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 Abolition) Act, 1970 and rules made there under, The Employees' Provident Fund & Misc. Provisions Act, 1952 and rules made there under; Apprentices Act,1961 and rules made thereunder; 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 Compliance Officer of the Company and the reporting is limited to that extent and 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 tax laws, 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 with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has appointed whole-time Key Managerial Personnel viz, Managing Director, Company Secretary, Chief Financial Officer, and Chief Executive Officer. The following changes in the composition of the Board of directors took place during the audit period and were carried out in compliance with the provisions of the Act:

a) The Shareholders of the Company have appointed Mr. Neeraj Jain (DIN: 00348591), as an Independent Director (Non-Executive) of the Company by passing a Special Resolution at the Annual General Meeting held on 29th September 2025. He shall hold office for a term of 5 (five) consecutive years with effect from 29th September 2025, pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013, The Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Article 98 of the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors at their meeting held on 14th August 2025.

b) The Shareholders of the Company have appointed Mr. Murali Narayanan (DIN: 11356917), as an Independent Director (Non-Executive) of the Company by passing a Special Resolution through Postal Ballot held through remote e-voting concluded on 29th December 2025. He shall hold office for a term of 5 (five) consecutive years with effect from 29th December 2025, pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013, The Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Article 98 of the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors at their meeting held respectively on 29th October 2025 and 10th November 2025.

c) The Shareholders of the Company have re-appointed Mr. John K Paul (DIN: 00016513), who have attained the age of 73 years, as Whole time Director of the Company, by passing a Special Resolution through Postal Ballot held via remote e-voting concluded on 28.03.2026, for a further term from 01st April 2026 to 31st March, 2028. This is pursuant to the provisions of Section 196(3)(a) read with proviso thereto, Sections 196(4), 197, 203, Part I of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(1C) and 17(6)(e) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Articles of Association of the Company, and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors at their meeting held on 10th February 2026 and subject to the approval of the Central Government.

d) Mr. Francis K Paul (DIN: 00018825), 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 41st Annual General Meeting held on 29th September 2025. However, Mr.Francis K Paul (DIN: 00018825) resigned from the Board of Directors of the Company w.e.f. the close of business hours on 31st March 2026

e) Mr. Rakesh Kumar Bhutoria (DIN: 08449728), Nominee Director resigned from the company w.e.f. 08th December 2025 and the Board took note of the same at their meeting held on 10th February 2026.

I further report that the company held six (6) Board meetings during the period under report, respectively on 29th May 2025, 14th August 2025, 08th October 2025, 10th November 2025, 10th February 2026 and 31st March 2026. Adequate notice was given to all directors to schedule the Board Meetings. The agenda and detailed notes on the agenda items were sent in advance, in compliance with the prescribed timelines. A system exists for seeking and obtaining further information and clarification on the agenda items before the meetings to ensure meaningful participation. The proceedings of the meetings were recorded and signed by the Chairman. 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 were recorded.

During the reporting period, the Company conducted three (3) Postal Ballots through remote e-voting, which concluded on 04.07.2025, 29.12.2025, and 28.03.2026. All Postal Ballot proceedings were conducted in compliance with Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at their meeting held on 10.02.2026, gave approval for appointment of the following persons as Internal Auditors of the Company for a period of three years, with effect from 01st April 2026 to 31st March 2029, with audit responsibilities allocated on a geographical basis: (i) M/s Kumar Jain & Associates, Chartered Accountants, as Internal Auditors for the States of Tamil Nadu and Karnataka; (ii) M/s V.R. Saboo & Co., Chartered Accountants, as the Internal Auditors for the State of Telengana and (iii) Mr. Sojan Chacko, Chartered Accountant, as the Internal Auditor for the State of Kerala, who shall also function as the Group Internal Auditor of the Company and supervise the entire audit functions.

During the period under report, the Company entered into related party transactions with its wholly owned Subsidiary and stepdown Subsidiary Companies including transactions in the nature of purchase and sale of goods, acquisition of fixed assets, availing or rendering of services, receipt of corporate guarantee commission etc. and in respect of which the Company has complied with provisions of Sections 188 and 186 of the Companies Act, 2013, as applicable. The Audit Committee at the meeting held on 26.03.2025 granted omnibus approval to the Company for related party transactions to be undertaken during the financial year 2025–26 and the Board reviewed the related party transactions of the reporting period on a quarterly basis. Additionally, at its meeting held on 31.03.2026, the Audit Committee, gave omnibus approval to the Company for the related party transactions with its directors, subsidiaries, group companies etc., within the prescribed limits, under arm's length conditions, and on a continuing basis, for the upcoming financial year 2026-27.

In accordance with the provisions of the Companies Act, 2013 and the applicable SEBI Listing Regulations, the Board of Directors has constituted various committees to facilitate effective governance. The Committees of the Board include Audit Committee, Nomination and Remuneration Committee, Finance and Authorisation Committee (a subcommittee), Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee. The proceedings of the above committee meetings were duly recorded and signed by the Chairman.

During the reporting period, one meeting of the CSR Committee was held on 31.03.2026, and the proceedings were duly recorded and signed by the Chairman. For the financial year 2025–26, the Company was required to spend ₹1.78 Million towards its CSR obligations in accordance with Section 135(2) of the Companies Act, 2013. The Company had an opening balance of ₹4.83 Million in the Unspent CSR Account pertaining to FY 2024–25 as on 30.04.2025. During the year, the Company continued its ongoing CSR project "SurakshitMarg," aimed at promoting road safety awareness and falling under Schedule VII(ii) of the Act, through its implementing agency, K.P. Paul Foundation (CSR Registration Number: CSR00015233). An amount of ₹1.25 Million was transferred from the Unspent CSR Account (pertaining to FY 2024–25) to the implementing agency, which was fully utilized (₹0.63 Million towards SurakshitMarg Phase I and ₹0.62 Million towards SurakshitMarg Phase II). Consequently, the Unspent CSR Account relating to the Financial year 2024-25, reflected a closing balance of ₹3.58 Million as on 31.03.2026. Against the CSR obligation for FY 2025–26, the Company transferred ₹1.41 Million to the implementing agency, of which ₹1.13 Million was utilised for SurakshitMarg Phase

II during the year. The unutilised amounts of ₹0.28 Million lying with the implementing agency together with the balance amount of ₹0.37 Million remaining with the Company, aggregating to ₹0.65 Million, was transferred to the Unspent CSR Account pertaining to FY 2025–26 within the timelines prescribed u/s 135(6) of the Companies Act, 2013 The CSR Policy of the Company is disclosed on the website of the Company (www. popularvehicles.in).

The 41st Annual General Meeting of the company, for the financial year ended 31.03.2025, was held on 29.09.2025 through Video Conference, in compliance with relevant Circulars issued by MCA and SEBI. The proceedings of the above General Meeting were recorded and signed by the Chairman.

The shareholders of the Company passed Special Resolutions under Section 62(1)(b) of the Companies Act, 2013 at the 41st Annual General Meeting held on 29th September 2025 for authorising the Board of Directors/ Nomination and Remuneration Committee to formulate, design, implement and adopt one or more Employee Stock Option Schemes for the benefit of eligible employees of the Company, its subsidiaries and associate companies. Accordingly, the Board of Directors at their meeting held on 10th November 2025 has approved 'Popular Vehicles Employee Stock Option Scheme 2025'. The Company has submitted Applications seeking in-principle approval from BSE Limited and National Stock Exchange of India Limited and is awaiting approval.

At the 41st AGM held on 29th September 2025, the Shareholders of the Company appointed Secretarial Auditor for a term of five consecutive years w.e.f., 01st April, 2025 from financial year 2025-26 to financial year 2029-30, pursuant to Section 204 of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and based on the recommendation of the Audit Committee and the Board of Directors at their meetings held on 29th May 2025.

I further report that based on the information received and records maintained by the company there are adequate systems and processes in place, 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 undertook the following specific events/actions having a major bearing on the company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

(1) Disinvestment of shares of:

(i) Vision Motors Private Limited (VMPL)

During the reporting period, the Company completed the disinvestment of the entire shareholding of its step-down wholly owned subsidiary, Vision Motors Private Limited, held through its wholly owned subsidiary Popular Mega Motors (India) Private Limited, for an aggregate consideration of ₹68 crore by selling the said shares to M/s Automart Services Private Limited, based on independent valuation report. The disinvestment was carried out pursuant to Sections 188(1) and 110 of Companies Act, 2013, Regulation 23 and 24 of SEBI (LODR) Regulations, 2015, and provisions of the Memorandum and Articles of Association of the Company.

(ii) Kuttukaran Green Private Limited (KGPL)

During the reporting period, the Company completed the disinvestment of the entire shareholding of its wholly owned subsidiary, Kuttukaran Green Private Limited (KGPL), for an aggregate consideration of ₹2 Crores by selling the said shares to M/s Automart Services Private Limited, based on independent valuation report. The disinvestment was carried out pursuant to Sections 180(1)(a) 188(1) and 110 of Companies Act, 2013, Regulation 23 and 24 of SEBI (LODR) Regulations, 2015, and provisions of the Memorandum and Articles of Association of the Company.

The aforesaid disinvestment of shares was approved by the shareholders by passing Special Resolutions through Postal Ballot conducted through remote e-voting, which concluded on 04.07.2025, based on the recommendations of the Audit Committee and the Board of Directors at their respective meetings held on 08.05.2025 and 29.05.2025. The disinvestment transactions were completed on 25.08.2025 in respect of VMPL and on 31.08.2025 in respect of KGPL.

(2) Inter corporate loan to the wholly owned subsidiaries -

In accordance with Section 186 of the Companies Act, 2013, the Company granted inter-corporate loans to its wholly owned subsidiary companies as under:

- M/s Kuttukaran Cars Private Limited: ₹4,50,00,000 (Rupees Four Crore Fifty Lakh), approved by the Audit Committee and the Board of Directors at their meetings held on 10.11. 2025.
- M/s Popular Auto Dealers Private Limited: ₹3,50,00,000 (Rupees Three Crore Fifty Lakh), approved by the Audit Committee and the Board of Directors at their meetings held on 10.02.2026.

(3) Investment

During the reporting period, the Company incorporated two step down subsidiaries, Zparex Digisolutions Private Limited and Imperion Cars Private Limited through its wholly owned subsidiary Popular Mega Motors (India) Private Limited vide approval of the Board of Directors at their meetings held on 08.10.2025 and 10.11.2025.

(4) Acquisition of Undertaking:

During the audit period, the Company acquired the undertaking of R.K.S. Motor Private Limited (Maruti Dealer), Hyderabad (operating under Saboo RKS), on a slump sale basis as a going concern, for a total consideration of ₹93,00,00,000 (Rupees Ninety Three Crores only), vide approval accorded by the Board of Directors at their meeting held on 08.10.2025.

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**: A009868H000432961**
Place: Kochi-18
Date: 26.05.2026

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 6496/2025

‘Annexure A’

Annexure to **Secretarial Audit Report**

(For the financial year ended on 31.03.2026)

To
The Members
Popular Vehicles And Services Limited
(CIN: L50102KL1983PLC003741)
Kuttukaran Centre
Mamangalam Cochin
Ernakulam 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. Wherever 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**: A009868H000432961**
Place: Kochi-18
Date: 26.05.2026

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 6496/2025

ANNEXURE F(A)

SECRETARIAL AUDIT REPORT For the financial year ended on 31.03.2026

[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
Prabal Motors Private Limited
32/2571 H, IInd Floor, Kuttukaran Towers,
Mamangalam, Palarivattom P.O.,
Ernakulam, Pin- 682025, Kerala.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Prabal Motors Private Limited (CIN: U50101KL2006PTC019140) (hereinafter called the Company) having registered office at 32/2571 H, IInd Floor, Kuttukaran Towers, Mamangalam, Palarivattom P.O., Ernakulam, Kerala, Pin- 682025 and incorporated on 01.02.2006.The company is a deemed public Company, as its ultimate holding company, M/s Popular Vehicles and Services Limited is a public Limited Company and a listed entity. The Company is also a step-down subsidiary of M/s Popular Vehicles and Services Limited and subsidiary of M/s Keracon Equipments Private Limited; the latter is a wholly owned subsidiary of the first mentioned ultimate holding company M/s Popular Vehicles and Services Limited. It has been informed to me that for the purpose of compliances under the Companies Act, 2013 and Rules made thereunder by M/s Prabal Motors Private Limited, it has been treated as a subsidiary of a public company (deemed public company).

The Secretarial Audit of **M/s Prabal Motors Private Limited** for the financial year ended on 31.03.2026 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 31.03.2026, 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 31.03.2026 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 Link Intime India Private Limited as the Registrar and 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- Generally not applicable as the company is an unlisted/ deemed public company; However, certain provisions of the SEBI (LORD) Regulations, 2015 are applicable to the Company, since the Company is an unlisted material subsidiary of Popular Vehicles and Services Limited, a listed entity, crossing the prescribed financial thresholds.

   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 - Not applicable as the company is an unlisted/ deemed public company;

   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 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. As per Regulation 24 of the SEBI (LODR) Regulations, 2015, the Company needed to appoint at least one of the Independent Directors of the listed holding company on the Board of the Company and the Company ensured the compliance of the Regulation, by appointing Independent Director of the listed entity Mr. George Joseph (DIN: 00253754) on the Board w.e.f. 17th January, 2025. Presently Independent Directors Mr. George Joseph (DIN: 00253754) and Mr. Prashant Mohan (DIN: 00016393) are on the Board of the Company, both of them were appointed on 17.01.2025. The following changes in the composition of the Board of Directors and other KMPs took place during the audit period and were carried out in compliance with the provisions of the Act:

(1) Mr. John K. Paul (DIN: 00016513), 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 19th Annual General Meeting held on 29.07.2025 as recommended by the Board at their meeting held on 29.05.2025

(2) Mr.Kannan Veeraiyan (PAN: AEEPK3845F) has been appointed at the Board meeting held on 07.11.2025 as recommended by the Nomination and Remuneration Committee as the Chief Executive Officer (CEO) of the Company w.e.f. 10.11.2025, for a tenure upto 31.03.2027.

(3) Mr. Raj Narayan (DIN: 10933543), who was appointed as an Additional Director on the Board of Directors of the Company, w.e.f., 14.03.2025, in accordance with Section 161 of the Companies Act, 2013 and Article 64 of the Articles of Association of the Company was appointed as a Director of the Company upon approval by the members at the AGM held on 29.07.2025, pursuant to the provisions of Sections 149 and 152 of Companies Act, 2013 and rules made thereunder.

I further report that the Company held five (5) Board Meetings during the period under report, respectively on 29.05.2025, 11.08.2025, 07.11.2025, 05.02.2026, and 24.03.2026, and adequate notice was given to all the directors to schedule the Board Meetings. The agenda and detailed notes thereon were circulated in advance, in accordance with the statutory timelines. A proper system exists within the Company for seeking and obtaining further information and clarifications on the agenda items before the meeting, for meaningful participation at the meeting. The proceedings of the above meetings were duly recorded and signed by the Chairman.

During the period under report, the Company entered into related party transactions with its holding Company and other group Companies/Associates, in the nature of purchase and sale of goods, fixed assets, availing or rendering of services, payment and receipt of Corporate Guarantee Commission etc. and in respect of which the Company has complied with provisions of Sections 188 and186 of the Companies Act, 2013, as applicable. Omnibus approval for entering into related party transactions during the financial year 2025-26 was accorded at the Board Meeting held on 14.03.2025 and the Board reviewed the related party transactions of the reporting period on a quarterly basis. Additionally, the Audit Committee, at its meeting held on 24.03.2026, gave omnibus approval to the Company for the related party transactions with its holding Company, group companies etc., within the prescribed limits, under arm's length conditions, and on a continuing basis, for the upcoming financial year 2026-27.

The Board at the meetings held respectively on 29.05.2025 noted the declaration given by the directors pursuant to Section 164(2) of the Act and ensured that none of the directors is 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. Further, the Company has received necessary declaration from both the Independent Directors of the Company u/s 149(7) of the Act that they meet the criteria of independence as provided in Section 149(6) of the Act.

The Board of Directors at their meeting held on 05.02.2026, gave approval for appointment of the following persons as Internal Auditors of the Company in accordance with the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, for a period of three years, with effect from 01st April 2026 to 31st March 2029, with audit responsibilities allocated on geographical basis: (i) Mr. Sojan Chacko, Chartered Accountant, as the Internal Auditor with overall oversight and coordination of internal audit activities across all States and as Head – Internal Audit; (ii) M/s Kumar Jain & Associates, Chartered Accountants, as the Internal Auditors for the States Tamil Nadu and Punjab; and (iii) M/s V.R. Saboo & Co., Chartered Accountants, as the Internal Auditors for the State of Maharashtra to conduct the internal audit in accordance with the scope, periodicity, terms and reporting framework as may be approved by the Board from time to time.

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 were recorded.

The Committees of the Board include Audit Committee, Nomination and Remuneration Committee, Finance and Authorisation Committee and Corporate Social Responsibility (CSR) Committee. On partial conversion of loan given by the ultimate holding company, to equity in the financial year 2024-25, the ultimate holding company M/s Popular Vehicles and Services Limited, had became a shareholder of the company and resultantly the company became a subsidiary from wholly owned subsidiary of M/s Keracon Equipments Private Limited and required to constitute Audit Committee and NRC during the financial year 2024-25.

During the reporting, the Audit Committee Meetings were held on 11.08.2025, 07.11.2025, 05.02.2026 and 24.03.2026, and Nomination & Remuneration Committee Meeting was held on 07.11.2025.

During the reporting period, the Finance and Authorization Committee met twelve (12) times respectively on 04.04.2025, 19.05.2025, 01.07.2025, 12.08.2025, 01.09.2025, 14.11.2025, 18.12.2025, 02.01.2026, 06.02.2026, 17.02.2026, 06.03.2026 and 25.03.2026.

The proceedings of the above committee meetings were duly recorded and signed by the Chairman and noted in the subsequent meetings of the Board.

A separate meeting of the Independent Directors of the Company was held on 24th March 2026, in compliance with the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013.

Since the Company had an unspent CSR amount pertaining to the previous financial year lying in its Unspent CSR Account, during the reporting period, the Corporate Social Responsibility (CSR) Committee was constituted at the Board Meeting held on 29.05.2025, in compliance with the Companies (CSR Policy) Amendment Rules, 2022 dated 20.09.2022. During the reporting period, one meeting of the CSR Committee was held on 24.03.2026. The Company was not required to comply with the CSR provisions or make any CSR contribution for the financial year ended 31.03.2026, as it did not meet the applicability thresholds specified under Section 135(1) of the Companies Act, 2013, based on its financials for the immediately preceding financial year ended 31.03.2025. However, for financial year 2024–25, the Company had a CSR obligation of ₹17,47,198/-, of which ₹1,81,084/- was spent, and the balance unspent amount of ₹15,66,115/- was transferred to the Unspent CSR Account within the prescribed timelines, in compliance with the Act. During financial year 2025–26, the Company continued its ongoing CSR project, Surakshit Marg, through its implementing agency, K. P. Paul Foundation, by utilizing the available balance in the Unspent CSR Account relating to financial year 2024–25. The Unspent CSR Account showed an opening balance of ₹15,66,115 as on 30.04.2025. An amount of ₹3,68,917 was transferred to the implementing agency towards Surakshit Marg – Phase I, out of which ₹1,86,702 was utilized for Phase I, and the remaining balance of ₹1,82,215 was subsequently utilized for Surakshit Marg – Phase II. After these utilizations, the Unspent CSR Account reflected a closing balance of ₹11,97,198 as on 31.03.2026.

As per the explanation received and the records of the company, the Company has constituted an Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the reporting period, the said Committee has not received any sexual harassment complaints. As per the records of the company and the explanation received from the Company, the Company has submitted the Annual Report under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Calendar Year 2025, pursuant to Section 21(1) of the POSH Act, 2013.

The 19th Annual General Meeting of the Company for the financial year ending 31.03.2025 was held on 29.07.2025 at the Registered Office of the Company on physical mode. The proceedings of the above meetings were 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 the following specific events/actions having a major bearing on the company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

(1) Redemption of Preference shares:

During the reporting period, the Company redeemed 0.01% – 20,000 Non-Cumulative Redeemable Preference Shares of ₹10/- each, aggregating to ₹2,00,000/- (Rupees Two Lakhs only), held by the ultimate holding company M/s Popular Vehicles and Services Limited, out of the profits of the Company. The redemption was approved by the Audit Committee and the Board of Directors at their meetings held on 11.08.2025.

Upon redemption of the entire preference share capital, the paid-up share capital of the Company comprises only equity share capital, amounting to ₹1,41,930/-, divided into 14,193 equity shares of ₹10/- each as on 31.03.2026. The Authorised share capital of the Company as on 31.03.2026 is ₹5,00,000/- divided into 50,000 equity shares of ₹10/- each.

(2) Acquisition of Undertaking:

During the audit period, the Company acquired the undertaking of Globe CV Private Limited, authorised dealers of BharatBenz Trucks, on an as-is-where-is basis by way of a slump sale, vide approval accorded by the Board of Directors at their meeting held on 11.08.2025, pursuant to which the Company became the exclusive BharatBenz dealer in Punjab.

(3) 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: **A009868H000373110**
Place: Kochi-18
Date: 21.05.2026

M.C.SAJUMON
Practicing Company Secretary
MN: A9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer review Cert. No.6496/2025

Annexure A'

Annexure to **Secretarial Audit Report**

To
The Members
Prabal Motors Private Limited
32/2571 H, IInd Floor, Kuttukaran Towers,
Mamangalam, Palarivattom P.O.,
Ernakulam, Pin- 682025, Kerala

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: **A009868H000373110**
Place: Kochi-18
Date: 21.05.2026

M.C.SAJUMON
Practicing Company Secretary
MN: A9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer review Cert. No.6496/2025

ANNEXURE F(B)

SECRETARIAL AUDIT REPORT For the financialyear ended 31.03.2026

[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
Popular Mega Motors (India) Private Limited
Door No. 32/2571 Kuttukaran Centre,
Mamangalam, Kanayannur Taluk
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 Popular Mega Motors (India) Private Limited** (CIN: U45100KL1997PTC011748) (hereinafter called the Company). The Company is a deemed public company, being the wholly owned subsidiary of M/s Popular Vehicles and Services Limited, a listed entity. Additionally, the Company is classified as a material subsidiary of M/s Popular Vehicles and Services Limited. The Company has two (2) wholly owned subsidiary companies, viz. M/s Zparex Digisolutions Private Limited (CIN: U63999KA2025PTC210771) and Imperion Cars Private Limited (CIN: U45100KL2025PTC098735). Secretarial Audit of M/s Popular Mega Motors (India) Private Limited for the financial year ending on 31.03.2026 was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/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 31.03.2026 (period under report/review), 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 31.03.2026, 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 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. 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- Generally not applicable as the company is an unlisted/ deemed public company; However, certain provisions of the SEBI (LODR) Regulations, 2015 are applicable to the Company, since the Company is an unlisted material subsidiary of Popular Vehicles and Services Limited, a listed entity, crossing the prescribed financial thresholds.

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not applicable to the Company during the reporting financial year;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992- Not applicable to the Company during the reporting financial year;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable to the Company during the reporting financial year;

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended/replaced by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable to the Company during the reporting financial year;

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014 as amended/replaced by the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable to the Company during the reporting financial year;

g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended/replaced by the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (NCS Regulations) - Not applicable to the Company during the reporting financial year;

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not applicable to the Company during the reporting financial year;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the reporting financial year; and

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the reporting financial year.

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 thereunder;

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 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 and the Management Representation Letter issued by the Managing Director of the company and the reporting is limited to that extent and 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 with the proper balance of Executive Directors, Non-Executive Directors & Independent Directors. The Company has appointed whole-time Key Managerial Personnel as required under the Companies Act, 2013 viz., Managing Director. As per Regulation 24 of the SEBI (LODR) Regulations, 2015, the Company needed to appoint at least one of the Independent Directors of the listed holding company on the Board of the Company and the Company ensured the compliance of the Regulation, by appointing Independent Director of the listed entity Mr. Jacob Kurian (DIN: 00213259) on the Board w.e.f. 16th July, 2021.

The Company is not required to appoint Company Secretary (CS), Chief Financial Officer (CFO) and Chief Executive Officer (CEO), as its paid up share capital is below the threshold limit of ₹10 Crores, as prescribed under Section 203(1) of the Companies Act 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The following changes in the composition of the Board of directors and other KMPs took place during the audit period and were carried out in compliance with the provisions of the Act:

1. Ms. Surya Jacob (PAN: AKHPJ9044Q) resigned from the position of Company Secretary of the

Company w.e.f. 30th August 2025. However, the Company is not required to appoint a Company Secretary as aforesaid.

2. Mr. Mathew Thomas (DIN: 08764942), 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 28th Annual General Meeting held on 29.07.2025 as recommended by the Board at their meeting held on 15.05.2025.

I further report that the Company held eight (8) Board meetings during the period reporting period respectively on 15.05.2025, 07.07.2025, 04.08.2025, 20.10.2025, 05.11.2025, 10.12.2025, 29.01.2026, and 04.03.2026. Adequate notice was given to all directors to schedule the Board Meetings. The agenda and detailed notes thereon were circulated in advance in accordance with the statutory timelines. A proper system exists within the Company for seeking and obtaining further information and clarification on the agenda items before the meeting for meaningful participation at the meeting. The proceedings of the above meetings were duly recorded and signed by the Chairman.

The Board at the meeting held on 15.05.2025 took note of the declaration u/s 149(7) of the Act regarding whether the Independent Director meets the criteria of Independence u/s 149(6) and ensured it, and also noted that the independent director is not disqualified to act as such. The Board also noted the Declarations 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.

During the period under report, the Company entered into related party transactions with its holding Company, Wholly Owned Subsidiary Company and other group Companies/Associates including transactions in the nature of purchase and sale of goods, Vehicles, fixed assets, availing or rendering of services, payment and receipt of Corporate Guarantee Commission etc. and in respect of which the Company has complied with provisions of Sections 188 and 186 of the Companies Act, 2013, as applicable. Omnibus approval for entering into related party transactions during the financial year 2025-26 was accorded at the Board Meeting held on 15.05.2025. Further, the Board at its meeting held on 10.12.2025 gave approval for entering into related party transactions with the newly incorporated wholly owned subsidiary of the Company Imperion Cars private Limited.

During the financial year 2025-26, the Finance & Authorisation Committee had met fifteen (15) times respectively on 01.04.2025, 12.05.2025, 18.06.2025, 07.07.2025, 13.08.2025, 11.09.2025, 09.10.2025, 14.11.2025, 03.12.2025, 19.12.2025, 02.01.2026, 18.02.2026, 24.02.2026, 09.03.2026 and 17.03.2026. The proceedings of the above committee meetings were duly recorded and signed by the Chairman and were also duly considered by the Directors in their respective Board meetings.

The Company has not constituted the Audit Committee and the Nomination and Remuneration Committee u/s 177 and 178 of the Companies Act, 2013, as it is a wholly owned subsidiary of a Public Company and is therefore exempted from constituting these Committees in terms of the MCA Notification dated 13th July 2017.

During the financial year 2025-26, CSR Committee meeting was held on 04.03.2026, and the proceedings were duly recorded and signed by the Chairman. For the financial year 2025-26, the Company was required to spend ₹22,07,377/- towards its Corporate Social Responsibility (CSR) obligations in accordance with Section 135(2) of the Companies Act 2013. The balance standing to the credit of the Company's Unspent CSR Account pertaining to FY 2024–25 was ₹24,25,703.68/- as on 30.04.2025. During the reporting period, the Company continued implementation of its ongoing CSR project "Surakshit Marg," aimed at promoting road safety awareness and falling under Schedule VII(ii) of the Act, through its implementing agency, K.P. Paul Foundation (CSR Registration Number: CSR00015233). During the financial year 2025-26, an amount of ₹6,64,049.68/- was released from the Unspent CSR Account pertaining to FY 2024-25 to the implementing agency and was fully utilized towards the project, comprising ₹3,36,062.68/- for Surakshit Marg – Phase I and ₹3,27,987/- for Surakshit Marg – Phase II. Consequently, the balance remaining in the Unspent CSR Account relating to FY 2024-25 stood at ₹17,61,654/- as at 31.03.2026. During the period under report, the Company did not utilize any portion of its CSR obligation due for the FY 2025-26. Consequently, the entire unspent amount of ₹22,07,377/- was transferred to the Unspent CSR Account within the prescribed time limit.

The 28th Annual General Meeting of the company for the financial year ending 31.03.2025 was held on 29.07.2025 at the Registered Office of the Company. Apart from this, two (2) Extra Ordinary General Meetings (EGMs) of the Members of the Company were held at the Registered Office on 09.07.2025 and 24.02.2026. The proceedings of the above meetings were duly recorded and signed by the Chairman.

As per the records of the Company and the explanation received, the Company has constituted an Internal Complaints Committee (ICC) in compliance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Board of Directors at their meeting held on 04th March 2026, took note of the Annual Report submitted by the ICC for the Calendar Year 2025 under the POSH Act. As confirmed, the Committee has also submitted the Annual Report to the District Officer, in accordance with Section 21 of the POSH Act, 2013.

The Company has also established a Vigil Mechanism policy in Compliance with Section 177(9) and Section 177(10) of the Companies Act, 2013. Since the Company is exempt from constituting an Audit Committee (being a wholly owned subsidiary of a public company), Mr. Naveen Philip, Managing Director, was appointed during the financial year 2016-17 to fulfil the role of the Audit Committee for the purpose of the Vigil Mechanism. Employees have been provided with direct access to him to report concerns under this mechanism. The existence of the vigil mechanism has been appropriately communicated within the organization and is disclosed on the Company's website (https://www.populartata.com/vigil-mechanism/).

I further report that, based on the information provided and records maintained by the company, there are adequate systems and processes 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 undertaken the following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc, in addition to creation, modification, and satisfaction of charges:

(1) Disinvestment of shares of the Wholly Owned Subsidiary Vision Motors Private Limited (VMPL)

During the reporting period, the Company divested its entire shareholding in its wholly owned subsidiary, **Vision Motors Private Limited**, by selling the said shares to **M/s Automart Services Private Limited** for an aggregate consideration of **₹ 68 crore**, based on an independent valuation report. The disinvestment was carried out pursuant to **Sections 180(1)(a)** and **188(1)** of the Companies Act, 2013, and in accordance with the provisions of the Memorandum and Articles of Association of the Company, and based on the approval of the Board of Directors at its meeting held on 07th July 2025, and the Special Resolution passed by the shareholders at the Extra Ordinary General meeting (EGM) held on 09th July 2025. Consequent to the divestment, **Vision Motors Private Limited ceased to be a wholly owned subsidiary of the Company with effect from 25th August 2025**.

(2) Investment by incorporating Wholly Owned Subsidiary Companies

During the reporting period, the Company incorporated two (2) wholly owned Subsidiary Companies, pursuant to the resolutions passed at the Board Meeting held on 20.10.2025, as detailed hereunder:

a) Zparex Digisolutions Private Limited

On 10.11.2025, the Company incorporated a wholly owned subsidiary by the name Zparex Digisolutions Private Limited (CIN: U63999KA2025PTC210771) by subscribing to 19,99,999 equity shares of ₹10/- each, aggregating to ₹1,99,99,990, out of the total 20,00,000 equity shares of ₹10/- each, aggregating to ₹2,00,00,000/-. The beneficial interest in the remaining 1 equity share is also vested with the Company, being held by a nominee of the Company.

b) Imperion Cars Private Limited

On 28.11.2025, the Company incorporated another wholly owned subsidiary named Imperion Cars Private Limited (CIN: U45100KL2025PTC098735) by subscribing to 99,999 equity shares of ₹10/- each, aggregating to ₹ 9,99,990/-, out of the total 1,00,000 equity shares of ₹10/- each, aggregating to ₹10,00,000/-. The beneficial interest in the remaining 1 equity share is held by a nominee of the Company.

(3) Inter corporate loans to the Wholly Owned Subsidiary M/s Imperion Cars Private Limited

In accordance with Section 186, 179 and 62(3) of the Companies Act, 2013, the Company granted inter-corporate loans to its wholly owned subsidiary Imperion Cars Private Limited, with the option for conversion to equity, as under:

(i) Rs.20 Crore, approved by the Board of Directors at its meeting held on 10th December 2025

(ii) Rs.5 Crore, approved by the Board of Directors at its meeting held on 04th March 2026

By virtue of Section 185(3)(c) of the Companies Act, 2013 any loan made by a holding company to its wholly owned subsidiary companies does not fall within the purview of Section 185(1) since the loans made are utilized by the subsidiary companies for its principal business activities.

(4) Alteration of the Object Clause of the Memorandum of Association

The members of the Company, at the Extra-Ordinary General Meeting held on 24.02.2026, approved the alteration of the Object Clause of the Memorandum of Association pursuant to Section 13(1) read with Section 13(9) of the Companies Act, 2013, subject to the approval of the Central Government. The members' approval covered the following:

(i) Alteration of Clause 3(a) of the Memorandum of Association by deleting the existing sub-clauses (3), (4), (7), (12), (13), (14) and (15), and thereafter suitably revising and renumbering the remaining sub-clauses.

(ii) Alteration of Clause 3(b), sub-clause (13) by substituting the words *"Companies Act, 1956"* with *"Companies Act, 2013"*.

(iii) Insertion of a new sub-clause (23) after the existing sub-clause (22) under Clause 3(b) of the Memorandum of Association.

e-Form MGT-14 was duly filed with the MCA/ROC for registration of the Special Resolution passed for the above alterations. The NIC code was updated in the said e-Form to reflect the Company's actual main activity. The approval of the Central Government (Registrar of Companies) was obtained on 10.04.2026, and accordingly, the Company was allotted a revised CIN: U45100KL1997PTC011748.

(5) Corporate Guarantee to the Wholly Owned Subsidiary Company

The Company has decided to furnish Corporate Guarantee in pursuance of Section 186 of the Companies Act, 2013 as mentioned below:

(i) The Company has decided to furnish a Corporate Guarantee in pursuance of Section 179, 185 and 186 of the Companies Act, 2013, to HDFC Bank Limited in favour of its wholly owned subsidiary, M/s Imperion Cars Private Limited, to secure the credit facility of ₹40,50,00,000/- availed by the said subsidiary from HDFC Bank Limited, as approved by the Finance and Authorisation Committee at their meeting held on 02.01.2026.

(ii) The Company has also decided to furnish a Corporate Guarantee in pursuance of Section 179, 185 and 186 of the Companies Act, 2013, to Axis Bank Limited in favour of its wholly owned subsidiary, M/s Imperion Cars Private Limited, to secure the credit facility of ₹5,00,00,000/- availed by the said subsidiary from Axis Bank Limited, as approved by the Finance and Authorisation Committee at their meeting held on 02.01.2026.

By virtue of proviso to Section 186(3) where a guarantee is given by a company to its wholly owned subsidiary company, the requirement of special resolution as per the provisions of Section 186(2) shall not apply.

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: **A009868H000375706**
Place: Kochi-18
Date: 18.05.2026

M.C. SAJUMON
Practising Company Secretary
MN: A9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer review Cert. No. 6496/2025

'Annexure A'

Annexure to **Secretarial Audit Report**

To
The Members
Popular Mega Motors (India) Private Limited
Door No. 32/2571, Kuttukaran Centre,
Mamangalam, Kanayannur Taluk
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: **A009868H000375706**
Place: Kochi-18
Date: 18.05.2026

M.C. SAJUMON
Practising Company Secretary
MN: A9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer review Cert. No. 6496/2025

ANNEXURE G

Business Responsibility & Sustainability Report

Section A) General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L50102KL1983PLC003741
2.	Name of the Listed Entity	Popular Vehicles and Services Limited
3.	Year of incorporation	05-07-1983
4.	Registered office address	KUTTUKARAN CENTRE, MAMANGALAM, COCHIN, ERNAKULAM, KERALA, INDIA 682025
5.	Corporate address	KUTTUKARAN CENTRE, MAMANGALAM COCHIN, ERNAKULAM, KERALA, INDIA, 682025
6.	E-mail	cs@popularv.com
7.	Telephone	0484-2341134, 2340143
8.	Website	www.popularvehicles.in
9.	Financial year for which reporting is being done	2025-2026
10.	Name of the Stock Exchange(s) where shares are listed	NSE and BSE
11.	Paid-up Capital	₹ 142,396,396/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Benny K.J., Vice President - Human Resource Contact Details: Phone: 0484 2341134, Email: benny.kj@popularv.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on a standalone basis.
14.	Name of the assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable The Company is not falling in the top 1,000 listed entities as per the data published by the stock exchanges as on 31st December, 2025.

II. Product & Services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Trade	Retail Trading	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

Sl. No.	Product /Service	NIC Code	% of the total turnover contributed
1	Wholesale and retail sale of new vehicles (passenger motor vehicles, ambulances, minibuses, jeeps, trucks, trailers and semi-trailers)	45101	67%
2	Wholesale and retail sale of used motor vehicles	45102	11%
3	Maintenance and repair of motor vehicles	45200	8%
4	Sale of motor vehicle parts and accessories	45300	10%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Locations	Number of Plants	Number of Offices	Total
National	0		**247**
a. Sales incl. SPCs		111	
b. True Value		31	
c. Service		89	
d. Call Centre		4	
e. Driving School		10	
f. Head Office		2	
International	0	0	0

19. Markets served by the entity:

a. Number of Locations

Locations	Number
National (No. of States)	4
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0

c. A brief on types of customers:

		FY 25-26	FY 24-25
a.	New Vehicle Buyers	24735	27563
b.	Periodic Maintenance	326246	250506
c.	Vehicle Repair Services	476853	288758
d.	Pre-owned Vehicles Customers	7813	5552
e.	Driving Learners	6090	4627
f.	Insurance Renewals	214850	213292

IV. Employees

20. Details at the end of Financial Year

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total	Male		Female	
		(A)	No.(B)	%(B/A)	No.(C)	%(C/A)
Employees						
1	Permanent(D)	2029	1783	87.88%	246	12.12%
2	Other than permanent(E)	53	51	96.23%	2	3.77%
3	Total Employees (D+E)	2082	1834	88.09%	248	11.91%
Workers						
4	Permanent(F)	4574	3277	71.64%	1297	28.36%
5	Other than permanent(G)	544	403	74.08%	141	25.92%
6	Total Employees(F+G)	5118	3680	71.90%	1438	28.10%

20. b Differently Abled Employees & Workers

Sl. No.	Particulars	Total (A)	Male No.(B)	Male %(B/A)	Female No.(C)	Female %(C/A)
Differently Abled Employees						
1	Permanent(D)	0	0	0.00%	0	0.00%
2	Other than permanent(E)	0	0	0.00%	0	0.00%
3	Total Employees(D+E)	0	0	0.00%	0	0.00%
Differently Abled Workers						
4	Permanent(F)	2	0	0.00%	2	100.00%
5	Other than permanent(G)	0	0	0.00%	0	0.00%
6	Total Employees(F+G)	2	0	0.00%	2	100.00%

21. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females No.(B)	% (B/A)
Board of directors	8	1	12.5%
Key Management Personnel	6	0	0%

22. Turnover rate for permanent employees and workers.

(Disclose trends for the past 3 years)

	FY 2025-26 (Turnover Rate in FY)			FY 2024-25 (Turnover Rate in FY)			FY 2023-24 (Turnover Rate in FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.62%	28.89%	29.53%	30.61%	21.59%	29.63%	24.78%	19.40%	24.23%
Permanent Workers	34.86%	31.88%	34.06%	41.14%	34.47%	39.39%	38.22%	34.06%	37.20%

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0%

V. Holding, Subsidiary and Associate Companies (Including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Popular Mega Motors (India) Private Limited	Wholly Owned Subsidiary	100%	No
2	Popular Autoworks Private Limited	Wholly Owned Subsidiary	100%	No
3	Popular Auto Dealers Private Limited	Wholly Owned Subsidiary	100%	No
4	Kuttukaran Cars Private Limited	Wholly Owned Subsidiary	100%	No
5	Keracon Equipments Private Limited	Wholly Owned Subsidiary	100%	No
6	Prabal Motors Private Limited	Subsidiary	29.54%*	No
7	Zparex Digisolutions Private Limited**	Step down Subsidiary	100%	No
8	Imperion Cars Private Limited**	Step down Subsidiary	100%	No

* Keracon Equipments Private Limited, wholly owned subsidiary of the Company, holds the remaining 70.46% of the shareholding in Prabal Motors Private Limited.

**During the financial year, two new wholly owned subsidiary companies are incorporated under Popular Mega Motors (India) Private Limited, namely Zparex Digisolutions Private Limited (incorporated on 10 November 2025) and Imperion Cars Private Limited (incorporated on 28 November 2025).

VI. CSR Details

24.

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) : 28,68,35,24,430

(iii) Net worth (in ₹) : 4,05,20,95,598

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place. Yes/No (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial year			FY 2024-25 Previous Financial year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities		No complaints or grievances were received from communities.					
Investors (Other than Shareholders)		No complaints or grievances were received from investors.					
Shareholders	Yes https://assets.popularvehicles.in/Investor_Grievance_Redressal_Policy_cd94eff450/Investor_Grievance_Redressal_Policy_cd94eff450.pdf	0	0	NIL	15	0	The complaints received were resolved.
Employees & Workers	Yes https://assets.popularvehicles.in/Whistle_Blower_Policy_74849727e3/Whistle_Blower_Policy_74849727e3.pdf	13	1	1 (Financial Misappropriation, Case under progress)	7	0	The complaints received were resolved.
Customers	Yes https://assets.popularvehicles.in/Whistle_Blower_Policy_74849727e3/Whistle_Blower_Policy_74849727e3.pdf	62318	0	91% resolved within TAT of 48 HRS	74238	0	89% resolved within TAT of 48 HRS
Value Chain Partners		No complaints or grievances were received from value chain partners.					
Other (Please specify)		Nil					

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material Issue Identified	Indicate whether Risk / Opportunity (R/O)	The rationale for Identifying Risk or Opportunity	Approach to Adapt or Mitigate (In case of risk)	Financial Implication of Risk or Opportunity (Indicate positive or negative implications)
1	Emission Regulations	Risk/ Opportunity	Increasing regulatory pressure on vehicle emissions Accelerated Shift towards EV's and Low emission Vehicles.	Develop and promote the sale of electric vehicles (EVs) and invest in emission control technologies	Negative: Increased costs for compliance and technology upgrades. Positive: Potential market for EVs
2	Renewable Energy Adoption	Opportunity	Shift towards sustainable energy sources	Invest in renewable energy sources for dealership operations and promote EVs. Installation of rooftop solar for branches.	Positive: Reduction in energy cost and long-term savings
3	Waste Management	Risk	Regulatory requirements for proper disposal of automotive waste	Implement comprehensive waste management systems and tie up with authorized recyclers.	Negative: Initial investment in waste management systems. Positive: Avoidance of penal actions against regulatory compliances.
4	Customer Demand for EVs	Opportunity	Increasing consumer preference for environmentally friendly vehicles	Expand the EV product range and provide incentives for EV purchases	Positive: Increased sales and market share in the EV segment
5	Labour Practices	Risk	Ensuring fair labour practices and inclusivity	Develop policies and training programs to ensure compliance with labour laws and promote inclusivity.	Negative: Initial costs for policy development and training programs. Positive: Improved employee morale and retention
6	Energy Efficiency in Operations	Opportunity	Need to reduce operational costs and carbon footprint	Implement energy-efficient practices and technologies in dealership operations	Positive: Reduced energy costs and lower carbon footprint
7	Community Engagement and Development	Opportunity	Building strong relationships with the local community	Engage in corporate social responsibility (CSR) activities and community development projects	Positive: Enhanced brand reputation and customer loyalty

Sl. No.	Material Issue Identified	Indicate whether Risk / Opportunity (R/O)	The rationale for Identifying Risk or Opportunity	Approach to Adapt or Mitigate (In case of risk)	Financial Implication of Risk or Opportunity (Indicate positive or negative implications)
8	Water Use and Conservation	Risk	Regulatory and community pressure to manage water resources sustainably	Implement water-saving technologies and practices in dealership operations	Negative: Costs associated with implementing water conservation measures. Positive: Long-term savings and improved community relations
9	Climate Change Impact	Risk	Potential disruption to supply chain and operations due to climate events	Develop and implement a climate resilience plan for operations and supply chain	Negative: Costs for developing and implementing resilience measures. Positive: Increased resilience and reduced operational disruptions
10	Business/ Growth	Opportunity	Focusing on growth through strategic expansion into new geographical markets. Both urban and rural regions offer untapped potential, enabling the company to serve a wider customer base and capitalize on regional demand trends.	Actively expanding the company's physical presence across various regions and initiating operations in new markets. This includes setting up dealerships in high-potential areas, tailoring offerings to local preferences, and strengthening distribution and service networks.	Positive: The geographic expansion is expected to contribute to increased vehicle sales, greater brand visibility, and a larger market share. Over time, these efforts are likely to enhance revenue streams and improve overall profitability.
11	Digital integration	Risk	Underutilization of digital tools and platforms and lack of awareness and understanding of digital tools among teams may hinder operational efficiency, reduce productivity, and limit the overall effectiveness of internal processes and customer engagement efforts.	Launch of a digital enablement program, including awareness sessions and workshops to improve digital literacy and embed digital thinking and practices.	Negative: Lack of usage of emerging digital tools and technologies may lead to inefficiencies, higher operational costs, missed revenue opportunities, and a slower pace of innovation. These will negatively impact the company's financial performance and competitive positioning.
12	Data Privacy & Cybersecurity	Risk	Increasing digitisation leading to higher exposure to data breaches and regulatory risks	Strengthen IT controls, cybersecurity frameworks, employee awareness programs	Negative: Investment in IT security. Positive: Avoidance of penalties and reputational loss

Sl. No.	Material Issue Identified	Indicate whether Risk / Opportunity (R/O)	The rationale for Identifying Risk or Opportunity	Approach to Adapt or Mitigate (In case of risk)	Financial Implication of Risk or Opportunity (Indicate positive or negative implications)
13	Supply Chain Dependence on OEM	Risk	High dependence on OEM policies, pricing, and supply chain disruptions	Strengthen OEM engagement, diversify revenue streams (Allied services)	Negative: Revenue volatility risk. Positive: Stability through diversification
14	Customer Transparency & Ethical Sales Practices	Risk	Regulatory and reputational risk from mis-selling or lack of pricing transparency	Strengthen SOPs, audit mechanisms, customer communication protocols	Negative: Compliance costs. Positive: Higher trust and repeat business

SECTION B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	Web-links for the policies available: **Vendor Management Policy:** https://assets.popularvehicles.in/Vendor_Management_Policy_f2d542ac2b/Vendor_Management_Policy_f2d542ac2b.pdf Principle 1, 2, 3, 5, 6 **Policy for Determination of Materiality**: https://assets.popularvehicles.in/Policy_For_Determination_Of_Materiality_5858d6835f/Policy_For_Determination_Of_Materiality_5858d6835f.pdf Principle 1, 4 **Policy for Evaluation of Performance of Board of Directors:** https://assets.popularvehicles.in/Policy_for_Evaluation_of_Performance_of_Board_of_Directors_docx_64d9899cb7/Policy_for_Evaluation_of_Performance_of_Board_of_Directors_docx_64d9899cb7.pdf Principle 1 **Policy for Familiarisation Programme for Independent Directors:** https://assets.popularvehicles.in/Policy_for_Familiarisation_Programme_for_Independent_Directors_302036f3c1/Policy_for_Familiarisation_Programme_for_Independent_Directors_302036f3c1.pdf Principle 1 **Policy for Preservation of Documents:** https://assets.popularvehicles.in/Policy_for_Preservation_of_Documents_656d592c95/Policy_for_Preservation_of_Documents_656d592c95.pdf Principle 1 **Policy on Material Subsidiaries**: https://assets.popularvehicles.in/Policy_On_Material_Subsidiaries_713fa0f81e/Policy_On_Material_Subsidiaries_713fa0f81e.pdf Principle 1 **Policy on Related Party Transactions:** https://assets.popularvehicles.in/Policy_on_Related_Party_Transactions_c771fc21a4/Policy_on_Related_Party_Transactions_c771fc21a4.pdf Principle 1								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy to promote Diversity of Board of Directors: https://assets.popularvehicles.in/Policy_to_promote_Diversity_of_Board_of_Directors_a47b405a08/Policy_to_promote_Diversity_of_Board_of_Directors_a47b405a08.pdf Principle 1, 3, 8 **Risk Management Policy:** https://assets.popularvehicles.in/Risk_Management_Policy_34d960e0e1/Risk_Management_Policy_34d960e0e1.pdf Principle 1, 4, 6 **Succession Policy**: https://assets.popularvehicles.in/Succession_Policy_230db3e78a/Succession_Policy_230db3e78a.pdf Principle 1 **Whistle Blower Policy:** https://assets.popularvehicles.in/Whistle_Blower_Policy_74849727e3/Whistle_Blower_Policy_74849727e3.pdf Principle 1 **Anti Sexual Harrassment Policy:** https://assets.popularvehicles.in/Anti_Sexual_Harrassment_Policy_ba4b94e1c6/Anti_Sexual_Harrassment_Policy_ba4b94e1c6.pdf Principle 3, 5 **Archival Policy**: https://assets.popularvehicles.in/Archival_Policy_76ed131558/Archival_Policy_76ed131558.pdf Principle 1 **Code of Conduct for Board of Directors and SMPs:** https://assets.popularvehicles.in/Code_Of_Conduct_For_Board_Of_Directors_And_SM_Ps_f49749d1d8/Code_Of_Conduct_For_Board_Of_Directors_And_SM_Ps_f49749d1d8.pdf Principle 1 **Code of practices and procedures for fair disclosure of UPSI:** https://assets.popularvehicles.in/Code_of_practices_and_procedures_for_fair_disclosure_of_UPSI_ff19c9cf0a/Code_of_practices_and_procedures_for_fair_disclosure_of_UPSI_ff19c9cf0a.pdf Principle 1 **Corporate Social Responsibility Policy:** https://assets.popularvehicles.in/Corporate_Social_Responsibility_Policy_0e1ec15f81/Corporate_Social_Responsibility_Policy_0e1ec15f81.pdf Principle 8 **Dividend Distribution Policy**: https://assets.popularvehicles.in/Dividend_Distribution_Policy_a33d32306e/Dividend_Distribution_Policy_a33d32306e.pdf Principle 1, 4								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Insider Trading Policy: https://assets.popularvehicles.in/Insider_Trading_Policy_900c497702/Insider_Trading_Policy_900c497702.pdf Principle 1 **Nomination and Remuneration Policy:** https://assets.popularvehicles.in/Nomination_and_Remuneration_Policy_0d8b2c3e75/Nomination_and_Remuneration_Policy_0d8b2c3e75.pdf Principle 1, 3 **Remuneration Policy**: https://assets.popularvehicles.in/Remuneration_Policy_for_Directors_and_Senior_Management_f7b3b2d7bd/Remuneration_Policy_for_Directors_and_Senior_Management_f7b3b2d7bd.pdf Principle 1, 3 **Equal Opportunity, Diversity, and Inclusion Policy:** https://assets.popularvehicles.in/Equal_Oppurtunity_Diversity_and_includion_Policy_PVSL_9c6ee4f672/Equal_Oppurtunity_Diversity_and_includion_Policy_PVSL_9c6ee4f672.pdf Principle 3, 5, 8 **Human Right Policy:** https://assets.popularvehicles.in/Human_Right_Policy_PVSL_F_docx_b2ea74e39a/Human_Right_Policy_PVSL_F_docx_b2ea74e39a.pdf Principle 5 **Investor Grievance Redressal Policy:** https://assets.popularvehicles.in/Investor_Grievance_Redressal_Policy_cd94eff450/Investor_Grievance_Redressal_Policy_cd94eff450.pdf Principle 4 **Environment Climate Change Policy**: https://assets.popularvehicles.in/Environment_Climate_Change_Policy_F_docx_763c8530fb/Environment_Climate_Change_Policy_F_docx_763c8530fb.pdf Principle 6 **Business Responsibility Policy:** https://assets.popularvehicles.in/Business_Responsibility_Policy_PVSL_docx_5f3e7b45db/Business_Responsibility_Policy_PVSL_docx_5f3e7b45db.pdf Principle 1 to 9 **Occupational Health and Safety Policy:** https://assets.popularvehicles.in/Occupational_Health_and_Safety_Policy_F_408eda67da/Occupational_Health_and_Safety_Policy_F_408eda67da.pdf Principle 3								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

Stakeholder Engagement Policy:

https://assets.popularvehicles.in/Stakeholder_Engagement_Policy_docx_f340d0b342/Stakeholder_Engagement_Policy_docx_f340d0b342.pdf

Principle 4

Public Advocacy Policy

https://assets.popularvehicles.in/Public_Advocacy_Policy_be15d98edb/Public_Advocacy_Policy_be15d98edb.pdf

Principle 7

Information Security Policy (Umbrella Policy):

https://assets.popularvehicles.in/Information_Security_Policy_Umbrella_Policy_56b75b4534/Information_Security_Policy_Umbrella_Policy_56b75b4534.pdf

Principle 1, 9

Access Control & Identity Management Policy:

https://assets.popularvehicles.in/Access_Control_Identity_Management_Policy_11e5d69c1a/Access_Control_Identity_Management_Policy_11e5d69c1a.pdf

Principle 1, 9

Password & Authentication Policy:

https://assets.popularvehicles.in/Password_Authentication_Policy_8826cef8de/Password_Authentication_Policy_8826cef8de.pdf

Principle 1, 9

Logging, Monitoring & Audit Trail Policy:

https://assets.popularvehicles.in/Logging_Monitoring_Audit_Trail_Policy_5e6b2f5059/Logging_Monitoring_Audit_Trail_Policy_5e6b2f5059.pdf

Principle 1

Backup & Recovery Policy:

https://assets.popularvehicles.in/Backup_Recovery_Policy_08939b4bd0/Backup_Recovery_Policy_08939b4bd0.pdf

Principle 1, 9

Incident Management Policy:

https://assets.popularvehicles.in/Incident_Management_Policy_982df1784a/Incident_Management_Policy_982df1784a.pdf

Principle 1, 4, 9

Data Protection Policy:

https://assets.popularvehicles.in/Data_Protection_Policy_89d377efe0/Data_Protection_Policy_89d377efe0.pdf

Principle 1, 9

Cloud Security & Usage Policy:

https://assets.popularvehicles.in/Cloud_Security_Usage_Policy_d237ebc4f9/Cloud_Security_Usage_Policy_d237ebc4f9.pdf

Principle 1, 9

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
2.	Whether the entity has translated the policy into procedures. (Yes / No)	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	**Yes.** The Company's key upstream value chain partners are vehicle OEMs whose policies and operating practices are broadly aligned with the principles covered under the Company's policies. Extension to downstream value chain partners is not applicable, as the Company's downstream customers are predominantly individual consumers for whom NGRBC principles are not applicable								
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The company is a trusted distribution partner for leading automobile OEMs, and all products are manufactured at the OEMs' own plants and facilities. These manufacturing operations adhere to stringent global quality standards such as ISO 9001 (Quality Management), IATF 16949 (Automotive Quality Management), and others. The OEMs also comply with additional certifications across operational areas including HR (e.g., SA 8000 for Social Accountability), occupational health and safety (e.g., ISO 45001), and environment management (e.g., ISO 14001), in alignment with the 9 principles of the National Guidelines on Responsible Business Conduct (NGRBC). As of now, the company itself does not hold independent product or process certifications, since all quality controls are managed by OEMs at their own certified plants. However, going forward, the company may consider adopting globally recognized certifications and standards, depending on regulatory requirements and strategic alignment.								

Certification / Code	Scope of Management	Relevant NGRBC Principle
ISO 9001 & **IATF 16949**	Quality Management & Automotive Excellence	**Principle 9:** Businesses should engage with and provide value to their consumers in a responsible manner.
ISO 14001	Environmental Management System	**Principle 6:** Businesses should respect and make efforts to protect and restore the environment.
ISO 45001	Occupational Health & Safety	**Principle 3:** Businesses should respect and promote the well-being of all employees, including those in their value chains.
SA 8000	Social Accountability (Labor standards/HR)	**Principle 3:** (Employee Well-being) and **Principle 5:** Businesses should respect and promote human rights.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has not defined specific long-term targets mapped to each of the nine principles of the NGRBC; however, it follows a dynamic and evolving approach to goal setting across these areas. Priorities relating to ethical governance, product responsibility, employee well-being, stakeholder engagement, environmental management, public policy advocacy, inclusive growth and customer value are addressed through ongoing initiatives and are reviewed periodically. Targets and actions are determined from time to time based on business requirements, regulatory expectations and stakeholder considerations, and are guided by the Company's governance framework and internal policies. Through periodic assessments and management reviews, the Company continues to refine its approach, ensuring alignment with responsible business conduct while maintaining flexibility in execution.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	NA	NA	NA	NA
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): Please refer to the Chairperson's and Managing Director's message in the Annual Report.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Naveen Philip Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, details.	Yes, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee addresses key aspects of the sustainability related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	The process is reviewed from time to time, without adhering to a regular frequency								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, our adherence to statutory principles and requirements substantially covers the principles, ensuring comprehensive compliance.									Our adherence to statutory principles, requirements, and other applicable laws ensures that the company's management conducts meetings based on the requirements. These meetings are scheduled as necessary, in addition to the meetings fixed yearly, half-yearly, or other periodic basis.								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, Name of the agency.	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable - All principles are covered by atleast one policy.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)					-				
Any other reason (please specify)					-				

Section C) PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1. Businesses should Conduct and Govern themselves with integrity and in a manner that is ethical, transparent and accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programme held	Topic/Principles covered under the training and its impact	% of persons in respective category covered by the awareness program
Board of Director	1	1. NFRA circular- Effective Communication Between Statutory Auditors and Those Charged with Governance, Including Audit Committees	100%
Key Managerial Personnel	1	1. NFRA circular- Effective Communication Between Statutory Auditors and Those Charged with Governance, Including Audit Committees	100%
Employees other than BoD and KMPs	42	Team Management, Time Management, Outbound Training Program on Synergy and Collaboration, Customer Excellence, Finance for Non-Finance, AI/ ChatGPT for Managers, Transactional Analysis and Empathy Trainings for Works Managers and Assistant Works Managers, Specialized AI training for trainers, Customer Excellence and Centric Trainings, Management Trainee Induction and Orientation Trainings, New Joiners Induction Trainings, Power BI Training Session, EV and Strong Hybrid Specialised Training,	96%
Workers	135	Transactional analysis and Empathy, Communication Skills, Listening Skills, Customer-Centric Approach, Customer Excellence Training, Time Management, Excel Training, Sales/Service Process Training, Refresher Training on Product, Process, SOP, Technology, Applications, New Joiner Induction Training, Company Policy and HR Induction, Incentive/Offer Trainings, Sales Pitch and Mastery, Objection Handling, Upselling and Cross Selling Session for sales and service, Tele caller/ Telemarketing Trainings, Allied Service Training, EV and Strong Hybrid Specialised Training, Parivarthan Training for Service advisor and Mechanics	98%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

A. Monetary

Particulars	NGRBC Principle	Name of the regulatory / Enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred ? (Yes/No)
Fine/Penalty	Principle 6	Health District Enforcement Squad, Kannur	10,000	Violation alleged regarding the non-operation of the Effluent Treatment Plant (ETP) and improper handling and dumping of waste within the service centre premises.	No
Penalty	Principle 1	Assistant StateTax Officer, Enforcement Squad No-2	16,000	Detention of vehicle while movement due to lack of proper transit documents for transportation of material from warehouse to Calicut service Centre.	No
Penalty/ Fine	Principle 1	Legal Metrology Department, Muvattupuzha	39,485	Non-affixing of the Legal Metrology seal on measuring and weighing instruments.	No
Fine/Penalty	Principle 6	Manamboor Grama Panchayat	5,000	Action taken for burning plastic waste in Kallambalam Service centre premises.	No
Additional charge / Fine	Principle 1	Kerala State Electricity Board (KSEB), Anchal	1,34,974	Misuse of tariff and detection of an unauthorized connected load of 4392 watts at the premises.	No
Fine/Penalty	Principle 6	Iritty Municipality	5,000	Violation regarding discharge of waste water.	No
Fine or Penalty	Principle 1	CTO- Ayanavaram Central II, Chennai	20,488	Violation regarding ITC availed for Free service charges on the invoices on Company Dealers.	No
Fine or Penalty	Principle 6	Kadannappally Panappuzha Grama Panchayat	10,000	Violation regarding improper waste disposal at the PDI yard, Kannur.	No
Fine or Penalty	Principle 6	Karimannoor Grama Panchayat	30,000	Violation due to waste disposal through an unauthorized vendor.	No
Fine/Penalty	Principle 1	Commercial Tax Officer - Chennai Central	20,000	Violation relating to short remittance under RCM (Reverse Charge Mechanism)between GSTR-2A and GSTR-3B and short reversal of ITC(Input Tax Credit) on credit notes between GSTR-2A and GSTR-3B	No
Fine/Penalty	Principle 3	Regional Provident Fund Commissioner, Kochi	33,206	Violation regarding delayed payment of provident fund contribution pertaining to the COVID-19 period.	No
Fine/Penalty	Principle 1	State Tax Office- Road Squad(RS)- Intelligence	1,00,000	Violation relating to Address mismatch for Vanagaram stock yard between Name board vs GST Certificate.	No
Fine/Penalty	Principle 6	Kalady Grama Panchayat	2,500	Violation regarding damage to the ETP plant tank	No
Settlement	-	Nil	Nil	Nil	Nil
Compounding Fee	0	0	0	0	0

B. Non Monetary

Particulars	NGRBC Principle	Name of the regulatory / Enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred ? Yes/No
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory /enforcement agencies/judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide the details in brief and if available, provide a web-link to the policy. NIL

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	1
Workers	1	NIL

6. Details of complaints with regard to conflict of interest

Particulars	FY 2025-26 (Current Financial year)		FY 2024-25 (Previous Financial year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Corrective action is underway and domestic inquiry is initiated

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	9	9

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format

Parameter	Metrics		FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	0	0
	b.	Number of trading houses where purchases are made from	0	0
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses.	0	0
Concentration of Sales	a.	Sales to dealers /distributors as % of total sales	0.2%	0%
	b.	Number of dealers/ distributors to whom sales are made	32	44
	c.	Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	83.9%	71.2%
Share of RPTS in	a.	Purchases (purchases with related parties/Total purchases)	0.11%	0.05%
	b.	Sales (Sales to related parties/Total Sales)	0.07%	0.03%
	c.	Loans and advances(Loans and advances given to related parties/Total loans and advances)	100%	100%
	d.	Investments (Investments in related parties/Total investments made)	98.0%	98.4%

Principle 2. Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators:

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D Capex	Popular Vehicles & Services Limited does not directly invest in Research & Development (R&D) or capital expenditure (CAPEX) aimed at developing technologies that improve environmental and social impacts. As an authorized distribution partner for various automobile Original Equipment Manufacturers (OEMs), the responsibility for R&D and technology development, including those with environmental and social considerations, lies with the OEMs. Accordingly, the percentage of R&D and CAPEX investments by the entity in such technologies is nil.		

In case the entity desires to disclose any benefits other than those specified in this field, additional columns may be added for such disclosures.

The company is a dealer for a leading automobile brand, and the vehicles we sell are manufactured in green manufacturing facilities. These products undergo continuous technological improvements through our OEM's R&D efforts, enhancing both safety and fuel efficiency.

2. Sustainable Sourcing

   a. Does the entity have procedures in place for sustainable sourcing? Yes

   b. If yes, what percentage of inputs were sourced sustainably?

   We source vehicles from OEMs and auto parts manufacturers, all of which have well-laid-out sustainable practices. Hence, our main source partners are committed to sustainability.

3. Describe the processes in place to reclaim products for reusing, recycling, and disposing at the end of life for:

   a. Plastics (Including Packaging)

   b. E – Waste

   c. Hazardous waste

   d. Other waste

   Popular Vehicles & Services Limited have certain processes in place to reclaim products for reusing, recycling, or disposal at end-of-life for plastics, e-waste, hazardous waste, or other waste, though the Company does not engage in manufacturing or packaging activities. Plastic waste generated is given back to centralized vendors who are registered with us. E-waste generated is minimal and pertains to end-of-life electronic equipment used internally, all of which is responsibly disposed of through authorised e-waste collectors. Used oil (hazardous waste) is disposed of through government approved oil vendors. Additionally, battery waste is returned to Original Equipment Manufacturers (OEMs), as any processes to reclaim it is the primary responsibility of the original manufacturer. Other routine waste is managed in accordance with applicable municipal guidelines.

4. Extended Producer Responsibility (EPR)

   Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, steps taken to address the same.

   Extended Producer Responsibility (EPR) is not applicable to the operations of Popular Vehicles and Services Limited. As the company primarily engages in the sales and servicing of vehicles and does not manufacture or produce any products that fall under the purview of EPR regulations—such as plastic packaging, electronics, or batteries—it is not classified as a 'Producer' under the applicable environmental laws. Consequently, there is no requirement to submit a waste collection plan or register under EPR with the Pollution Control Boards.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1783	1783	100.00%	1783	100.00%	0	0%	1357	76.11%	0	0%
Female	246	246	100.00%	246	100.00%	246	100%	0	0.00%	0	0%
Other	0	0	0.00%	0	0.00%	0	0%	0	0.00%	0	0%
Total	2029	2029	100.00%	2029	100.00%	246	12%	1357	66.88%	0	0%
Other than permanent employees											
Male	51	0	0.00%	51	100.00%	0	0%	0	0.00%	0	0%
Female	2	0	0.00%	2	100.00%	2	100%	0	0.00%	0	0%
Other	0	0	0.00%	0	0.00%	0	0%	0	0.00%	0	0%
Total	53	0	0.00%	53	100.00%	2	4%	0	0.00%	0	0%

In case the entity desires to disclose any benefits other than those specified in this field, additional columns may be added for such disclosures.

b. Details of measures for the well-being of Workers

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)
Permanent workers										
Male	3277	3277	100.00%	3277	100.00%	0	0.00%	2032	62.01%	0
Female	1297	1297	100.00%	1297	100.00%	1297	100.00%	0	0.00%	0
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Total	4574	4574	100.00%	4574	100.00%	1297	28.36%	2032	44.43%	0
Other than permanent workers										
Male	403	0	0.00%	403	100.00%	0	0.00%	0	0.00%	0
Female	141	0	0.00%	141	100.00%	141	100.00%	0	0.00%	0
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Total	544	0	0.00%	544	100.00%	141	25.92%	0	0.00%	0

In case the entity desires to disclose any benefits other than those specified in this field, additional columns may be added for such disclosures.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.06%	0.06%

2. Details of retirement benefits, for current FY and previous financial year

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)	Number of employees covered as % of total employees	Number of Workers covered as % of total employees	Deducted and deposited with the authority (Y/N/N.A)
PF	97.45%	89.37%	Y	97.02%	86.90%	Y
Gratuity	97.45%	89.37%	Y	96.96%	86.90%	Y
ESI	33.29%	79.76%	Y	44.87%	83.64%	Y
Others – Mediclaim	53.60%	5.02%	Y	52.15%	3.26%	Y
LWF	77.76%	89.37%	Y	79.37%	86.90%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Not all our premises are accessible for differently abled.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, we have an Equal Opportunity, Diversity, and Inclusion Policy. All employees are encouraged to report any concerns or incidents of discrimination and harassment to their respective HR SPOC.

https://assets.popularvehicles.in/Equal_Oppurtunity_Diversity_and_includion_Policy_PVSL_9c6ee4f672/Equal_Oppurtunity_Diversity_and_includion_Policy_PVSL_9c6ee4f672.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate	Retention Rate	Return to work Rate	Retention rate
Male	100.00%	80.00%	100.00%	82.86%
Female	100.00%	0.00%	100.00%	82.86%
Total	100.00%	78.43%	100.00%	75.76%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (if yes then give details of the mechanism in brief)
Permanent Workers	Yes, in the event of a work-related grievance, all our employees/workers can first raise it with their respective reporting managers, who will initiate the redressal process. If the concern or complaint is against the reporting manager, the employee can escalate it to the next level manager. The employee's HR SPOC will also partner in the redressal process.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees/ workers in respective category (A)	No.of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No.of employees / workers in respective category,who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	2029	0	0.00%	1693	0	0.00%
Male	1783	0	0.00%	1494	0	0.00%
Female	246	0	0.00%	199	0	0.00%
Other	0	0	0.00%	0	0	0.00%
Total Permanent Workers	4574	0	0.00%	3840	0	0.00%
Male	3277	0	0.00%	2774	0	0.00%
Female	1297	0	0.00%	1066	0	0.00%
Other						

8. Details of Training imparted to the employees and workers on health & safety measures and on skill upgradation.

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On health and safety Measures		On skill upgradation		Total	On health and safety Measures		On skill upgradation	
		NO. B	% (B/A)	No.C	% (C/A)	(D)	No. (E)	% (E/D)	No.(F)	%(F/D)
Employees										
Male	1834	1750	95.42%	1792	97.71%	1544	52	3.37%	1245	80.63%
Female	248	240	96.77%	239	96.37%	201	0	0	65	32.34%
Total	2082	1990	95.58%	2031	97.55%	1745	52	3.37%	1310	75.07%
Workers										
Male	3680	3658	99.40%	3655	99.32%	3189	436	13.67%	2245	70.40%
Female	1438	1328	92.35%	1409	97.98%	1230	0	0	862	70.08%
Total	5118	4986	97.42%	5064	98.94%	4419	436	13.67%	3107	70.31%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	1834	1098	59.87%	1544	1203	77.91%
Female	248	148	59.68%	201	144	71.64%
Total	2082	1246	59.85%	1745	1347	77.19%
Workers						
Male	3680	1667	45.30%	3189	1325	41.55%
Female	1438	620	43.12%	1230	503	40.89%
Total	5118	2287	44.69%	4419	1828	41.37%

10. Health and safety management system

a. Whether the entity has implemented an occupational health and safety management system? (Yes/ No). If yes, the coverage such system?

Popular Vehicles & Services Ltd has implemented a structured Health and Safety Management System across its showrooms and service network, aligned with statutory requirements, SOPs and OEM guidelines. The Company adopts a systematic approach to identifying workplace hazards and assessing risks associated with vehicle handling, workshop operations, equipment usage and customer-facing environments, covering both routine and non-routine activities.

Key initiatives include:

- Defined processes for identification of work-related hazards and periodic risk assessments
- Standard operating procedures for workshop safety, vehicle movement and equipment handling
- Fire safety systems, including detection, suppression and regular inspections
- Availability of first-aid facilities with trained personnel across locations
- Emergency preparedness measures such as evacuation plans, drills and incident response protocols
- Regular safety audits, inspections and compliance reviews
- Ongoing employee training and safety awareness programmes to strengthen a safety-first culture

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

1. Conduct regular safety inspections and address identified hazards.
2. Regularly inspect the premises for potential hazards, vehicles and equipments for safety compliance and rectify any identified risks.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, all accidents, injuries, or near-miss incidents must be reported immediately to the HR SPOC or the designated person.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, we have a tie-up with Aster DM Health Care and Kinder Hospitals in a few of our locations to provide health care at a subsidised rate.

11. Details of safety related incidents

Safety Incident / Number	Category	FY 2025-26	FY 2024-25
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) Per One million -person hours worked	Employees	0.400256	-
	Workers	0.407060	-
Total recordable work-related injuries	Employees	3	2
	Workers	6	13
No of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work-place.

To ensure a safe and healthy workplace, we conduct regular inspections and maintenance by certified authorities, implement robust safety protocols, provide comprehensive training, and conduct emergency response drills and first aid training.

13. Number of complaints made by employees and workers

	FY 2025-26			FY 2024-25		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending resolutions at the end of the year	Remarks	Filed during the year	Pending resolutions at the end of the year	Remarks
Working Conditions	1	0	Closed	0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year

Particulars	% of plants and offices that were assessed (By entity or statutory authorities or third parties)
Health and safety practices	The company does not currently engage any external entities, statutory authorities or third parties for the assessment of health and safety practices and working conditions at its locations. However, we are developing an internal assessment mechanism designed to evaluate and monitor these practices and conditions across the workplace.
Working Conditions	

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Periodic safety inspections are undertaken and corrective actions taken.

Principle 4. Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators:

1. Describe the process for identification of key stakeholder groups of the entity.

Popular Vehicles and Services Limited (PVSL) recognizes stakeholders as valued partners in its mission for long term value creation. Effective stakeholder involvement is crucial for achieving the company's strategic goals. PVSL has recognized both internal and external stakeholders. At present, the stakeholders who significantly influence the Company's operations and functioning comprises employees, shareholders, customers, vendors, insurance companies, OEM, local communities, government and regulators and lenders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	• Website • Stock exchange disclosures • General Meetings • Public and media announcements • Annual Report • Quarterly investor calls • Dedicated external Investor Relations team. • Telephone Number • Email	Annually, Quarterly & event based.	Updates on business performance, material events or information, Lodging of investor grievances.
Local Communities	No	• Community Meetings • Training Programmes • booklets and materials for schools • student-led street plays, flash mobs, campaigns, and public engagements on Road Safety • Road safety activities in schools, including quizzes, street plays, helmet campaigns, and awareness drives	Ongoing and continuous.	CSR partnerships Being into automobile sector, the road culture and safe road habits helps in saving lives and livelihood of the communities around. Partnering with schools, we have strived to inculcate culture of awareness among the present and future drivers.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government & Regulators	No	• Compliance with all applicable laws. • Representation through Industry bodies. • Participation in Government consultation programmes	Ongoing	Compliance with applicable laws and regulations help maintain a positive relation with Government and is essential to drive important policies in the sector.
Employees	No	• Real time engagement • Email • HR application (Voyonfolks) • Notice board • Daily meeting and briefings. • Townhall meetings • Timely internal communications • Whatsapp Group	Ongoing	At PVSL employees form the core of the business and service. Engagements with them help to analyze working environment, career enhancement, health, safety and engagement activities.
Customers	No	• Direct feedback • Social media handles • Website, E-mail • Periodic market research.	Ongoing	PVSL has been the choice for customers. Customer feedback helps the company improve its services.
Vendors	No	• E-mail • Telephone	Ongoing	Vendors are integral part and their services influence the business operations and quality of customer experience.
Insurance companies	No	• E-mail • Telephone • Meetings	Ongoing	PVSL offers insurance renewal services and positive relationship with insurance companies ensure the quality, efficiency, reliability of the services.
OEM	No	• E-mail • Telephone • Meetings • Dealer Management System.	Ongoing	Being franchise model, the OEM interactions/ relations/ communications is integral to the success of the business.
Lenders (Banks/ NBFCs)	No	• Meetings • Sharing regular updates on financial performance. • Ongoing communication and relationship	Ongoing	Caters to the financial assistance for the growth and diversification of the company.

Principle 5. Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees				In FY 2024-25, we successfully conducted three training sessions on POSH (Prevention of Sexual Harassment), 85% of our employees/workers attended these sessions.		
Permanent	2029	1750	86.25%			
Other than permanent	53	30	56.60%			
Total Employees	2082	1780	85.49%			
Workers						
Permanent	4574	3898	85.22%			
Other than permanent	544	510	93.75%			
Total Workers	5118	4408	86.13%			

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No.(C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	2029	7	0.34%	2022	99.66%	1693	5	0.30%	1687	99.65%
Male	1783	7	0.39%	1776	99.61%	1494	4	0.27%	1489	99.67%
Female	246	0	0.00%	246	100.00%	199	1	0.50%	198	99.50%
Other	0	0	0	0	0	0	0	0	0	0
Other than Permanent	53	0	0.00%	53	100.00%	52	0	0.00%	37	71.15%
Male	51	0	0.00%	51	100.00%	50	0	0.00%	35	70.00%
Female	2	0	0.00%	2	100.00%	2	0	0.00%	2	100.00%
Other	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	4574	144	3.15%	4419	96.61%	3840	120	3.13%	3704	96.46%
Male	3277	88	2.69%	3189	97.31%	2774	91	3.28%	2668	96.18%
Female	1297	67	5.17%	1230	94.83%	1066	29	2.72%	1036	97.19%
Other	0	0	0	0	0	0	0	0	0	0
Other than Permanent	544	9	1.65%	279	51.29%	579	19	3.28%	137	23.66%
Male	403	4	0.99%	202	50.12%	415	16	3.86%	94	22.65%
Female	141	5	3.55%	77	54.61%	164	3	1.83%	43	26.22%
Other	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/ salary/ wages (including differently abled)

a. Median remuneration / wages:

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	16,00,000.00	1	17,00,000.00	-	-
Key Managerial Personnel	6	95,50,864.50	-	-	-	-
Employees other than BoD and KMP	379	609480	36	576000	-	-
Workers	5132	211632	1650	192000	-	-

Category	Wages	Median
Employees & Workers	1,652,281,156	210,420
KMP	23,855,992	8,407,200

Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	19.30%	19.42%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Company has designated the HR Head as the focal point responsible for addressing human rights-related concerns, impacts, and grievances that may arise from or be contributed to by the Company's operations. The HR Head oversees the implementation of the Company's policies and practices relating to employee welfare, equal opportunity, non-discrimination, prevention of harassment, workplace health and safety, and ethical conduct. Employees and other relevant stakeholders may raise concerns through established grievance redressal mechanisms, which are reviewed and addressed in a timely and confidential manner.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Implemented Human Right Policy. We encourage all employees to report any concerns, complaints, or grievances related to workplace issues, including but not limited to discrimination, harassment, unethical behavior, or violation of policies. All reports will be taken seriously and handled promptly, confidentially, and impartially.

6. Disclosure of complaints made by employees and workers on sexual harassment, discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages or other human rights related issues.

Category	FY 2025-26			FY 2024-25		
	Current Financial Year			Previous Financial Year		
	Filed during the year	Pending Resolution at the end of the year	Remarks	Filed During the Year	Pending Resolution at the end of the year	Remarks
Sexual Harassment	4	0	Settled	1	0	Settled
Discrimination at workplace	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human right related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 25-26	FY 24-25
	Current Financial Year	**Previous Financial Year**
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	1
Complaints on POSH as a % of female employees / workers	0.24%	0.07%
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The organisation is equipped to handle discrimination and harassment cases by ensuring confidentiality, enforcing strict anti-retaliation measures, providing support systems like counselling, and conducting regular follow-ups. These mechanisms are in place to protect the complainant and maintain a fair and safe working environment if such cases arise.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes. The company is in the process of aligning the human rights requirements into the vendor agreements and contracts.

10. Assessments of the year

Category	% of plants and offices that were assessed (by the entity or by the statutory authorities or third parties)
Child Labour Forced/Involuntary Labour Sexual harassment Discrimination at workplace Wages Others – please specify	Nil: Though not conducting specific assessments, the company regularly monitors workplace practices to prevent issues related to child labour, forced labour, sexual harassment, discrimination, and wage discrepancies. The company ensures that wages are paid according to agreements and legal requirements and has established rules and policies in these areas where mandatorily applicable.

11. Provide the details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. Nil

Principle 6. Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	642.5 GJ	438.6384 GJ
Total fuel consumption (B)	**Nil**	**Nil**
Energy consumption through other sources (C)	**Nil**	**Nil**
Total energy consumed from renewable resources (A+B+C)	642.5 GJ	438.6384 GJ
From non-renewable sources		
Total electricity consumption (D)	23,143.8 G J	13,915.24 GJ
Total fuel consumption (E)	40,635 GJ	42,025.61 GJ
Energy consumption through other sources (F)	**Nil**	**Nil**
Total energy consumed from non-renewable resources (D+E+F)	63,778.8 GJ	55,940.85 GJ
Total energy consumed. (A+B+C+D+E+F)	64,421.3 GJ	56,379.49 GJ
Energy intensity per rupee of turnover *(Total energy consumption/ turnover in rupees)*	0.0000022459 GJ/₹	0.0000021879 GJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000456823 GJ/₹ (PPP)	0.0000447471 GJ/₹ (PPP)
Energy intensity in terms of physical output	-	-
Energy intensity *(optional)* – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, the remedial action taken, if any.

Nil

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Water Withdrawal by Source (In Kiloliters)		The company acknowledges that it has not captured specific data on water withdrawal, consumption, and water intensity metrics during the year. However, recognizing the significance of this data for sustainability reporting, the company is in the process of establishing a robust mechanism to track and report these metrics starting from FY26.
(i) Surface water	Nil	
(ii) Groundwater		
(iii) Third party water	15,119 kilolitres (third-party / municipal supply)	
(iv) Seawater / desalinated water	Nil	
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	15,119 kilolitres	
Total volume of water consumption (in kilolitres)	15,119 kilolitres	
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.0000005271 kL/₹	
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000107212 kL/₹ (PPP)	
Water intensity in terms of physical output	-	
Water intensity (optional) – the relevant metric may be selected by the entity	–	

Note - Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency:

Nil

4. Provide the following details related to water discharge

Parameter	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)	The company acknowledges that it has not captured specific data on water withdrawal, consumption, and water intensity metrics during the year. However, recognizing the significance of this data for sustainability reporting, the company is in the process of establishing a robust mechanism to track and report these metrics starting from FY26.	
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The company has Effluent Treatment Plants at all locations where effluents are generated. Further, the vehicle's oil waste is handed over to the Government-authorised agency. There is no liquid discharge that is untreated or harmful in nature.

6. Please provide the details of air emissions (other than GHG emissions) by the entity, in the following format –

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024 -25 (Previous Financial Year)
NOx	Since our company is not involved in manufacturing, air emissions such as NOx, SOx, particulate matter, and other pollutants are negligible. However, we acknowledge the importance of monitoring all potential emissions, no matter how small. As part of our commitment to environmental responsibility, we are exploring ways to quantify and report any minor air emissions from our operations, ensuring transparency and compliance with relevant environmental standards.		
Sox			
Particulate Mater			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Nil

7. Please provide the details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity

Parameter	Unit	FY 2025-26 (Current financial Year)	FY 2024-25 (Previous financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**Metric tonnes of CO2 equivalent**	2,421.83	**Not Captured –** However, Scope 1 emissions are not significant for the company
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**Metric tonnes of CO2 equivalent**	4,564.47	2,744.39
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000002436 tCO_2e/₹	**Not available as scope one is not accounted for**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000049541 tCO_2e/₹ (PPP)	**Not available as scope one is not accounted for**
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	**Not available as scope one is not accounted for**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	**Not available as scope one is not accounted for**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Nil

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide the details.

Nil

9. Provide details related to waste management by entity, in the following format

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	141.04 tonnes (approx.)	76.092 tonnes
E-waste (B)	6.477 tonnes	Not captured
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	28.25 tonnes (approx.)	34.25 tonnes (approx.)
Radioactive waste (F)	NIL	NIL
Other Hazardous waste (G). Please specify if any	223.38 tonnes	190.18 tonnes*
Other Non-hazardous waste generated (H) (Break-up by composition i.e by materials relevant to the sector)	NIL	NIL
Total (A+B+C+D+E+F+G+H)	399.15 tonnes	300.52 tonnes
Waste intensity per rupee of Turnover (Total waste generated / Revenue from operations)	0.0000000139 tonnes/₹	0.0000000117 tonnes/₹
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total waste generated / Revenue from operations adjusted for PPP)	0.0000002830 tonnes/₹ (PPP)	0.0000002385 tonnes/₹ (PPP)
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i. Re-cycled	NIL	NIL
ii. Re-used	NIL	NIL
iii. Other recovery operations	NIL	NIL
Total	NIL	NIL
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i. Incineration	NIL	NIL
ii. Landfilling	NIL	NIL
iii. Other disposal operations	NIL	NIL
Total	NIL	NIL

*Other hazardous waste (G) details were incorrectly mapped under Other Non-hazardous waste generated (H) in the 2024-25 report. Also, the quantity mentioned (538.53) was in kiloliters but incorrectly mentioned as tonnes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) . If yes, name of the external agency: No

10. Briefly describe the details of waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The company is committed to responsible waste management practices, ensuring that all hazardous and non-hazardous wastes are properly disposed of in accordance with environmental regulations. We prioritize reducing the use of hazardous and toxic chemicals in our processes and have implemented effective practices to manage such wastes. Our strategy includes minimizing waste generation, promoting recycling, and adopting safe disposal methods to protect the environment and support sustainability in our operations.

11. If the entity has operations/offices if any in/around ecologically sensitive areas (such as national parks, sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required:

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
A few of the company's showrooms are located 3–10 km **outside** ecologically sensitive areas. These outlets operate from leased premises that have been constructed in compliance with local building and environmental regulations. Their operations do not cause any adverse impact on the surrounding ecology.			

12. Details of environmental impact assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
NIL					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

SL No	Specify the Law / Regulation / Guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Environmental protection and waste management regulations	Effluent Treatment Plant (ETP) was not in operation and waste was improperly handled and dumped within the service centre premises.	Health District Enforcement Squad, Kannur imposed a penalty of Rs.10,000/-.	ETP was restored to operation, waste handling practices were strengthened, and periodic monitoring procedures were ensured.
2	Legal Metrology Act and Rules	Legal Metrology seal was not affixed on measuring and weighing instruments.	Legal Metrology Department, Muvattupuzha imposed a penalty of Rs. 39,485/-.	Required instruments were verified, calibrated, and sealed in compliance with Legal Metrology requirements.
3	Solid Waste Management Rules / Local Panchayat regulations	Plastic waste was burned within the Kallambalam Service Centre premises.	Manamboor Grama Panchayat imposed a penalty of Rs. 5,000/-.	Plastic waste burning was discontinued and waste was disposed of through authorized agencies.
4	Electricity Act / KSEB Supply Code	Unauthorized connected load of 4,392 watts and misuse of electricity tariff.	Kerala State Electricity Board (KSEB), Anchal levied an additional charge of Rs. 1,34,974/-.	Connected load was regularized and tariff compliance ensured with KSEB guidelines.

SL No	Specify the Law / Regulation / Guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
5	Environmental and wastewater discharge regulations	Improper discharge of wastewater.	Iritty Municipality imposed a penalty of Rs. 5,000/-.	Wastewater management practices were improved and disposal was aligned with regulatory requirements.
6	Solid Waste Management Rules	Improper waste disposal at the PDI Yard, Kannur.	Kadannappally Panappuzha Grama Panchayat imposed a penalty of Rs. 10,000/-.	Waste disposal was shifted to authorized waste management agencies and monitoring was enhanced.
7	Environmental regulations relating to waste disposal	Waste was disposed of through an unauthorized vendor.	Karimannoor Grama Panchayat imposed a penalty of Rs.30,000/-.	Unauthorized vendor engagement was discontinued and only approved vendors were engaged for waste disposal.
8	Environmental regulations relating to ETP maintenance	Damage to the Effluent Treatment Plant (ETP) tank.	Kalady Grama Panchayat imposed a penalty of Rs.2,500/-.	Damaged ETP tank was repaired and preventive maintenance procedures were implemented.

Principle 7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1 a. Number of affiliations with trade and industry chambers/associations – 4.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of /affiliated to

Sl. No.	Name of the trade industry chambers/associations	The reach of trade and industry chambers/ associations (State/National)
1	Federation of Automobile Dealers Associations	National
2	Confederation of Indian Industry	National
3	Cochin Chamber of Commerce & Industry	State
4	Kerala Automobile Dealers Association	State
5	Not Applicable	Not Applicable
6	Not Applicable	Not Applicable
7	Not Applicable	Not Applicable
8	Not Applicable	Not Applicable
9	Not Applicable	Not Applicable
10	Not Applicable	Not Applicable

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regular authorities.

Name of authority	Brief of the case	Corrective actions taken
	Nil	

Principle 8. Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification No.	Date of notification	Whether conducted by an Independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant weblink
Not applicable					

2. Information on project (s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by the entity, in the following format -

Sl. No.	Name of project for which R&R is ongoing	State	District	No. of project-affected families	% of PAFs covered by R&R	Amount paid to PAFs in FY(In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   Community members can approach our staff or senior managers at any of our locations to raise and resolve grievances. Additionally, they can contact us through email or phone for any concerns or issues. These mechanisms ensure that we remain accessible and responsive to the needs of the community, fostering open communication and effective grievance redressal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/small producers	6.8%	8.4%
Directly from within India	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 25-26	FY 24-25
	(Current Financial Year)	(Previous Financial Year)
Rural	16.87%	21.19%
Semi-Urban	32.45%	36.70%
Urban	50.68%	42.11%

Principle 9. Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback.

	FY 25-26	FY 24-25	Response
Website - www.popularvehicles.in	-	-	**91% resolved within TAT of 48 HRS**
Inbound Toll Free - 1800 123 8090	**816**	**1860**	
OutBound - Post Booking Follow-up, Post Sales Follow-up, Post Service Follow-up	**61490**	**72331**	
Social Media - Facebook, Instagram	**12**	**42**	
Nodal - **9846298607, Nodal@popularv.com**	**0**	**5**	
Branch Walkins		-	

2. Turnover of products and /services as a percentage of turnover from all products/service that carry information about

Particulars	As a % of total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	0
Recycling and/or safe disposal	0

3 Number of consumer complaints in respect of the following

Particulars	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	**62318**	Nil	Nil	**74238**	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

5. Does the entity have Framework/ policy on cyber security and risks related to data privacy? **(Yes/No)** If available, web-link of the policy.

Yes, the policies are available on the website and updated the link below;

https://popularvehicles.in/investors/corporate-governance?type=investors

6. Provide Details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches –

One

b. Percentage of data breaches involving personally identifiable information of customers

NIL

c. Impact, if any, of the data breaches ;

The Popular Maruti and Popular Nexa websites appear to have been compromised by a malware attack, resulting in visitors being redirected to external sites displaying inappropriate content. Several pages returned 404 errors, and Google's index showed fake URLs. As an immediate containment measure, the websites were taken offline to prevent further damage.

As per the vendor's root cause analysis, the Popular Nexa website is nearly ten years old and was built using an outdated WordPress theme, making it highly vulnerable to spam injections and security breaches. The malware infection impacted the entire server hosting the websites.

To prevent recurrence, the vendor migrated all websites to a more secure, high-performance server to enhance protection. Additionally, the Popular Nexa website was moved to a dedicated separate server. Access to popularmaruti.com and other associated websites was reinstated on 18-11-2025, and access to popularnexa.com was restored on 26-11-2025.

Management Discussion & Analysis

Global Economy — Calendar Year 2025

In Calendar Year 2025 (CY25), the global economy delivered resilient but slowing growth. The IMF (July 2025 World Economic Outlook) projected global GDP growth at 3.0% for CY25, while the World Bank took a more cautious view at 2.3% its slowest pace since 2008 (excluding recessions) citing rising trade barriers and geopolitical tensions in West Asia and from U.S. tariff policies.

The global light vehicle market fully recovered from pandemic-era disruptions. S&P Global Mobility estimated 91.7 million units sold in CY25 the first year to exceed pre-pandemic 2019 levels (89.9 million units).

Key global developments in CY25

- U.S. tariffs on imported vehicles (25%) created supply and pricing disruptions. U.S. sales were estimated at ~16.4 million in CY25, with 2026 expected to moderate to ~15.9 million due to consumer caution.
- Global EV sales reached ~20.7 million units (+20% YoY). EV share of new car sales exceeded 25% for the first time globally. China led with 16.49 million NEV sales (47.9% of domestic market). BYD overtook Tesla as global BEV volume leader.
- ~60% of CY25 global EV growth came from markets outside China, Europe, and the U.S., reflecting broadening global adoption.
- West Asia geopolitical conflict created supply disruptions affecting CV and parts logistics across multiple markets, including India.

Indian Economy — FY26 (April 2025 to March 2026)

India maintained its position as the world's fastest-growing major economy in FY26. Real GDP grew at approximately 7.4–7.6% the CSO Second Advance Estimate (February 2026) placed growth at 7.6%, while RBI's final forecast stood at 7.4%. CRISIL estimated FY26 GDP growth at 7.0%.

The year was characterised by a rare 'goldilocks' environment strong growth paired with exceptionally low inflation. CPI inflation for FY26 averaged just ~2.0–2.6% far below the RBI's 4% target driven by a steep fall in food prices and the direct impact of GST 2.0 reforms (September 2025), which lowered consumer prices across ~11.4% of the CPI basket. CPI even touched 0.25% in October 2025 a historic low.

Key macroeconomic enablers for FY26

Policy / Enabler	Details	Impact on Auto Sector
GST 2.0 Reforms (Sep 22, 2025)	Rate rationalisation — reduced effective tax on 2W, small cars, 3W and select CVs	Decisive demand inflection from H2 FY26; October 2025 saw all-time monthly retail record
Multiple RBI Repo Rate Cuts	Repo rate reduced to 5.25% — lowest in years	Improved vehicle financing affordability; higher disbursements in mass 2W and small car
Union Budget FY26 Tax Relief	Revised income tax slabs; improved middle-class disposable income	Boosted consumption-led auto demand, particularly PVs
Agriculture & Rural Incomes	Strong kharif crop, above-normal monsoon, healthy rabi sowing	Strong rural demand — 2W and entry-level PV segments benefited most
Benign Inflation	CPI at historic lows; purchasing power improved materially	Consumer confidence improved; financing conditions remained supportive
Strong FDI & Forex Reserves	Gross FDI: US$ 37.7 bn (Apr–Jul 2025); Forex reserves: US$ 687 bn (Jan 2026)	Macro stability; supported capital availability for auto investments

Indian Auto Industry — FY26

FY26 was a landmark year for India's automobile industry. Total domestic vehicle retail touched a historic high of 2,96,71,064 units (+13.3% YoY) approaching the 3-crore milestone. According to SIAM, domestic wholesales reached 2,82,65,519 units (+10.4% YoY). Every major vehicle category posted its highest-ever annual sales in a financial year for the first time in seven years.

The year was a two-phase year: April through August saw muted growth (2–5% monthly) as consumers awaited GST clarity. From September 2025, GST 2.0 triggered a decisive inflection October 2025 delivered an all-time record monthly retail of over 40 lakh units.

FY26 FADA All India Vehicle Retail Data

Category	FY26 Retail (Units)	FY25 Retail (Units)	YoY Growth (%)
Two-Wheelers (2W)	2,14,20,386	1,88,89,595	+13.40%
Passenger Vehicles (PV)	47,05,056	41,63,927	+13.00%
Commercial Vehicles (CV)	10,60,906	9,49,406	+11.74%
Three-Wheelers (3W)	13,63,412	12,20,834	+11.68%
Tractors	10,50,077	8,82,825	+18.95%
Construction Equipment	71,227	80,668	-11.70%
Total All Vehicles	2,96,71,064	2,61,87,255	+13.30%

Source: FADA Research, April 2026. Numbers exclude Telangana (TS) data collated from 1,463 of 1,466 RTOs.

March 2026 — Best-ever March on Record

March 2026 FADA retail reached 26,92,449 units (+25.28% YoY) the best-ever March in FADA's records. Rural retail grew +26.49% versus Urban +23.82%, underscoring broad-based demand. Two-wheelers led at 19,51,006 units (+28.68% YoY); PV retail set a record at 4,40,144 units (+21.48% YoY) with PV inventory normalised to ~28 days from over 50 days a year earlier.

FY26 Key Sector Trends

- EV adoption deepened across all categories. Total EV retail reached 24.52 lakh units (+24.63% YoY). 3W EV share reached 60.95%; 2W EV share 6.54%; PV EV share 4.25%; PV CNG share 21.98%.
- Rural demand was strong rural retail grew 13.05% vs urban 13.62%. In PVs, rural outpaced urban meaningfully (17.12% vs 10.43%).
- PV inventory corrected sharply from ~52 days (March 2025) to ~28 days (March 2026) — among the healthiest readings in recent years.
- India's vehicle exports grew ~24% to 6.65 million units in FY26, reinforcing India's position as a global auto export hub.
- Maruti Suzuki retained PV market leadership with 39.71% share. Tata Motors and Mahindra competed closely at ~13% each. Ather Energy grew 2W market share to 1.12% in FY26 from 0.69% in FY25.

Company Overview

Popular Vehicles and Services Limited (PVSL), part of the Kuttukaran Group, is one of India's leading fully integrated automobile dealership companies. Incorporated in 1983 and headquartered in Kochi, Kerala, PVSL has been listed on both NSE (PVSL) and BSE (544144) since March 2024.

PVSL operates across the full automotive value chain: new vehicle sales (PV, Luxury PV, CV, EV), pre-owned vehicles, authorised services and repairs, spare parts distribution, and third-party financial and insurance products. The company serves customers across Kerala, Tamil Nadu, Karnataka, Maharashtra, Telangana, Andhra Pradesh, and Punjab.

OEM and Business Partner Network — FY26

OEM / Partner	Segment	Geography	FY26 Status
Maruti Suzuki India (MSIL)	PV — Mass Market	Kerala, Tamil Nadu, Karnataka, Telangana	Core / Largest MSIL dealer in India; added Telangana (27 touchpoints)
Jaguar Land Rover (JLR)	Luxury PV	Select metros in Karnataka	Active;
Audi India (via Imperion Cars)	Luxury PV	Hyderabad, Visakhapatnam, Vijayawada	Added in Q4 FY26; new luxury footprint in Telangana & AP
Tata Motors (via PMMIL)	Commercial Vehicles	Multi-state	Won 4 Tata South Zonal awards in FY26
Daimler India (BharatBenz)	Commercial Vehicles	Tamil Nadu, Maharashtra, & Punjab (new in FY26)	Infrastructure-driven freight; geographic diversification milestone
Ather Energy	EV Two-Wheeler	Karnataka, Kerala, Maharashtra, Tamil Nadu	4 new touchpoints; 160% EV 2W volume growth in Q4 FY26
Balkrishna Industries (BKT)	Tyre Distribution	Kerala & Karnataka	New — 2W & PCR tyre segments; FY26 addition
Honda Cars India	PV	Kerala	Exited — volumes counted only until August 2025
Piaggio	EV - Three-Wheeler	Kerala	Exited — volumes counted only until August 2025

FY26 Operating and Business Performance

FY26 was a year of strong volume and revenue recovery for PVSL, after a challenging FY25. The company delivered broad-based growth across all segments, driven by industry tailwinds from GST 2.0, geographic expansion, new OEM additions, and improved consumer sentiment. Honda and Piaggio volumes and revenue are included only until August 2025. Audi volumes and revenue are included from Q4 FY26 onwards.

5.1 Revenue and Volume Growth Summary — FY26

Business Segment	FY25 Revenue (₹ Cr)	FY26 YoY Growth	FY26 Revenue (₹ Cr)	Analysis
Total Revenue from Operations	5,541.2	+15.2%	6,381.1	Full year — broad-based recovery across all segments
PV (Excluding Luxury)	2,830.6	+4.2%	2,948.2	Supply constraints from key OEM (MSIL) in Kerala in Q4 FY26 moderated growth
Luxury PV (JLR + Audi)	470.5	+15.6%	543.9	JLR volumes steady; Audi added from Q4 FY26 provided incremental uplift
Commercial Vehicles (CV)	1,882.9	+31.6%	2,477.4	Strongest growth segment — Tata Motors performance + BharatBenz's Punjab expansion
EV + Spare Parts Distribution	357.2	+15.2%	411.6	Ather network growth + stable high-margin aftermarket volumes
New Vehicle Volume (Units)	44,087 units	+21.2%	53,452 units	All-time high volumes for PVSL, driven by market momentum and GST 2.0

Q4 FY26 — Strongest Quarter

Q4 FY26 saw exceptional acceleration, with total revenue growing +28% YoY and new vehicle volumes growing +43% YoY. Entry-level PV volumes were up >20% YoY, premium PV up ~10% YoY, and CV volumes up >59% YoY (Q4 FY26 basis).

Metric	Q4 FY26 YoY Growth	FY26 Full Year YoY Growth
Total Revenue from Operations	+28%	+15%
PV (Excluding Luxury)	+13%	+4%
Luxury PV	+18%	+16%
Commercial Vehicles	+49%	+32%
EV + Spare Parts	+34 %	+15%
New Vehicle Volume (Units)	+43%	+21%

Financial Performance

Historical Financial Snapshot (Consolidated)

Metric (₹ Crore)	FY23	FY24	FY25	FY26
Total Income	4,893	5,647	5,562	6,401.1
Gross Profit	750	888	801	861
Gross Profit Margin (%)	15.3%	15.7%	14.4%	13.5%
EBITDA (Reported)	235	286	175	203
EBITDA Margin (%)	4.8%	5.1%	3.2%	3.2%
EBIT	155	194	77	76
Interest Cost	71	98	86	103
Depreciation	79	92	99	127
Profit Before Tax (PBT)	85	98	(9)	(13.3)
Net Profit / (Loss)	64	76	(10.5)	(12.5)
EPS (₹)	10.22	12.05	(1.47)	(1.75)
Operating Cash Flow (OCF)	109	80	151	100
Capex (₹ Crore)	85	81	54	102

Key Financial Ratios and Health Indicators

Indicator	FY23	FY24	FY25	FY26
Total Income (₹ Crore)	4,893	5,647	5,562	6,401
EBITDA (₹ Crore)	235	286	175	203
EBITDA Margin (%)	4.8%	5.1%	3.2%	3.2%
Net Profit / (Loss) (₹ Crore)	64	76	(10.5)	(12.5)
PAT Margin (%)	1.3%	1.3%	-	-
Interest Cost (₹ Crore)	71	98	86	103
Net Debt (₹ Crore)	477	367	392	623
Net Debt / EBITDA (x)	2.0x	1.3x	2.2x	3.1x
Return on Capital Employed (RoCE)	18.3%	17.7%	7.2%	5.7%
Return on Equity (RoE)	18.7%	11.6%	-	-
EPS (₹)	10.22	12.05	(1.47)	(1.75)
Inventory Days	38 days	45 days	45 days	41 days
Market Cap (₹ Crore)		~900	~734	~738

Segment-wise Business Review

New Vehicle Sales

FY26 was a strong recovery year for our core new vehicle business. Total new vehicle volume grew +21% YoY. Growth was driven by GST 2.0 tailwinds, entry-level car demand, addition of Audi from Q4 FY26, expansion through organic & inorganic growth and improved consumer sentiment across geographies.

Metric	FY24	FY25	FY26 (YoY Growth / Est.)
Volume (units)	46,665	44,087	53,452 (+21.2%)
Average Selling Price (₹)	8,89,791	9,16,376	9,00,483
Total New Vehicle Revenue (₹ Cr)	4,152	4,040	4,813

Pre-Owned Vehicle Sales

Metric	FY24	FY25	FY26
Volume (units)	10,698	10,636	11,000
Average Selling Price (₹)	3,34,618	3,40,015	3,26,178
Revenue (₹ Crore)	358	362	359

Services and Repairs

The service segment witnessed a mid-single-digit decline in revenue in FY26 on a YoY basis. However, higher Average Selling Prices (ASPs) partially offset the volume impact. The service vertical remains a key margin-support business, contributing disproportionately to EBITDA. The decline in volumes was partly due to the rationalisation of low-value job cards, while ASP improvement reflects our focus on higher-margin services such as collision repair and richer service packages. CV services delivered strong growth, supported by higher servicing intensity, workshop upgrades and better utilization of the expanded network. As the EV segment expands, service volumes are beginning to reflect stronger recurring aftersales potential.

Metric	FY24	FY25	FY26
Volume (service jobs)	10,53,545	10,42,298	9,82,100, (Mid-single digit decline YoY)
ASP (₹ per service job)	8,213	8,666	9,855 — higher ASPs partially offset volume decline
Revenue (₹ Crore)	865	903	968

Spare Parts and EV Distribution

Spare parts distribution is a high-margin, recurring income vertical, contributing ~4% of turnover and ~3% of EBITDA. In FY26, the combined EV + Spare Parts cluster grew +15% YoY, supported by four new Ather touchpoints and steady aftermarket throughput. We are also servicing approximately 3,100 Ather vehicles per month.

Metric	FY25	FY26
Spares Revenue (₹ Crore)	273	267.0
% of Total Revenue	~4.9%	~4.2%
% of EBITDA contribution	8%	~3%
Ather vehicles serviced / month (FY26)		3,100
EV 2W Volume Growth (FY26)		+102%
EV Service Volume Growth (FY26 YoY)		+79%

Our Strategy — FY26 Actions and Progress

FY26 marked significant progress on our multi-year strategic agenda. We moved from a period of regional concentration and single-segment dependence toward a broader, more resilient pan-India dealership platform. Below is a review of our ten strategic themes and the evidence of progress in FY26.

Strategic Theme	FY26 Key Actions	Evidence of Progress / Outcome
Geographic Diversification	Entry into Telangana (Maruti — 26 touchpoints), Punjab (BharatBenz — 10 touchpoints), AP (Audi — 5 touchpoints)	Telangana commenced October 2025; Punjab revenue-accretive at takeover; Kerala share structurally declining
Luxury Portfolio Strengthening	Added Audi (Telangana & AP via Imperion Cars); continued JLR operations	JLR disruption resolved post cyber incident; Audi to contribute meaningfully in FY27; Luxury PV revenue +15% FY26
Commercial Vehicle Expansion	BharatBenz in Punjab; integrated 3S model; North India freight push	CV volumes +30 % YoY in FY26; CV revenue +32% FY26 full year; 4 Tata South Zonal awards
EV Ecosystem Development	4 Ather 3S facilities (Maharashtra 3 + Kerala 1); 2 Ather in Bengaluru (Experience + Service + Warehouse model)	EV 2W volumes +102 % YoY ; EV service +79% YoY; ~3,100 Ather vehicles serviced/ month
Service Business Reinforcement	Higher-margin services focus (collision & repair); reduced low-ticket campaigns; geographic service expansion	ASP improved meaningfully YoY; service topline resilient despite volume softness
Aftermarket & Distribution	BKT tyre distributorship (2W & PCR, Kerala & Karnataka); ZPAREX e-commerce platform developed (Q1 FY27 launch)	New distribution vertical entered; digital spare parts platform developed
Portfolio Rationalisation	Divested Vision Motors (Honda) and Kuttukaran Green (Piaggio) for ₹ 70 Cr; closed JCB spare parts distribution	Corporate structure simplified; capital redeployed to core towards acquisitions & higher-growth and higher-potential areas; management bandwidth freed
Operational Excellence	Back-office centralisation; centralised service marketing; inventory rationalisation	New vehicle inventory ~29 days; improved collections
Balance Sheet Discipline	Disciplined working capital; reduced inventory; controlled borrowings despite acquisitions	Balance sheet described as robust; inventory materially reduced; borrowings stable
OEM Relationship Deepening	Expanded MSIL, BharatBenz; new Audi relationship; deepened Ather; integrated 3S model	Multiple OEM awards; credit rating reaffirmed; PVSL remains largest MSIL dealer in India

Highlights of FY26 — Our Year in Summary

FY26 was the year we turned the corner. After a difficult FY25, we entered FY26 with a clear agenda: diversify geographically, strengthen our multi-brand portfolio, and deliver volume recovery. We delivered on all three fronts.

- We entered three new states: Telangana, Andhra Pradesh, Punjab — adding new OEM relationships.
- New vehicle volume grew +21% to ~53,452 units.
- The CV segment delivered its best-ever performance (+32% revenue), supported by BharatBenz Punjab and Tata Motors growth.
- EV business scaled rapidly — Ather volumes up 102% in FY26, EV service volumes up 79%, and we opened 6 new Ather touchpoints across India.
- Our Tata Motors subsidiary (PMMIL) won 4 awards at the South Zonal Meeting — Channel Partner Score, Best Customer Support, Customer Success Centre, and SMILE Driver (Sales).
- Inventory days reduced from ~45 to ~41 days — signalling healthier sell-through and improved working capital efficiency.
- We unlocked ₹ 70 crore of capital from non-core divestments (Honda and Piaggio), which is got redeployed into higher-return opportunities.

Risks and Concerns

Risk	Category	Impact on PVSL	Probability	Mitigation
Elevated debt from expansion & acquisitions	Financial	Higher interest burden; elevated Debt/EBITDA	Medium	Geographic revenue diversification; non-core divestitures
IndAS acquisition adjustments	Accounting	Impacted reported profitability in FY26; one-time in nature	Low (FY27 onwards)	Expected to normalise in FY27 as integration completes
MSIL supply constraints in Kerala	Operational	PV (excl. luxury) volume pressure in Q4 FY26	Medium	Multi-OEM portfolio reduces single-OEM risk significantly
Service segment volume decline	Business	Mid-single digit decline in FY26 service volumes	Medium	Higher ASPs partially offset; Honda/ Piaggio exit is one-time base effect
West Asia geopolitical conflict	Macro	CV supply disruptions; fuel price volatility; 53.2% dealers report disruption	High (near-term)	Diversified supplier base; monitoring freight rate impact
Kerala geographic concentration	Geographic	Exposure to region-specific macro and political risks	Medium	Active diversification into KA, MH, TN, TS, AP, PB
OEM alliancing risk	Strategic	Risk of missing OEM targets; high MSIL dependence	Medium	Regular contract reviews; proactive OEM engagement; Audi, Ather additions
EV disruption	Industry	Shift in customer preferences; new entrant competition	High (long-term)	Positioned with Ather; e-Vitara readiness underway; EV service capability built
Cybersecurity	Technology	Data theft; business disruption (as seen at JLR OEM)	Medium	Advanced cybersecurity systems; regular audits; incident response mechanisms

Internal Control Systems

We have in place adequate internal control systems commensurate with the nature of our business, size, and scale of operations. These controls are designed to ensure orderly and efficient conduct of operations, safeguard of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The internal control systems are reviewed periodically by management and tested by internal auditors to assess their effectiveness. The Audit Committee of the Board regularly monitors the adequacy of internal controls, reviews audit findings, and ensures that corrective actions are implemented promptly. We continue to invest in centralisation of back-office operations across showrooms and centralised service marketing to improve consistency and reduce operational risks.

Industry Outlook — FY27

74.72% of dealers expect FY27 growth in the 3–7% consensus range, underscoring that current uncertainty is viewed as transitional rather than structural. RBI's FY27 GDP forecast is 6.6% — domestic demand, PLI incentives, and GST benefits are expected to sustain momentum. Source: FADA's Online Members Survey

Outlook Parameter	Data / Finding
April 2026 Growth Expectation (Dealers)	50.56% expect growth | 40.15% flat | 9.29% decline
Apr–Jun 2026 (Q1 FY27) Growth Expectation	49.81% of dealers expect growth
FY27 Full-Year Outlook	74.72% expect growth — 3–7% consensus range
Dealer Liquidity (April 2026)	Good: 51.30% | Neutral: 40.15% | Bad: 8.55%
Dealer Sentiment (April 2026)	Neutral: 54.65% | Good: 36.06% | Bad: 9.29%
Financing Conditions	72.5% report no change — stable, no broad-based tightening
West Asia Supply Disruption	53.2% dealers report some form of supply / dispatch disruption
Key FY27 Headwinds (Dealer Survey)	Economic slowdown (40.5%), OEM supply risk (30.5%), Fuel prices (14.9%)
India GDP Growth Forecast FY27 (RBI)	6.6% — domestic demand, PLI, and GST benefits to sustain momentum
EV / CNG Interest Acceleration	56.9% of dealers report accelerating customer interest in EV and CNG options

Our Strategic Roadmap — FY27 Priorities

Strategic Pillar	FY26 Actions	FY27 Priorities
Luxury Segment	Added Audi from Q4 FY26 in Telangana & AP via Imperion Cars; JLR steady	Scale Audi volumes; explore further luxury brand additions; target high-ASP premiumisation
EV Ecosystem	Ather 2W: 6 new touchpoints; EV technical training; e-Vitara readiness	Deepen Ather network; evaluate 4W EV OEM partnerships;
Geographic Diversification	Entered new states of Telangana, AP, Punjab in FY26	Reduce Kerala revenue to below 50%; target double-digit growth from new geographies
CV Segment	BharatBenz in Punjab; 4 Tata South Zonal awards; CV revenue +32%	Leverage India infrastructure push; grow MCV/ HCV fleet business; expand BharatBenz network
Aftermarket & Distribution	BKT tyre distributorship; EV+Spares cluster grew +15%	Grow BKT coverage in KL, KA; improve service ASP; scale ZPAREX digital parts platform
Balance Sheet Health	Non-core divestitures (₹ 70 Cr); new vehicle inventory days to ~29	Further deleverage; reduce Debt/EBITDA; improve interest coverage; target ~5% EBITDA margin in FY27
Service Business	ASP improved meaningfully; collision & repair focus	Target double-digit service volume growth from FY27; expand geographic service footprint
Margin Normalisation	Scale benefits beginning from Q3 FY26	EBITDA margin expected to normalise toward ~5% as scale builds and integration costs reduce

Disclaimer

This Management Discussion & Analysis has been prepared based on publicly available information: PVSL FY26 Business Update filed with BSE/NSE (17 April 2026); PVSL Annual Report FY2024-25; FADA FY26 and March 2026 Vehicle Retail Data (6 April 2026); SIAM FY26 Annual Wholesale Sales Data (April 2026); RBI Monetary Policy Reports and CSO GDP Estimates (FY26); IMF World Economic Outlook July 2025; World Bank Global Economic Prospects June 2025; S&P Global Mobility CY25 Light Vehicle Forecasts; IEA Global EV Outlook 2025; Screener.in consolidated financial data; PVSL internal strategic review documents. FY26 full-year audited financial statements have not been published; revenue estimates are indicative and all profitability metrics are marked 'XX' where data is unavailable. This document is for informational and internal reference purposes only and does not constitute investment advice.

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Corporate Governance Report

This report on Corporate Governance is pursuant to Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR"). The Company has complied with the applicable requirements of the SEBI LODR and amendments thereto.

Philosophy on Corporate Governance

At Popular Vehicles and Services Limited, corporate governance is not just a framework but a reflection of our core values and commitment to integrity, transparency, and accountability in all our dealings. Our governance practices are rooted in the belief that effective corporate governance is critical to building and sustaining trust with our shareholders and stakeholders.

Our robust governance framework is administered by the Board of Directors, chaired by a Non-Executive Independent Director, with an appropriate mix of executive, non-executive and independent directors, including a woman Independent Director, supported by the Audit, Nomination and Remuneration, Stakeholders' Relationship, CSR and Risk Management Committees.

The governance framework is further strengthened by the implementation of comprehensive policies that form the pillars of our corporate governance structure. These policies cover areas such as materiality determination, performance evaluation of the Board of Directors, familiarisation programmes for independent directors, preservation of documents, material subsidiaries, related party transactions, diversity of the Board, risk management, succession planning, whistleblowing, anti-sexual harassment, document archiving, codes of conduct and disclosure, corporate social responsibility, dividend distribution, insider trading, and nomination and remuneration. These policies ensure that we operate with the highest standards of integrity and accountability. They guide our actions and decision-making processes and promote transparency, ethical conduct, and a culture of continuous improvement. The governance policies were reviewed during the year in line with the SEBI LODR amendments notified in 2025.

At Popular Vehicles and Services Limited, we are dedicated to creating long-term value for all our stakeholders. Our commitment to governance ensures that we maintain the highest standards in our operations, safeguarding the interests of our shareholders, employees, customers, and the communities we serve. We aim to achieve sustainable growth and success through continuous improvement and adherence to our core values, providing a sense of security and value to our stakeholders.

Board of Directors

The present composition of the Board is in compliance with the requirements of Regulation 17 (1) of the Listing Regulations. The Board of Directors (the Board) of the Company comprises of an optimum mix of Executive and Non-Executive Directors. The Board, as on 31st March, 2026, comprises Eight Directors, which includes Five Non-executive Independent Directors (including one Woman Independent Director) and three Executive Directors. The Chairman of the Board of Directors, Mr. Jacob Kurian, is an Independent Director.

The composition of the Board of Directors as at 31st March, 2026 was as follows:

Name	Category	No. of Directors	No. of Shares held	No. of Board Meetings attended during the financial year ended 31st March, 2026	Attended last AGM held on 29th September, 2025	Number of directorships held in public limited companies		Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in Other Public Limited Companies	
						Directorship	Chairmanship		Member	Chairman
#Mr. Naveen Philip (DIN:00018827)	Promoter and Executive, Non-Independent Director	Three(3) Executive Directors	14519362	6	Yes	8	Nil	Nil	0	Nil
#Mr. John K Paul (DIN:00016513)	Promoter and Executive, Non-Independent Director		14519362	6	Yes	6	Nil	Nil	1	Nil
#/*Mr. Francis K Paul (DIN:00018825)	Promoter and Executive Non-Independent Director		14519362	6	Yes	6	Nil	Nil	Nil	Nil

Name	Category	No. of Directors	No. of Shares held	No. of Board Meetings attended during the financial year ended 31st March, 2026	Attended last AGM held on 29th September, 2025	Number of directorships held in public limited companies		Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in Other Public Limited Companies	
						Directorship	Chairmanship		Member	Chairman
##Mr. Jacob Kurian (DIN:00213259)	Chairman, Non-Executive Independent Director	Five (5) Independent Directors	Nil	5	Yes	2	1	Nil	Nil	Nil
Ms. Preeti Reddy (DIN:07248280)	Non-Executive Independent Director		Nil	5	Yes	4	Nil	1. ICICI Lombard General Insurance Company Limited – Non executive independent director 2. ICICI Prudential Asset Management Company Limited-Non -executive independent director 3. JSW Cement Limited-Non -executive independent director	1	1
**Mr. George Joseph (DIN:00253754)	Non-Executive Independent Director		Nil	6	Yes	4	1	1. Muthoot Finance Limited- Non-Executive independent director	4	3
^Mr. Neeraj Jain (DIN:00348591)	Non-Executive Independent Director		Nil	3	No	3	Nil	1. Radiowalla Network Ltd- Non-executive, independent director	3	1
^^Mr. Murali Narayanan Chinnasamy (DIN: 11356917)	Non-Executive Independent Director		Nil	2	No	1	Nil	Nil	Nil	Nil
^^^Mr. Rakesh Kumar Bhutoria (DIN:08449728)	Non- Executive, Nominee director (Nominee of Banyan Tree Growth Capital II LLC)	One (1) Nominee Director	Nil	4	No	Nil	Nil	Nil	Nil	Nil
Total		@Eight (8)	43,558,086							

#The Executive Directors hold directorships in subsidiaries of the Company as well, which are deemed Public Companies and are counted as Public Companies.

##Mr. Jacob Kurian, Independent Director, holds the position of Independent Director in the material subsidiary of the Company-Popular Mega Motors (India) Private Limited.

*The term of Mr. Francis K. Paul (DIN: 00018825), Whole Time Director of the Company, was expired on 31st March, 2026. He also resigned from the position of Executive Director of the Company with effect from the close of business hours on 31st March, 2026.

**Mr. George Joseph, Independent Director, also serves as an Independent Director in the material subsidiary of the Company, Prabal Motors Private Limited. During the financial year ended 31st March, 2026, he was appointed as an Independent Director of Muthoot Finance Limited with effect from 01st June, 2025 and Veegaland Developers Limited with effect from 01st October, 2025, and ceased to be a Director of Credit Access Grameen Limited with effect from 08th September, 2025.

^Mr. Neeraj Jain was appointed as an Independent Director of the Company in the 41st Annual General Meeting held on 29th September, 2025, to hold office for five consecutive years with effect from 29th September, 2025.

^^Mr. Murali Narayanan Chinnasamy was appointed as an Independent Director of the Company through Postal Ballot held on 29th December, 2025, to hold office for five consecutive years with effect from 29th December, 2025

^^^Mr. Rakesh Kumar Bhutoria, the representative/nominee of M/s Banyan Tree Growth Capital II LLC, the private equity investor, had resigned from the board with effect from 08th December, 2025.

@ Total number of Directors as on 31st March 2026.

For the Committee memberships and chairmanships of Directors, only the Audit Committee and the Stakeholders' Relationship Committee, in all public limited companies, are considered. The Committee memberships of Directors are within the limits prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

The Board of Directors is of the opinion that Independent Directors fulfil conditions specified under the Listing Regulations and are independent of the management of the Company.

In terms of provisions of the Companies Act, 2013 and the Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on 31st March, 2026, none of the Directors on the Board holds Directorship position in more than 20 (twenty) companies [including 10 (ten) public limited companies and 7 (seven) listed companies]; holds Executive Director position in listed Company and serves as an Independent Director in more than 3 (three) listed companies; is a member of more than 10 (ten) Committees (Audit Committee and the Stakeholders Relationship Committee) and/or Chairperson of more than 5 (five) Committees (Audit Committee and the Stakeholders Relationship Committee) across all the Indian Public Limited Companies in which he/she is a Director.

Appointment of Mr. Neeraj Jain and Mr. Murali Narayanan Chinnasamy and Resignation of Mr. Rakesh Kumar Bhutoria and Mr. Francis K. Paul.

During the financial year, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 14th August, 2025, has proposed the appointment of Mr. Neeraj Jain as an Independent Director, subject to approval by the shareholders at the 41st Annual General Meeting. The Members of the Company approved the appointment at the 41st Annual General Meeting for a term of five consecutive years, with effect from 29th September, 2025.

To further strengthen corporate governance and bring diverse skills and experience to the Board, the Company proposed the induction of additional Independent Directors beyond the statutory requirement. Accordingly, based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 29th October, 2025, the Board of Directors at the meeting held on 10th November, 2025, has recommended the appointment of Mr. Murali Narayanan Chinnasamy (DIN: 11356917) as an Independent Director under Regulation 16 (1)(b) of the SEBI (LODR) Regulations, 2015. The appointment was approved by the members through Postal Ballot on 29th December, 2025, for a term of five years.

Further Mr. Rakesh Kumar Bhutoria, Nominee Director of M/s Banyan Tree Growth Capital II LLC, had resigned from the position of Nominee Director with effect from 08th December, 2025, due to personal reasons.

Mr. Francis K. Paul (DIN: 00018825) retired from the position of Whole Time Director of the Company with effect from the close of business hours of 31st March, 2026. Further, he resigned from the position of Executive Director of the Company with effect from the close of business hours of the same date.

The profiles of the Directors are given below. The profiles of Directors can also be accessed on the Company's website at https://popularvehicles.in/investors/corporate-governance?type=investors

Mr. Jacob Kurian is the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree in electrical engineering from the University of Madras and a post-graduate diploma in business management from Xavier Labour Relations Institute, Jamshedpur. Before joining our Company, he was the country manager at TATA Unisys Limited and also worked at TATA Services Limited and Titan Industries Limited.

Mr. John K. Paul is the Whole-time Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut. He is responsible for the Maruti Suzuki dealership operations of the group. With over 50 years of experience in the automobile industry, he is currently the president of Kerala Automobiles Dealers Association and a member of the Federation of Automobile Dealers Association's Governing Council. Additionally, he is a trustee of the Lawrence School Lovedale Alumni Foundation.

Mr. Francis K. Paul is the Whole-time Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut. He was responsible for Corporate Social Responsibility activities and other policy matters of our Company. He has More than 55 years of experience in the automobile sector.

Mr. Naveen Philip is the Managing Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Calicut and a postgraduate diploma in management from the Xavier Institute of Management, Bhubaneswar. He has more than 29 years of experience in the automobile industry. Previously, he served as a manager at Godrej Telecom Limited. He is the Regional Learning Officer – YPO South Asia, and currently the Learning Officer for the Automotive Network for YPO - a global association (Young Presidents Organization); and also actively associated with the Young Indian (YI) fellowship, having been its past Chapter Chair and National Youth Affairs Chair.

Ms. Preeti Reddy is a Non-Executive Independent Director of our Company. She holds a bachelor's degree in arts from the University of Delhi and an honours diploma in business management from Xavier Labour Relations Institute, Jamshedpur. She was the Chairperson South Asia of the Kantar Consumer Insights Organisation. She has previously served as a Senior Vice President at IMRB International Limited and has worked in consumer insights as a Vice President at KSA Technopak (I) Private Limited. Additionally, she has served as a Market Research Manager at VST Industries Limited. She is currently serving as Independent Director on the Board of ICIC Prudential Assent Management Company Limited, JSW Cement Limited and ICICI Lombard General Insurance Company Limited.

Mr. George Joseph is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Kerala and is a certificated associate of the Indian Institute of Bankers. He has also completed a banking diploma from the Institute of Bankers, London. He retired as Chairman and Managing Director of Syndicate Bank and was associated with Canara Bank for over 36 years, resigning as General Manager in 2006. He has also served as Chairman, Whole Time Director and Joint Managing Director of Wonderla Holidays Limited and as an Independent Director of Muthoot Finance Limited and ESAF Small Finance Bank Limited. He is currently serving as Chairman and Independent Director of Veegaland Developers Private Limited and Independent Director of Muthoot Finance Limited and Prabal Motors Private Limited.

Mr. Neeraj Jain is a Non-Executive Independent Director of our Company. He is a rank-holder Chartered Accountant and Company Secretary with 30+ years of leadership experience in finance, supply chain, and business management across Johnson & Johnson (J&J) and Hindustan Unilever (HUL), in roles of increasing responsibility across India, ASEAN, and Asia Pacific. Mr. Neeraj was awarded as one of the 100 most influential CFOs in India in 2016 by CImA. Earlier he was recognized amongst the top 100 CFOs in 2015 by 9.9 Media. He is Director in Value Angels Network Private Limited and currently serving as Independent Director on the Board of Tata Pension Fund Management Private Limited, Tata Trustee Company Private Limited, Gromax Agri Equipment Limited and Radiowalla Network Limited.

Mr. Murali Narayanan is a Non-Executive Independent Director of our Company. He is a visionary technology executive with 25+ years of global experience driving digital transformation, innovation, and measurable financial outcomes through the strategic deployment of Data, Artificial Intelligence (AI), Generative AI (GenAI), and Cloud Infrastructure. He currently serves as the Global Head of SRE Operations and AIOps at GSK and previously held the role of CTO for the IMS Business at Dell Technologies, where he was responsible for spearheading enterprise-wide AI adoption and managed services innovation across global operations.

Board qualifications, expertise and attributes

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person is a proven leader in a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business.

The Board has an adequate mix of skills, expertise and competencies for running the business of the Company as detailed below:

Directors	Business	Corporate governance	Financial Expertise	Sales and Marketing	Strategy and Planning	Information Technology and AI	Risk Management
Mr. Naveen Philip	✓	✓	✓	✓	✓	✓	
Mr. John K Paul	✓	✓		✓	✓		
Mr. Francis K Paul	✓	✓		✓	✓		
Mr. Jacob Kurian		✓	✓	✓	✓		
Ms. Preeti Reddy		✓		✓	✓		
Mr. George Joseph		✓	✓	✓	✓		✓
Mr. Neeraj Jain		✓	✓		✓		✓
Mr. Murali Narayanan Chinnasamy		✓		✓	✓	✓	✓

Dates of Board Meetings

During the financial year ended 31st March, 2026, six Board Meetings were held on 29th May, 2025, 14thAugust, 2025, 08th October, 2025, 10th November, 2025, 10th February, 2026 and 31st March, 2026 and the gap between two meetings did not exceed one hundred and twenty days.

The Board of Directors periodically reviews reports relating to the Company's operations, capital expenditure proposals, statutory compliances and other relevant matters, in accordance with the requirements specified under Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013.

The Company provides the facility to its Directors to attend the meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). The details of the meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

All statutory and other matters of significant importance, including information as mentioned in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are placed before the Board to enable informed decision-making on strategic and regulatory matters. The Board reviews compliance with applicable laws, rules and regulations on a quarterly basis. During the meetings, Directors are given adequate opportunity to express their views and decisions are taken after detailed deliberations.

Number of Shares and Convertible Instruments held by Non-Executive Directors

As on 31st March, 2026, none of the Non-Executive Directors held any shares in the Company. Further, no convertible instruments were issued by the Company to the Non-Executive Directors.

Disclosure of the relationship between directors inter se

Mr. John K. Paul and Mr. Francis K. Paul, Whole-time Directors of the Company, are brothers. Mr. Naveen Philip is the nephew of Mr. John K. Paul and Mr. Francis K. Paul. Except for the above, none of the other Directors are related to any other Director.

Web link of details of familiarisation programmes imparted to independent directors

The details of familiarisation programmes imparted to independent directors are posted on the Company's website at: https://popularvehicles.in/investors/corporate-governance?type=investors

Meeting of the Independent Directors

During the year under review, 1 (one) meeting of the Independent Directors of the Company was held on 31st March, 2026, as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR), Regulations, 2015. The Independent Directors inter alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Committees of the board

Your Company's Board of Directors had constituted the following mandatory Committees in compliance with the requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz.:

(i) Audit Committee;

(ii) Nomination and Remuneration Committee;

(iii) Stakeholders' Relationship Committee

(iv) Corporate Social Responsibility Committee; and

(v) Risk Management Committee.

Audit Committee

The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The powers, role and terms of reference of the Audit Committee covers the areas as mentioned under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. These, inter alia, include oversight of Company's financial reporting process, internal financial controls, reviewing the adequacy of the internal audit function, reviewing with management the quarterly/annual financial statements before submission to the Board, recommending the appointment of statutory auditors and fixation of their remuneration, approval of related party transactions, evaluation of risk management systems etc.

The Company's Audit Committee consists of four Directors, who are Non-Executive Independent Directors. All the members of the Audit Committee have adequate knowledge in the areas of finance and accounting.

During the financial year 2025-26, the Audit Committee met six times on 08th May, 2025, 29th May, 2025, 14th August, 2025, 10th November, 2025, 10th February, 2026 and 31st March, 2026.

Terms of reference

The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

The role of the Audit Committee, inter alia, shall include the following:

(a) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

1. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
2. changes, if any, in accounting policies and practices and reasons for the same;
3. major accounting entries involving estimates based on the exercise of judgment by management;
4. significant adjustments made in the financial statements arising out of audit findings;
5. compliance with listing and other legal requirements relating to financial statements;
6. disclosure of any related party transactions;
7. modified opinion(s) in the draft audit report;

(e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to such conditions as may be prescribed;

(j) scrutiny of inter-corporate loans and investments;

(k) valuation of undertakings or assets of the Company, wherever it is necessary;

(l) evaluation of internal financial controls and risk management systems;

(m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(n) reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) discussion with internal auditors of any significant findings and follow up there on;

(p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(q) discussion with statutory auditors before the audit commences, about the nature and scope of the audit, as well as post-audit discussion to ascertain any area of concern;

(r) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(s) to review the functioning of the whistleblower mechanism;

(t) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(u) carrying out any other function as is mentioned in the terms of reference of the audit committee;

(v) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/ investments; and

(w) consider and comment on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) management letters/letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(e) statement of deviations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

(f) To review the financial statements, in particular, the investments made by any unlisted subsidiary; and

(g) Such information as may be prescribed under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Composition, name of members and chairperson

At the beginning of the year under review, the Audit Committee comprised three Directors, namely Mr. George Joseph, Mr. Jacob Kurian and Ms. Preeti Reddy. Pursuant to the appointment of Mr. Neeraj Jain as an Independent Director at the Annual General Meeting held on 29th September 2025, the Audit Committee was reconstituted on 10th November 2025, and Mr. Neeraj Jain was inducted as a member of the Committee in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The members of the Audit Committee are:

1. Mr. George Joseph, Chairperson
2. Mr. Jacob Kurian, Member
3. Ms. Preeti Reddy, Member
4. Mr. Neeraj Jain, Member

Meetings and attendance of the Audit Committee during the year are given below:

Sl. No	Name of the Member	Category	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
1	Mr. George Joseph	Chairperson	6	6
2	Mr. Jacob Kurian	Member	6	5
3	Ms. Preeti Reddy	Member	6	5
4	*Mr. Neeraj Jain	Member	2*	2

* Mr. Neeraj Jain: Entitled to attend only 2 meetings as he was appointed as an Independent Director in the 41st AGM held on 29th September 2025 and inducted into the Committee upon its reconstitution as on 10th November, 2025.

Mr. Varun T.V, Company Secretary and Compliance Officer is also Secretary to the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company has a Board-approved Nomination and Remuneration Policy and the policy is hosted on the website of the Company under the web link https://assets.popularvehicles.in/Nomination_and_Remuneration_Policy_0d8b2c3e75/Nomination_and_Remuneration_Policy_0d8b2c3e75.pdf

The Nomination and Remuneration Committee include the following namely formulation of criteria for determining qualifications, positive attributes and independence of director, recommending to the Board a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of directors performance, devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal and also recommend to the Board remuneration payable to Senior Management.

During the financial year 2025-26, the Nomination and Remuneration Committee met four times on 29th May, 2025, 14th August, 2025, 29th October, 2025 and 10th February, 2026.

Brief description of terms of references

(a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(b) formulation of criteria for evaluation of performance of independent directors and the Board;

(c) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agency, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(d) devising a policy on Board diversity;

(e) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent directors);

(f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(g) recommend to the Board, all remuneration, in whatever form, payable to senior management;

(h) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013 and the SEBI Listing Regulations, as and when amended from time to time."

Composition, names of members and chairperson

At the beginning of the year under review, the Nomination and Remuneration Committee comprised four Directors, namely Ms. Preeti Reddy, Mr. Jacob Kurian, Mr. George Joseph and Mr. Rakesh Kumar Bhutoria. Pursuant to the appointment of Mr. Neeraj Jain as an Independent Director at the Annual General Meeting held on 29th September 2025, the Committee was reconstituted on 10th November 2025 and Mr. Neeraj Jain was inducted as a Member and Mr. George Joseph ceased to be a Member of the Committee. Further, the Committee was reconstituted again on 10th February 2026, pursuant to the resignation of Mr. Rakesh Kumar Bhutoria from the Board of Directors and as a Member of the Committee with effect from 08th December 2025.

The members of the Nomination and Remuneration Committee are:

1. Ms. Preeti Reddy, Chairperson
2. Mr. Jacob Kurian, Member
3. Mr. Neeraj Jain, Member

Meetings and attendance of the Nomination and Remuneration Committee during the year are given below

Sl. No	Name of the Member	Category	No. of Nomination and Remuneration Committee Meetings held	No. of Nomination and Remuneration Committee Meetings attended
1	Ms. Preeti Reddy	Chairperson	4	4
2	Mr. Jacob Kurian	Member	4	3
3	*Mr. George Joseph	Member	3	3
4	**Mr. Rakesh Kumar Bhutoria	Member	3	3
5	***Neeraj Jain	Member	1	1

*Mr. George Joseph: Entitled to attend only 3 meetings, as he ceased to be a member of the Committee pursuant to its reconstitution held on 10th November, 2025.

**Mr. Rakesh Kumar Bhutoria: Entitled to attend only 1 meeting due to resignation from office with effect from 08th December, 2025.

*** Mr. Neeraj Jain: Entitled to attend only 1 meeting as he was appointed as an Independent Director in the 41st AGM held on 29th September 2025 and inducted into the Committee upon its reconstitution as on 10th November, 2025.

Mr. Varun T.V, Company Secretary and Compliance Officer, is also Secretary to the Nomination and Remuneration Committee.

Performance evaluation criteria for Independent directors

As per Part D of Schedule II SEBI (LODR) Regulations, 2015 and as prescribed u/s 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI LODR Regulations, the annual evaluation of the performance of the Directors, the Board, and the committees of the Board was done through an in-house mechanism through structured questionnaires for the financial year 2025-26.

The Chairperson of the Nomination and Remuneration Committee of the Company carried out the performance evaluation of each individual Director, Committee, Board as a whole and Board process. Performance evaluation was carried out internally via online survey based on a structured questionnaire, formulated taking into consideration the criteria approved by the Nomination and Remuneration Committee.

The evaluation of the Board was carried out based on its role in governance, overall functioning, evaluation of strategic proposals, financial reporting process, effectiveness of internal controls and review of the risk management process. The performance evaluation of individual Directors was undertaken based on parameters such as participation in Board and Committee meetings, contribution to strategic discussions, suggestions on risk mitigation measures, strengthening of internal controls, governance, leadership, talent development and management of external stakeholders. The performance of the various Committees of the Board was evaluated based on their constitution, effective functioning in accordance with their terms of reference, and the quality of suggestions and recommendations made to the Board from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee has been formed to specifically focus on the services to shareholders/investors.

The purpose of the Committee is to assist the Board and the Company in overseeing the various aspects of the interests of stakeholders of the Company. The term 'stakeholder' includes shareholders and other security holders.

During the financial year 2025-26, the Stakeholders Relationship Committee met twice on 29th May, 2025 and 11th November, 2025.

Composition, names of members and chairperson

At the beginning of the year under review, the Stakeholders Relationship Committee comprised four Directors, namely Mr. George Joseph, Ms. Preeti Reddy, Mr. Naveen Philip and Mr. Rakesh Kumar Bhutoria.

The Committee was reconstituted on 10th November 2025 in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations pursuant to which Mr. John K. Paul was inducted as a Member of the Committee and Mr. Rakesh Kumar Bhutoria ceased to be a Member of the Committee with effect from 10th November 2025.

The Committee was further reconstituted on 10th February, 2026, by inducting Mr. Murali Narayanan as a member of the Committee. Mr. Murali Narayanan was appointed as an Independent Director, through Postal Ballot, on 29th December, 2025.

The members of the Stakeholders' Relationship Committee are:

1. Mr. George Joseph, Chairperson
2. Mr. Naveen Philip, Member
3. Ms. Preeti Reddy, Member
4. Mr. John K. Paul, Member
5. Mr. Murali Narayanan, Member

Meetings and attendance of the Stakeholders' Relationship Committee during the year are given below:

Sl. No	Name of the Member	Category	No. of Stakeholders' Relationship Committee Meetings held	No. of Stakeholders' Relationship Committee Meetings attended
1	Mr. George Joseph	Chairperson	2	2
2	Mr. Naveen Philip	Member	2	2
3	Ms. Preeti Reddy	Member	2	2
4	*Mr. Rakesh Kumar Bhutoria	Member	1	1
5	**Mr. John K. Paul	Member	1	1
6	***Mr. Murali Narayanan	Member	0	0

*Mr. Rakesh Kumar Bhutoria: Entitled to attend only 1 meeting due to his resignation from office with effect from 08th December, 2025.

**Mr. John K. Paul: Entitled to attend only one meeting, as he was inducted into the Committee upon its reconstitution held on 10th November, 2025.

***Mr. Murali Narayanan: Not entitled to attend any meeting during the year, as he was inducted into the Committee upon its reconstitution with effect from 10th February, 2026.

Mr. Varun T.V., Company Secretary and Compliance Officer, is also Secretary to the Stakeholders Relationship Committee.

Particulars of investor complaints

Number of Complaints received during the financial year ended 31st March, 2026: Nil

Number of Complaints resolved during the year: Nil

Number of Complaints pending at the year-end: Nil

Number of Complaints not solved to the satisfaction of shareholders during the year: Nil

Risk Management Committee

The Risk Management Committee is constituted in compliance with the provisions of the Companies Act, 2013, and Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company has a Board-approved Risk Management Policy in place and the policy is placed on the website of the Company. Web Link: https://assets.popularvehicles.in/Risk_Management_Policy_34d960e0e1/Risk_Management_Policy_34d960e0e1.pdf

The requirement of mandatory constitution of Risk Management Committee ("RMC") is applicable to the top 1,000 listed companies on the basis of market capitalisation. The company has voluntarily constituted the risk management committee on 10th June 2021. The applicability of the constitution of the Risk Management Committee was effective after the listing of shares of the Company in the stock exchanges as the Company was included in the list of top 1,000 companies as on 31st March, 2024.

Although the Company's ranking has shifted outside the top 1,000 listed entities based on market capitalization, the Risk Management Committee (RMC) has been continued in line with regulatory transition provisions and as a matter of good corporate governance.

During the financial year 2025-26, the Risk Management Committee met twice on 29th May, 2025 and 11th November, 2025.

Brief description of terms of references

a) To formulate a detailed risk management policy which shall include:

   i. a framework for identification of internal and external risks specifically faced by a listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risks as may be determined by the committee;

   ii. measures for risk mitigation, including systems and processes for internal control of identified risks;

   iii. business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To keep the board of directors informed about the nature and its contents of discussions, recommendations and actions to be taken;

f) To review the appointment, removal and terms of remuneration of the chief risk officer (if any); and

g) To carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, or the SEBI LODR Regulations, each as amended or by any other regulatory authority.

Composition, names of members and chairperson

At the beginning of the year under review, the Risk Management Committee comprised five Directors, namely Mr. Naveen Philip, Mr. George Joseph, Mr. Jacob Kurian, Ms. Preeti Reddy and Mr. Francis K. Paul.

Pursuant to the appointment of Mr. Neeraj Jain as an Independent Director at the Annual General Meeting held on 29th September, 2025, the Committee was reconstituted on 10th November, 2025, in compliance with the applicable provisions of the Companies Act, 2013. Consequent to the reconstitution, Mr. Neeraj Jain was inducted as the Chairman of the Committee, and Ms. Preeti Reddy, Mr. Jacob Kurian and Mr. Francis K. Paul ceased to be Members of the Committee with effect from the same date.

Further, pursuant to the appointment of Mr. Murali Narayanan as an Independent Director through Postal Ballot on 29th December, 2025, the Committee was reconstituted again on 10th February, 2026, in accordance with the applicable provisions, and Mr. Murali Narayanan was inducted as a Member of the Committee with effect from the same date.

The members of the Risk Management Committee are:

1. Mr. Neeraj Jain, Chairperson
2. Mr. Naveen Philip, Member
3. Mr. Murali Narayanan, Member
4. Mr. George Joseph, Member

Meetings and attendance of the Risk Management Committee during the year are given below:

Sl. No	Name of the Member	Category	No. of Risk Management Committee Meetings held	No. of Risk Management Committee Meetings attended
1	*Mr. Neeraj Jain	Chairperson	1	1
2	**Mr. Jacob Kurian	Member	1	1
3	**Mr. Francis K. Paul	Member	1	1
4	**Ms. Preeti Reddy	Member	1	1
5	Mr. George Joseph	Member	2	2
6	#Mr. Naveen Philip	Member	2	2
7	##Mr. Murali Narayanan	Member	0	0

*Mr. Neeraj Jain entitled to attend only one meeting, as he was inducted into the Committee upon its reconstitution on 10th November, 2025.

**Mr. Jacob Kurian, Mr. Francis K Paul and Ms. Preeti Reddy are entitled to attend only one meeting, as they ceased to be Members of the Committee pursuant to its reconstitution on 10th November, 2025.

#Mr. Naveen Philip ceased to be the chairman of the Committee upon its reconstitution on 10th November, 2025.

##Mr. Murali Narayanan was not entitled to attend any meeting during the year, as he was inducted into the Committee upon its reconstitution on 10th February, 2026.

The Chief Risk Officer of the Company shall also act as the Secretary to the Risk Management Committee.

Senior Management: Particulars of Senior Management

Particulars of Senior Management Personnel (SMP) including the changes therein as on 31st March, 2026:

Sl. No	Name of Senior Management Personnel	Category
1	Mr. Raj Narayan	Chief Executive Officer
2	Mr. Abraham Mammen	Group Chief Financial Officer
3	Mr. Varun T.V.	Company Secretary & Compliance Officer
4	Mr. Aamir Ahmed	Deputy Chief Executive Officer (Telangana & Karnataka)
5	Mr. Benny K. J.	Vice President - Human resource
6	Mr. Somy K. Cheruvathoor	Vice President – Project planning & development
7	Mr. Subhash K. Ouseph	Vice President – Pre-owned Cars
8	Mr. Sojan Chacko	Vice President - Internal Audit
9	Mr. Rajesh Bhaskaran	Head of Information Technology
10	Mr. Jobin Thomas	Head Human Resource
11	Ms. Jarly Manjesh	Head Finance & Chief Risk Officer
12	Mr. Manoj J. Chethimattom	Head Supply Chain Management
13	Mr. N.C Dilip Kumar	Group Head Marketing
14	Mr. Arun Somashekaran	Head Sales
15	Ms. Stella Thomas	Head Customer Experience & Quality
16	Mr. Gopikrishnan. J	Head Operations- Tamil Nadu
17	Mr. P. Jayaprakash	Vice President- Service

Details of change in Senior Management during the reporting period, since the close of the previous financial year.

Name	Designation	Date of change	Reason for change in KMPs/ SMPs	Reason for resignation
Mr. John Verghese	Group Chief Financial Officer	30th June, 2025	Retired as Group Chief Financial Officer(KMP)	Not Applicable
Mr. Abraham Mammen	Group Chief Financial Officer	01st July, 2025	Appointed as Group Chief Financial Officer(KMP)	Not Applicable
Mr. Nikhil John	Head Marketing	19th July, 2025	Resigned as Head Marketing	Resigned due to personal reasons
Mr. Ganesh Kumar	Head Operations- Tamil Nadu	05th August, 2025	Resigned as Head Operations- Tamil Nadu	Resigned due to personal reasons
Mr. Aamir Ahmed	Deputy Chief Executive Officer (Telangana & Karnataka)	10th February, 2026	Designated as SMP	Not Applicable
Mr. N.C. Dilip Kumar	Group Head Marketing	10th February, 2026	Designated as SMP	Not Applicable
Mr. Gopikrishnan. J	Head Operations- Tamil Nadu	10th February, 2026	Designated as SMP	Not Applicable

Details of change in Senior Management since the close of the financial year 2025-26.

Name	Designation	Date of change	Reason for change in KMPs/ SMPs	Reason for resignation
Mr. P. Jayaprakash	Vice President- Service	30th April, 2026	Resigned as Vice President-Services	Resignation due to personal reasons.
Mr. Manoj J Chethimattam	Head- Supply Chain Management	03rd August, 2026	Resigned as Head- Supply Chain Management	Resigned due to personal reasons
Mr. Jobin Thomas	Head-Human Resource	31st July, 2026	Resigned as Head Human Resources	Resigned to pursue another career opportunity aligned with his professional aspirations
Mr. Raj Narayanan	Group Chief Executive Officer	21st August, 2026	Resigned as Group Chief Executive Officer(KMP)	Resigned to pursue a new career opportunity in a different industry

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board and committee meetings and commission as approved by members and Board for their invaluable services to the Company.

Remuneration to Non-Executive Directors for the financial Year 2025-26

The Non-Executive Directors of the Company (other than Nominee) are paid remuneration by way of sitting fees and Commission. The Company pays sitting fees of ₹0.1 million per meeting for attending the Board and Committee meetings.

Details of remuneration paid/payable to the Non-Executive Directors for the financial year 2025-26 are as follows:

Sl. No.	Name	Designation	Total sitting fees FY 2025-26
1.	Mr. Jacob Kurian	Chairman & Non-executive independent director	₹ 1.6 million
2.	Mr. George Joseph	Non-executive independent director	₹ 2.0 million
3.	Ms. Preeti Reddy	Non-executive independent director	₹ 1.7 million
4	Mr. Neeraj Jain	Non-executive independent director	₹ 0.7 million
5	Mr. Murali Narayanan	Non-executive independent director	₹ 0.3 million

The terms of remuneration of all Non-Executive Independent Directors also include an overall Commission of not exceeding 1% of the net profit of the Company. However, as your Company has incurred a loss for the financial year 2025-26, no profit-related commission is payable to the Independent Directors for the financial year 2025-26.

In accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, and Regulation 17(6) of SEBI LODR, the Company has complied with the necessary approvals for remuneration paid/payable to non-executive directors, including independent directors.

Details of remuneration paid to the Executive Directors for the financial year 2025-26, including all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc., are as follows:

Sr. No	Name	Mr. John K. Paul	Mr. Francis K. Paul	Mr. Naveen Philip *
1	Designation	Whole Time director	Whole Time director	Managing Director
2	Gross Salary	₹ 10.63 million	₹ 10.63 million	₹ 10.63 million
3	Benefits	₹ 1.84 million	NIL	NIL
4	Bonuses	NIL	NIL	NIL
5	Pension	NIL	NIL	NIL
6	Stock option	NIL	NIL	NIL
7	Sweat equity	NIL	NIL	NIL
8	Incentive	NIL	NIL	NIL
	Fixed Component	NIL	NIL	NIL
	Performance linked incentives	NIL	NIL	NIL
9	Others, Please specify	NIL	NIL	NIL

*Remuneration of Mr. Naveen Philip is paid by the wholly owned subsidiary company, Popular Mega Motors (India) Private Limited.

The remuneration paid/payable to the Executive Directors is in accordance with the approval of the Board and shareholders and as per the Remuneration Policy of the Company.

The remuneration paid to Executive Directors (including from subsidiary Popular Mega Motors (India) Private Limited) is within limits and as approved by shareholders by special resolution.

Apart from salary and perquisites, the terms of appointment of the executive Directors contained the provision for payment of Performance Incentive as determined by the Board based on consolidated net profits of the Company. For the financial year 2025-26, in view of the inadequacy of profits, the Board of Directors and the Nomination and Remuneration Committee have not recommended any performance incentive for the executive directors.

Service Contracts, Severance Fees and Notice Period

The tenure of the office of Managing Director is 5 (five) years, and that of Whole Time Directors is 2 (two) years from respective dates of their appointment and the notice period for terminating the service contract of Managing Director and Whole-time Director is based on the Company's HR Policy. Further, there is no separate provision for payment of severance fees. None of the Executive Directors had been granted any Employee Stock Options of the Company.

General body meetings.

Location and time, where the last three annual general meetings were held:

Financial Year	Date	Time	Location
2022-23	18th August, 2023	10:00 AM	Meeting held through Video Conferencing ("VC") deemed to be held at the registered office, Kuttukaran Centre Mamangalam, Palarivattom Cochin- 682025
2023-24	24th September, 2024	04:00 PM	Meeting held through Video Conferencing ("VC") deemed to be held at the registered office, Kuttukaran Centre Mamangalam, Palarivattom Cochin- 682025
2024-25	29th September, 2025	04:00 PM	Meeting held through Video Conferencing ("VC") deemed to be held at the registered office, Kuttukaran Centre Mamangalam, Palarivattom Cochin- 682025

No Extra Ordinary General Meetings were held during the year 2025-26.

Details of Special Resolutions passed in the previous three Annual General Meetings.

The following table illustrates the various special resolutions passed in the previous three Annual General Meetings of the Company:

Date of Annual General Meeting	Details of Special Resolutions passed, if any
18th August, 2023	1. Re-appointment of Mr. Francis K. Paul as Whole-Time Director. 2. Re-appointment of Mr. John K. Paul as Whole-Time Director. 3. Payment of perquisites to Managing Director and Whole-Time Directors.
24th September, 2024	1. To increase managerial remuneration payable to the Executive Directors in excess of 5% of the net profits of the Company.
29th September, 2025	1. Appointment of Mr. Neeraj Jain as an Independent Director of the company. 2. Approval of one or more employee stock option schemes to be offered to the employees of the company directly or through an irrevocable trust. 3. Approval of one more employee stock option schemes to be offered to the employee of the present or future subsidiaries or associate companies of the company directly, or through an irrevocable trust 4. Approval for grant of option to identified employees in any one year, equal to or exceeding one percent of the issued capital, under the employee stock option scheme. 5. Establishment of an irrevocable trust and authorization for secondary acquisition of share for implementing an employee stock option scheme. 6. Grant of financial assistance/provision of money by the company to the trust to fund the acquisition of its equity share, in terms of the employee stock option scheme.

Postal Ballot

During the financial year, the following special resolutions were passed by the shareholders by way of postal ballot through e-voting:

Date of postal ballot notice	Resolution passed	Voting result	Approval date	Scrutinizer
29th May, 2025	1. To approve disinvestment of shares of Vision Motors Private Limited	Voting in favour 99.94% Voting against 0.04%	04th July, 2025	Mr. Myladoor Cherian Sajumon- Practicing Company Secretary (ACS No. 9868) (CP: 2385)
	2. To approve the disinvestment of shares of Kuttukaran Green Private Limited	Voting in favour 99.94% Voting against 0.04%		
10th November, 2025	1. To appoint Mr. Murali Narayanan as an Independent Director of the Company	Voting in favour 99.9945% Voting against 0.005%	29th December, 2025	Mr. Myladoor Cherian Sajumon- Practicing Company Secretary (ACS No. 9868) (CP: 2385)
10th February, 2026	1. Re-appointment of Mr. John Kuttukaran Paul (DIN: 00016513) as Whole Time Director of the company	Voting in favour 99.99% Voting against 0.01%	28th March, 2026	Mr. Myladoor Cherian Sajumon- Practicing Company Secretary (ACS No. 9868) (CP: 2385)

The Details of special resolutions passed through postal ballot through e-voting pattern, Post the close of the financial year: **NIL**

Details of the special resolution proposed to be conducted through postal ballot, post the date of this report: **Nil**

Details of the person who conducted the postal ballot exercise:

All the postal ballot exercises are conducted through the InstaVote platform of the MUFG Intime India Pvt Ltd.

Procedure of Postal Ballot:

All the aforesaid Postal Ballots were conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated 8th April, 2020; 17/2020 dated 13th April, 2020; 22/2020 dated 15th June, 2020; 33/2020 dated 28th September, 2020; 39/2020 dated 31st December, 2020; 10/2021 dated 23rd June, 2021; 20/2021 dated 8th December, 2021; 3/2022 dated 5th May, 2022; 11/2022 dated 28th December, 2022; 09/2023 dated 25th September, 2023; 09/2024 dated 19th September, 2024; and the latest being 03/2025 dated 22nd September, 2025, as applicable, issued by the Ministry of Corporate Affairs.

Means of communication

(a) Financial Results: The quarterly and annual financial results were published in the leading English newspaper "Financial Express" and Malayalam newspaper "Deepika". The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website www.popularvehicles.in

(b) Press Release/Analyst Call: The official media releases and presentations made to Institutional Investors / Analysts and audio recordings of Analyst Calls and transcripts are posted on the Company's website www.popularvehicles.in and are promptly intimated to the stock exchanges.

General Shareholder Information

a) Annual General Meeting: Date and Time: 28th August, 2026 at 04:00 PM

Venue: Via Video Conferencing/ Other Audio Visual Means

b) Financial Year: 1st April, 2025 to 31st March, 2026.

c) Dividend Payment Date: Not Applicable

Listing on Stock Exchanges:

Shares of the Company are quoted on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) since 19th March, 2024.

Address of the Stock Exchanges are as follows.

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

The annual listing fee for the year 2025-26 has been paid to both BSE and NSE.

Company's Equity shares were not suspended from trading during the year under review.

Registrar to an issue and share transfer agents

The Company has appointed MUFG Intime India Private Limited (erstwhile Link Intime India Private Limited) as Registrar and Share Transfer Agent (RTA). Shareholders/ Investors/ Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA at the following address:

MUFG Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg

Vikhroli (West), Mumbai, Maharashtra

India - 400 083.

Tel: +91 2249186000

In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from 1st April, 2014. In view of the same, the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants.

Distribution of shareholding as on 31st March, 2026:

Sl. No	Shares – Range		Number of Shareholders of the Company	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
	From	To				
1	1	500	55614	95.4141	4404996	6.1869
2	501	1000	1586	2.7210	1142842	1.6052
3	1001	2000	601	1.0311	850542	1.1946
4	2001	3000	150	0.2573	374319	0.5257
5	3001	4000	103	0.1767	356244	0.5004
6	4001	5000	56	0.0961	255746	0.3592
7	5001	10000	85	0.1458	615119	0.8640
8	10001	-	92	0.1578	63198390	88.7640

Category-wise Shareholders as on 31st March, 2026

Category	No of Shares held	Percent of shareholdings
Alternate Investment Funds - III	179670	0.2524
Body Corporate - Ltd Liability Partnership	161538	0.2268
Promoters	43694022	61.3695
Escrow Account	48335	0.0679
Foreign Company	7125044	10.0073
FPI (Corporate) - I	178314	0.2504
FPI (Corporate) - II	42552	0.0598
Hindu Undivided Family	255955	0.3595
Mutual Funds	6944632	9.7539
Non Resident (Non-Repatriable)	98015	0.1377
Non-Resident Indians	167243	0.2349
Other Bodies Corporate	1543354	2.1677
Clearing Members	36518	0.0513
Public	10723006	15.0608
TOTAL :	71198198	100

Dematerialisation of shares and liquidity

100% of total equity capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March, 2026.

Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity shares as on 31st March, 2026:

Not Applicable.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Not Applicable.

Location of the Corporate Office

Kuttukaran Centre, Mamangalam, Cochin, Ernakulam, Kerala, India - 682025.

Address for correspondence

Matters relating to transfer/ dematerialisation of shares and any other query relating to Equity Shares of the Company	All investor related matters
MUFG Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083. Maharashtra, India **Tel**: +91 2249186200	**Mr. Varun T.V, Company Secretary and Compliance Officer** Kuttukaran Centre, Mamangalam, Cochin, Ernakulam, Kerala, India - 682 025. Tel:+91 4842341134 Email: cs@popularv.com

Credit ratings

The Company's credit facilities are rated by M/s. CRISIL Ratings Ltd. The list of all credit ratings for all outstanding debt instruments/ facilities enjoyed by the Company as on March 31, 2026 are as under:

Total Bank Loan Facilities Rated	₹ 643 Crores
Long Term Rating	CRISIL A/Stable
Short Term Rating	CRISIL A1

OTHER DISCLOSURES

a) There were no materially significant related party transactions that would have a potential conflict with the interests of the Company at large. Details of related party transactions are given in the financial statements forming part of the Annual Report.

b) No penalty or strictures have been imposed on the Company by any Stock Exchange or Securities and Exchange Board of India or any Statutory Authority on any matter related to capital markets during the last three years.

c) A Whistle-Blower Policy is adopted by the Company, and no personnel have been denied access to the Audit Committee. The policy is hosted on the website of the Company under the web link https://assets.popularvehicles.in/Whistle_Blower_Policy_74849727e3/Whistle_Blower_Policy_74849727e3.pdf

d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

   i. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   ii. Details of the adoption of Discretionary Requirements specified in Part E of Schedule II to the Listing Regulations:

      a. The Company has a Woman Independent Director.

      b. The Chairperson of the Company is a Non-Executive Independent Director and not related to the Managing Director/ Whole-time Director of the Company. A clear distinction exists between the roles and duties of the Chairperson and those of the Managing Director.

      c. The Company follows the regime of financial statements with an unmodified audit opinion.

      d. The Company has constituted a Risk Management Committee in compliance with Regulation 21 read with Regulation 3(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Your Company has formulated a policy for determining 'material' subsidiaries as required under the Listing Regulations, and the policy is hosted on the website of the Company under the web link: https://assets.popularvehicles.in/Policy_On_Material_Subsidiaries_713fa0f81e/Policy_On_Material_Subsidiaries_713fa0f81e.pdf

f) Your Company has formulated a policy on dealing with related party transactions and the policy is hosted on the website of the Company under the web link: https://assets.popularvehicles.in/Policy_on_Related_Party_Transactions_c771fc21a4/Policy_on_Related_Party_Transactions_c771fc21a4.pdf

g) Disclosure of commodity price and commodity hedging activities: Not Applicable

h) The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Certificate from Company Secretary in practice that none of the directors on board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/MCA/ other statutory bodies- Annexure A

j) During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.

k) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditors are a part for the financial year ended 31st March, 2026, are as follows :

Sl No	Company	Auditor	Fees (₹ in millions)
1	Popular Vehicles and Services Limited	BSR & Associates LLP	₹ 6.10
2	Popular Mega Motors(India) Private Limited	R.G.N. Price & Co.	₹ 1.46
3	Keracon Equipments Private Limited	R.G.N. Price & Co.	₹ 0.15
4	Prabal Motors Private Limited	B S R and Co	₹ 2.10
5	Kuttukaran Cars Private Limited	R.G.N. Price & Co.	₹ 0.28
6	Popular Autoworks Private Limited	R.G.N. Price & Co.	₹ 0.54
7	Popular Auto Dealers Private Limited	R.G.N. Price & Co.	₹ 0.64
8	Imperion Cars Private Limited	R.G.N. Price & Co.	0.34
9	Zparex Digisolution Private Limited	R.G.N. Price & Co.	0.22
	Total remuneration paid by company and subsidiaries to Statutory Auditors		₹ 11.83

l) As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. The details of complaints received during the year are as follows:

a) number of complaints filed during the financial year - 4

b) number of complaints disposed of during the financial year - 4

c) number of complaints pending as on the end of the financial year - 0

m) The Annual Report for the calendar year ended 31st December, 2025, which was submitted to the District Officer pursuant to Section 21 of Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, was placed before the Board of Directors at their meeting dated 10th February 2026.

n) Except for the details mentioned in the Financial Statements, the Company has not made any loans and advances in the nature of loans to firms/companies in which directors are interested during the Financial Year 2025-26.

o) The Company has 8 subsidiaries, including two material unlisted Subsidiaries as defined under Regulation 16 of the Listing Regulations. Accordingly, as per Regulation 24 of SEBI (LODR), the corporate governance requirements as applicable with respect to material unlisted subsidiaries have been complied with.

p) Details of the Company's material subsidiaries:

Material Subsidiary	Popular Mega Motors (India) Private Limited	Prabal Motors Private Limited
Date of incorporation	02nd September, 1997	01st February, 2006
Place of Incorporation	Kerala	Kerala
Name of the Statutory Auditors	R.G.N. Price & Co.	B S R and Co
Date of appointment of statutory auditors	03rd August, 2023	30th September, 2023

q) The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

r) The Company has complied with all the requirements of Corporate Governance Report as specified in sub-paras (2) to (10) of Schedule V (C) of the Listing Regulations.

s) The certificate from a Practising Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the SEBI Listing Regulations for Financial Year 2025-26 is annexed to this report as **Annexure B.**

t) Declaration signed by the Chief Executive Officer stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management. The certificate in this regard from the Chief Executive Officer is annexed **as Annexure C.**

u) Disclosure with respect to demat suspense account/unclaimed suspense account:

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	37	48555
Number of shareholders who approached the listed entity for the transfer of shares from the suspense account during the year	2	220
Number of shareholders to whom shares were transferred from the Suspense account during the year	2	220
Aggregate number of shareholders and the outstanding shares in the suspense account at the end of the year	35	48335

The voting rights on the shares lying in the suspense account remain frozen till the rightful owner of such shares claims the shares.

v) Disclosure of certain types of agreements binding the listed entity.

Pursuant to Regulation 30A of the Listing Regulations, no agreement has been entered or executed by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company and its subsidiaries during fiscal year 2026.

w) Compliance Certificate under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 is annexed as Annexure D.

For and on Behalf of Board of Directors of
Popular Vehicles and Services Limited

Place: Kochi-25
Date: 26th May, 2026

Naveen Philip
Managing Director
(DIN: 00018827)

John K. Paul
Whole Time Director
(DIN: 00016513)

Annexure A

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Popular Vehicles and Services Limited
Kuttukaran Centre
Mamangalam, Cochin
Ernakulam, Kerala 682025

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Popular Vehicles and Services Limited having CIN: L50102KL1983PLC003741, and having registered office at Kuttukaran Centre, Mamangalam, Cochin, Ernakulam, Kerala 682025, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the financial year ending on March 31, 2026, have been debarred or disqualified from being appointed or continuing as Director(s) of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my test check basis verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kochi-18
Date: 26.05.2026
UDIN: A009868H000433115

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 6496/2025

Annexure B

Certificate on Corporate Governance

(Pursuant to Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Popular Vehicles and Services Limited
Kuttukaran Centre
Mamangalam, Cochin
Ernakulam, Kerala 682025

I have examined the compliance with conditions of Corporate Governance by Popular Vehicles and Services Limited having CIN: L50102KL1983PLC003741, and having registered office at Kuttukaran Centre, Mamangalam, Cochin, Ernakulam, Kerala 682025, for the financial year ended on March 31, 2026, as per Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance with conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations made by the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations during the financial year ended March 31, 2026.

I further state that this Certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and shall not be suitable for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without my prior consent in writing. I have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 6496/2025

Place: Kochi-18
Date: 26.05.2026
UDIN: A009868H000433027

Annexure C

DECLARATION BY THE CEO UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING THE COMPLIANCE WITH THE CODE OF CONDUCT

I, Raj Narayan, Chief Executive Officer of the Company, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2025-26.

Date: 26th May, 2026
Place: Kochi-25

Raj Narayan
Chief Executive Officer

Annexure D

Compliance Certificate

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

CEO / CFO Certification

(For the financial year ended March 31, 2026)

To,
The Board of Directors
Popular Vehicles and Services Limited.

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2026 and we hereby certify and confirm to the best of our knowledge and belief the following:

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2026 and to the best of our knowledge and belief –
    (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee –
    (i) that there are no significant changes in internal control over financial reporting during the year;
    (ii) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    (iii) that there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

Date: 26th May, 2026
Place: Kochi-25

Raj Narayan
Chief Executive Officer

Kuttiyil Abraham Mammen
Group Chief Financial Officer

Standalone Financial Statements

Independent Auditors Report

To the Members of Popular Vehicles and Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Popular Vehicles and Services Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 Companies Act, 2013 ("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 31 March 2026, and its loss and other comprehensive income, 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act 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 on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investment in subsidiaries	
See Note 6 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company has significant investment in subsidiaries (amounting to ₹ 1,128.71 million) which accounts for 7.6% of total assets as on 31 March 2026. Significant judgements are involved to determine the key assumptions used for the purpose of impairment testing/ fair valuation, such as revenue growth, discount rates, etc. The aforesaid activity of impairment testing/ fair valuation is highly dependent on the assumptions and other inputs considered to carry out such activity. We have identified valuation of investments in subsidiaries as key audit matter because of the financial quantum of the assets as well as the critical judgements, estimates and assumptions involved with respect to the assessment of net worth of the subsidiaries or future cash flows, revenue growth rates and the rates at which they are discounted.	In view of the significance of the matter, following audit procedures were applied, amongst others to obtain sufficient audit evidence: We performed an assessment of net profit and net worth of the subsidiaries to identify whether an indicator for impairment existed and evaluated whether the net assets of the subsidiary were sufficient to recover the investment value; Assessed the design, implementation and operating effectiveness of key internal financial controls in respect of the Company's investment in subsidiaries valuation process including evaluation and approval of forecasts, the valuation model used and the rationale for recoverability of the net exposure towards each of the subsidiaries; Examined the recoverable value computations prepared by the Company with the help of an external expert wherever deemed necessary. We also evaluated the competence, professional qualification, objectivity and independence of the Company's specialists involved in the process; Evaluated the appropriateness of assumptions around the key drivers of the cash flow forecasts such as revenue growth rates, discount rate and terminal growth rate, considering current economic scenario. We have tested the arithmetical accuracy of the valuation model as considered for the purpose of valuation of investment; Performed a retrospective review of estimates by comparing the actual financial performance of the subsidiaries for the year ended 31 March 2026 with the projections considered by management during the previous year and assessed if the estimation process is reasonable.

Valuation of Investment in subsidiaries	
See Note 6 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
	We engaged valuation specialists to assess the appropriateness of valuation methodology and market driven assumptions used for assessment of the valuation of investments;
	Assessed the sensitivity of the assumptions on the valuation assessment and assessed the forecasts against the historical performance; and
	Evaluated the adequacy and appropriateness of the disclosures made in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone 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 standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and in respect of accounting software used by the Company for maintaining the books of account relating to general ledger, the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 01 April 2025 till 02 December 2025.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.

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 has represented that, to the best of their knowledge and belief, as disclosed in the Note 42 (a) to the standalone financial statements, 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 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 has represented that, to the best of their knowledge and belief, as disclosed in the Note 42 (b) to the standalone financial statements, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) feature and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

– In respect of the accounting software used for general ledger, the feature of audit trail (edit log) facility was not enabled at the database layer to log any direct changes.

– in respect of the accounting software used for payroll process, due to the absence of sufficient and appropriate audit evidence to validate configuration of recording audit trail (edit log) feature at the database layer, we are unable to comment whether audit trail feature of the said software was enabled at the database layer and has operated throughout the year for all relevant transactions recorded in the said software or whether there were any instances of audit trail feature being tampered with.

Further, where audit trail (edit log) feature was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail (edit log) feature being tampered with. Additionally, where the audit trail (edit log) feature was enabled in the previous year, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention except for the instances mentioned above.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806OHNSEZ8772

Place: Kochi
Date: 26 May 2026

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of Popular Vehicles and Services Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year.For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured nor made any investments in firms, limited liability partnership or any other parties during the year. The Company has not granted any advance in the nature of loans, secured or unsecured or provided any security to any companies. The Company has provided guarantees, granted unsecured loans to companies, made investments in companies and mutual funds during the year. Details of the loans granted and guarantees provided are stated in sub clause (a) as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantees as below:

Amount in INR millions

Particulars	Guarantees	Loans
Aggregate amount during the year Subsidiaries*	455.00	80.00
Balance outstanding as at balance sheet date Subsidiaries*	1,018.44	437.06

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the loans granted and guarantees provided during the year are, prima facie, not prejudicial to the interests of the Company. Further, the Company has not given any security or any advance in the nature of loan to any party during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. Accordingly, the provisions of Section 185 of the Companies Act, 2013 are not applicable to the Company. In respect of the loans granted, guarantees provided and investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with. The Company has not provided any security during the year.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) 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 Act for the sales of automobiles and related services. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax and Income-Tax, which have not been deposited on account of any dispute are as follows:

Amount in INR millions

Name of the statute	Nature of the dues	Disputed Amount (including interest)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest	4.98	4.56	FY 2007-2008 and 2009-2010	Commissioner Income Tax (Appeals), Ernakulam
Finance Act, 1994	Services tax, interest and penalty	12.03	1.19	FY 2006-2007 to FY 2017-2018	Customs, Excise and Services Tax Appellate Tribunal, Bengaluru
Finance Act, 1994	Services tax, interest and penalty	0.82	0.04	FY 2006-2007 to FY 2017-2018	Customs, Excise and Services Tax Appellate Tribunal, Chennai
Finance Act, 1994	Services tax, interest and penalty	0.98	-	FY 2014-2017	Commissioner Appeals, Ernakulam
Goods and Services Tax Act, 2017	Goods and Services tax, interest and penalty	5.70	0.27	FY 2017-2018	Assistant Commissioner, GST Chennai
Goods and Services Tax Act, 2017	Goods and Services tax, interest and penalty	0.33	-	FY 2022-2023	State Tax Officer, GST, Kollam

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the standalone 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 standalone 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 as defined under the Act. The Company does not hold any investments in any associates or joint ventures (as defined under the Act).

(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 (as defined under the Act). The Company does not hold any investments in any associates or joint ventures (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, 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) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, the Group does not have CIC as part of the Group. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 the 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the current financial year in compliance with Section 135(6) of the said Act.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806OHNSEZ8772

Place: Kochi
Date: 26 May 2026

Annexure B

to the Independent Auditor's Report on the standalone financial statements of Popular Vehicles and Services Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standaione financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Popular Vehicles and Services Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806OHNSEZ8772

Place: Kochi
Date: 26 May 2026

Standalone Balance Sheet As at 31 March 2026

(All amounts in Indian Rupees million)

	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	4	3,199.99	2,116.86
Capital work-in-progress	4	105.91	76.57
Right-of-use assets	34	4,181.51	2,492.75
Goodwill	5	14.87	-
Other intangible assets	5	30.69	31.81
Intangible assets under development	5	5.19	6.60
Financial assets			
Investments	6	1,151.47	1,147.09
Loans	12(a)	291.32	806.35
Other financial assets	12(b)	315.10	253.79
Income tax assets (net)	27	238.38	152.08
Deferred tax assets (net)	27	398.17	221.90
Other non-current assets	7	179.46	134.90
Total non-current assets		**10,112.06**	**7,440.70**
Current assets			
Inventories	8	2,572.57	3,144.50
Financial assets			
Trade receivables	9	831.52	694.27
Cash and cash equivalents	10	402.20	85.58
Bank balances other than cash and cash equivalents	11	41.65	35.05
Loans	12(a)	145.74	219.74
Other financial assets	12(b)	50.39	62.09
Other current assets	7	693.96	624.06
		4,738.03	**4,865.29**
Assets classified as held for sale	37	-	8.43
Total current assets		**4,738.03**	**4,873.72**
Total assets		**14,850.09**	**12,314.42**
Equity and liabilities			
Equity			
Equity share capital	13	142.40	142.40
Other equity		3,909.71	4,407.62
Total equity		**4,052.11**	**4,550.02**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	350.69	0.94
Lease liabilities	34	4,453.65	3,016.36
Provisions	16	35.03	36.79
Other non-current liabilities	17	-	118.98
Total non-current liabilities		**4,839.37**	**3,173.07**
Current liabilities			
Financial liabilities			
Borrowings	14	3,628.28	2,718.55
Lease liabilities	34	309.23	219.33
Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		50.95	41.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises		522.68	512.24
Other financial liabilities	15	430.05	166.79
Provisions	16	16.41	29.05
Other current liabilities	17	1,001.01	903.97
Total current liabilities		**5,958.61**	**4,591.33**
Total liabilites		**10,797.98**	**7,764.40**
Total equity and liabilities		**14,850.09**	**12,314.42**
Material accounting policies	3		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Standalone Statement of Profit and Loss for the Year ended 31 March 2026

(All amounts in Indian Rupees million)

	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	19	28,492.86	25,769.00
Other income	20	190.66	236.50
Total income		**28,683.52**	**26,005.50**
Expenses			
Purchases of stock-in-trade	21	23,364.07	21,734.11
Changes in inventories of stock-in-trade	22	571.93	(220.94)
Employee benefits expense	23	2,475.00	2,316.69
Finance costs	24	676.77	509.05
Depreciation and amortisation	25	783.18	528.32
Impairment (reversal) / losses on financial assets and contract assets	33	(2.32)	8.39
Other expenses	26	1,509.92	1,545.13
Total expenses		**29,378.55**	**26,420.75**
Loss before tax and exceptional item		**(695.03)**	**(415.25)**
Exceptional items			
Disinvestment of subsidiary	37	11.57	-
Statutory impact of new Labour Codes	40	(8.70)	-
Loss before tax		**(692.16)**	**(415.25)**
Income tax expense			
Current tax	27	-	21.25
Deferred tax credit	27	(180.80)	(100.33)
Total tax credit		**(180.80)**	**(79.08)**
Loss for the year		**(511.36)**	**(336.17)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit plan		17.98	(6.60)
Income tax relating to items that will not be reclassified to profit or loss		(4.53)	1.66
Other comprehensive income / (loss) for the year, net of tax		**13.45**	**(4.94)**
Total comprehensive loss for the year		**(497.91)**	**(341.11)**
Earnings per share (equity share of face value of INR 2 each)	29		
Basic (in INR)		(7.18)	(4.72)
Diluted (in INR)		(7.18)	(4.72)
Material accounting policies	3		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Standalone Statement of Changes in Equity for the Year ended 31 March 2026

(All amounts in Indian Rupees million)

A. Equity share capital

Particulars	Notes	Equity shares (in millions)	Amount
Balance as at 1 April 2024		**71.20**	**142.40**
Add: Shares issued during the year		-	-
Balance as at 31 March 2025	**13**	**71.20**	**142.40**
Add: Shares issued during the year		-	-
Balance as at 31 March 2026		**71.20**	**142.40**

B Other equity

Particulars	Reserves and surplus			Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	General reserve	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2024	**2,941.71**	**36.33**	**1,803.84**	**-**	**4,781.88**
Total comprehensive income for the year					
Loss for the year	-	-	(336.17)	-	(336.17)
Transferred to retained earnings	-	-	-	(4.94)	(4.94)
Total comprehensive loss	**-**	**-**	**(336.17)**	**(4.94)**	**(341.11)**
Dividend	-	-	(35.60)	-	(35.60)
Share issue expense on Initial Public Offer (Refer note 39)	2.45	-	-	-	2.45
Transferred to retained earnings	-	-	(4.94)	4.94	-
Total contribution by and distribution to owners	**2.45**	**-**	**(40.54)**	**4.94**	**(33.15)**
Balance as at 31 March 2025	**2,944.16**	**36.33**	**1,427.13**	**-**	**4,407.62**
Total comprehensive income for the year					
Loss for the year	-	-	(511.36)	-	(511.36)
Other comprehensive loss, net of tax	-	-	-	13.45	13.45
Total comprehensive loss	**-**	**-**	**(511.36)**	**13.45**	**(497.91)**
Transferred to retained earnings	-	-	13.45	(13.45)	-
Total contribution by and distribution to owners	**-**	**-**	**13.45**	**(13.45)**	**-**
Balance as at 31 March 2026	**2,944.16**	**36.33**	**929.22**	**-**	**3,909.71**

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

a) Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

b) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

c) Retained earnings

This represents the profits / losses of the Company earned till date, net of appropriations.

The accompanying notes form an integral part of the standalone financial statements.

Material accounting policies (Refer note 3)

As per our report of even date attached

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Standalone statement of cash flows for the Year ended 31 March 2026

(All amounts in Indian Rupees million)

	Year ended 31 March 2026	Year ended 31 March 2025
Cash flows from operating activities		
Loss before tax and exceptional items	**(695.03)**	**(415.25)**
Adjustments:		
Finance costs	676.77	509.05
Depreciation and amortisation expenses	783.18	528.32
Impairment (reversal) /loss on financial assets and contract assets	(2.32)	8.39
(Reversal) / Provision for obsolete inventory	(8.94)	9.15
Liabilities/ provisions no longer required written back	(31.76)	(35.66)
Interest income	(70.60)	(113.26)
Statutory impact of new Labour Codes	(8.70)	-
Dividend received on investments	-	(20.69)
Impairment on investment, net of write back	-	3.90
Impairment loss on property, plant and equipment	-	9.79
(Gain) / loss on sale of property, plant and equipment (net)	(5.48)	3.16
Gain on sale of investments	(16.70)	
Gain on derecognition of right-of-use assets	(4.64)	(16.67)
Net loss / (gain) on financial assets measured at fair value through profit and loss	3.24	(1.20)
Operating cash flow before working capital changes	**619.02**	**469.03**
Working capital movements:		
Decrease / (increase) in inventories	630.89	(230.09)
(Increase) / decrease in trade receivables	(134.93)	191.74
(Increase) / decrease in loans, other financial assets and other assets	(132.70)	80.14
Increase / (decrease) in liabilities and provisions	31.38	(829.37)
Cash generated from / (used in) operations	**1,013.66**	**(318.55)**
Income tax paid, net of refund	(80.84)	(67.92)
Net cash generated from / (used in) operating activities (A)	**932.82**	**(386.47)**
Cash flows from investing activities		
Redemption of investment in preference shares of a subsidiary company	0.20	-
Additional investment in equity shares of subsidiary company	-	(5.00)
Payment for business acquisition	(701.02)	-
Proceeds from sale of investment in subsidiary company	20.00	-
Lease advance paid	(366.15)	-
Sale of other investments, net	8.88	165.49
Intercorporate loan repaid by / (given to) wholly owned subsidiaries, net	589.03	(63.07)
Interest received	50.67	97.19
Dividend received	-	20.69
Acquisition of property, plant and equipment, including capital advances	(582.51)	(341.25)
Acquisition of intangible assets including intangibles under development, net of disposals	(5.59)	(6.49)
Proceeds from sale of property, plant and equipment	15.33	10.81
Net cash used in investing activities (B)	**(971.16)**	**(121.63)**
Cash flows from financing activities		
Dividends paid	-	(35.56)
Interest paid	(313.05)	(229.48)

	Year ended 31 March 2026	Year ended 31 March 2025
Proceeds from long-term borrowings	665.94	-
Repayment of long-term borrowings	(121.45)	(61.29)
Short-term borrowings availed, net	714.99	1,070.47
Interest payment on lease liabilities	(363.72)	(279.57)
Principal payment of lease liabilities	(227.75)	(189.56)
Net cash generated from financing activities (C)	**354.96**	**275.01**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**316.62**	**(233.09)**
Cash and cash equivalents at the beginning of the year	85.58	318.67
Cash and cash equivalents at the end of the year	**402.20**	**85.58**

(Refer to note 10 - Cash and cash equivalents)

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

Particulars	As at 1 April 2025	Loan availed/ (repaid), net	Principal payment of lease liability	Interest payment on lease liability	Other non cash changes	As at 31 March 2026
Non current borrowings (including current maturities)	32.75	544.49	-	-	-	577.24
Current borrowings (Refer note 14)	2,686.74	714.99	-	-	-	3,401.73
Lease liabilities (Refer note 34)	3,235.69	-	(227.75)	(363.72)	2,118.66	4,762.88

Particulars	As at 1 April 2024	Loan availed/ (repaid), net	Principal payment of lease liability	Interest payment on lease liability	Other non cash changes	As at 31 March 2025
Non current borrowings (including current maturities)	94.04	(61.29)	-	-	-	32.75
Current borrowings (Refer note 14)	1,616.28	1,070.46	-	-	-	2,686.74
Lease liabilities (Refer note 34)	2,915.46	-	(189.56)	(279.57)	789.36	3,235.69

Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the standalone financial statements.

Material accounting policies (Refer note 3)

As per our report of even date attached

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
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Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

(All amounts in Indian Rupees million)

Basis of preparation and material accounting policies

1. Company overview

Popular Vehicles and Services Limited ('the Company'/'Popular') was incorporated in 1983 and is engaged in the business of sale and service of automobiles, sale of spare parts and accessories, finance and insurance commission. The Company is headquartered in Kochi, India and has operations in Kerala, Tamil Nadu and Telangana. The Company primarily operates as the Maruti Suzuki vehicle dealer in Kerala and was amongst the first batch of dealers appointed by Maruti Suzuki in the country.

The shares of the company are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The registered address of the company is: Kuttukaran Centre, Mamangalam – Kochi – 682025.

2. Basis of preparation

A. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time notified under Section 133 of Companies Act, 2013, (the 'Act') as amended and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 26 May 2026.

Details of the Company's material accounting policies including changes thereto are included in Note 3.

B. Functional and presentation currency

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

C. Basis of measurement

The financial statements have been prepared on the historical cost basis and on an accrual basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments (in mutual funds)	Fair value

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 standalone financial statements is included in Note 34 - Lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended 31 March 2026 is included in the following notes:

Note 32 – measurement of defined benefit obligations: key actuarial assumptions;

Notes 28 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 27 – recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;

Note 33 – financial instruments; and

Note 37 – Assets classified as held for sale

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

(All amounts in Indian Rupees million)

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

F. Current/Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the standalone balance sheet.

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.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of item can be measured reliably.

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

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

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

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

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under long-term 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.

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:

Class of assets	Useful life
Building owned	60
Motor cars	8
Motor cycles and trucks	10
Office Equipment	5
Plant and machinery	15-25
Tools and equipment	5
Electrical equipment	10
Furniture and fixtures	10
Computer equipment	3

The useful life of items of property, plant and equipment is in line with the Schedule II of the Companies Act 2013.

Transition to Ind AS

The cost of property, plant and equipment at 1 April 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

3.2 Business combinations

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Company has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve. Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If a business combination is achieved in stages, then the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit and loss or OCI, as appropriate.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Company reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Company retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Company also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Company receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

3.3 Intangible assets

The cost of an intangible asset shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of item can be measured reliably.

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
Computer software	3
Brand	15

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.

The cost of intangible assets not ready for its intended use at each balance sheet date are disclosed as intangible assets under development.

Transition to Ind AS

The cost of Intangible assets at 1 April 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

3.4 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 recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. 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 and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in other comprehensive income (OCI). The 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.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurements are recognized in profit and loss in the period in which they arise.

3.5 Investment in subsidiaries and impairment thereof

Investment in subsidiaries are measured at cost less impairment loss, if any.

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

3.6 Provisions

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.

3.7 Revenue

i) Sale of products

Revenue on sale of vehicles, spare parts and accessories is recognised when the control over the goods or services is transferred to the customer and is accounted net of goods and services tax and discounts, if any. Revenues are recognised when collectability of the resulting receivable is reasonably assured.

The Company generates revenue from sale of vehicles, services, spare parts and accessories and other operating avenues. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. Invoices are due as and when presented to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs its obligation under the contract.

ii) Rendering of services

Revenues from services including income from driving school are recognised when services are rendered and related costs are incurred.

iii) Commission, discount and incentive income

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

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

iv) Other Income

In calculating the interest income, the effective interest rate is applied to the gross carrying amount of the assets (when the assets is not credit impaired). Dividend income is recognized in the standalone statement of profit and loss on the date on which the right to receive payment is established.

3.8 Inventories

Inventories are carried at lower of cost and net realisable value. Cost comprises purchase price, cost of refurbishment in case of used vehicles and other costs incurred in bringing the inventory to its present location and condition. The cost is calculated on specific identification basis.

Net realizable value is the estimated selling price in the ordinary course of business. The comparison of cost and net realisable value of inventory is made on an item by item basis.

The provision for inventory obsolescence is assessed annually and is provided as considered necessary.

3.9 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 trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset (unless it is a trade receivable without a significant financing component) 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 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 FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

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

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

Transfers of financial assets to third parties in transactions that do not qualify for derecognition 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.

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.

3.10 Impairment

i) Impairment of financial instruments

The Company recognizes loss allowances

for expected credit losses on financial assets measured at amortized cost.

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the standalone balance sheet

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

3.10 Impairment (continued)

Write-off

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

ii) Impairment of non- financial assets

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

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

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

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

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

3.11 Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and standalone statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

iii. Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.12 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.

3.13 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 recognised directly in equity or in other comprehensive income.

(All amounts in Indian Rupees million)

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 recoverable from tax authorities after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

Deferred tax assets are recognised to the extent 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 recognises 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 realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised 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 assets and liabilities 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 realised simultaneously.

3.14 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

3.15 Earnings per share

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

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

3.16 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.

3.17 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.

(All amounts in Indian Rupees million)

3.18 Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The existence of a contingent liability is disclosed in the notes to the standalone financial statements.

Contingent assets are neither recognised nor disclosed.

3.19 Non-current assets classified as held for sale

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any Asset as "Asset classified as held for sale" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets classified as held for sale". Once classified as held for sale, intangible assets and Property Plant Equipment are no longer amortised or depreciated.

3.20 Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company is currently evaluating the impact of these amendments in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments – Disclosures, applicable w.e.f April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

(All amounts in Indian Rupees million)

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

Particulars	Freehold land	Buildings #	Leasehold improvements	Furniture and fixtures	Electrical equipment	Plant and machinery	Tools and equipment	Motor cars	Computer equipment	Office equipment	Motor cycles and trucks	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value														
Balance at 1 April 2024	**91.97**	**162.18**	**1,252.00**	**204.94**	**198.08**	**538.15**	**89.17**	**165.88**	**75.11**	**70.65**	**11.09**	**2,859.22**	**129.80**	**2,989.02**
Additions	-	3.77	167.07	32.53	31.01	59.62	11.41	63.62	12.11	10.85	-	391.99	171.34	563.33
Disposals / capitalisations	-	1.84	7.45	0.82	0.15	8.61	1.45	17.71	0.91	0.60	1.01	40.55	224.57	265.12
Balance at 31 March 2025	**91.97**	**164.11**	**1,411.62**	**236.65**	**228.94**	**589.16**	**99.13**	**211.79**	**86.31**	**80.90**	**10.08**	**3,210.66**	**76.57**	**3,287.23**
Balance at 1 April 2025	**91.97**	**164.11**	**1,411.62**	**236.65**	**228.94**	**589.16**	**99.13**	**211.79**	**86.31**	**80.90**	**10.08**	**3,210.66**	**76.57**	**3,287.23**
Acquisition through business combination (Refer note 41)	-	-	627.63	88.84	43.56	80.44	4.48	35.43	12.75	21.46	0.54	915.13	-	915.13
Additions	-	-	182.52	16.45	39.54	65.72	15.12	158.18	23.92	14.10	0.39	515.94	250.54	766.48
Disposals / capitalisations	-	0.13	1.33	4.39	2.23	29.61	6.20	29.38	14.00	11.86	0.14	99.27	221.20	320.47
Balance at 31 March 2026	**91.97**	**163.98**	**2,220.44**	**337.55**	**309.81**	**705.71**	**112.53**	**376.02**	**108.98**	**104.60**	**10.87**	**4,542.46**	**105.91**	**4,648.37**
Accumulated Depreciation														
Balance at 1 April 2024	**-**	**43.64**	**346.32**	**74.96**	**80.08**	**175.85**	**41.73**	**31.86**	**46.99**	**41.06**	**3.44**	**885.93**	**-**	**885.93**
Depreciation for the year	-	9.69	78.76	19.05	17.75	40.40	8.21	26.44	14.13	9.03	1.20	224.66	-	224.66
Disposals / write off	-	0.02	2.33	0.50	0.13	6.67	1.37	13.17	0.87	0.57	0.95	26.58	-	26.58
Impairment loss			0.14	0.49	0.11	8.24	0.52		-	0.29		9.79		9.79
Balance at 31 March 2025	**-**	**53.31**	**422.89**	**94.00**	**97.81**	**217.82**	**49.09**	**45.13**	**60.25**	**49.81**	**3.69**	**1,093.80**	**-**	**1,093.80**
Balance at 1 April 2025	**-**	**53.31**	**422.89**	**94.00**	**97.81**	**217.82**	**49.09**	**45.13**	**60.25**	**49.81**	**3.69**	**1,093.80**	**-**	**1,093.80**
Depreciation for the year		8.93	150.25	27.07	27.28	45.93	11.84	33.89	16.94	14.78	1.18	338.09		338.09
Disposals / write off		0.02	0.11	3.64	2.05	20.31	5.37	23.50	13.44	11.11	0.08	79.63		79.63
Reversal of impairment loss			(0.14)	(0.49)	(0.11)	(8.24)	(0.52)	-	-	(0.29)	-	(9.79)		(9.79)
Balance at 31 March 2026	**-**	**62.22**	**572.89**	**116.94**	**122.93**	**235.20**	**55.04**	**55.52**	**63.75**	**53.19**	**4.79**	**1,342.47**	**-**	**1,342.47**
Net carrying amount														
At 31 March 2026	**91.97**	**101.76**	**1,647.55**	**220.61**	**186.88**	**470.51**	**57.49**	**320.50**	**45.23**	**51.41**	**6.08**	**3,199.99**	**105.91**	**3,305.90**
At 31 March 2025	**91.97**	**110.80**	**988.73**	**142.65**	**131.13**	**371.34**	**50.04**	**166.66**	**26.06**	**31.09**	**6.39**	**2,116.86**	**76.57**	**2,193.43**

Include buildings constructed on leasehold land

(All amounts in Indian Rupees million)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Gross block	Net block	Gross block	Net block
Buildings	139.49	107.90	137.59	109.52

a) Title deeds of Immovable Properties of the Company

Description	As at 31 March 2026	As at 31 March 2025
Title deeds held in the name of	Popular Vehicles & Services Limited	
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA	
Reason for not being held in the name of the Company	NA	

b) Ageing of capital work-in-progress

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

As at 31 March 2026

Description	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in progress	104.66	1.25	-	-	105.91
Projects temporarily suspended	-	-	-	-	-
Total	104.66	1.25	-	-	105.91

As at 31 March 2025

Description	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in progress	76.57		-	-	76.57
Projects temporarily suspended	-	-	-	-	-
Total	76.57	-	-	-	76.57

c) Details of capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its orginal plan

The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable as on 31 March 2026.

d) For details of property, plant and equipment pledged, refer note 14.

(All amounts in Indian Rupees million)

5 Intangible assets

Particulars	Computer software	Goodwill	Brand	Total (A)	Intangible assets under development (B)	Total (A+B)
Reconciliation of carrying amount						
Gross carrying amount						
Balance at 1 April 2024	49.11	-	49.47	98.58	4.04	102.62
Additions	3.93	-	-	3.93	5.51	9.44
Disposals / capitalisations	-	-	-	-	2.95	2.95
Balance at 31 March 2025	**53.04**	**-**	**49.47**	**102.51**	**6.60**	**109.11**
Balance at 1 April 2025	53.04		49.47	102.51	6.60	109.11
Acquisition through business combination (Refer note 41)	-	14.87	-	14.87	-	14.87
Additions	7.00	-	-	7.00	5.49	12.49
Disposals / capitalisations	-	-	-	-	6.90	6.90
Balance at 31 March 2026	**60.04**	**14.87**	**49.47**	**124.38**	**5.19**	**129.57**
Amortisation						
Balance at 1 April 2024	37.86	-	25.49	63.35	-	63.35
Amortisation for the year	4.19	-	3.16	7.35	-	7.35
Disposal	-	-	-	-	-	-
Balance at 31 March 2025	**42.05**	**-**	**28.65**	**70.70**	**-**	**70.70**
Balance at 1 April 2025	42.05	-	28.65	70.70	-	70.70
Amortisation for the year	4.96	-	3.16	8.12	-	8.12
Disposal	-	-	-	-	-	-
Balance at 31 March 2026	**47.01**	**-**	**31.81**	**78.82**	**-**	**78.82**
Net carrying amount						
At 31 March 2026	**13.03**	**14.87**	**17.66**	**45.56**	**5.19**	**50.75**
At 31 March 2025	**10.99**	**-**	**20.82**	**31.81**	**6.60**	**38.41**

Ageing schedule of intangible assets under development

As at 31 March 2026

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	3.39	0.45	1.35	-	5.19
Projects temporarily suspended	-	-	-	-	-
Total	**3.39**	**0.45**	**1.35**	**-**	**5.19**

As at 31 March 2025

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	5.25	1.35	-	-	6.60
Projects temporarily suspended	-	-	-	-	-
Total	**5.25**	**1.35**	**-**	**-**	**6.60**

The Company does not have any intangible assets under development which is overdue or has exceeded its cost compared to its original plan and hence intangible assets under development completion schedule is not applicable as on 31 March 2026 and 31 March 2025.

(All amounts in Indian Rupees million)

6 Investments

	As at 31 March 2026	As at 31 March 2025
Non-current investments, unquoted		
Investments in equity instruments of subsidiaries (at cost less provision for other than temporary impairment), fully paid-up		
Investment in subsidiaries		
Popular Auto Dealers Private Limited 51,034 (31 March 2025: 51,034) equity shares of face value of INR 100 each	49.95	49.95
Popular Mega Motors (India) Private Limited 6,943,963 (31 March 2025: 6,943,963) equity shares of face value of INR 10 each	309.57	309.57
Popular Autoworks Private Limited 25,111,780 (31 March 2025: 25,111,780) equity shares of face value of INR 10 each	247.23	247.23
Keracon Equipments Private Limited 9,48,000 (31 March 2025: 9,48,000) equity shares of face value of INR 10 each	301.46	301.46
Kuttukaran Cars Private Limited 55,46,922 (31 March 2025: 55,46,922) equity shares of face value of INR 10 each	70.50	70.50
Prabal Motors Private Limited 4,193 (31 March 25: 4,193) equity shares of face value of INR 10 each	150.00	150.00
Investments in preference shares at FVTPL		
Prabal Motors Private Limited Nil (31 March 2025 : 20,000) preference shares of face value of INR 10 each	-	0.20
Investment in mutual funds at FVTPL		
Unquoted		
Aditya Birla Sunlife Equity Fund - Regular Growth 5,027.37 (31 March 2025 : 4,023.97)	8.34	6.65
HDFC Small Cap Fund - Regular Growth 35,823.63 (31 March 2025 : 29,178.15)	4.24	3.54
Kotak Midcap Fund - Regular Growth (Erstwhile Kotak Emerging Equity Scheme Fund) 83,499.02 (31 March 2025 : 67,651.10)	10.18	7.99
Total investments	**1,151.47**	**1,147.09**
Aggregate book/ market value of non-current investments-quoted	-	-
Aggregate value of non-current investments-unquoted	1,151.47	1,147.09
Aggregate amount of impairment in value of investment	-	-

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

7 Other assets

	As at 31 March 2026	As at 31 March 2025
Non-current		
Unsecured, considered good		
Capital advances	35.02	15.67
Less: Allowances for expected credit loss	-	(4.15)
Balance with Life Insurance Corporation Gratuity Fund, net (Refer note 32)	9.02	13.57
Prepayments	132.08	88.58
Balance with statutory / government authorities	3.34	21.23
	179.46	**134.90**
Current		
Unsecured, considered good		
Advances other than capital advances		
Prepayments	35.33	25.48
Balance with statutory / government authorities *	313.05	392.89
Payment to vendors for supply of goods and services	355.91	210.92
Less: Allowances for expected credit loss	(10.33)	(5.23)
	693.96	**624.06**
	873.42	**758.96**

* includes Goods and Services Tax input credit on compensation cess amounting to ₹ 61.58 million levied on motor vehicles which have been fully provided for in the current year due to the subsumation of compensation cess with effect from 22 September 2025 upon implementation of the new tax structure by the Goods and Services Tax Council in its 56th meeting held on 3 September 2025.

8 Inventories

	As at 31 March 2026	As at 31 March 2025
(Valued at lower of cost and realisable value)		
New vehicles	1,660.03	2,285.28
Pre-owned vehicles	406.78	493.59
Spares and lubricants	383.51	304.02
Accessories	142.02	90.32
	2,592.34	**3,173.21**
Less: Provision for obsolete inventory	(19.77)	(28.71)
	2,572.57	**3,144.50**

Closing stock of new vehicles includes value of goods in transit of new vehicles for ₹ 790.09 million (31 March 2025: ₹ 1,147.04 million) and accessories for ₹ 41.90 million (31 March 2025 : ₹ 44.8 million).

(All amounts in Indian Rupees million)

9 Trade receivables

	As at 31 March 2026	As at 31 March 2025
Current		
Unsecured		
Considered good	831.52	694.27
Considered doubtful	15.82	14.26
	847.34	**708.53**
Allowances for expected credit loss (Refer note 33 C(ii))	(15.82)	(14.26)
Net trade receivables	**831.52**	**694.27**

For details of trade receivables from related parties, Refer note 36.

Trade receivables ageing schedule:

As at 31 March 2026

Particulars	Not Due	Less than 6 months	6 months - 1 year	More than 1 year	Total
i) Unbilled	45.17	-	-	-	45.17
ii) Undisputed trade receivables – considered good	-	768.44	24.14	(6.23)	786.35
iii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
iv) Undisputed trade receivables – credit impaired	-	(16.77)	22.93	9.66	15.82
	45.17	**751.67**	**47.07**	**3.43**	**847.34**

As at 31 March 2025

Particulars	Not Due	Less than 6 months	6 months - 1 year	More than 1 year	Total
i) Unbilled	28.71	-		-	28.71
ii) Undisputed trade receivables – considered good	-	619.85	45.71	-	665.56
iii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
iv) Undisputed trade receivables – credit impaired	-	6.80	0.67	6.79	14.26
	28.71	**626.65**	**46.38**	**6.79**	**708.53**

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 33 C.

(All amounts in Indian Rupees million)

10 Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- In current accounts	91.35	60.79
- Deposits with original maturity of less than three months	300.00	-
Cash on hand	7.32	14.45
Cheques on hand	3.53	10.34
Cash and cash equivalents in standalone balance sheet	**402.20**	**85.58**
Cash and cash equivalents in the standalone statement of cash flows	**402.20**	**85.58**

11 Bank balances other than cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balance with banks held as margin money **	41.65	35.05
	41.65	**35.05**

12(a) Loans

	As at 31 March 2026	As at 31 March 2025
Non-Current		
Unsecured, considered good		
Dues from related parties (Refer note 36)	291.32	806.35
	291.32	**806.35**
Current		
Unsecured, considered good		
Dues from related parties (Refer note 36)	145.74	219.74
	145.74	**219.74**
	437.06	**1,026.09**

12(a)(i) Disclosures pertaining to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

The Company has given unsecured interest bearing loans to its subsidiaries . The details of principal amount are as below:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance as at	1,026.09	1,173.02
Loan given during the year*	80.00	73.68
Repaid during the year	(669.03)	(10.25)
Conversion of loans given to subsidiaries into equity shares	-	(210.36)
Closing balance as at	437.06	1,026.09

*Includes interest accrued and payment thereof.

(All amounts in Indian Rupees million)

12(b) Other financial assets

	As at 31 March 2026	As at 31 March 2025
Non-current		
Unsecured, considered good		
Rent and other deposits	*314.37*	246.13
Non cumulative compulsorily convertible preference shares	-	3.03
Balance in banks for margin money *	0.73	4.63
	315.10	**253.79**
Current		
Unsecured, considered good		
Rent and other deposits	51.38	63.75
Less: Allowances for expected credit loss	(1.52)	(1.81)
Dues from others	0.54	2.75
Less: Allowances for expected credit loss	(0.01)	(2.60)
	50.39	**62.09**
	365.49	**315.88**

* This represents bank guarantee deposits given to various vendors in relation to purchase of goods and services.

13 Equity share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 2 each	75.00	150.00	75.00	150.00
	75.00	**150.00**	**75.00**	**150.00**
Issued, subscribed and paid-up				
Equity shares of ₹ 2 each, fully paid-up				
At the beginning of the year	71.20	142.40	71.20	142.40
Add: Additions during the year	-	-	-	-
At the end of the year	**71.20**	**142.40**	**71.20**	**142.40**

(a) Terms and rights attached to equity shares

The Company has a single class of equity shares. All the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on the shares may lead to the forfeiture of shares. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, remaining after the distribution of all preferential amounts in proportion to the number of equity shares held.

The Company is largely held by individuals and accordingly does not have a holding/ ultimate holding company.

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

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

Equity shares of ₹ 2 each fully paid up held by	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% holding in the class	Number of shares	% holding in the class
a) BanyanTree Growth Capital II, LLC	7.13	10.01%	7.13	10.01%
b) Francis K Paul - Promoter	14.52	20.39%	14.52	20.39%
c) John K Paul - Promoter	14.52	20.39%	14.52	20.39%
d) Naveen Philip - Promoter	14.52	20.39%	14.52	20.39%
e) HDFC Trustee Company Limited	4.95	6.95%	3.67	5.16%

(c) Shareholding of promoters

As at 31 March 2026

Name of the promoters	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
a) Francis K Paul	14.52	-	14.52	20.39%	-
b) John K Paul	14.52	-	14.52	20.39%	-
c) Naveen Philip	14.52	-	14.52	20.39%	-

As at 31 March 2025

Name of the promoters	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
a) Francis K Paul	14.52	-	14.52	20.39%	-
b) John K Paul	14.52	-	14.52	20.39%	-
c) Naveen Philip	14.52	-	14.52	20.39%	-

(d) Details of buyback and shares issued for consideration other than for cash in the five years immediately preceding the balance sheet date.

The Company has not bought back any class of equity shares nor has there been any issue for consideration other than for cash during the period of five years immediate preceding the balance sheet date.

(All amounts in Indian Rupees million)

14 Borrowings

	As at 31 March 2026	As at 31 March 2025
Non-current		
Secured		
Term loans from banks	311.95	-
Vehicle loans from financial institutions	38.74	0.94
	350.69	**0.94**
Current		
Secured		
Short term loan from banks	3,237.72	2,582.82
Short term loan from financial institution	27.44	-
Current maturities of long-term borrowings	226.55	31.81
Unsecured		
Short term loans from banks	35.64	41.42
Short term loan from financial institution	100.93	62.50
	3,628.28	**2,718.55**
Total borrowings	**3,978.97**	**2,719.49**

Information about the Company's exposure to interest rate and liquidity risks are included in note 33.

a) Details of securities, terms and conditions of borrowings from banks and financial institutions

Particulars	Security terms	Tenure	As at 31 March 2026	As at 31 March 2025
Secured long-term loans from banks	Primary security - Hypothecation of all tangible fixed assets acquired out of the term loan Collateral security - EM of 86.96 cents of land along with 50602 sq. ft building in Sy.No.136/13A, 136/17A, 136/17B of Edapally South Village, Kanayannur Taluk, Ernakulam Dist. Owned by M/s Kuttukkaran Trading Ventures.	60 months	482.35	-
Secured long-term loans from financial institutions	Secured by hypothecation of vehicles purchased using the fund.	24 months to 36 months	94.89	32.75
Secured short-term loans from banks (including cash credit facilities)	Secured by exclusive charge on the stock of cars, spares, accessories and receivables and current assets .	Repayable on demand	2,108.53	1,889.06
Secured short-term loans from banks	Secured by exclusive charge on the stock of cars, spares, accessories and receivables and current assets and personal guarantees of John K Paul director of the Company.	Repayable on demand	1,129.19	693.76

(All amounts in Indian Rupees million)

Particulars	Security terms	Tenure	As at 31 March 2026	As at 31 March 2025
Secured short-term loans from financial institutions	Secured by first charge on vehicles funded through this facility.	Repayable on demand	27.44	-
Unsecured short-term loans from banks	-	Repayable on demand	35.64	41.42
Unsecured short-term loans from financial institutions	-	Repayable on demand	100.93	62.50
Total			**3,978.97**	**2,719.49**

a) Borrowings from banks / financial institutions carry interest rates ranging from 7.25 % to 8.25 % per annum (31 March 2025: 8 % to 8.75 % per annum)

b) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

c) The Company has utilised the loans for the purpose for which these were availed.

d) The Company has a secured bank loan with a carrying amount of ₹ 482.35 million at 31 March 2026. This loan is repayable in tranches within 5 years and currently classified as long-term.

The loan facility has covenants stating that at the end of each year the Company's current ratio should be at least 1 and Debt Service Coverage Ratio (DSCR) to be 1.2, otherwise the loan will be repayable on demand.

The Company did not meet the the minimum required current ratio (at 31 March 2026 :0.80) and DSCR ratio (at 31 March 2026 : 0.67).

Subsequent to the year end on 26 May 2026 the lending bank has provided a letter to the Company stating that the bank will assess the covenant position and obtain necessary inputs and clarifications from the Company and is currently not planning to recall the term loan.Accordingly the loan has not been treated as payable on demand and not classifed as current as at 31 March 2026.

15 Other financial liabilities

	As at 31 March 2026	As at 31 March 2025
Current		
Accrued salaries and benefits	143.78	145.79
Dues to creditors for capital goods	7.23	20.96
Unpaid dividend	0.04	0.04
Business consideration payable (Refer note 41)	279.00	-
	430.05	**166.79**

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

(All amounts in Indian Rupees million)

16 Provisions

	As at 31 March 2026	As at 31 March 2025
Non-current		
*Provision for employee benefits **		
Net defined benefit liability - Gratuity	-	-
Compensated absences	35.03	36.79
	35.03	**36.79**
Current		
*Provision for employee benefits **		
Compensated absences	16.41	29.05
	16.41	**29.05**
	51.44	**65.84**

* Also refer note 32 on employee benefits

17 Other liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current		
Advance from vendors for rebates	-	118.98
	-	**118.98**
Other liabilities		
Current		
Contract liabilities	728.75	535.20
Advance from vendors for rebates	131.05	208.10
Statutory dues payable	137.27	157.09
CSR payable [Refer note 26(a)]	3.94	3.58
	1,001.01	**903.97**
	1,001.01	**1,022.95**
Movement in contract liabilities		
Opening balance at the beginning of the year	535.20	362.95
Less : Revenue recognised during the year	(535.20)	(362.95)
Add: Additions to advances from customers during the year	728.75	535.20
Closing balance at the end of the year	**728.75**	**535.20**

The contract liabilities primarily relate to the advance consideration received from the customers for the purchase of vehicles. This will be recognised as revenue as and when the Company meet the performance obligation by delivering the vehicles. Refer Note 19 for more details.

(All amounts in Indian Rupees million)

18 Trade payables

	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	50.95	41.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	522.68	512.24
	573.63	**553.64**

Trade payable ageing schedule

As at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	50.95	-	-	-	50.95
ii) Others	78.00	422.35	22.33	-	-	522.68
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
	78.00	**473.30**	**22.33**	**-**	**-**	**573.63**

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	41.40	-	-	-	41.40
ii) Others	65.23	445.73	1.07	-	0.21	512.24
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
	65.23	**487.13**	**1.07**	**-**	**0.21**	**553.64**

All trade payables are 'current'.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 33.

(All amounts in Indian Rupees million)

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

	As at 31 March 2026	As at 31 March 2025
The principal amount remaining unpaid to any supplier as at the end of the year	50.95	41.40
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the year .	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-
	50.95	**41.40**

19 Revenue from operations

	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products		
Sales of new vehicles	19,131.59	16,938.58
Sale of spare parts and accessories	2,939.65	2,815.26
Sale of pre-owned vehicles	3,092.85	2,945.79
	25,164.09	**22,699.63**
Sale of services	**2,202.44**	**2,067.04**
	27,366.53	**24,766.67**
Other operating revenues		
Income from schemes and incentives	402.00	374.55
Finance and insurance commission	628.47	562.50
Income from driving school	46.01	36.16
Other operating income	49.85	29.12
	28,492.86	**25,769.00**
Reconciliation of revenue from sale of products and services		
Gross revenue	28,285.54	25,603.63
Less: Discount allowed	(919.01)	(836.96)
	27,366.53	**24,766.67**

(All amounts in Indian Rupees million)

(A) Disseggregate of revenue information

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

Particulars	As at 31 March 2026	As at 31 March 2025
Revenue by contract type		
Fixed price	28,492.86	25,769.00
	28,492.86	**25,769.00**

(B) Contract balances

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

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables	831.52	694.27
Contract liabilities (advance from customers)	728.75	535.20

(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	As at 31 March 2026	As at 31 March 2025
Within 1 year	728.75	535.20
More than 3 years	-	-
Closing balance	**728.75**	**535.20**

20 Other income

Particulars	As at 31 March 2026	As at 31 March 2025
Interest income based on effective interest rate method on :		
Fixed deposits with banks	2.74	2.62
Rent deposits	14.47	13.64
Income-tax refund	5.46	2.43
Loans to related parties (Refer note 36)	47.93	94.57
Gain on sale of property, plant and equipment (net)	5.48	-
Liabilities no longer required written back	31.76	35.66
Gain on disposal of right-of-use assets	4.64	16.67
Financial assets at FVTPL - net change in fair value	-	1.20
Gain on sale of investment	16.70	-
Other support charges	1.38	2.34
Dividend received	-	20.69
Other non operating income	50.70	38.44
Guarantee commission income	9.40	8.24
	190.66	**236.50**

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

21 Purchases of stock-in-trade

Particulars	As at 31 March 2026	As at 31 March 2025
New vehicles	18,013.03	16,633.35
Pre-owned vehicles	2,782.21	2,843.61
Spares, lubricants and accessories	2,568.83	2,257.15
	23,364.07	**21,734.11**

22 Change in inventories of stock-in-trade

Particulars	As at 31 March 2026	As at 31 March 2025
Opening inventory	3,144.50	2,923.56
Closing inventory	2,572.57	3,144.50
	571.93	**(220.94)**

23 Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and allowances	2,170.44	2,024.08
Contribution to provident and other fund (Refer note 32)	159.72	151.19
Staff welfare expense	144.84	141.42
	2,475.00	**2,316.69**

24 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on bank borrowings	267.07	177.92
Interest on lease liabilities (Refer note 34)	363.72	279.57
Other borrowing costs	45.98	51.56
	676.77	**509.05**

25 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment (Refer note 4)	338.09	224.66
Amortisation on intangible assets (Refer note 5)	8.12	7.35
Depreciation on right-of-use asset (Refer note 34)	436.97	296.31
	783.18	**528.32**

(All amounts in Indian Rupees million)

26 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rent	110.39	131.16
Advertising and sales promotion	226.77	218.91
Consumables	36.17	87.04
Repairs and maintenance:		
Plant and machinery	11.57	12.92
Building	5.01	6.70
Others	93.08	83.18
Power, water and fuel	152.87	138.02
Travelling and conveyance	86.75	92.16
Housekeeping and security and other contract charges	323.86	308.88
Office expenses	96.00	92.18
Communication	40.28	38.55
Refurbishment charges on pre-owned vehicles	35.31	35.94
Loss on sale of property, plant and equipment (net)	-	3.16
Pre-delivery inspection charges	50.53	49.01
Rates and taxes	43.75	16.01
Transportation charges	31.32	28.31
Bank charges	27.20	20.91
Insurance	34.65	24.97
Management fee on pre-owned vehicles	21.22	23.51
Legal and professional (Refer note 30)	54.11	66.43
Impairment loss on property, plant and equipment	-	9.79
Impairment on investment, net of write back	-	3.90
Commission	3.27	3.18
Financial assets at FVTPL - net change in fair value	3.24	-
Donation and charity	0.54	0.43
Expenditure on corporate social responsibility ('CSR') (Refer note (i) below)	1.78	5.46
Miscellaneous expenses	20.25	44.42
	1,509.92	**1,545.13**

(All amounts in Indian Rupees million)

26 (a) Details of Corporate social responsibility expenditure

(i)	Gross amount required to be spent during the year	1.78	5.46
(ii)	Amount approved by the Board to be spent during the year	1.78	5.46
(iii)	Amount spent during the year on :		
	Construction/ acquisition of asset	-	-
	On purposes other than above	1.41	1.88
	Unspent amount in relation to:		
	Ongoing project	0.37	3.58
	Other than ongoing project	-	-
(iv)	(Shortfall) / Excess at the end of the year	-	-
(v)	Total of previous years shortfall	-	-
(vi)	Details of related party transactions (Refer note 36)	1.41	1.88
(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	-	-
(viii)	Reason for shortfall:		
	For the year ended 31 March 2026 and 31 March 2025	N.A	N.A
(ix)	Nature of CSR activities:		
	a) Payment to Prime minister national relief fund	-	-
	b) Skill development	-	-
	c) Health Care	-	-
	d) Education	1.78	5.46
	e) Rural development	-	-

Details of ongoing project:

Particulars	**Opening balance**		**Amount required to be spent**	**Amount Spent during the year**		**Closing balance**	
	With Company	**In separate CSR unspent A/c**		**From Company's bank A/c**	**From separate CSR unspent A/c**	**With Company**	**In separate CSR unspent A/c**
As at 31 March 2026	-	3.58	1.78	1.41	-	-	3.95
As at 31 March 2025	-	-	5.46	1.88	-	-	3.58

(All amounts in Indian Rupees million)

27 Income taxes

	As at 31 March 2026	As at 31 March 2025
Income tax assets	238.38	152.08
Income tax liabilities	-	-
Net income tax assets at the end of the year	**238.38**	**152.08**

(i) Tax expense recognised in standalone statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax	-	-
Income tax expense - for earlier years	-	21.25
Deferred tax credit	(180.80)	(100.33)
Tax credit	**(180.80)**	**(79.08)**

(ii) Amount recognised in other comprehensive income

	Year ended 31 March 2026			Year ended 31 March 2025		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss	17.98	(4.53)	13.45	(6.60)	1.66	(4.94)
	17.98	**(4.53)**	**13.45**	**(6.60)**	**1.66**	**(4.94)**

(iii) Reconciliation of effective tax rate

	Year ended 31 March 2026	Year ended 31 March 2025
Loss before income taxes	(692.16)	(415.25)
Enacted tax rates in India	25.17%	25.17%
Tax using the Company's statutory tax rate	(174.22)	(104.52)
Income at differential rate - long term capital gain	-	-
On account of change in tax rate	-	-
Other permanent differences	0.63	(4.19)
Temporary differences - earlier years	(7.21)	-
Tax expense	**(180.80)**	**(100.33)**

(All amounts in Indian Rupees million)

Recognised deferred tax assets and (liabilities)

(i) Deferred tax assets and liabilities are attributable to the following:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax asset		
Impairment losses on financial and contract assets	6.97	4.70
Employee benefits expense	10.68	13.15
Other timing differences	94.49	6.93
Carry forward loss	196.92	70.46
Interest on lease liabilities and depreciation on right-of-use asset	146.33	187.00
Total deferred tax assets (A)	**455.39**	**282.24**
Deferred tax liabilities		
Property, plant and equipment	(57.22)	(60.34)
Total deferred tax liability (B)	**(57.22)**	**(60.34)**
Deferred tax asset/ (liability) net (A+B)	**398.17**	**221.90**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax expense attributable to

Movement during the Year ended 31 March 2026	As at 1 April 2025	Charge/ (credit) in the standalone statement of profit and loss	Charge/ (credit) in other comprehensive Income	As at 31 March 2026
Impairment losses on financial and contract assets	4.70	(2.27)	-	6.97
Employee benefits expense	13.15	(2.06)	4.53	10.68
Other timing differences	6.93	(87.56)	-	94.49
Carry forward loss	70.46	(126.46)	-	196.92
Interest on lease liabilities and depreciation on right-of-use asset	187.00	40.67	-	146.33
Property, plant and equipment	(60.34)	(3.12)	-	(57.22)
Net deferred tax assets/ (liabilities)	**221.90**	**(180.80)**	**4.53**	**398.17**

(All amounts in Indian Rupees million)

(ii) Movement in temporary differences

Movement during the Year ended 31 March 2025	As at 1 April 2024	Charge/ (credit) in the standalone statement of profit and loss	Charge/ (credit) in other comprehensive Income	As at 31 March 2025
Impairment losses on financial and contract assets	4.01	(0.69)	-	4.70
Employee benefits expense	5.38	(6.11)	(1.66)	13.15
Other timing differences	5.10	(1.83)	-	6.93
Carry forward loss	-	(70.46)		70.46
Interest on lease liabilities and depreciation on right-of-use asset	164.32	(22.68)	-	187.00
Property, plant and equipment	(58.90)	1.44	-	(60.34)
Net deferred tax assets/ (liabilities)	**119.91**	**(100.33)**	**(1.66)**	**221.90**

(iii) Tax losses carried forward

Particulars	As at 31 March 2026	Expiry date	As at 31 March 2025	Expiry date
Unabsorbed depreciation - never expire	559.49	NA	250.69	NA
Brought forward losses (FY 24-25) - allowed to carry forward for specific period	29.24	FY 2032-33	29.24	FY 2032-33
Brought forward losses (FY 25-26) - allowed to carry forward for specific period	182.70	FY 2033-34	-	
Total	**771.43**	**-**	**279.93**	

28 Contingent liabilities and commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Service tax related matters	13.83	15.21
GST related matters	6.03	6.03
Income tax related matters	4.98	10.59
Customer claims	75.13	112.10
Other contingent liabilities		
Employees' state insurance/provident fund demand	8.89	8.89
Commitments		
Corporate guarantees	1,018.44	749.79
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	88.91	321.20

(All amounts in Indian Rupees million)

Details of claims against the Company

a) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timing of cash flows, if any, in respect of the above as it is determinable only on receipt of judgement/ decision pending with various forums/ authorities. The Company has received all its pending litigations and proceedings and has adequately provided for when provision is required and disclosed as contingent liabilities where applicable, in the standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

b) There are certain claims raised by customers, pending before various consumer forums. The management does not expect the outcome of the action to have a material effect on its financial position.

c) On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Company has re-computed its liability towards PF for the month of March 2019. In respect of the earlier periods/years, the Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

29 Earnings per share

A. Basic earnings per share

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

i) Net profit attributable to equity share holders

Particulars	As at 31 March 2026	As at 31 March 2025
Net profit for the year, attributable to the equity shareholders (A)	(511.36)	(336.17)

ii) Weighted average number of equity shares (basic and diluted)#

Particulars	As at 31 March 2026	As at 31 March 2025
Number of equity shares at the beginning of the year (Refer note 13)	71.20	71.20
Weighted average number of equity shares of INR 2 each outstanding during the year (B)	71.20	71.20
Earnings per share, basic and diluted (A/B)	**(7.18)**	**(4.72)**

Number of equity shares are in millions

B. Diluted earnings per share

There are no potential dilutive equity shares as at balance sheet dates.

30 Auditors' remuneration (net of goods and service tax)

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory audit	6.10	7.50
	6.10	**7.50**

(All amounts in Indian Rupees million)

31 Segment reporting

The Company has a single reportable business segment which is reviewed by Chief operating decision maker ('CODM'). The Company is engaged in the business of purchase and sale of vehicles and related services. The entire operations are organised and managed as one organisational unit with the same set of risks and returns, hence the same has been considered as representing a single primary segment. The Company renders its services in India only and does not have any operations in economic environments with different risks and returns; hence it is considered operating in a single geographic segment. The Company has no significant customer whose carrying value exceeds 10% of the revenue from operations; hence no separate disclosure is made on the same.

Accordingly, no segment disclosure has been made in these standalone financial statements.

32 Employee

A Defined contribution plan

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

B Defined benefit plan

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

The Gratuity Plan entitles an employee, who has rendered atleast five years of continuous service, to receive one-half month's salary for each year of completed service (service of six months or above is rounded off to one year) at the time of retirement/ exit, restricted to a sum of INR 2.00 million.

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

Reconciliation of the projected defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit liability	202.69	210.61
Plan assets	211.71	224.18
Net defined benefit asset	**(9.02)**	**(13.57)**
Liability for compensated absences	51.44	65.84
Total employee benefit liability	**42.42**	**52.27**
Non-current defined benefit asset	(9.02)	**(13.57)**
Non-current defined benefit liability	35.03	36.79
Current defined benefit liability	16.41	29.05

(All amounts in Indian Rupees million)

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 benfit (asset)/ liability and its components:

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit obligation as at the beginning of the year	**210.61**	**199.42**
Current service cost	28.46	26.57
Past service Cost	6.24	-
Interest cost	12.96	13.11
Amalgamations (Transfers or acquisitions)	0.05	-
Benefits paid	(37.90)	(33.72)
Re-measurements		
Actuarial gain/(loss) recognised in other comprehensive income		
- changes in financial assumptions	(6.45)	8.28
- changes in experience over the past period	(11.28)	(3.05)
Defined benefit obligation as at the end of the year	**202.69**	**210.61**

ii) Reconciliation of present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Plan assets at the beginning of the year	224.18	241.58
Contributions paid into the plan	10.61	0.89
Benefits paid	(37.90)	(33.71)
Amalgamations (Transfers or acquisitions)	-	
Interest income	14.57	16.79
Re-measurements		
Return on plan assets excluding amount included in net interest on the net defined liability /(asset)	0.25	(1.37)
Balance at the end of the year	**211.71**	**224.18**
Net defined benefit asset	**(9.02)**	**(13.57)**

D Expenses recognised in the standalone statement of profit and loss

Particulars	As at 31 March 2026	As at 31 March 2025
Current service cost	28.46	26.57
Past service cost	6.24	-
Net interest on net defined liability	(1.61)	(3.68)
Net gratuity cost	**33.09**	**22.89**

(All amounts in Indian Rupees million)

(ii) Remeasurements recognised in other comprehensive income

Particulars	As at 31 March 2026	As at 31 March 2025
Acturial (gain) / loss on defined benefit obligation	(17.73)	5.23
Return on plan asset excluding interest income	(0.25)	1.37
Net gratuity (gain) /cost	**(17.98)**	**6.60**

E Plan Asset

Plan asset comprises the following:

Particulars	As at 31 March 2025	As at 31 March 2024
Funds managed by Life Insurance Corporation of India	211.71	224.18

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.

The Company is expected to contribute ₹ Nil (PY: ₹ Nil) in the next financial year to the funds maintained for defined benefit plan.

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 2026	As at 31 March 2025
Discount rate	7.00%	6.50%
Salary growth rate	6.00%	6.00%
Attrition rate	Up to 35 years: 25% p.a 35 yrs & above: 3% p.a.	Up to 35 years: 25% p.a 35 yrs & above: 3% p.a.
Weighted average duration of defined benefit obligaiton	8.82 years	8.82 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. The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

(ii) Sensitivity analysis

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(16.70)	19.37	(17.67)	20.57
Future salary growth (1% movement)	19.11	(16.86)	20.13	(17.67)
Attrition rate (1% movement)	0.73	(0.90)	0.17	(0.26)

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.

(All amounts in Indian Rupees million)

33 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 2026

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Man-datorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value									
Financial assets									
Cash and cash equivalents	10	402.20	-	-	402.20	-	-	-	-
Bank balances other than cash and cash equivalents	11	41.65	-	-	41.65				
Trade receivables	9	831.52	-	-	831.52	-	-	-	-
Other financial assets	12(b)	365.49	-	-	365.49	-	-	-	-
Loans	12(a)	437.06	-	-	437.06	-	-	-	-
Financial asset measured at fair value									
Investments *	6	-	22.76	-	22.76	-	22.76	-	22.76
Total		**2,077.92**	**22.76**	**-**	**2,100.68**	**-**	**22.76**	**-**	**22.76**
Financial liabilities measured at amortised cost									
Trade payables	18	-	-	573.63	573.63	-	-	-	-
Borrowings	14	-	-	3,978.97	3,978.97	-	-	-	-
Lease liabilities	34	-	-	4,762.88	4,762.88	-	-	-	-
Other financial liabilities	15	-	-	430.05	430.05	-	-	-	-
Total		**-**	**-**	**9,745.53**	**9,745.53**	**-**	**-**	**-**	**-**

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

As at 31 March 2025

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Man-dato-rily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value									
Financial assets									
Cash and cash equivalents	10	85.58	-	-	85.58	-	-	-	-
Bank balances other than cash and cash equivalents	11	35.05	-	-	35.05				
Trade receivables	9	694.27	-	-	694.27	-	-	-	-
Other financial assets	12(b)	315.88	-	-	315.88	-	-	-	-
Loans	12(a)	1,026.09	-	-	1,026.09	-	-	-	-
Financial asset measured at fair value									
Investments *	6	-	18.38	-	18.38	-	18.18	0.20	18.38
Total		**2,156.87**	**18.38**	**-**	**2,175.25**	**-**	**18.18**	**0.20**	**18.38**
Financial liabilities measured at amortised cost									
Trade payables	18	-	-	553.64	553.64	-	-	-	-
Borrowings	14	-	-	2,719.49	2,719.49	-	-	-	-
Lease liabilities	34	-	-	3,235.69	3,235.69	-	-	-	-
Other financial liabilities	15	-	-	166.79	166.79	-	-	-	-
Total		**-**	**-**	**6,675.61**	**6,675.61**	**-**	**-**	**-**	**-**

Note 1:The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

* Excludes investments in subsidiaries measured at cost.

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 has 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 2026 and 31 March 2025 has not been disclosed as it is not material to the Company.

(All amounts in Indian Rupees million)

B Measurement of fair values

The following methods and assumptions were used to estimate the fair values:

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C Financial risk management

The 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 oversees 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 of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's receivables from customers, loans and investment in mutual funds.

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables. The carrying amount of financial assets represents maximum credit risk exposure.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 831.52 million (31 March 2025: ₹ 694.27 million).

The Company has no significant customer whose carrying value exceeds 10% of the revenue from operations. There is no significant concentration of credit risk.

The movement in allowance for credit loss in respect of financial assets during the year was as follows:

Allowance for credit loss	**As at 31 March 2026**	**As at 31 March 2025**
Balance at the beginning of the year	14.26	13.36
Bad debts written off during the year	3.88	(7.49)
(Reversal) / provision created during the year	(2.32)	8.39
Balance at the end of the year	**15.82**	**14.26**

Credit risk on cash and cash equivalents 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.

The Company allocates each exposure to a credit risk grade based on the historic trend of financial assets movement between the ageing buckets. The loss rates are calculated based on the simple average of the trend in receivable ageing.

(All amounts in Indian Rupees million)

Ageing Period	Average Loss Rate	
	As at 31 March 2026	As at 31 March 2025
Not due	-	-
Less than 6 months	-2.23%	1.09%
6 months - 1 year	48.71%	1.44%
More than 1 year	281.63%	100.00%

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 table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2026:

Particulars	Payable within 1 year	More than 1 year	Total
Trade payables	573.63	-	573.63
Borrowings	3,667.40	376.15	4,043.55
Lease liabilities	651.12	7,625.73	8,276.85
Other financial liabilities	430.05	-	430.05

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2025:

Particulars	Payable within 1 year	More than 1 year	Total
Trade payables	553.64	-	553.64
Borrowings	2,718.55	0.94	2,719.49
Lease liabilities	219.33	5,373.02	5,592.35
Other financial liabilities	166.79	-	166.79

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 2026 and 31 March 2025.

Cash flow and fair value interest rate risk

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

(All amounts in Indian Rupees million)

(a) Interest rate risk exposure

The Company does not have any variable rate long term borrowings including current maturities as at current year and previous year, and therefore no exposure of the Company's borrowing to interest rate changes at the end of the year is expected.

Financial liabilities (bank borrowings)

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate long term borrowings including current maturities	482.35	-

Sensitivity

Particulars	Impact on profit or (loss)	
	As at 31 March 2026	As at 31 March 2025
1% increase in variable rate	(4.82)	-
1% decrease in variable rate	4.82	-

	Impact on equity, net of tax	
Particulars	As at 31 March 2026	As at 31 March 2025
1% increase in variable rate	(3.61)	-
1% decrease in variable rate	3.61	-

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

34 Leases

The Company has taken showrooms and service centres on lease from various parties from where business operations are performed. The leases typically run for a period of 1 year - 30 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended 31 March 2026 and 31 March 2025:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at 1 April	3,235.69	2,915.46
Additions	1,784.35	599.22
Finance cost accrued during the year	363.72	279.57
Derecognition of lease liability during the year	(29.41)	(89.43)
Payment of lease liabilities	(591.47)	(469.13)
Balance as at 31 March	**4,762.88**	**3,235.69**
Non-current lease liabilities	4,453.65	3,016.36
Current lease liabilities	309.23	219.33

In respect of immovable property taken under lease, the lease agreements are duly executed in favour of the lessee, except for certain lease agreements where the Company is in the process of executing the lease agreements.

(All amounts in Indian Rupees million)

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2026	As at 31 March 2025
Less than one year	651.12	219.33
One to five years	2,783.74	1,851.95
More than five years	4,841.99	3,521.07
Total undiscounted lease liabilities	**8,276.85**	**5,592.35**

(iii) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at 1 April	2,492.75	2,262.61
Addition to right-of-use assets	2,150.50	599.22
Disposal	(24.77)	(72.77)
Depreciation for the year	(436.97)	(296.31)
Balance as at 31 March	**4,181.51**	**2,492.75**

(iv) Amounts recognised in statement of profit or loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	363.72	279.57
Depreciation on right-of-use assets	436.97	296.31

(v) Amounts recognised in statement of cash flows

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Total cash outflow for leases	(591.47)	(469.13)

(vi) Operating leases

The Company is obligated under cancellable operating leases for its certain office premises which are renewable at the option of both the lessor and lessee. Total rental expenses under such leases amounted to ₹ 110.39 million (31 March 2025: ₹ 131.16 million). These arrangements do not qualify as a lease as per the requirements of Ind AS 116.

(vii) Operating lease as a lessor

The Company has leased out building under operating lease. There is escalation and renewal clause in the lease agreements and sub-letting is not permitted. The lease is cancellable and the total lease income recognised during the year was ₹ 3.63 millions (31 March 2025: ₹ 4.15 million).

35 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 all other equity reserves.

(All amounts in Indian Rupees million)

	As at 31 March 2026	As at 31 March 2025
Total equity attributable to the equity shareholders of the Company (A)	**4,052.11**	**4,550.02**
Non -current borrowings	350.69	0.94
Current borrowings	3,628.28	2,718.55
Total borrowings	**3,978.97**	**2,719.49**
Less: cash and cash equivalents	402.20	85.58
Adjusted net debt (B)	**3,576.77**	**2,633.91**
Adjusted net debt to total equity ratio (B/A)	**0.88**	**0.58**

36 Related parties

I. Names of related parties and description of relationship:

(a) Subsidiaries and step down subsidiaries	Popular Mega Motors (India) Private Limited, India
	Popular Autoworks Private Limited, India
	Vision Motors Private Limited, India (upto 25 August 2025)
	Kuttukaran Cars Private Limited,India
	Popular Auto Dealers Private Limited, India
	Kuttukaran Green Private Limited, India (upto 31 August 2025)
	Keracon Equipments Private Limited, India
	Prabal Motors Private Limited, India
	Zparex Digisolutions Private Limited, India (w.e.f 10 November 2025)
	Imperion Cars Private Limited, India (w.e.f 28 November 2025)
(b) Other related parties with whom the Company had transactions during the year	
- Key management personnel	Mr. Naveen Philip, Managing Director
	Mr. Francis K Paul, Whole Time Director (upto 31 March 2026)
	Mr. John K Paul, Whole Time Director
	Mr. Jacob Kurian, Director
	Mrs. Preeti Reddy, Director
	Mr. George Joseph, Director
	Mr. Murali Narayanan, Director (w.e.f 29 December 2025)
	Mr. Neeraj Jain, Director (w.e.f 29 September 2025)
	Mr. Rakesh Kumar Bhutoria, Nominee Director (upto 8 December 2025)
	Mr. John Verghese, Chief Financial Officer (upto 30 June 2025)
	Mr. Abraham Mammen, Chief Financial Officer (w.e.f 01 July 2025)
	Mr. Raj Narayan, Chief Executive Officer
	Mr. Varun Thazhathu Veedu, Company Secretary
- Entities in which KMP has significant influence	Kuttukaran Homes LLP, India
	Kuttukaran Institute for Human Resource Development, India
	Kuttukaran Trading Ventures, India
	K P Paul Foundation, India
	Memorytrain Creatives Private Limited, India
	Regiis Insurance Brokers Private Limited,India
	BanyanTree Growth Capital II, LLC, Mauritius

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

II. Related party transactions:

(a) The Company has entered into the following transactions with related parties during the year ended 31 March 2026 and 31 March 2025:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations		
Popular Auto Dealers Private Limited	6.80	5.75
Popular Mega Motors (India) Private Limited	7.72	1.12
Prabal Motors Private Limited	1.85	0.58
Popular Autoworks Private Limited	2.02	-
Kuttukaran Institute for Human Resource Development	0.05	0.05
Kuttukaran Green Private Limited	0.01	0.01
Kuttukaran Cars Private Limited	0.90	-
Imperion Cars Private Limited	1.19	-
Lease Rental		
Francis K Paul	2.80	2.80
John K Paul	1.32	1.35
Popular Mega Motors (India) Private Limited	0.04	0.12
Kuttukaran Homes LLP	19.84	19.84
Vision Motors Private Limited	-	0.01
Kuttukaran Trading Ventures	17.49	20.97
Popular Autoworks Private Limited	0.83	0.01
Guarantee commission received		
Popular Autodealers Private Limited	1.61	1.58
Popular Mega Motors (India) Private Limited	4.58	4.76
Popular Autoworks Private Limited	2.01	1.44
Vision Motors Private Limited	0.24	0.06
Kuttukaran Cars Private Limited	0.87	0.29
Kuttukaran Green Private Limited	0.05	0.11
Imperion Cars Private Limited	0.03	-
Income from rent		
Popular Auto Dealers Private Limited	2.79	2.67
Popular Mega Motors (India) Private Limited	0.48	0.48
Kuttukaran Cars Private Limited	0.36	0.36
Intercorporate loans repaid by subsidiaries		
Popular Autoworks Private Limited	60.00	-
Kuttukaran Cars Private Limited	7.74	2.09
Kuttukaran Green Private Limited	0.82	8.16
Popular Auto Dealers Private Limited	9.74	-
Popular Mega Motors (India) Private Limited	500.00	-
Prabal Motors Private Limited	76.58	-

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Intercorporate loan given		
Kuttukaran Cars Private Limited	45.00	10.00
Popular Auto Dealers Private Limited	35.00	60.00
Interest on loan to related parties		
Popular Autoworks Private Limited	1.53	5.16
Kuttukaran Cars Private Limited	4.75	5.31
Kuttukaran Green Private Limited	0.72	1.51
Popular Mega Motors (India) Private Limited	8.61	43.00
Prabal Motors Private Limited	27.14	34.98
Popular Auto Dealers Private Limited	5.17	4.61
Purchase of assets		
Vision Motors Private Limited	-	2.31
Kuttukaran Cars Private Limited	0.38	-
Popular Autoworks Private Limited	1.38	-
Popular Auto Dealers Private Limited	8.83	-
Investment *		
Kuttukaran Green Private Limited - Equity Shares	-	10.00
Kuttukaran Cars Private Limited - Equity Shares	-	55.00
Prabal Motors Private Limited - Equity Shares	-	150.00
Purchase of vehicles/accessories and spares		
Popular Auto Dealers Private Limited	13.19	7.46
Vision Motors Private Limited	0.79	3.84
Popular Mega Motors (India) Private Limited	0.89	0.23
Dividend Income on Investments		
Popular Mega Motors (India) Private Limited	-	6.60
Popular Auto Dealers Private Limited	-	5.30
Popular Autoworks Private Limited	-	8.79
Expense met by the Company		
Popular Auto Dealers Private Limited	0.07	-
Popular Autoworks Private Limited	0.18	0.53
Popular Mega Motors (India) Private Limited	0.17	0.81
Kuttukaran Institute for Human Resource Development	5.32	3.85
Kuttukaran Trading Ventures	0.15	0.27
Vision Motors Private Limited	-	0.32
Prabal Motors Private Limited	0.02	0.02
Kuttukaran Cars Private Limited	0.01	-
Memorytrain Creatives Private Limited	-	0.03

Notes to the Standalone Financial Statements

(All amounts in Indian Rupees million)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Expense met on behalf of the Company		
Kuttukaran Institute for Human Resource Development	0.37	0.39
Popular Auto Dealers Private Limited	0.36	4.79
Popular Autoworks Private Limited	0.55	3.97
Popular Mega Motors (India) Private Limited	15.30	3.80
Kuttukaran Cars Private Limited	0.46	0.44
Kuttukaran Green Private Limited	0.02	0.13
Prabal Motors Private Limited	0.69	7.48
Kuttukaran Trading Ventures	0.22	0.04
Income - Other support services		
Popular Auto Dealers Private Limited	4.63	3.96
Popular Autoworks Private Limited	24.55	3.63
Popular Mega Motors (India) Private Limited	15.55	(0.77)
Prabal Motors Private Limited	17.09	7.04
Vision Motors Private Limited	-	3.02
Repairs and maintenance		
Vision Motors Private Limited	0.03	0.04
Popular Mega Motors (India) Private Limited	0.93	0.82
Kuttukaran Trading Ventures	0.76	0.52
Sale of assets		
Popular Mega Motors (India) Private Limited	-	0.08
Corporate social responsibility expense		
K P Paul Foundation	1.41	1.88
Remuneration of Key Management Personnel		
Short - term employee benefits		
Francis K Paul	10.63	10.63
John K Paul	10.63	12.46
John Verghese	1.66	7.62
Kuttiyil Abraham Mammen	8.47	-
Varun Thazhathu Veedu	3.20	3.07
Raj Narayan	13.90	14.49
Post-employment benefits		
Raj Narayan	0.44	-
Varun Thazhathu Veedu	0.21	-
Kuttiyil Abraham Mammen	0.09	-
Sitting fees to independent directors	6.60	5.50

(All amounts in Indian Rupees million)

III. Balance receivable from/ (payable) to related parties as at the balance sheet date:

Particulars	As at 31 March 2026	As at 31 March 2025
Loans to related parties		
Popular Autoworks Private Limited	-	60.00
Kuttukaran Cars Private Limited	77.83	40.57
Kuttukaran Green Private Limited	-	11.84
Popular Mega Motors (India) Private Limited	-	503.29
Prabal Motors Private Limited	273.42	350.00
Popular Auto Dealers Private Limited	85.81	60.39
Trade receivables		
Kuttukaran Institute for Human Resource Development	0.01	0.02
Popular Auto Dealers Private Limited	2.60	1.29
Popular Autoworks Private Limited	0.02	-
Popular Mega Motors (India) Private Limited	1.65	0.23
Prabal Motors Private Limited	1.62	0.70
Kuttukaran Cars Private Limited	0.37	0.05
Vision Motors Private Limited	-	0.43
Kuttukaran Green Private Limited	-	0.01
Imperion Cars Private Limited	0.04	-
Corporate guarantee commission receivable		
Popular Auto Dealers Private Limited	0.46	0.50
Popular Mega Motors (India) Private Limited	1.49	1.31
PopularAutoworks Private Limited	0.68	0.31
Vision Motors Private Limited	-	0.01
Kuttukaran Cars Private Limited	0.30	0.16
Kuttukaran Green Private Limited	-	0.03
Imperion Cars Private Limited	0.03	-
Post-employment benefits payable		
Raj Narayan	(1.33)	(0.89)
Varun T V	(0.71)	(0.50)
Kuttiyil Abraham Mammen	(0.30)	-
Dues to creditors for expenses and others		
Popular Auto Dealers Private Limited	(0.65)	(0.30)
Kuttukaran Homes LLP	(0.50)	(0.50)
Popular Mega Motors (India) Private Limited	(0.06)	(0.06)
Kuttukaran Trading ventures	(1.67)	(1.99)
Kuttukaran Institute for Human Resource Development	-	(0.00)
Popular Autoworks Private Limited	(0.18)	(0.02)
Kuttukaran Cars Private Limited	(0.19)	-

(All amounts in Indian Rupees million)

Particulars	As at 31 March 2026	As at 31 March 2025
Imperion Cars Private Limited	(0.21)	-
Francis K Paul	(0.25)	(0.25)
John K Paul	(0.11)	(0.33)
Rent deposit payable		
Popular Auto Dealers Private Limited	(0.20)	(0.20)
Corporate guarantees given by the Company		
Popular Auto Dealers Private Limited	157.65	148.68
Popular Mega Motors (India) Private Limited	512.59	424.90
PopularAutoworks Private Limited	234.22	105.25
Imperion Cars Private Limited	12.16	-
Vision Motors Private Limited	-	4.82
Kuttukaran Green Private Limited	-	11.12
Kuttukaran Cars Private Limited	101.83	55.02

Certain bank facilities of the Company have been guaranteed by the Company's Directors. Also refer to note 14a.

All the related party transactions entered during the year were in ordinary course of business and are on arm's length basis.

37(a) Assets classified as held for sale

In the Board meeting dated 12 February 2025, the management committed to a plan to disinvest the Company's stake in its wholly owned subsidiary, Kuttukaran Green Private Limited. Accordingly, the investment in this subsidiary was presented as assets classified as held for sale as of 31 March 2025.

The investment value is stated at lower of its carrying amount and its fair value less costs to sell and and accordingly an impairment loss of ₹ 19.40 million has been recorded against the investment amount of ₹ 27.83 million as at 31 March 2025.

The Company entered into a share purchase agreement with Automart Services Private Limited on 29 May 2025 to agree the terms and conditions of the sale and thereafter obtained approval from its shareholders on 04 July 2025 through postal ballot resolution for the disinvestment. Further, on 31 August 2025, the Company has completed the disinvestment for a consideration of ₹ 20 million, thereby, recording a gain of ₹ 11.57 million during the year.

Assets classified as held for sale

Entity	As at 31 March 2026	As at 31 March 2025
Investment in the subsidiary - Kuttukaran Green Private Limited	-	8.43
	-	**8.43**

38 Events occurred after the Balance Sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the standalone financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the standalone financial statements. As of 26 May 2026 there are no subsequent events and transactions to be recognised or reported that are not already disclosed.

(All amounts in Indian Rupees million)

39 Utilisation of IPO proceeds

During the year ended 31 March 2024, the Company had completed initial public offering (IPO) of ₹ 6,015.54 million (including fresh issue of ₹ 2,500 million) comprising of :

(i) 8,453,803 equity shares of ₹ 2 each at an issue price of ₹ 295 per share (including a share premium of ₹ 293 per share) towards fresh issue of equity shares

(ii) 11,917,075 equity shares of ₹ 2 each at an issue price of ₹ 295 per share (including a share premium of ₹ 293 per share) towards offer for sale and ;

(iii) 22,950 equity shares of ₹ 2 each at an issue price of ₹ 267 per share (including a share premium of ₹ 265 per share) for employee quota towards fresh issue.

The equity shares of the Company were listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 19 March 2024.

The Company has estimated ₹ 421.06 million (including provision) (excluding taxes) as IPO related expenses and allocated such expenses between the Company ₹ 178.01 million and selling shareholders ₹ 243.05 million in proportion to the equity shares alloted to the public as fresh issue by the Company and under offer for sale by selling shareholders respectively. The amount attributable to the Company amounting to ₹ 178.01 million has been adjusted to securities premium for the year ended 31 March 2024, and further ₹ 2.45 million had been adjusted to securities premium during the year ended 31 March 2025.

Details of the IPO net proceeds are as follows as on 31 March 2024.

Particulars	Amount (As per Offer Document)
Gross Proceeds from the issue	2,500.00
Less : Estimated issue related expenses (proportionate to the Company's share)*	210.10
Net Proceeds	**2,289.90**

**Issue related expenses (net of GST) amounting to ₹ 180.46 million have been adjusted against securities premium as per Section 52 of The Companies Act, 2013*

Details of the utilisation of the IPO proceeds is summarised below:

Particulars	Utilisation as per prospectus	Utilised upto 31 March 2026	Unutilised as on 31 March 2026
Pre-payment,in full or in part, of borrowings availed by our subsidiaries	1,920.00	1,920.00	-
General Corporate purposes	369.90	369.90	-
Total utilisation of funds	**2,289.90**	**2,289.90**	**-**

40 On November 21, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to the changes in regulations. The Company has assessed and accounted the incremental impact of these changes on the basis of actuarial opinion obtained and the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact under 'Exceptional items' in the standalone financial statements for the year ended 31 March 2026. The incremental impact on gratuity of ₹ 6.24 million and long-term compensation absences of ₹ 2.46 million, respectively has arisen due to change in wage definition. The Company continues to monitor the finalization of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

(All amounts in Indian Rupees million)

41 By way of an agreement entered into on 10 October 2025, the Company has taken over the business comprising Maruti Suzuki India Limited dealership on an as-is-where-is basis as a going concern by way of slump sale from R K S Motor Private Limited ('the vendor'), Telangana w.e.f 15 October 2025. The aggregate consideration of this acquisition is ₹ 930 million which is payable in tranches. In addition to the above purchase consideration, the Company has also acquired the existing inventories from the vendor as part of this business acquisition at a value of ₹ 50.02 million. The aforementioned transaction has been considered as a business acquisition in accordance with Indian Accounting Standard 103- "Business Combinations".

A. Purchase consideration

Particulars	Amount in ₹ million
Consideration paid / payable in cash (including for transfer of inventories) (Refer note (i) below)	980.02

B. Identifiable assets acquired

Particulars	Amount in ₹ million
Property, Plant and Equipment	915.13
Inventories (including vehicles, spares and accessories)	50.02
Net identifiable assets acquired	965.15

C. Goodwill

Particulars	Amount in ₹ million
Purchase consideration (A)	980.02
Less: net identifiable assets acquired (B)	965.15
Goodwill (A - B)	14.87

(i) Of the above purchase consideration, an amount of ₹ 279 million is outstanding as at 31 March 2026 which has been subsequently settled fully in the month of April 2026.

42(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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42(b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43 Ratios as per the Schedule III requirements *

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Current assets	4,738.03	4,873.72
Current liabilities	5,958.61	4,591.33
Ratio	**0.80**	**1.06**
% Change from previous year	-24.5%	-10.17%

(All amounts in Indian Rupees million)

b) Debt Equity ratio = Total debt divided by Shareholders' equity

Particulars	As at 31 March 2026	As at 31 March 2025
Current borrowings [a]	3,628.28	2,718.55
Non current borrowings [b]	350.69	0.94
Total debt	3,978.97	2,719.49
Total equity	4,052.11	4,550.02
Ratio	**0.98**	**0.60**
% Change from previous year	63.33%	71.43%

The Debt Equity Ratio moved from 0.60 to 0.98 during the year mainly on account of additional borrowings availed for funding acquisitions and the incremental working capital requirements associated with the integration and operational scale-up of the acquired businesses.

c) Debt Service Coverage Ratio = Earnings available for debt service divided by Debt service

Particulars	As at 31 March 2026	As at 31 March 2025
Earnings available to service debt	602.93	556.24
Debt service	906.55	528.24
Debt service coverage ratio	**0.67**	**1.05**
% Change from previous year end	-36.19%	-64.41%

The ratio declined during the current year due to the combined impact of lossess and increase of principal amount of term loan and lease payments.

d) Return on Equity/Return on Investment = Net Profit after taxes divided by Average Shareholders' equity

Particulars	As at 31 March 2026	As at 31 March 2025
Net profit after tax	(511.36)	(336.17)
Total equity (Average Share holder's equity)	4,301.07	4,550.02
Ratio	**-11.89%**	**-7.39%**
% Change from previous year	60.9%	-241.0%

The ratio of Return on Equity / Return on Investment declined from (7.39)% to (11.89)% during the year primarily due to higher losses incurred in relation to the newly acquired businesses, including initial stabilisation and operational costs, together with additional statutory provisions recognised pursuant to changes in applicable regulations.

e) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at 31 March 2026	As at 31 March 2025
Net Profit after tax	(511.36)	(336.17)
Revenue from operations	28,492.86	25,769.00
Ratio	**-1.79%**	**-1.30%**
% Change from previous year	37.69%	-232.65%

The ratio of Net Profit to Sales ratio declined from (1.3)% to (1.79)% during the year primarily due to higher losses incurred in relation to the newly acquired businesses, including initial stabilization and operational costs, together with additional statutory provisions recognised pursuant to changes in applicable regulations.

(All amounts in Indian Rupees million)

f) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at 31 March 2026	As at 31 March 2025
Purchase of stock in trade [a]	23,364.07	21,734.11
Changes in inventories of stock-in-trade [b]	571.93	(220.94)
Cost of goods sold [a]+[b]	23,936.00	21,513.17
Average Inventory	2,858.54	3,144.50
Ratio	**8.37**	**6.84**
% Change from previous year	22.37%	-6.94%

g) Net capital Turnover Ratio = Revenue from operations divided by average working capital

Particulars	As at 31 March 2026	As at 31 March 2025
Revenue from operations	28,492.86	26,005.50
Current asset [a]	4,738.03	4,873.72
Current liability [b]	5,958.61	4,591.33
Average working capital	(469.10)	282.39
Ratio	**(60.74)**	**92.09**
% Change from previous year	-165.96%	172.21%

The net capital turnover ratio turned negative during the current year primarily due to reduction in net working capital arising from increased short-term borrowings.

h) Trade Receivable Turnover Ratio = Revenue from operations divided by average trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Revenue from operations	28,492.86	25,769.00
Average Trade Receivables	762.90	694.27
Trade receivable turnover ratio	**37.35**	**37.12**
% Change from previous year end	0.62%	25.58%

i) Return on Capital employed = Earnings before interest and taxes (EBIT) divided by capital employed (Total equity + Borrowings)

Particulars	As at 31 March 2026	As at 31 March 2025
Loss before tax	(692.16)	(415.25)
Finance cost	676.77	509.05
Earnings before interest and tax	(15.39)	93.80
Total equity[a]	4,052.11	4,550.02
Total borrowings[b]	3,978.97	2,719.49
Capital employed [a]+[b]	**8,031.08**	**7,269.51**
Ratio	-0.19%	1.29%
% Change from previous year	-114.73%	-92.31%

The ratio declined during the current year due to the combined impact of losses incurred and an increase in borrowing during the year.

(All amounts in Indian Rupees million)

j) Trade Payable Turnover Ratio = Cost of goods sold divided by average trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Cost of goods sold	25,445.92	21,513.17
Average Trade payables	563.64	553.64
Trade payable turnover ratio	**45.15**	**38.86**
% Change from previous year end	16.19%	97.46%

* Only variances above 25% has been analysed by the management

44 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act, 2013

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any transactions with companies struck off.

iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vi) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

x The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

As per our report of even date attached

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Consolidated Financial Statements

Independent Auditors Report

To the Members of Popular Vehicles and Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Popular Vehicles and Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31 March 2026, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill impairment

See Note 5 to consolidated financial statements

The key audit matter	**How the matter was addressed in our audit**
The Group had recognized a goodwill related to the business combination of Keracon Equipment Private Limited amounting to ₹ 103.67 million during the year ended 31 March 2023. Goodwill has been allocated to Keracon Equiment Private Limited cash generating unit (CGU) which is holding 70% of stake in another entity, Prabal Motors Private Limited. The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity and the significant judgement involved in determining the assumptions to be used to estimate the recoverable amount.	In view of the significance of the matter, following audit procedures were applied, amongst others to obtain sufficient audit evidence: Obtained an understanding of the Group's evaluation of identification of cash generating units and allocation of Goodwill to the respective CGU. Assessed the design, implementation and operating effectiveness of key financial controls of the Group in relation to the impairment testing of goodwill. Examined the recoverable value computations prepared by the Group with the help of an external expert for the CGU. We also evaluated the competence, professional qualification, objectivity and independence of the Group's specialists involved in the process.

Goodwill impairment	
See Note 5 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The recoverable amount of the CGU, which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow model. The model uses several key assumptions, including estimates of future revenue and the weighted-average cost of capital (discount rate).	Evaluated the reasonableness of the cash flow projections and assessed the underlying key assumptions in management's valuation models used to determine recoverable amount considering external data, including assumptions of projected margin and revenue growth rate, terminal growth rates, discount rates. We have tested the arithmetical accuracy of the impairment model as considered for the purpose of impairment assessment. Performed a retrospective review of estimates by comparing the actual financial performance of the CGU for the year ended 31 March 2026 with the projections considered by management during the previous year and assessed if the estimation process is reasonable. We engaged valuation specialists to assess the appropriateness of valuation methodology and market driven assumptions used for impairment assessment of the Goodwill. Assessed the sensitivity of the outcome of the impairment assessment to a reasonably possible change in key assumptions such as revenue growth rates, operating margins, terminal growth rates and discount rates. Evaluated the adequacy and appropriateness of the disclosures made in the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 10,692.48 million as at 31 March 2026, total revenues (before consolidation adjustments) of ₹ 34,298.26 million and net cash inflows (before consolidation adjustments) amounting to ₹ 134.05 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements of two erstwhile subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ NIL as at 31 March 2026, total revenues (before consolidation adjustments) of ₹ 1,078.47 million, and net cash outflows (before consolidation adjustments) amounting to ₹ 34.74 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these erstwhile subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid erstwhile subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matter" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of of the books of account and other relevant books and papers in electronic mode for the Holding Company has not been kept on servers physically located in India on a daily basis during 01 April 2025 till 02 December 2025.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the Other Matter paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2026.

d. (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 a) to the consolidated financial statements, 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 Holding Company or any of such subsidiary companies 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 b) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- In case of the Holding Company, in respect of the accounting software used for general ledger, the feature of audit trail (edit log) facility was not enabled at the database layer to log any direct changes.
- In case of the Holding Company and one subsidiary, in respect of the accounting software used for payroll process, due to the absence of sufficient and appropriate audit evidence to validate configuration of recording audit trail

(edit log) feature at the database layer, we are unable to comment whether audit trail feature of the said software was enabled at the database layer and has operated throughout the year for all relevant transactions recorded in the said software or whether there were any instances of audit trail feature being tampered with.

- In case of one other subsidiary, the accounting software for maintaining its books of account does not have the feature of recording audit trail (edit log) facility.

Further, where audit trail (edit log) feature was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail (edit log) feature being tampered with. In respect of one subsidiary, the audit trail (edit log) feature has not been preserved for the previous years as per the statutory requirements for the record retention in relation to accounting software used for maintaining general ledger and for payroll process. Further, in relation to another subsidiary, the audit trail (edit log) has not been preserved for the previous year as per the statutory requirements for the record retention in relation to the accounting software for maintaining its books of accounts. Additionally, where the audit trail (edit log) feature was enabled in the previous year, the audit trail (edit log) has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention except for the instances mentioned above.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806LSDXGL8384

Place: Kochi
Date: 26 May 2026

Annexure A

to the Independent Auditor's Report on the Consolidated Financial Statements of Popular Vehicles and Services Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Zparex Digisolutions Private Limited	U63999KA2025P TC210771	Subsidiary	Clause xvii
2	Imperion Cars Private Limited	U45100KL2025P TC098735	Subsidiary	Clause xvii
3	Kuttukaran Cars Private Limited	U34100KL2011P TC029542	Subsidiary	Clause ix (d), xi (a) and xvii

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806LSDXGL8384

Place: Kochi
Date: 26 May 2026

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of Popular Vehicles and Services Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Popular Vehicles and Services Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to eight subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Vipin Lodha
Partner
Membership No.: 076806
ICAI UDIN:26076806LSDXGL8384

Place: Kochi
Date: 26 May 2026

Consolidated Balance Sheet As at 31 March 2026

(All amounts are in Indian Rupees in millions)

	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	4	4,444.64	3,109.98
Capital work-in-progress	4	269.66	78.88
Right-of-use assets	33	6,100.25	3,882.14
Goodwill	5	132.69	115.47
Other intangible assets	5	66.88	97.56
Intangible assets under development	5	5.19	6.60
Financial assets			
Investments	6	186.49	140.09
Other financial assets	7	518.16	399.76
Income tax assets	27	247.79	165.06
Deferred tax assets (net)	27	522.56	297.68
Other non-current assets	8	451.27	296.11
Total non-current assets		**12,945.58**	**8,589.33**
Current assets			
Inventories	9	6,173.72	5,803.87
Financial assets			
Trade receivables	10	2,593.69	2,229.54
Cash and cash equivalents	11	660.57	244.64
Bank balances other than cash and cash equivalents	12	73.42	65.71
Other financial assets	7	50.64	64.13
Income tax assets	27	17.21	37.71
Other current assets	8	1,317.90	947.22
		10,887.15	**9,392.82**
Assets included in disposal group held for sale	37	-	1,063.49
Total current assets		**10,887.15**	**10,456.31**
Total assets		**23,832.73**	**19,045.64**
Equity and liabilities			
Equity			
Equity share capital	13	142.40	142.40
Other equity		6,135.97	6,245.33
Total equity		**6,278.37**	**6,387.73**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	475.24	18.30
Lease liabilities	33	6,527.57	4,597.87
Provisions	16	59.30	57.53
Non-current tax liabilities	27	8.28	-
Other non-current liabilities	17	1.50	120.18
Total non-current liabilities		**7,071.89**	**4,793.88**
Current liabilities			
Financial liabilities			
Borrowings	14	6,485.46	4,213.15
Lease liabilities	33	566.81	386.51
Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		61.01	56.15
- Total outstanding dues of creditors other than micro enterprises and small enterprises		961.46	771.08
Other financial liabilities	15	545.11	246.93
Other current liabilities	17	1,838.66	1,617.28
Provisions	16	23.90	34.82
Current tax liabilities	27	0.06	0.14
		10,482.47	**7,326.06**
Liabilities included in disposal group held for sale	37	-	537.97
Total current liabilities		**10,482.47**	**7,864.03**
Total liabilities		**17,554.36**	**12,657.91**
Total equity and liabilities		**23,832.73**	**19,045.64**
Material accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Vipin Lodha
Partner
Membership No.: 076806

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Kochi
26 May 2026

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Consolidated Statement of Profit and Loss for the Year ended 31 March 2026

(All amounts are in Indian Rupees in millions)

	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	19	63,810.96	55,412.29
Other income	20	199.89	203.63
Total income		**64,010.85**	**55,615.92**
Expenses			
Purchases of stock-in-trade	21	55,479.14	47,768.92
Changes in inventories of stock-in-trade	22	(78.13)	(166.89)
Employee benefits expenses	23	4,138.99	3,870.84
Finance costs	24	1,032.89	855.68
Depreciation and amortisation	25	1,273.46	987.87
Impairment loss on financial assets and contract assets	32	57.29	28.81
Other expenses	26	2,379.62	2,360.17
Total expenses		**64,283.26**	**55,705.40**
Loss before tax and exceptional items		**(272.41)**	**(89.48)**
Exceptional items			
Disinvestment of subsidiaries	37	152.87	-
Statutory impact of new Labour Codes	40	(13.46)	-
Loss before tax		**(133.00)**	**(89.48)**
Tax expense	27		
Current tax		225.54	135.40
Deferred tax credit		(233.80)	(120.25)
Total tax credit		**(8.26)**	**15.15**
Loss for the year		**(124.74)**	**(104.63)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit plan income / (loss)		20.55	(8.09)
Income tax (credit) / charge relating to the above		(5.17)	2.03
Other comprehensive income / (loss) for the year, net of income tax		**15.38**	**(6.06)**
Total comprehensive loss for the year		**(109.36)**	**(110.69)**
Loss attributable to :			
Owners of the Company		(124.74)	(104.63)
Non-controlling interest		-	-
Loss for the year		**(124.74)**	**(104.63)**
Other comprehensive income / (loss) attributable to :			
Owners of the Company		15.38	(6.06)
Non-controlling interest		-	-
Other comprehensive income / (loss) for the year, net of income tax		**15.38**	**(6.06)**
Total comprehensive income attributable to :			
Owners of the Company		(109.36)	(110.69)
Non-controlling interest		-	-
		(109.36)	**(110.69)**
Earnings per share (equity share of face value of ₹ 2 each)	29		
Basic (in INR)		(1.75)	(1.47)
Diluted (in INR)		(1.75)	(1.47)
Material accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Consolidated Statement of Changes in Equity for the Year ended 31 March 2026

(All amounts are in Indian Rupees in millions)

A. Equity share capital

Particulars	Note	Equity shares (in millions)	Amount
Balance as at 1 April 2024		**71.20**	**142.40**
Share issued during the year	**13**		-
Balance as at 31 March 2025		**71.20**	**142.40**
Balance as at 1 April 2025		**71.20**	**142.40**
Share issued during the year		-	-
Balance as at 31 March 2026		**71.20**	**142.40**

B Other equity

Particulars	Reserves and surplus					Items of other comprehensive income	Total other equity attributable to equity owners of the Company
	Securities premium	General reserve	Other reserves	Capital reserve	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2024	**2,941.71**	**43.41**	**(16.82)**	**21.75**	**3,399.12**		**6,389.17**
Total comprehensive income for the year							
Loss for the year	-	-	-	-	(104.63)	-	(104.63)
Other comprehensive loss, net of tax	-	-	-	-	-	(6.06)	(6.06)
Total comprehensive loss	-	-	-	-	**(104.63)**	**(6.06)**	**(110.69)**
Fresh issue of shares							
Share issue expense on Initial Public Offer (Refer note 42)	2.45						2.45
Dividend					(35.60)		(35.60)
Transferred to retained earnings	-	-	-	-	(6.06)	6.06	-
Total contributions by and distributions to owners	**2.45**	-	-	-	**(41.66)**	**6.06**	**(33.15)**
Balance as at 31 March 2025	**2,944.16**	**43.41**	**(16.82)**	**21.75**	**3,252.83**	-	**6,245.33**
Total comprehensive income for the year							
Loss for the year	-	-	-	-	(124.74)	-	(124.74)
Other comprehensive loss, net of tax	-	-	-	-	-	15.38	15.38
Total comprehensive loss	-	-	-	-	**(124.74)**	**15.38**	**(109.36)**

(All amounts are in Indian Rupees in millions)

Particulars	Reserves and surplus					Items of other comprehensive income	Total other equity attributable to equity owners of the Company
	Securities premium	General reserve	Other reserves	Capital reserve	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Fresh issue of shares							
Share issue expense on Initial Public Offer (Refer note 42)	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	15.38	(15.38)	-
Total contributions by and distributions to owners	-	-	-	-	15.38	(15.38)	-
Balance as at 31 March 2026	**2,944.16**	**43.41**	**(16.82)**	**21.75**	**3,143.47**	**-**	**6,135.97**

b) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

c) Other reserve

This reserve represents the difference between the value of net asset acquired and the consideration paid on account of acquisition of minority interests.

d) Capital reserve

This reserve represents the difference between the value of net asset transferred from the Group and the consideration received on account of scheme of demerger.

e) Retained earnings

This represents the profits / losses of the Group earned till date, net of appropriations.

The accompanying notes form an integral part of the consolidated financial statements.

Material accounting policies (Refer note 3)

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Consolidated Statement of Cash Flows for the Year ended 31 March 2026

(All amounts are in Indian Rupees in millions)

	Year ended 31 March 2026	Year ended 31 March 2025
Cash flows from operating activities		
Loss before tax and exceptional items	**(272.41)**	**(89.48)**
Adjustments:		
Finance costs	1,032.89	855.68
Depreciation and amortisation expenses	1,273.46	987.87
Impairment loss on financial assets and contract assets	57.29	28.81
(Reversal) / provision for obsolete inventory	(8.17)	15.76
Liabilities / provisions no longer required written back	(66.34)	(73.21)
Impairment loss on property, plant and equipment	-	9.79
Interest income	(39.40)	(34.53)
Statutory impact of new Labour Codes	(13.46)	-
Gain on derecognition of right-of-use assets	(7.80)	(36.27)
Net gain on financial assets measured at fair value through profit and loss	(3.10)	(12.23)
Gain on sale of investments in mutual funds	(18.73)	-
Gain on sale / write off of property, plant and equipment (net)	(8.46)	(4.22)
Operating cash flows before working capital changes	**1,925.77**	**1,647.97**
Working capital movements:		
Increase in inventories	(58.81)	(182.65)
(Increase) / decrease in trade receivables	(421.44)	664.12
(Increase) / decrease in loans and other financial assets and other assets	(548.78)	197.38
Increase / (decrease) in liabilities and provisions	396.84	(615.24)
Movement in net assets of assets classified as held for sale	(18.42)	-
Cash generated from operations	**1,275.16**	**1,711.58**
Income taxes paid, net of refund	(273.41)	(203.56)
Net cash generated from operating activities (A)	**1,001.75**	**1,508.02**
Cash flows from investing activities		
Proceeds from sale of subsidiaries	700.00	-
(Acquistion) / sale of investments (net)	(24.57)	94.33
Payment for business acquisition	(1,159.60)	-
Interest received	9.39	6.70
Acquisition of property, plant and equipment, including capital advances	(1,015.54)	(529.55)
Acquisition of intangible assets including intangible assets under development, net of disposals	(6.37)	(8.22)
Proceeds from sale of property, plant and equipment	40.38	43.23
Net cash used in investing activities (B)	**(1,456.31)**	**(393.51)**
Cash flows from financing activities		
Finance costs paid	(485.37)	(397.46)
Dividend paid	-	(35.56)
Long-term borrowings availed	670.52	60.00
Long-term borrowings repaid	-	(235.12)

Consolidated Statement of Cash Flows for the Year ended 31 March 2026 (Cont.)

(All amounts are in Indian Rupees in millions)

	Year ended 31 March 2026	Year ended 31 March 2025
Short-term borrowings availed, (net)	2,058.73	24.91
Rent advance paid	(398.12)	-
Interest on lease liabilities	(547.52)	(458.22)
Principal payment of lease liabilities	(427.75)	(377.95)
Net cash generated from /(used in) financing activities (C)	**870.49**	**(1,419.40)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**415.93**	**(304.89)**
Cash and cash equivalents at the beginning of the year	244.64	549.53
Cash and cash equivalents at the end of the year	**660.57**	**244.64**
(Refer to note 11 - Cash and cash equivalents)		

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

Particulars	As at 1 April 2025	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment on lease liability	On account of acquisition	Other non cash changes	As at 31 March 2026
Non current borrowings including current maturities (Refer note 14)	64.52	670.52	-	-		-	735.04
Current borrowings (Refer note 14)	4,166.93	2,058.73	-	-		-	6,225.66
Lease liabilities (Refer note 33)	4,984.38	-	(427.75)	(547.52)		3,085.27	7,094.38

Particulars	As at 1 April 2024	Loan availed / (repaid) net	Principle payment of lease liability	Interest payment on lease liability	On account of acquisition	Other non cash changes	As at 31 March 2025
Non current borrowings including current maturities (Refer note 14)	246.87	(175.12)	-	-	7.23	-	64.52
Current borrowings (Refer note 14)	4,199.48	24.91	-	-	57.46	-	4,166.93
Lease liabilities (Refer note 33)	4,803.57	-	(377.95)	(458.22)	284.63	732.35	4,984.38

Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

(Refer to note 11 - Cash and cash equivalents)

The accompanying notes form an integral part of the consolidated financial statements.

Material accounting policies (Refer note 3)

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Vipin Lodha
Partner
Membership No.: 076806

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Kochi
26 May 2026

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

(All amounts in Indian Rupees million)

Basis of preparation and material accounting policies

1. Company overview

Popular Vehicles and Services Limited ('the Company'/'Popular') was incorporated in 1983 and is engaged in the business of sale and service of automobiles, sale of spare parts and accessories, finance and insurance commission. The Company is headquartered in Kochi, India and has operations in Kerala and Tamil Nadu. The Company primarily operates as the Maruti Suzuki vehicle dealer in Kerala and was amongst the first batch of dealers appointed by Maruti Suzuki in the country.

The shares of the Company are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) with effect from 19 March 2024.

These consolidated financial statements of the Group comprises the Company ("the Company", "the Holding Company", "the Parent") and its subsidiaries (collectively referred to as the 'Group'). The Company has ten (eight as of 31 March 2026) subsidiaries: Popular Mega Motors (India) Private Limited, Vision Motors Private Limited (up to 25 August 2025), Popular Auto Dealers Private Limited, Popular Auto Works Private Limited, Prabal Motors Private Limited (with effect from 01 February 2023), Kuttukaran Cars Private Limited, Kuttukaran Green Private Limited (up to 31 August 2025), Keracon Equipments Private Limited (with effect from 01 February 2023), Imperion Cars Private Limited (w.e.f 28 November 2025) and Zparex Digisolutions Private Limited (w.e.f 10 November 2025) which are engaged in the business of sale and services of automobiles, sale of spare parts and accessories, finance and insurance commission. These subsidiaries have operations in Kerala, Maharashtra, Tamil Nadu, Karnataka, Telangana and Andhra Pradesh.

2. Basis of preparation

A. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time notified under Section 133 of Companies Act, 2013, (the 'Act') as amended and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 26 May 2026.

Details of the Company's accounting policies including changes thereto are included in Note 3.

B. Functional and presentation currency

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

C. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis and on an accrual basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments (in mutual funds)	Fair value

D. Use of estimates and judgements

In preparing these consolidated 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 consolidated financial statements is included in Note 33 - Lease classification and Note 5 – Goodwill.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended 31 March 2026 is included in the following notes:

Note 31 – measurement of defined benefit obligations: key actuarial assumptions;

(All amounts in Indian Rupees million)

Notes 28– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 27 – recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;

Note 32 – financial instruments; and

Note 37 - Assets and liabilities of disposal group held for sale

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

F. Current / Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the consolidated balance sheet.

3. Material accounting policies

3.1 Basis of consolidation

The consolidated financial statements include the results of the subsidiaries/ step down subsidiaries as listed in below:

Name of the company	Country	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)	Proportion of ownership interest (%)	Proportion of voting power held directly or indirectly (%)
		As at 31 March 2026		As at 31 March 2025	
Subsidiaries					
Popular Mega Motors (India) Private Limited	India	100%	100%	100%	100%
Popular Auto Dealers Private Limited	India	100%	100%	100%	100%
Popular Auto Works Private Limited	India	100%	100%	100%	100%
Kuttukaran Cars Private Limited	India	100%	100%	100%	100%
Keracon Equipments Private Limited	India	100%	100%	100%	100%
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned Cars Private Limited)	India	-	-	100%	100%
Imperion Cars Private Limited	India	100%	100%	-	-
Zparex Digisolutions Private Limited	India	100%	100%	-	-
Step-down subsidiaries					
Vision Motors Private Limited	India	-	-	100%	100%
Prabal Motors Private Limited	India	100%	100%	100%	100%

(All amounts in Indian Rupees million)

The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits in full.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its standalone financial statements. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

3.2 Property, plant and equipment

A. Recognition and measurement

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

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of item can be measured reliably.

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

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

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

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

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under long-term 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 consolidated 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 Group.

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:

Class of assets	Useful life
Buildings	60
Motor cars	8
Motor cycles and trucks	10
Office Equipment	5
Plant and machinery	15-25
Tools and Equipment	5
Electrical equipment	10
Furniture and fixtures	10
Computer equipment	3

The useful life of items of property, plant and equipment is in line with the Schedule II of the Companies Act 2013.

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

Transition to Ind AS

The cost property, plant and equipment at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

3.3 Business combinations

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Company has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve. Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If a business combination is achieved in stages, then the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit and loss or OCI, as appropriate.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Company reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Company retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Company also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Company receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

3.4 Goodwill and other Intangible assets

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

The cost of an intangible asset shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of item can be measured reliably.

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

(All amounts in Indian Rupees million)

The estimated useful lives are as follows:

Class of assets	Years
Computer software	3
Brand and non-compete fee	15
Supplier relationship	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.

The cost of intangible assets not ready for its intended use at each balance sheet date are disclosed as intangible assets under development.

Transition to Ind AS

The cost of Intangible assets at 1 April 2018, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

3.5 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 elated service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. 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 recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

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

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding.

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

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits

The employees can carry-forward a portion of the unutilized accrued compensated absences and

(All amounts in Indian Rupees million)

utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurements are recognized in profit and loss in the period in which they arise.

3.6 Investment in subsidiaries and impairment thereof

Investment in subsidiaries are measured at cost less impairment loss, if any.

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the consolidated statement of profit and loss.

3.7 Provisions

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

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

3.8 Revenue

i) Sale of products

Revenue on sale of vehicles, spare parts and accessories is recognised when the control is transferred to the customer and is accounted net of goods and services tax and discounts, if any. Revenues are recognised when collectability of the resulting receivable is reasonably assured.

The Group generates revenue from sale of vehicles, services, spare parts and accessories and other operating revenues. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract.

ii) Rendering of services

Revenues from services including income from driving school are recognised when services are rendered and related costs are incurred.

iii) Commission, discount and incentive income

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

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

iv) Other Income

In calculating the interest income, the effective interest rate is applied to the gross carrying amount of the assets (when the assets is not credit impaired). Dividend income is recognized in the consolidated statement of profit and loss on the date on which the right to receive payment is established.

3.9 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost comprises purchase price and other costs incurred in bringing the inventory to its present location and condition. The cost is calculated on specific identification.

Net realisable value is the estimated selling price in the ordinary course of business. The comparison of cost and net realisable value of inventory is made on an item by item basis.

The provision for inventory obsolescence is assessed annually and is provided as considered necessary.

3.10 Financial instruments

i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

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

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

A financial asset (unless it is a trade receivable without a significant financing component) is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

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

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

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

Financial assets: Business model assessment

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

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

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

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

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) De recognition

Financial assets

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

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

Financial liabilities

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

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

iv) Off setting

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

3.11 Impairment

i) Impairment of financial instruments

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the consolidated balance sheet

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

Write-off

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

ii) Impairment of non- financial assets

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

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

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

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

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

3.12 Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

iii. Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

3.13 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.

3.14 Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises 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 realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised 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 assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

3.15 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

3.16 Earnings per share

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

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

3.17 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.

3.18 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.

3.19 Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by

(All amounts in Indian Rupees million)

the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent assets are neither recognised nor disclosed.

3.20 Disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Non-current assets classified as held-for-sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated balance sheet.

3.21 Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company is currently evaluating the impact of these amendments in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments – Disclosures, applicable w.e.f April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

(All amounts in Indian Rupees million)

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

Particulars	Freehold land	Buildings #	Leasehold improvements	Furniture and fixtures	Electrical equipment	Plant and machinery	Tools and equipment	Motor cars	Computer equipment	Office equipment	Motor cycles and trucks	Total (A)"	Capital work-in-progress (B)	Total (A+B)
Gross carrying value														
Balance at 1 April 2024	91.97	998.79	1,282.90	502.74	259.47	874.10	121.97	384.50	154.02	124.65	49.85	4,844.96	142.79	4,987.75
Additions	-	27.23	180.10	46.99	33.54	75.85	23.20	150.42	22.59	21.29	8.75	589.96	172.92	762.88
Disposals	-	6.47	7.45	1.24	0.15	8.73	1.45	53.06	0.96	0.63	8.59	88.73	236.44	325.17
Reclassified as asset held for sale	-	180.82	13.19	91.00	10.82	97.97	0.34	69.82	18.52	4.94	-	487.42	0.39	487.81
Balance at 31 March 2025	**91.97**	**838.73**	**1,442.36**	**457.49**	**282.04**	**843.25**	**143.38**	**412.04**	**157.13**	**140.37**	**50.01**	**4,858.77**	**78.88**	**4,937.65**
Balance at 1 April 2025	91.97	838.73	1,442.36	457.49	282.04	843.25	143.38	412.04	157.13	140.37	50.01	4,858.77	78.88	4,937.65
Acquisition through business combination (Refer note 41)	-	73.57	627.63	121.91	51.85	143.20	4.48	35.43	27.08	33.52	11.59	1,130.26		1,130.26
Additions	-	13.77	201.61	43.79	47.69	100.09	26.77	242.55	40.93	21.50	9.46	748.16	415.91	1,164.07
Disposals	-	7.99	1.33	5.00	3.80	29.86	6.20	70.12	14.45	12.85	1.49	153.09	224.57	377.66
Reclassified as asset held for sale	-	0.06	-	0.42	-	1.54	0.02	(0.23)	0.56	0.03	-	2.40	0.56	2.96
Balance at 31 March 2026	**91.97**	**918.02**	**2,270.27**	**617.77**	**377.78**	**1,055.14**	**168.41**	**620.13**	**210.13**	**182.51**	**69.57**	**6,581.70**	**269.66**	**6,851.36**
Accumulated depreciation														
Balance at 1 April 2024	-	231.20	349.02	196.68	108.37	322.67	49.41	108.03	103.14	72.62	16.04	1,557.18	-	1,557.18
Depreciation for the year	-	42.52	81.40	48.00	23.49	65.98	16.40	58.74	28.37	17.92	6.21	389.03	-	389.03
Disposals / write offs	-	4.21	2.33	0.88	0.13	6.67	1.37	27.74	0.89	0.58	4.92	49.72	-	49.72
Impairment loss	-	-	0.14	0.49	0.11	8.24	0.52	-	-	0.29	-	9.79		9.79
Reclassified as asset held for sale	-	21.66	0.58	40.74	4.35	45.90	0.06	26.48	14.40	3.32	-	157.49		157.49
Balance at 31 March 2025	**-**	**247.85**	**427.65**	**203.55**	**127.49**	**344.32**	**64.90**	**112.55**	**116.22**	**86.93**	**17.33**	**1,748.79**	**-**	**1,748.79**
Balance at 1 April 2025	-	247.85	427.65	203.55	127.49	344.32	64.90	112.55	116.22	86.93	17.33	1,748.79	-	1,748.79
Depreciation for the year	-	42.92	154.42	53.18	33.47	71.48	21.94	67.35	32.88	24.16	7.64	509.44		509.44
Disposals / write offs	-	0.33	0.11	3.85	2.54	20.39	5.37	39.63	13.66	11.85	1.06	98.79		98.79
Impairment loss	-	-	(0.14)	(0.49)	(0.11)	(8.24)	(0.52)	-	-	(0.29)	-	(9.79)		(9.79)
Reclassified as asset held for sale	-	1.26	0.09	3.81	0.45	3.00	0.01	2.52	1.14	0.31	-	12.59		12.59
Balance at 31 March 2026	**-**	**289.18**	**581.73**	**248.58**	**157.86**	**384.17**	**80.94**	**137.75**	**134.30**	**98.64**	**23.91**	**2,137.06**	**-**	**2,137.06**
Net carrying amount														
At 31 March 2026	**91.97**	**628.84**	**1,688.54**	**369.19**	**219.92**	**670.97**	**87.47**	**482.38**	**75.83**	**83.87**	**45.66**	**4,444.64**	**269.66**	**4,714.30**
At 31 March 2025	**91.97**	**590.88**	**1,014.71**	**253.94**	**154.55**	**498.93**	**78.48**	**299.49**	**40.91**	**53.44**	**32.68**	**3,109.98**	**78.88**	**3,188.86**

Buildings disclosed above includes showrooms and service centers constructed on the land taken under long term lease. The summary is as follows:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Gross block	Net block	Gross block	Net block
Building	822.74	632.67	823.28	587.29

(All amounts in Indian Rupees million)

4 Property, plant and equipment and capital work-in-progress (continued)

a) Title deeds of immovable properties

Description	As at 31 March 2026	As at 31 March 2025
Title deeds held in the name of	Popular Vehicles and Services Limited	
Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Not applicable	
Reason for not being held in the name of the Company	Not applicable	

b) Ageing of capital work in progress (CWIP)

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

As at 31 March 2026

Description	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	268.41	1.25	-	-	**269.66**
Projects temporarily suspended	-	-	-	-	**-**
	268.41	**1.25**	**-**	**-**	**269.66**

As at 31 March 2025

Description	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	77.77	1.11	-	-	**78.88**
Projects temporarily suspended	-	-	-	-	**-**
	77.77	**1.11**	**-**	**-**	**78.88**

c) Details of Capital Work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan

As at 31 March 2026

The Group does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable as on 31 March 2026.

As at 31 March 2025

The Group does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable as on 31 March 2025.

d) For details of property, plant and equipment pledged, refer note 14.

(All amounts in Indian Rupees million)

5 Other intangible assets

Particulars	Computer software	Supplier Relationship	Brand and non-compete fee	Total (A)	Goodwill (Refer Note below) (B)	Intangible Assets under development (C)	Total (A+B+C)
Reconciliation of carrying amount							
Gross carrying value							
Balance at 1 April 2024	61.83	90.30	159.43	311.56	115.47	4.04	431.07
Additions/transfers	5.66	-	-	5.66	-	5.66	11.32
Disposals	-	-	-	-	-	3.10	3.10
Reclassified to asset included in disposal group held for sale	0.95			0.95			0.95
Balance at 31 March 2025	**66.54**	**90.30**	**159.43**	**316.27**	**115.47**	**6.60**	**438.34**
Balance at 1 April 2025	66.54	90.30	159.43	316.27	115.47	6.60	438.34
Acquisition through business combination (Refer note 41)	-	-	-	-	**17.22**	-	17.22
Additions/transfers	7.70	-	-	7.70	-	5.49	13.19
Disposals	-	-	-	-	-	6.90	6.90
Reclassified to asset included in disposal group held for sale	-	-	-	-	-	-	-
Balance at 31 March 2026	**74.24**	**90.30**	**159.43**	**323.97**	**132.69**	**5.19**	**461.85**
Accumulated amortisation							
Balance at 1 April 2024	**44.82**	**21.07**	**107.00**	**172.89**	-	-	**172.89**
Amortisation/ impairment for the year	7.96	18.06	20.43	46.45		-	46.45
Reclassified to asset included in disposal group held for sale	0.63			0.63			0.63
Balance at 31 March 2025	**52.15**	**39.13**	**127.43**	**218.71**	-	-	**218.71**
Balance at 1 April 2025	**52.15**	**39.13**	**127.43**	**218.71**	-	-	218.71
Amortisation/ impairment for the year	7.79	18.06	12.61	38.46		-	38.46
Reclassified to asset included in disposal group held for sale	**0.08**			0.08			0.08
Balance at 31 March 2026	**59.86**	**57.19**	**140.04**	**257.09**	-	-	**257.09**
Net carrying amount							
At 31 March 2026	**14.38**	**33.11**	**19.39**	**66.88**	**132.69**	**5.19**	**204.76**
At 31 March 2025	**14.39**	**51.17**	**32.00**	**97.56**	**115.47**	**6.60**	**219.63**

(All amounts in Indian Rupees million)

Ageing schedule of intangible assets under development

As at 31 March 2026

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	3.39	0.45	1.35	-	5.19
Projects temporarily suspended	-	-	-	-	-
Total	**3.39**	**0.45**	**1.35**	**-**	**5.19**

As at 31 March 2025

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	5.25	1.35	-	-	6.60
Projects temporarily suspended	-	-	-	-	-
Total	**5.25**	**1.35**	**-**	**-**	**6.60**

The Group does not have any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable as on 31 March 2026 and 31 March 2025.

Note:

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, Goodwill has been allocated to the Group's Cash generating units ('CGU') (operating divisions) as follows;

Particulars	As at 31 March 2026	As at 31 March 2025
Keracon Equipments Private Limited	103.67	103.67
Other units without significant Goodwill	29.02	11.80
	132.69	**115.47**

Keracon Equipments Private Limited

Goodwill is tested for impairment annually in accordance with the Group's procedure for determining the recoverable value of such assets.

The recoverable amount of the CGUs was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The recoverable amount of the CGU was determined to be higher than its carrying amount and therefore Goodwill is not impaired at the balance sheet date. Key assumptions on which the Group has based its determination of value in use includes;

(All amounts in Indian Rupees million)

(In percent)	As at 31 March 2026	As at 31 March 2025
Discount rate	14.00%	15.50%
Terminal value growth rate	4.00%	4.00%
Budgeted EBITDA growth rate	16.00%	18.00%

The discount rate was a post-tax measure based on the rate of 10-year government bonds issued by the Government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined based on the expected long term growth in EBITDA as estimated by the management.

a) Estimated cash flows for the five years based on the most recent financial budgets approved by the management.

b) Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long term growth rate of 2%.

c) Discount rate which is a post-tax measure estimated based on the historical industry average weighted-average cost of capital of 15%.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

6 Investments

	As at 31 March 2026	As at 31 March 2025
Non-current investments, unquoted		
Investments in equity shares at FVTPL		
Loginomic Tech Solutions Private Limited 9,600 equity shares of ₹ 10 each	2.40	2.40
Less : Loss on fair value of investments	(2.40)	(2.40)
Non-current investment in others, FVTPL		
Quoted		
Investments in equity instruments (valued at FMV), fully paid up	6.97	25.64
Unquoted		
Investment in mutual funds	179.52	114.45
	186.49	**140.09**
Aggregate book value of non-current investments-unquoted	181.92	116.85
Aggregate book/ market value of non-current investments-quoted	6.97	25.64
Aggregate provision for loss on fair value of investment	(2.40)	(2.40)

(All amounts in Indian Rupees million)

7 Other financial assets

	As at 31 March 2026	As at 31 March 2025
Non-current		
Considered good - Unsecured		
Rent and other deposits	517.43	395.13
Balance with bank held as margin money (due to mature after 12 months from the reporting date)*	0.73	4.63
	518.16	**399.76**
Current		
Considered good - Unsecured		
Rent and other deposits	51.63	65.79
Less: Allowances for expected credit loss	(1.52)	(1.81)
Dues from others	0.54	2.75
Less: Allowances for expected credit loss	(0.01)	(2.60)
	50.64	**64.13**

* This represents bank gurantee deposits given to various vendors in relation to purchase of goods and services.

8 Other assets

	As at 31 March 2026	As at 31 March 2025
Non-current		
Considered good - Unsecured		
Advances other than capital advances		
Capital advances	80.84	19.16
Less: allowances for expected credit loss	-	(4.15)
Prepayments	184.27	133.41
Balance with Life Insurance Corporation Gratuity Fund, net (Refer note 31)	15.87	24.31
Balance with statutory / government authorities *	176.45	129.54
Less: allowances for expected credit loss	(6.16)	(6.16)
	451.27	**296.11**
Current		
Advances other than capital advances		
Considered good - Unsecured		
Prepayments	58.37	55.83
Balance with statutory/ government authorities	612.03	496.06
Advance to staff	1.09	0.73
Payment to vendors for supply of goods and services	656.74	399.83
Less: allowances for expected credit loss	(10.33)	(5.23)
	1,317.90	**947.22**
	1,769.17	**1,243.33**

* Represents amounts paid under protest against various tax cases and proceedings.

The Company has not given any loan to their directors during the years ended 31 March 2026 and 31 March 2025.

(All amounts in Indian Rupees million)

9 Inventories

	As at 31 March 2026	As at 31 March 2025
(Valued at lower of cost and net realisable value)		
New vehicles	4090.97	4,020.29
Pre-owned vehicles	477.23	585.41
Spares and lubricants	1442.74	1,135.13
Accessories	196.7	105.13
	6,207.64	5,845.96
Less: Provision for obsolete inventory	(33.92)	(42.09)
	6,173.72	**5,803.87**

Closing stock of new vehicles includes value of goods in transit of new vehicles for ₹ 1,484.49 million (31 March 2025 : ₹ 1,884.97 million), accessories for ₹ 41.90 million (31 March 2025 : ₹ 44.80 million) and spares and lubricants for ₹ 86.56 million (31 March 2025 : ₹ 110.95 millions).

10 Trade receivables

	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
From related parties (Refer note 36)	0.23	0.02
Other than related parties	2,593.46	2,229.52
	2,593.69	**2,229.54**
Unsecured, credit impaired		
Other than related parties	79.76	53.62
	79.76	**53.62**
Gross trade receivables	2,673.45	2,283.16
Less: allowances for expected credit loss (Refer note 32 C(ii))	(79.76)	(53.62)
Net trade receivables	**2,593.69**	**2,229.54**

For details of trade receivables pledged, Refer note 14.

(All amounts in Indian Rupees million)

Trade receivables ageing schedule:

As at 31 March 2026

	Outstanding for following periods from due date of payment						Total
	Not due	**Less than 6 months**	**6 months - 1 year**	**1-2 year**	**2-3 years**	**More than 3 years**	
i) Unbilled	172.09						**172.09**
ii) Undisputed trade receivables – considered good	353.07	1,888.11	52.55	(6.23)	-	-	**2,287.50**
iii) Undisputed trade receivables – which have significant increase in credit risk	-	116.45	15.59	2.06	-	-	**134.10**
iv) Undisputed trade receivables – credit impaired	-	(10.91)	32.58	48.54	9.45	0.10	**79.76**
	525.16	**1,993.65**	**100.72**	**44.37**	**9.45**	**0.10**	**2,673.45**

As at 31 March 2025

	Outstanding for following periods from due date of payment						Total
	Not due	**Less than 6 months**	**6 months - 1 year**	**1-2 year**	**2-3 years**	**More than 3 years**	
i) Unbilled	**28.71**	-	-	-	-	-	**28.71**
ii) Undisputed trade receivables – considered good	269.07	1,725.74	77.33	0.52	-	-	**2,072.66**
iii) Undisputed trade receivables – which have significant increase in credit risk		95.08	30.46	2.63	-	-	**128.17**
iv) Undisputed trade receivables – credit impaired		11.06	8.57	24.38	9.61	-	**53.62**
	297.78	**1,831.88**	**116.36**	**27.53**	**9.61**	**-**	**2,283.16**

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

11 Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balance with banks in current account	342.83	207.48
Deposits with original maturity of less than three months	300.00	-
Cheques on hand	14.21	21.13
Cash on hand	3.53	16.03
Cash and cash equivalents in the consolidated balance sheet	**660.57**	**244.64**

(All amounts in Indian Rupees million)

12 Bank balances other than cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balance with banks held as margin money (due to mature more than 3 months but less than 12 months)*	73.42	65.71
	73.42	**65.71**

*This represents bank gurantee deposits given to various vendors in relation to purchase of goods and services.

13 Share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 2 each	75.00	150.00	75.00	150.00
	75.00	**150.00**	**75.00**	**150.00**
Issued, subscribed and paid-up				
Equity shares of ₹ 2 each, fully paid-up				
At the beginning of the year	71.20	142.40	71.20	142.40
Add: Addition during the year				
	71.20	**142.40**	**71.20**	**142.40**

(a) Terms and rights attached to equity shares

The Company has a single class of equity shares. All the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on the shares may lead to the forfeiture of shares. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, remaining after the distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

The Company is largely held by individuals and accordingly does not have a Holding/ Ultimate Holding Company.

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

	As at 31 March 2026		As at 31 March 2025	
Equity shares of ₹ 2 each fully paid up held by	Number of shares	% holding in the class	Number of shares	% holding in the class
a) BanyanTree Growth Capital II, LLC	7.13	10.01%	7.13	10.01%
b) Francis K Paul - Promoter	14.52	20.39%	14.52	20.39%
c) John K Paul - Promoter	14.52	20.39%	14.52	20.39%
d) Naveen Philip - Promoter	14.52	20.39%	14.52	20.39%
e) HDFC Trustee Company Limited	4.95	6.95%	3.67	5.16%

(All amounts in Indian Rupees million)

(c) Shareholding of promoters

As at 31 March 2026

Name of the promoters	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
a) Francis K Paul	13.75	0.77	14.52	20.39%	5.60%
b) John K Paul	13.75	0.77	14.52	20.39%	5.60%
c) Naveen Philip	13.75	0.77	14.52	20.39%	5.60%

As at 31 March 2025

Name of the promoters	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% change during the year
a) Francis K Paul	13.75	0.77	14.52	20.39%	5.60%
b) John K Paul	13.75	0.77	14.52	20.39%	5.60%
c) Naveen Philip	13.75	0.77	14.52	20.39%	5.60%

(d) Details of buyback and shares issued for consideration other than for cash in the five years immediately preceding the balance sheet date.

The Company has not bought back any class of equity shares nor has there been any issue for consideration other than for cash during the period of five years immediate preceding the balance sheet date.

(All amounts in Indian Rupees million)

14 Borrowings

	As at 31 March 2026	As at 31 March 2025
Non-current		
Secured		
Loan from banks		
Term loans from banks	433.09	8.18
Loan from financial institutions		
Vehicle loans from financial institutions	42.15	10.12
	475.24	**18.30**
Current		
Secured		
Loan from banks		
Short term loans from banks	5,734.47	3,757.70
Current portion of term loan	200.13	-
Cash credit and overdraft facilities from banks	286.72	279.87
Loan from financial institutions		
Secured		
Short term loans from financial institutions	27.44	8.64
Current portion of loan from financial institutions	59.67	46.22
Unsecured		
Short term loans from banks	35.64	41.42
Unsecured		
Short term loans from financial institutions	141.39	79.30
	6,485.46	**4,213.15**
Total borrowings	**6,960.70**	**4,231.45**

(i) Information about the Group's exposure to interest rate and liquidity risks are included in note 32.

(ii) For details with respect to terms and conditions of borrowings, refer note 14A.

(All amounts in Indian Rupees million)

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 2026	As at 31 March 2025	Security and other terms
Non-current, secured				
Long term loans from banks	Parent	482.35	-	Primary security - Hypothecation of all tangible fixed assets acquired out of the term loan Collateral security - EM of 86.96 cents of land along with 50602 sq. ft building in Sy.No.136/13A, 136/17A, 136/17B of Edapally South Village, Kanayannur Taluk, Ernakulam Dist. Owned by M/s Kuttukkaran Trading Ventures.
Long term loans from banks	Subsidiaries	150.87	8.18	Secured by: a) primary security by way of charge over all moveable properties (comprising plant and machinery, office equipments, inventories etc) created out of the term loan, paripassu charge on all current assets b) collateral security by way of equitable mortgage over immovable properties (comprising land and buildings) in the name of the Company. The movable and immovable properties are also pledged as securities for other loans. These borrowings carry an interest rate ranging from 8.50% to 8.75% p.a with a tenure of 48 to 74 months repayable in monthly instalments which is maturing latest by year ending 31/08/2032.
Long term loans from financial institutions	Parent	94.89	32.75	Vehicle loans secured by hypothecation of vehicles purchased using the proceeds of the loan.
Long term loans from financial institutions	Subsidiaries	6.93	23.59	Vehicle loans secured by: a) hypothecation of the respective motor vehicles This borrowings carries an interest rate ranging from 8.45% to 8.92% p.a. with a tenure of 24 to 48 months repayable in monthly installments with maturity date ending latest by 15 Sep 2028.
Current, secured				
Short term loan from banks (including cash credit facilities)	Parent	2,108.53	1,889.06	Secured by exclusive charge on the stock of cars, spares, accessories and receivables, current assets.
Short term loan from banks	Parent	1,129.19	693.76	Secured by exclusive charge on the stock of cars, spares, accessories and receivables, current assets and personal guarantees of John K Paul, director of the Company.
Short term loan from banks (including cash credit facilities)	Subsidiaries	2,783.47	1,454.75	Secured by: a) equitable mortgage of common collateral securities of immovable properties belonging to Kuttukaran Trading Ventures; b) equitable mortgage of immovable properties belonging to directors of the Company; c) personal guarantees by John K Paul and Francis K Paul, directors of the Company; d) corporate guarantee of Popular Vehicles and Services Limited (Parent).

Notes to the Consolidated Financial Statements

(All amounts in Indian Rupees million)

Nature of borrowing	Borrowed by parent / subsidiaries	As at 31 March 2026	As at 31 March 2025	Security and other terms
				Cash credits are secured by: a) first charge on the current assets of the Group excluding specific charges given for inventory funding; b) collateral security by way of equitable mortgage of the immovable properties of the Group.
Short term loan from financial institutions	Subsidiaries	-	8.64	Secured by: a) equitable mortgage of common collateral securities of immovable properties belonging to Kuttukaran Trading Ventures and Kuttukaran Homes LLP ; b) equitable mortgage of immovable properties belonging to directors of the Company c) personal guarantees by John K Paul, Francis K Paul and Naveen Philip, directors of the Company and promotor directors of the Group and d) corporate guarantee of Kuttukaran Trading Ventures.
Short term loan from financial institutions	Parent	27.44	-	Secured by first charge on vehicles funded through this facility.
Current, unsecured				
Short term loans from banks	Parent	35.64	41.42	-
Short term loans from financial institutions	Parent	100.93	62.50	-
Short term loans from financial institutions	Subsidiaries	40.46	16.80	Corporate guarantee of Popular Vehicles & Services Limited
Total		**6,960.70**	**4,231.45**	

Note:

a) The borrowings from banks / financial institutions carry interest rates from 7.25% to 9.65% per annum.

b) The Group has utilised the loans for the purpose for which these were availed.

c) The Parent Company has a secured bank loan with a carrying amount of ₹ 482.35 million at 31 March 2026. This loan is repayable in tranches within 5 years and currently classified as long-term.

The loan facility has covenants stating that at the end of each year the Parent Company's current ratio should be at least 1 and Debt Service Coverage Ratio (DSCR) to be 1.2, otherwise the loan will be repayable on demand.

The Parent Company did not meet the the minimum required current ratio (at 31 March 2026 :0.80) and DSCR ratio (at 31 March 2026 : 0.67).

Subsequent to the year end on 26 May 2026 the lending bank has provided a letter to the Parent Company stating that the bank will assess the covenant position and obtain necessary inputs and clarifications from the Company and is currently not planning to recall the term loan. Accordingly the loan has not been treated as payable on demand and not classifed as current as at 31 March 2026.

(All amounts in Indian Rupees million)

15 Other financial liabilities

	As at 31 March 2026	As at 31 March 2025
Current		
Accrued salaries and benefits	247.09	225.93
Unpaid dividend	0.04	0.04
Business Consideration Payable	290.75	-
Dues to creditors for capital goods	7.23	20.96
	545.11	**246.93**

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 32.

16 Provisions

	As at 31 March 2026	As at 31 March 2025
Non-current		
*Provision for employee benefits **		
Net defined benefit liability - Gratuity	8.28	6.26
Compensated absences	51.02	51.27
	59.30	**57.53**
Current		
*Provision for employee benefits **		
Net defined benefit liability - Gratuity	0.01	-
Compensated absences	23.89	34.82
	23.90	**34.82**
	83.20	**92.35**

* Also Refer note 31

17 Other liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current		
Lease equalization		
Advance from vendors for rebates	-	120.18
Rent Deposits	1.50	-
	1.50	**120.18**
Current		
Contract liabilities	1,420.03	1,050.29
Advance from vendors for rebates	132.25	210.45
Statutory dues payables	286.38	356.54
	1,838.66	**1,617.28**
	1,840.16	**1,737.46**

(All amounts in Indian Rupees million)

18 Trade payables

	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	61.01	56.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	961.46	771.08
	1,022.47	**827.23**

Trade payable ageing schedule

As at 31 March 2026

	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	61.01	-	-	-	**61.01**
ii) Others	119.65	801.92	36.36	3.25	0.28	**961.46**
iii) Disputed Dues-MSME	-	-	-	-	-	**-**
iv) Disputed Dues-Others	-	-	-	-	-	**-**
	119.65	**862.93**	**36.36**	**3.25**	**0.28**	**1,022.47**

As at 31 March 2025

	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	0.76	55.34	0.05	-	-	**56.15**
ii) Others	73.57	694.43	2.87	-	0.21	**771.08**
iii) Disputed Dues-MSME	-	-	-	-	-	**-**
iv) Disputed Dues-Others	-	-	-	-	-	**-**
	74.33	**749.77**	**2.92**	**-**	**0.21**	**827.23**

All trade payables are 'current'.

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 32.

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

	As at 31 March 2026	As at 31 March 2025
The principal amount remaining unpaid to any supplier as at the end of the year	61.01	56.15
The interest due on the principal remaining outstanding as at the end of the year	*	*
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the year .	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act.	-	-
	61.01	**56.15**

* Amount is below the round off norms adopted by the Group

(All amounts in Indian Rupees million)

19 Revenue from operations

	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products		
Sales of new vehicles	45,254.63	37,739.73
Sale of spare parts and accessories	9,372.97	8,711.44
Sale of pre-owned vehicles	3,555.33	3,580.51
	58,182.93	**50,031.68**
Sale of services	**3,240.06**	**3,236.42**
	61,422.99	**53,268.10**
Other operating revenues		
Income from schemes and incentives	1,464.26	1,321.69
Finance and insurance commission	803.43	726.53
Income from driving school	46.01	36.16
Other operating income	74.27	59.81
	63,810.96	**55,412.29**
Reconciliation of revenue from sale of products and services		
Gross revenue	64,616.65	55,645.10
Less: discount allowed	(3,193.66)	(2,377.00)
	61,422.99	**53,268.10**

(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 believes that this disaggregation best depicts how the nature, amount, timing and uncertainity of our revenues and cashflows are effected by industry, market and other economic factors.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue by category		
Passenger cars (excluding luxury vehicles)	29,482.46	28,305.66
Luxury vehicles	5,439.10	4,705.21
Commercial vehicles	24,773.74	18,829.17
Others	4,115.66	3,572.25
	63,810.96	**55,412.29**
Revenue by contract type		
Fixed price	63,810.96	55,412.29
	63,810.96	**55,412.29**

(All amounts in Indian Rupees million)

(B) Contract balances

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Trade receivables	2,593.69	2,229.54
Contract liabilities (advance from customers)	1,420.03	1,050.29

(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 2026	Year ended 31 March 2025
Within 1 year	1,420.03	1,050.29
More than 1 year	-	-
Closing balance	**1,420.03**	**1,050.29**

20 Other income

	Year ended 31 March 2026	Year ended 31 March 2025
Interest income based on effective interest rate		
Rent deposits	23.85	24.98
Fixed deposits with banks	9.39	6.70
Interest on income-tax refund	6.16	2.85
Gain on sale of property, plant and equipment (net)	8.46	4.22
Liabilities / provisions no longer required written back	66.34	73.21
Net gain on financial assets measured at fair value through profit and loss	3.10	12.23
Gain on sale of investment	18.73	-
Gain on derecognition of right-of-use assets	7.80	36.27
Other non-operating income	56.06	43.17
	199.89	**203.63**

(All amounts in Indian Rupees million)

21 Purchases of stock-in-trade

	Year ended 31 March 2026	Year ended 31 March 2025
New vehicles	44,150.59	36,612.72
Pre-owned vehicles	3,168.57	3,463.68
Spares, lubricants and accessories	8,159.98	7,692.52
	55,479.14	**47,768.92**

22 Changes in inventories of stock in trade

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening inventory	6,095.59	5,928.70
Closing inventory	6,173.72	6,095.59
	(78.13)	**(166.89)**

23 Employee benefits expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and allowances	3,620.28	3,381.74
Contribution to provident and other funds (Refer note 31)	265.29	258.18
Staff welfare expense	253.42	230.92
	4,138.99	**3,870.84**

24 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on bank borrowings	435.00	302.28
Interest expense on lease liability (Refer note 33)	547.52	458.22
Other borrowing costs	50.37	95.18
	1,032.89	**855.68**

25 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment	509.44	389.03
Depreciation on right-of-use asset (Refer note 33)	725.56	552.39
Amortisation on intangible assets	38.46	46.45
	1,273.46	**987.87**

Notes to the Consolidated Financial Statements

(All amounts in Indian Rupees million)

26 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rent (Refer note 33)	164.80	197.25
Advertising and sales promotion	291.27	276.39
Consumables	77.70	154.44
Repairs and maintenance:		
Buildings	13.21	16.25
Plant and machinery	16.74	24.84
Others	170.56	152.66
Power, water and fuel	215.51	198.37
Travelling and conveyance	175.86	164.98
Housekeeping, security and work charges	473.40	437.74
Office expenses	124.29	119.94
Communication	60.78	59.49
Refurbishment charges on pre-owned vehicles	35.31	35.94
Pre delivery inspection charges	112.49	111.63
Rates and taxes	78.15	30.10
Transportation charges	111.50	101.65
Bank charges	42.31	36.06
Insurance	68.57	52.92
Management fee on pre-owned vehicles	21.22	23.51
Legal and professional (Refer note below)	91.15	90.12
Impairment loss on property, plant and equipment	-	9.79
Donation and charity	0.54	0.79
Expenditure on corporate social responsibility (CSR)	7.99	16.52
Miscellaneous expenses	26.27	48.79
	2,379.62	**2,360.17**

Note

Includes payment to statutory auditors (net of goods and services tax) as follows :

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Statutory audit	8.20	7.50
Other services		
- Expense in relation to Initial Public Offer	-	-
- Certifications	-	-
	8.20	**7.50**

(All amounts in Indian Rupees million)

27 Taxes

		As at 31 March 2026	As at 31 March 2025
A	**Income taxes**		
	Income tax assets (current)	17.21	37.71
	Income tax assets (non-current)	247.79	165.06
	Income tax liabilities (current)	(0.06)	(0.14)
	Income tax liabilities (non-current)	(8.28)	-
	Net income tax assets at the end of the year	**256.66**	**202.63**

(i) Tax expense recognised in the consolidated statement of profit and loss	Year ended 31 March 2026	Year ended 31 March 2025
Current tax		
Current year	223.47	114.15
Earlier years	2.07	21.25
Deferred tax benefit	(233.80)	(120.25)
Total tax (credit) /expenses	**(8.26)**	**15.15**

(ii) Amount recognised in other comprehensive income	Year ended 31 March 2026	Year ended 31 March 2025
Remeasurement of the net defined benefit plans		
Gain / (loss) before tax	20.55	(8.09)
Tax (expense) / benefit	(5.17)	2.03
Net of tax	**15.38**	**(6.06)**

(iii) Reconciliation of effective tax rate	Year ended 31 March 2026	Year ended 31 March 2025
Loss before income tax	(272.41)	(89.48)
Enacted tax rates in India	25.17%	25.17%
Tax expenses	(68.57)	(22.52)
Other permanent differences	2.89	37.67
Others	2.26	-
Income at differential rate - subsidiaries	-	-
Income at differential rate - long term capital gain	55.16	-
Tax expense	**(8.26)**	**15.15**

(All amounts in Indian Rupees million)

B (i) Deferred tax asset

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets	522.56	297.68
Net deferred tax asset at the end of the year	**522.56**	**297.68**

(ii) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax asset		
Impairment losses on financial and contract assets	24.40	14.48
Employee benefits expense	22.73	20.55
Interest on lease liabilities and depreciation on right-of-use asset	254.54	274.85
Other timing differences	94.77	9.39
Unabsorbed business losses	213.23	73.27
Amortisation of financial asset		
Total deferred tax assets (A)	**609.67**	**392.54**
Deferred tax liabilities		
Property, plant and equipment	(75.36)	(76.71)
Intangible assets on acquisition through business combination	(11.75)	(18.15)
Total deferred tax liability (B)	**(87.11)**	**(94.86)**
Net deferred tax asset at the end of the year (A+B)	**522.56**	**297.68**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Group has recognised deferred tax assets arising out of tax losses / (unabsorbed depreciation) to the extent of net deferred tax liability on account of taxable temporary differences.

(All amounts in Indian Rupees million)

(iii) Movement in temporary differences

Movement during the year ended 31 March 2026	As at 1 April 2025	Charge/ (credit) in the consolidated statement of profit and loss	Charge/ (credit) in other comprehensive income	Others (Refer Note 37)	As at 31 March 2026
Other timing differences	9.39	(85.34)	-	(0.04)	94.77
Impairment losses on financial and contract assets	14.48	(9.80)	-	(0.12)	24.40
Employee benefits expense	20.55	(7.91)	5.17	0.56	22.73
Unabsorbed business losses	73.27	(142.50)	-	2.54	213.23
Interest on lease liabilities and depreciation on right-of-use asset	274.85	19.09	-	1.22	254.54
Property, plant and equipment	(76.71)	(0.94)	-	(0.41)	(75.36)
Intangible assets on acquisition through business combination	(18.15)	(6.40)	-	-	(11.75)
Net deferred tax asset/ (liability) at the end of the year	**297.68**	**(233.80)**	**5.17**	**3.75**	**522.56**

Movement during the year ended 31 March 2025	As at 1 April 2024	Charge/ (credit) in the consolidated statement of profit and loss	Charge/ (credit) in other comprehensive income	Others (Refer Note 37)	As at 31 March 2025
Other timing differences	14.37	4.94	-	0.04	9.39
Impairment losses on financial and contract assets	11.68	(6.00)	-	3.20	14.48
Employee benefits expense	11.98	(7.47)	(2.03)	0.93	20.55
Unabsorbed business losses	4.16	(79.09)	-	9.98	73.27
Interest on lease liabilities and depreciation on right-of-use asset	257.31	(30.11)	-	12.57	274.85
Property, plant and equipment	(87.73)	3.88	-	(14.90)	(76.71)
Intangible assets on acquisition through business combination	(24.55)	(6.40)	-	-	(18.15)
Net deferred tax asset/ (liability) at the end of the year	**187.22**	**(120.25)**	**(2.03)**	**11.82**	**297.68**

(iv) Tax losses carried forward

Particulars	As at 31 March 2026	Expiry date	As at 31 March 2025	Expiry date
Brought forward losses - allowed to carry forward for specific period	212.51	AY 2027-2028 to AY 2033-34	62.20	AY 2033-34
Long term capital loss - allowed to carry forward for specific period	0.11	AY 2031-32	0.11	AY 2031-32
Unabsorbed depreciation- allowed to carry forward for infinite period	604.81	-	269.50	-

(All amounts in Indian Rupees million)

28 Contingent liabilities and commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Contingent liabilities		
Claims against the Group not acknowledged as debts:		
Service tax related matters	13.83	17.23
Excise related matters	3.03	3.03
KVAT related matters	13.16	13.16
Income tax matters	15.91	21.15
Customer claims	75.13	112.10
GST related matters	182.40	93.14
Other contingent liabilities		
Employees' state insurance/provident fund demand	8.89	8.89
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	89.20	332.38

Details of claims against the Group

a) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timing of cash flows, if any, in respect of the above as it is determinable only on receipt of judgement/ decision pending with various forums/ authorities. The Group has received all its pending litigations and proceedings and has adequately provided for when provision is required and disclosed as contingent liabilities where applicable, in the financial information. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

b) There are certain claims raised by customers, pending before various consumer forums. The management does not expect the outcome of the action to have a material effect on its financial position.

c) On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Group has re-computed its liability towards PF for the month of March 2019. In respect of the earlier periods/years, the Group has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

(All amounts in Indian Rupees million)

29 Earnings per share

A. Basic earnings per share

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

i) Net profit attributable to equity share holders

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Net loss for the year, attributable to the owners of the Company(A)	(124.74)	(104.63)

ii) Weighted average number of equity shares (basic and diluted) #

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Number of equity shares at the beginning of the year	71.20	71.20
Weighted average number of equity shares of INR 2 each outstanding during the period/year (B)	71.20	71.20
Earnings per share, basic and diluted (A/B)	**(1.75)**	**(1.47)**

Number of equity shares are in millions

B. Diluted earnings per share

There are no potential dilutive equity shares as at balance sheet dates.

30 Segment reporting

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Members of Board of the Group have been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108 "Operating Segments". All operating segments' operating results are reviewed regularly by the Group's CODM to make decisions about resources to be allocated to the segments and assess their performance.

Geographical segments

Geographical information analyses the Group's revenue and non current assets by the Group's country of domicile (i.e.India) and other countries. The Group's sole geographical segment is India. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the consolidated financial statements.

Operational segments

The Group has structured its business broadly into four verticals – Passenger cars (excluding luxury vehicles), Luxury vehicles, Commercial vehicles and others. Others primarily comprises spares parts retail sales - other than through the respective business segments and sale of electric vehicles - two-wheelers and three-wheelers. The accounting principles consistently used in the preparation of the consolidated financial statements are also consistently applied to record income and expenditure in individual segments.

Income, direct expenses, assets and liabilities in relation to segments are categorised based on items that are individually identifiable to that segment.

Notes to the Consolidated Financial Statements

(All amounts in Indian Rupees million)

There is no single customers in excess of 10% of the revenue from operations during any years.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Segment revenue		
Passenger cars (excluding Luxury vehicles)	29,482.46	28,305.66
Luxury vehicles	5,439.10	4,705.21
Commercial vehicles	24,773.74	18,829.17
Others	4,115.66	3,572.25
Total	**63,810.96**	**55,412.29**
Segment profits before income tax		
Passenger cars (excluding Luxury vehicles)	14.90	214.36
Luxury vehicles	246.16	261.16
Commercial vehicles	562.93	266.65
Others	(38.07)	57.09
Total	**785.92**	**799.26**
Less:		
Finance charges	1,032.89	855.68
Unallocated expenses (net of unallocated income)	25.44	33.06
Loss before tax and exceptional item	**(272.41)**	**(89.48)**
Exceptional item	139.41	-
Loss before tax	**(133.00)**	**(89.48)**

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets		
Passenger cars (excluding Luxury vehicles)	13,275.06	10,177.19
Luxury vehicles	2,728.53	1,417.11
Commercial vehicles	6,154.26	4,967.88
Others	1,674.88	1,419.97
Reclassified as asset held for sale	-	1,063.49
Total	**23,832.73**	**19,045.64**
Segment liabilities		
Passenger cars (excluding Luxury vehicles)	10,796.08	7,763.82
Luxury vehicles	1,893.64	894.93
Commercial vehicles	3,790.74	2,630.58
Others	1,073.90	830.61
Reclassified as asset held for sale	-	537.97
Total	**17,554.36**	**12,657.91**

(All amounts in Indian Rupees million)

31 Employee benefits

A Defined contribution plan

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

B Defined benefit plan

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

The Gratuity Plan entitles an employee, who has rendered atleast five years of continuous service, to receive one-half month's salary for each year of completed service (service of six months or above is rounded off to one year) at the time of retirement/ exit, restricted to a sum of ₹ 2.00 million.

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

Reconciliation of the projected defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit liability	343.69	333.58
Plan assets	351.27	351.63
Net defined benefit asset	**(7.58)**	**(18.05)**
Non-current defined benefit liability	8.28	6.26
Non-current defined benefit (asset)	(15.87)	(24.31)
Current defined benefit liability	0.01	-
Liability for compensated absences	**74.91**	**86.09**
Non-current defined benefit liability	51.02	51.27
Current defined benefit liability	23.89	34.82

(All amounts in Indian Rupees million)

C Reconciliation of net defined benefit (asset)/ liability

i) Reconciliation of present values of defined benefit obligation

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

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit obligation as at the beginning of the year	**333.58**	**309.17**
Current service cost	47.84	43.20
Past service cost	9.30	-
Interest cost	19.51	19.32
Benefits paid	(46.86)	(47.54)
Liabilities assumed /(settled)	0.24	1.82
Transfers or acquisitions	0.05	-
Re-measurements		
Actuarial gain/(loss) recognised in other comprehensive income		
- changes in financial assumptions	(7.92)	12.31
- changes in demographic assumptions	(1.03)	-
- changes in experience over the past period	(11.02)	(4.70)
Defined benefit obligation as at the end of the year	**343.69**	**333.58**

ii) Reconciliation of present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Plan assets at the beginning of the year	**351.63**	**341.23**
Contributions paid into the plan	23.39	34.52
Benefits paid	(46.86)	(47.54)
Interest income	21.93	22.83
Assets acquired	0.02	1.82
Re-measurements		
- changes in financial assumptions	-	-
- changes in demographic assumptions	-	-
- return on plan assets excluding amount included in net interest on the net defined liability /(asset)	1.16	(1.23)
Balance at the end of the year	**351.27**	**351.63**
Net defined benefit asset	**(7.58)**	**(18.05)**

(All amounts in Indian Rupees million)

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	47.84	43.20
Past service cost	9.30	-
Net interest on net defined liability	(2.42)	(3.52)
Net gratuity cost	**54.72**	**39.68**

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial loss on defined benefit obligation	6.81	6.81
Loss on plan asset excluding interest income	(27.36)	1.28
Net gratuity loss/ (gain) (before tax)	**(20.55)**	**8.09**

E Plan asset

Plan asset comprises of the following:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Funds managed by Life Insurance Corporation of India	351.27	351.63

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

F Defined benefit obligation

(i) Actuarial Assumptions for defined benefit liability

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Discount rate	6.50% - 7.00%	6.50% - 6.00%
Salary growth rate	6% p.a	6% p.a
Attrition rate	14% - 29% p.a	14% - 29% p.a
Weighted average duration of defined benefit obligaiton	3.32 Yrs - 8.82 Yrs	3.32 Yrs - 8.82 Yrs

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

Assumptions regarding future mortality experience are set in accordance with the standard table - IALM 2012-14 (Ultimate). The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

(All amounts in Indian Rupees million)

(ii) Sensitivity analysis

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(18.61)	21.72	(28.20)	31.55
Future salary growth (1% movement)	21.46	(18.78)	30.10	(27.32)
Attrition rate (1% movement)	0.73	(0.90)	0.17	(0.26)

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.

32 Financial Instruments- Fair values and risk management

A Accounting classifications and fair values

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

As at 31 March 2026

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	660.57		-	660.57	-	-	-	-
Bank balances other than cash and cash equivalents	12	73.42			73.42				
Trade receivables	10	2,593.69	-	-	2,593.69	-	-	-	-
Other financial assets	7	568.80	-	-	568.80	-	-	-	-
Financial assets measured at fair value									
Investments	6	-	186.49	-	186.49	6.97	179.52	-	186.49
Total		**3,896.48**	**186.49**	-	**4,082.97**	**6.97**	**179.52**	-	**186.49**
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	18	-	-	1,022.47	1,022.47	-	-	-	-
Borrowings	14	-	-	6,960.70	6,960.70	-	-	-	-
Lease liabilities	33	-	-	7,094.38	7,094.38	-	-	-	-
Other financial liabilities	15	-	-	545.11	545.11	-	-	-	-
Total		-	-	**15,622.66**	**15,622.66**	-	-	-	-

(All amounts in Indian Rupees million)

As at 31 March 2025

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	244.64	-	-	244.64	-	-	-	-
Bank balances other than cash and cash equivalents	12	65.71			65.71				
Trade receivables	10	2,229.54	-	-	2,229.54	-	-	-	-
Other financial assets	7	463.89	-	-	463.89	-	-	-	-
Financial assets measured at fair value									
Investments	6	-	140.09	-	140.09	25.64	114.45	-	140.09
Total		**3,003.78**	**140.09**	-	**3,143.87**	**25.64**	**114.45**	**-**	**140.09**
Liabilities									
Financial liabilities not measured at fair value									
Trade payables	18	-	-	827.23	827.23	-	-	-	-
Borrowings	14	-	-	4,231.45	4,231.45	-	-	-	-
Lease liabilities	33	-	-	4,984.38	4,984.38	-	-	-	-
Other financial liabilities	15	-	**-**	246.93	246.93	-	**-**	**-**	**-**
Total		**-**	-	**10,289.99**	**10,289.99**	-	**-**	-	**-**

The Group has not disclosed the fair values for financial instrument such as cash and cash equivalents, trade receivables, other financial assets, trade payables, borrowings and other financial liabilities because their carrying amount are reasonable approximation of fair value.

Measurement of fair values

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

Level 1 fair values

Investment in equity shares that has a quoted price and which are actively traded on the stock exchanges. It has 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 2026 and 31 March 2025 has not been disclosed as it is not material to the Group.

(All amounts in Indian Rupees million)

B Measurement of fair values

The following methods and assumptions were used to estimate the fair values:

The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments. Discounted cash flows consider the present value of the net cash flows expected to be generated from the facility, taking into account the budgeted EBITDA growth rate and budgeted capital expenditure growth rate; the expected net cash flows are discounted using a risk-adjusted discount rate.

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C Financial risk management

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

i) Risk management framework

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

ii) Credit risk

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

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

The maximum exposure to credit risk for trade receivables and other financial assets was as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables	2,673.45	2,283.16
Other financial assets	0.54	2.75
	2,673.99	**2,285.91**

The movement in allowance for credit loss in respect of financial assets during the year was as follows:

Allowance for credit loss	As at 31 March 2026	As at 31 March 2025
Balance at the beginning	56.22	50.04
Amounts written off	(33.74)	(22.63)
Impairment loss recognised	57.29	28.81
Balance at the end	**79.77**	**56.22**

(All amounts in Indian Rupees million)

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

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

The Group allocates each exposure to a credit risk grade based on the historic trend of financial assets movement between the ageing buckets. The loss rates are calculated based on the simple average of the trend in receivable ageing.

Ageing Period	As at 31 March 2026	As at 31 March 2025
Not due	0.00%	0.00%
Less than 6 months	-0.55%	0.60%
6 months - 1 year	32.35%	7.37%
1 - 2 years	109.40%	88.56%
2 - 3 years	100.00%	100.00%
More than 3 years	100.00%	100.00%

iii) Liquidity risk

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

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2026:

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	1,022.47	1,022.47	-	1,022.47
Borrowings	6,960.70	6,485.46	475.24	6,960.70
Lease liabilities	7,094.38	566.81	9,356.39	9,923.20
Other financial liabilities	545.11	545.11	-	545.11

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2025:

Particulars	Carrying amount	Contractual maturities of financial liabilities		
		Payable within 1 year	More than 1 year	Total
Trade payables	827.23	827.23	-	827.23
Borrowings	4,231.45	4,213.15	18.30	4,231.45
Lease liabilities	4,984.38	386.51	8,638.44	9,024.95
Other financial liabilities	246.93	246.93	-	246.93

(All amounts in Indian Rupees million)

iv) Market risk

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

Foreign currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Group. The functional currency of the Group is INR and the Group does not have any material foreign currency transactions during the years ended 31 March 2026 and 31 March 2025.

Cash flow and fair value interest rate risk

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

(a) Interest rate risk exposure

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

Financial liabilities (bank borrowings)	As at 31 March 2026	As at 31 March 2025
Variable rate long term borrowings including current maturities	735.04	19.73

Sensitivity

Particulars	Impact on profit or (loss)	
	As at 31 March 2026	As at 31 March 2025
1% increase in variable rate	(7.35)	(0.20)
1% decrease in variable rate	7.35	0.20

Particulars	Impact on equity, net of tax	
	As at 31 March 2026	As at 31 March 2025
1% increase in variable rate	(5.50)	(0.15)
1% decrease in variable rate	5.50	0.15

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

(All amounts in Indian Rupees million)

33 Leases

Group as a lessee

The Group has taken showrooms and service centres on lease from various parties from where business operations are performed. The leases typically run for a period of 2 year - 60 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	**4,984.38**	**4,803.57**
Additions	2,650.57	935.50
Finance cost accrued during the year	547.52	458.22
Payment during the year:		
Principal payment of lease liabilities	(427.75)	(377.95)
Interest on lease liabilities	(547.52)	(458.22)
Remeasurement on account of modification	-	69.41
Derecognition of lease liabilities during the year	(47.22)	(161.52)
Reclassified as group held for sale	(65.60)	(284.63)
Balance as at end of the year	**7,094.38**	**4,984.38**
Non-current lease liabilities	6,527.57	4,597.87
Current lease liabilities	566.81	386.51

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2026	As at 31 March 2025
Less than one year	566.81	386.51
One to five years	3,894.50	3,203.15
More than five years	5,461.89	5,435.29
Total undiscounted lease liabilities	**9,923.20**	**9,024.95**

(All amounts in Indian Rupees million)

(iii) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	**3,882.14**	**3,792.99**
Addition to right-of-use assets	3,044.19	935.50
Depreciation for the year	(725.56)	(552.39)
Remeasurement on account of modification	-	69.41
Derecognition of right-of-use assets	(39.75)	(128.68)
Reclassified as group held for sale	(60.77)	(234.69)
Balance at end of the year	**6,100.25**	**3,882.14**

(iv) Amounts recognised in consolidated statement of profit or loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	547.52	458.22
Depreciation on right-of-use assets	725.56	552.39

(v) Amounts recognised in consolidated statement of cash flows

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Total cash outflow for leases	(975.27)	(836.17)

(vi) Low value and short term leases

The Group is obligated under cancellable low value and short term leases for its certain office premises which are renewable at the option of both the lessor and lessee. Total rental expenses under such leases amounted to ₹ 164.80 million (31 March 2025 : ₹ 197.25 million). These arrangements do not qualify as a lease as per the requirements of Ind AS 116.

34 Capital Management

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

Particulars	As at 31 March 2026	As at 31 March 2025
Total equity attributable to the equity shareholders of the Company (A)	**6,278.37**	**6,387.73**
Non-current borrowings	475.24	18.30
Current borrowings	6,485.46	4,213.15
Total borrowings	**6,960.70**	**4,231.45**
Less: cash and cash equivalents	660.57	244.64
Adjusted net debt (B)	**6,300.13**	**3,986.81**
Adjusted net debt to total equity ratio (B/A)	**1.00**	**0.62**

(All amounts in Indian Rupees million)

35 Non-controlling interest

Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements

Name of the entity	As at / For the Year ended 31 March 2026							
	Net assets		Share in profit / (loss)		Share in other comprehensive income/ (loss)		Share in total comprehensive income / (loss)	
	As a % of consoli-dated net assets	Amount	As a % of consol-idated profit or loss	Amount	As a % of other compre-hensive income	Amount	As a % of total compre-hensive income	Amount
Parent								
Popular Vehicles and Services Limited	64.54%	4,052.11	409.94%	(511.36)	87.45%	13.45	455.29%	(497.91)
Subsidiaries								
Popular Auto Dealers Private Limited	6.63%	416.19	29.53%	(36.83)	(2.47%)	(0.38)	34.03%	(37.21)
Kuttukarn Green Private Limited (upto 31 August 2025)	0.00%	-	7.16%	(8.93)	(0.26%)	(0.04)	8.20%	(8.97)
Popular AutoWorks Private Limited	9.36%	587.73	(101.02%)	126.01	(1.50%)	(0.23)	(115.02%)	125.78
Vision Motors Private Limited (upto 25 August 2025)	0.00%	-	(9.59%)	11.96	(2.60%)	(0.40)	(10.57%)	11.56
Kuttukaran Cars Private Limited	(0.04%)	(2.63)	25.49%	(31.79)	0.07%	0.01	29.06%	(31.78)
Popular Mega Motors (India) Private Limited	28.04%	1,760.66	(441.75%)	551.04	20.03%	3.08	(506.69%)	554.12
Keracon Equipments Private Limited	0.08%	4.93	(1.08%)	1.35	0.00%	-	(1.23%)	1.35
Prabal Motors Private Limited	7.28%	457.22	(75.40%)	94.05	(0.72%)	(0.11)	(85.90%)	93.94
Imperion Cars Private Limited (w.e.f 28 Novembr 2025)	(0.06%)	(3.92)	3.94%	(4.92)	0.00%	-	4.50%	(4.92)
Zparex Digisolutions Private Limited (w.e.f 10 November 2025)	0.28%	17.47	2.03%	(2.53)	0.00%	-	2.31%	(2.53)
		7,289.76		**188.05**		**15.38**		**203.43**
Adjustment arising out of consolidation	(16.11%)	(1,011.39)	250.75%	(312.79)	0.00%	-	286.02%	(312.79)
Non controlling interest in subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Consolidated net assets / profit after tax	**100.00%**	**6,278.37**	**100.00%**	**(124.74)**	**100.00%**	**15.38**	**100.00%**	**(109.36)**

Notes to the Consolidated Financial Statements

(All amounts in Indian Rupees million)

Name of the entity	As at / For the Year ended 31 March 2025							
	Net assets		Share in profit / (loss)		Share in other comprehensive income/ (loss)		Share in total comprehensive income / (loss)	
	As a % of consoli-dated net assets	Amount	As a % of consol-idated profit or loss	Amount	As a % of other compre-hensive income	Amount	As a % of total compre-hensive income	Amount
Parent								
Popular Vehicles and Services Limited	71.23%	4,550.02	321.30%	(336.17)	81.50%	(4.94)	308.17%	(341.11)
Subsidiaries								
Popular Auto Dealers Private Limited	7.10%	453.40	(28.20%)	29.51	(3.63%)	0.22	(26.86%)	29.73
Kuttukarn Green Private Limited	(0.06%)	(3.91)	10.30%	(10.78)	1.82%	(0.11)	9.84%	(10.89)
Popular AutoWorks Private Limited	7.23%	461.94	(135.54%)	141.82	10.73%	(0.65)	(127.54%)	141.17
Vision Motors Private Limited	8.58%	548.22	(48.55%)	50.80	1.32%	(0.08)	(45.82%)	50.72
Kuttukaran Cars Private Limited	0.46%	29.14	6.75%	(7.06)	(0.33%)	0.02	6.36%	(7.04)
Popular Mega Motors (India) Private Limited	18.88%	1,206.55	(49.36%)	51.65	(2.15%)	0.13	(46.78%)	51.78
Keracon Equipments Private Limited	0.06%	3.59	(3.05%)	3.19	0.00%	-	(2.88%)	3.19
Prabal Motors Private Limited	5.69%	363.23	(14.10%)	14.73	10.74%	(0.65)	(12.72%)	14.08
		7,612.18		(62.31)		(6.06)		**(68.37)**
Adjustment arising out of consolidation	(19.17%)	(1,224.45)	40.45%	(42.32)	0.00%	-	38.23%	(42.32)
Non controlling interest in subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Consolidated net assets / profit after tax	**100.00%**	**6,387.73**	**100.00%**	**(104.63)**	**100.00%**	**(6.06)**	**100.00%**	**(110.69)**

(All amounts in Indian Rupees million)

36 Related parties

A Disclosure post elimination of intra-group transactions;

I. Names of related parties and description of relationship:

(a) Other related parties with whom the Group had transactions during the year

-	Key management personnel and their relatives (KMP)	Mr. Francis K Paul, Whole Time Director (upto 31 March 2026)
		Mr. John K Paul, Whole Time Director
		Mr. Naveen Philip, Managing Director
		Mr. Jacob Kurian, Director
		Mrs. Preeti Reddy, Director
		Mr. George Joseph, Director
		Mr. Rakesh Kumar Bhutoria, Nominee Director (upto 8 December 2025)
		Mr. John Verghese, Chief Financial Officer (upto 30 June 2025)
		Mr. Abraham Mammen, Chief Financial Officer (w.e.f 01 July 2025)
		Mr. Raj Narayan,Chief Executive Officer
		Mr .Varun Thazhathu Veedu, Company Secretary
		Mr. Murali Narayanan, Director (w.e.f 29 December 2025)
		Mr. Neeraj Jain, Director (w.e.f 29 September 2025)
		Mr. Rushil John, Relative of KMP
		Mrs. Leela Philip, Relative of KMP
-	Entities in which KMP has significant influence	Kuttukaran Institute for Human Resource Development, India
		Kuttukaran Trading Ventures, India
		Kuttukaran Homes LLP, India
		K P Paul Foundation, India
		BanyanTree Growth Capital II, LLC, Mauritius
		Regiis Insurance Brokers Pvt Ltd
		Memorytrain Creatives Private Limited, India

(All amounts in Indian Rupees million)

II. Related party transactions:

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations - Sale of new vehicles / Sale of spares and accessories / Sale of services		
Kuttukaran Institute for Human Resource Development, India	0.05	0.05
Other Income - Sale of services		
Kuttukaran Trading Ventures, India	-	0.14
Income from rent		
Regiis Insurance Brokers Pvt Ltd	0.43	0.42
Purchase of assets		
Kuttukaran Trading Ventures, India	1.27	-
Purchase of vehicles/accessories and spares		
Kuttukaran Trading Ventures, India	0.05	-
Expense reimbursed by the Company		
Kuttukaran Institute for Human Resource Development, India	7.96	-
Kuttukaran Trading Ventures, India	0.15	-
Expense reimbursed on behalf of the Company		
Kuttukaran Institute for Human Resource Development	0.37	0.39
Regiis Insurance Brokers Pvt Ltd	0.32	0.85
Kuttukaran Trading Ventures, India	0.22	0.04
Repairs and maintenances		
Kuttukaran Trading Ventures, India	0.03	0.62
Rent paid		
Francis K Paul	6.96	6.96
John K Paul	1.06	1.35
Naveen Philip	3.53	3.48
Kuttukaran Trading Ventures, India	17.49	20.97
Kuttukaran Homes LLP, India	23.80	23.80
Rushil John	0.87	0.87
Sale of asset		
Memorytrain Creatives Private Limited	0.15	-
John K Paul	0.04	-
Labour Charges		
Kuttukaran Trading Ventures, India	0.25	-
Loan (availed)/ repaid from directors		
Francis K Paul	-	36.02
John K Paul	-	35.52
Naveen Philip	-	22.30
Corporate social responsibility expenses		
K P Paul Foundation	1.41	5.48

(All amounts in Indian Rupees million)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Remuneration to KMP		
Short term employee benefits :		
- Salaries and allowances*		
Francis K Paul	10.63	10.63
John K Paul	10.63	12.46
Naveen Philip	10.63	10.56
Raj Narayan	13.90	14.49
Others	24.68	10.69
Post employement benefits :		
Raj Narayan	0.44	0.32
Others	0.30	0.17
Sitting fees to independent directors	7.10	4.90

* Managerial remuneration paid to key managerial personnel does not include retirement benefits such as gratuity and compensated absences since provision for these are based on actuarial valuation which is carried out for the Group as a whole.

(b) Balance receivable from/ (payable) to related parties as at the balance sheet date:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables		
Memorytrain Creatives Private Limited	0.17	-
John K Paul	0.05	-
Kuttukaran Institute for Human Resource Development, India	0.01	0.02
Dues to creditors for expenses and others		
Kuttukaran Homes LLP	(0.86)	(0.36)
Kuttukaran Trading Ventures, India	(1.68)	(0.07)
Post Employment Benefits payable		
Raj Narayan	(1.33)	(0.89)
Others	(1.01)	(0.50)
Payable to KMP		
Naveen Philip	(0.22)	(0.31)
Rushil John	-	(0.06)
John K Paul	(0.11)	(0.33)
Francis K Paul	(0.62)	(0.62)

37 Assets and liabilities of disposal group held for sale

In the Board of Directors' meeting dated 12 February 2025, the Group management had committed to a plan to disinvest the Company's stake in the investments of Kuttukaran Green Private Limited, a wholly owned subsidiary and Vision Motors Private Limited, the Company's step down subsidiary (a subsidiary of Popular Mega Motors (India) Private Limited). Accordingly, assets amounting to ₹ 1,063.49 million and liabilities amounting to ₹537.97 million of the disposal group as at 31 March 2025 were presented as assets held for sale and liabilities held for sale respectively. The Company entered into share purchase agreements with Automart Services Private Limited on 29 May 2025 to agree the terms and conditions of the sale and thereafter obtained approval from

(All amounts in Indian Rupees million)

its shareholders on 04 July 2025 through postal ballot resolution for the disinvestment. The disposal group was stated at lower of its carrying amount and its fair value less costs to sell which amounted to assets worth ₹1,323.90 million and liabilities worth ₹ 776.77 million on the dates of sale. Further, on 31 August 2025 and 25 August 2025, the disinvestment has been completed for a consideration of ₹ 20 million for Kuttukaran Green Private Limited and ₹ 680 million for Vision Motors Private Limited, thereby, recording a gain of ₹ 152.87 million during the year ended 31 March 2026.

38 The analytical ratios have not been disclosed in the consolidated financial statements as per the clarification in general instructions to the preparation of consolidated financial statements in paragraph 12.1 of the "Guidance Note on Division II - IND AS Schedule III to the Companies Act, 2013".

39 Events occurred after the Balance Sheet Date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the consolidated financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the consolidated financial statements. As of 26 May 2026 there are no subsequent events and transactions to be recognised or reported that are not already disclosed.

40 On November 21, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to the changes in regulations. The Group has assessed and accounted the incremental impact of these changes on the basis of actuarial opinion obtained and the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact under 'Exceptional items' in the consolidated financial statements for the year ended 31 March 2026. The incremental impact on gratuity of ₹8.43 million, long term compensated absences of ₹ 4.33 million, provident fund, employee state insurance and statutory bonus collectively of ₹ 0.70 million, respectively has arisen due to change in wage definition. The Group continues to monitor the finalization of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

41 Business Combination

a) By way of an agreement entered into on 10 October 2025, the Parent has taken over the business comprising Maruti Suzuki India Limited dealership on an as-is-where-is basis as a going concern by way of slump sale from R.K.S Motor Private Limited ('the vendor'), Telangana w.e.f 15 October 2025. The aggregate consideration of this acquisition is ₹ 930 million which is payable in tranches. In addition to the above purchase consideration, the Parent has also acquired the existing inventories from the vendor as part of this business acquisition at a value of INR 50.02 million. The aforementioned transaction has been considered as a business acquisition in accordance with Indian Accounting Standard 103- "Business Combinations".

A. Purchase consideration

Particulars	Amount in ₹ million
Consideration paid / payable in cash (including for transfer of inventories) (Refer note (i) below)	980.02

B. Identifiable assets acquired

Particulars	Amount in ₹ million
Property, Plant and Equipment	915.13
Inventories (including vehicles, spares and accessories)	50.02
Net identifiable assets acquired	965.15

(All amounts in Indian Rupees million)

C. Goodwill

Goodwill arising from acquisition has been determined as follows:

Particulars	Amount in ₹ million
Purchase consideration (A)	980.02
Less: net identifiable assets acquired (B)	965.15
Goodwill (A - B)	14.87

(i) Of the above purchase consideration, an amount of ₹ 279 million is outstanding as at 31 March 2026 which has been fully settled by 30 April 2026.

b) One of the subsidiaries, Prabal Motors Private Limited, has during the year ended 31 March 2026 acquired the business of sales and services of commercial vehicles, carried out under the dealership of Bharat Benz Trucks, from Globe CV Private Limited ('the Seller') with effect from 19 August 2025 at a purchase consideration of ₹ 120 million. In addition to the above purchase consideration, the said subsidiary has also acquired the existing inventories from the Seller as part of this business acquisition for a value of ₹ 224.61 million. The aforementioned transaction has been considered as a business acquisition in accordance with Indian Accounting Standard 103 - "Business Combinations".

Particulars	Amount in ₹ million
Property, Plant and Equipment	117.65
Inventories	224.61
Total identifiable assets acquired (A)	342.26
Consideration paid/payable (including for transfer of inventories) (B)	344.61
Goodwill arising on business combination (A-B)	2.35

c) By way of an asset purchase agreement entered into on 31 December 2025 and addendum thereto dated 04 February 2026, one of the subsidiaries, Imperion Cars Private Limited has taken over the business comprising Audi India, a division of SKODA AUTO Volkswagen India Private Limited dealership in the State of Telangana and State of Andhra Pradesh from Olympus Motors Private Limited ("the vendor") on an as-is-where-is basis as a going concern. The aggregate consideration of this acquisition is ₹ 97.48 million which is payable in tranches. This transaction has been completed effective 01 January 2026 in accordance with the terms of the aforementioned agreements. The aforementioned transaction has been considered as a business acquisition in accordance with Indian Accounting Standard 103 - "Business Combinations".

Particulars	Amount in ₹ million
Property, Plant and Equipment	97.48
Inventories	28.24
Total identifiable assets acquired (A)	125.72
Consideration paid/payable (including for transfer of inventories) (B) (Refer Note (i) below)	125.72
Goodwill arising on business combination (A-B)	-

(All amounts in Indian Rupees million)

42 Utilisation of IPO proceeds

During the year ended 31 March 2024, the Company had completed initial public offering (IPO) of ₹ 6,015.54 million (including fresh issue of ₹ 2,500 million) comprising :

(i) 84,53,803 equity shares of ₹ 2 each at an issue price of ₹ 295 per share (including a share premium of ₹293 per share) towards fresh issue of equity shares

(ii) 1,19,17,075 equity shares of ₹ 2 each at an issue price of ₹ 295 per share (including a share premium of ₹293 per share) towards offer for sale and;

(iii) 22,950 equity shares of ₹ 2 each at an issue price of ₹ 267 per share (including a share premium of ₹ 265 per share) for employee quota towards fresh issue.

The equity shares of the Company were listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 19 March 2024.

The Company had estimated ₹ 421.06 million (including provision) (excluding taxes) as IPO related expenses and allocated such expenses between the Company ₹ 178.01 million and selling shareholders ₹ 243.05 million in proportion to the equity shares alloted to the public as fresh issue by the Company and under offer for sale by selling shareholders respectively. The amount attributable to the Company amounting to ₹ 178.01 million has been adjusted to securities premium for the year ended 31 March 2024, and further ₹ 2.45 million had been adjusted to securities premium during the year ended 31 March 2025.

Details of the IPO net proceeds are as follows as on 31 March 2024:

Particulars	Amount (As per Offer Document)
Gross proceeds from the issue	2,500.00
Less : Estimated issue related expenses (proportionate to the Company's share)*	210.10
Net Proceeds	**2,289.90**

**Issue related expenses (net of GST) amounting to ₹175.56 million have been adjusted against securities premium as per Section 52 of The Companies Act, 2013*

Details of the utilisation of the IPO proceeds is summarised below:

Particulars	Utilisation as per prospectus	Utilised upto 31 March 2026	Unutilised as on 31 March 2025
Pre-payment,in full or in part, of borrowings availed by our subsidiaries	1,920.00	1,920.00	-
General Corporate purposes	369.90	369.90	-
Total utilisation of funds	**2,289.90**	**2,289.90**	**-**

42 (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(All amounts in Indian Rupees million)

44 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act, 2013, for the years ended 31 March 2026 and 31 March 2025 :

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group does not have any transactions with companies struck off.

iii) The Group has not traded or invested in Crypto currency or Virtual Currency.

iv) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the respective years in the tax assessments under the Income Tax Act, 1961.

vi) None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

ix) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

x) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024

Vipin Lodha
Partner
Membership No.: 076806

Kochi
26 May 2026

for and on behalf of the Board of Directors of
Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741

Naveen Philip
Managing Director
DIN: 00018827

John K Paul
Whole Time Director
DIN: 00016513

Raj Narayan
Chief Executive Officer

Abraham Mammen
Chief Financial Officer

Varun T V
Company Secretary
Membership no. A22044

Kochi
26 May 2026

Notice

Notice is hereby given that the 42nd Annual General Meeting of the Popular Vehicles and Services Limited will be held on, **Friday, 28th August 2026** at 04.00 PM (time IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses.

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 together with the Reports of the Board of Directors and Auditors thereon and the audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 with the Report of the Auditors thereon.

2) To appoint a Director in place of Mr. John K. Paul (DIN: 00016513), who retires by rotation and, being eligible, offers himself for re-appointment.

3) To appoint Statutory Auditors and fix their remuneration 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 provisions of Section 139, 141 and 142 read with The Companies (Audit and Auditors) Rules, 2014, and such other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), and upon recommendation of the Audit Committee and the Board of Directors, M/s. MSKA & Associates LLP (Formerly known as MSKA & Associates), Chartered Accountants (ICAI Firm Registration Number: 105047W / W101187) be and are hereby appointed as the Statutory Auditors of the Company, who shall hold office from the conclusion of this 42nd Annual General Meeting for a term of consecutive five years till conclusion of the 47th Annual General Meeting of the Company to be held in the financial year 2031-32 at a remuneration to be fixed by the Audit Committee and Board of Directors of the Company, in addition to the re-imbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

SPECIAL BUSINESS:

4) **To appoint Mr. Paul Francis Kuttukaran as a Non-Executive Non-Independent Director of the Company**

   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 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Paul Francis Kuttukaran (DIN: 11727635), be and is hereby appointed as a Non-Executive Non Independent Director of the Company, liable to retire by rotation, to hold office with effect from date of this Annual General Meeting."

BY ORDER OF THE BOARD OF DIRECTORS OF
POPULAR VEHICLES AND SERVICES LIMITED

SD/-
VARUN T.V.
COMPANY SECRETARY & COMPLIANCE OFFICER
(MEMBERSHIP NO: A22044)

Registered Office:
Kuttukaran Centre, Mamangalam,
Cochin, Ernakulam, Kerala-682025
CIN: L50102KL1983PLC003741
E-mail: cs@popularv.com
Website: www.popularvehicles.in
Tel.: +91 484 2341134

Place: Kochi
Date: 26th May, 2026

Notes:

1. **Conduct of AGM through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"):**

   Pursuant to the General Circular No. 3/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and the Circulars issued from time to time by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

   Further, the Securities and Exchange Board of India ("SEBI"), through the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (including the SEBI LODR Third Amendment Regulations, 2024), and applicable SEBI Master Circulars/ Circulars (hereinafter collectively referred to as "SEBI Regulations"), has provided a framework and corresponding relaxations for holding general meetings exclusively via electronic mode (including dispensing with physical proxy forms and providing exact web-links for the Annual Report instead of physical abridged copies).

Hence, in compliance with the applicable provisions of the Companies Act, 2013, MCA Circulars, and SEBI Regulations, the AGM of the Company is being conducted through VC / OAVM, without the physical presence of the Members at a common venue. MUFG Intime India Private Limited (MUFG) shall be providing the facility for voting through remote e-voting, for participation in the AGM through the VC/OAVM facility, and for e-voting during the AGM. The detailed procedure for participating in the meeting through VC / OAVM is explained in **Note No. 21** below.

2. Dispensation of Physical Attendance and Proxies:

Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a Member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote on his/her behalf, and the proxy need not be a Member of the Company. However, since this AGM is being held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in accordance with the applicable MCA General Circulars (including General Circular No. 03/2025 dated 22nd September, 2025) read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended/consolidated from time to time, the physical attendance of Members has been dispensed with.

Accordingly, the facility for the appointment of proxies by the Members will not be available for this AGM. Consequently, a Proxy Form, Attendance Slip, and Route Map are not annexed to this Notice.

(Note: Institutional/Corporate Members are still entitled to appoint authorized representatives to participate and vote in the AGM through VC/OAVM mode, details of which are provided in Note No. 3 below).

3. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorise their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution/ Authorisation Letter with the attested specimen signature(s) of the duly authorized signatory(ies) to the Scrutiniser at e-mail ID cfccochin@gmail.com with a copy marked to enotices@in.mpms.mufg.com and to the Company at cs@popularv.com, authorising its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to section 113 of the Act.

4. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/ OAVM and vote.

5. The Board has appointed Mr. Myladoor Cherian Sajumon, Practicing Company Secretary, (Membership No ACS 9868) as the Scrutinizer to scrutinize the process of e-voting in a fair and transparent manner.

6. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards-1 and 2 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

7. In terms of the aforesaid MCA Circulars and SEBI Circulars, the Company has sent the Annual Report for Financial Year 2025-26 and the Notice of AGM only in electronic form to the registered email addresses of the Members whose names appears in the Register of Members / Depositories at the close of the business hours on 31st July, 2026. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

a) Members holding shares in physical form, are requested to register/ update their email addresses by submitting Form ISR-1 to the RTA along with relevant documents By Electronic Mode (with E-Sign)/by In-Person Verification (IPV)/ by mailing the physical copy to below mentioned address:

MUFG Intime India Private Limited
C-101,1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai,
Maharashtra, India-400 083

b) Members holding shares in dematerialized form, are requested to register/ update their email addresses with the Depository Participants with whom the demat account is maintained.

8. The Notice of the 42nd AGM and the Annual Report for the FY 2025-26 including Audited Financial Statements for the FY 2025-26, will be available on the website of the Company at www.popularvehicles.in and the website of stock exchanges at BSE Limited www.bseindia.com and National Stock Exchanges of India Limited www.nseindia.com. The Notice of 42nd AGM will also be available on the website of MUFG Intime India Private Limited ("MUFG") at www.instavote.linkintime.co.in

9. Members desirous of obtaining physical copies of the said Notice and the Annual Report for the financial year 2025-2026 may send a request to the Company, mentioning their name and DP ID & Client ID / folio number, through e-mail at cs@popularv.com.

10. The information as provided under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the appointment/ re-appointment of the directors is annexed as **Annexure A** to this Notice.

11. AGM through Video Conference (VC):

    a) MUFG Intime India Private Limited (MUFG) will be providing facility for convening 42nd AGM through VC/OAVM Facility, voting through remote e-voting and e-voting during the 42nd AGM.

    b) Since this AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with.

    c) Corporate/Institutional Members are required to send a scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or e-voting during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cfccochin@gmail.com with a copy marked to insta.vote@linkintime.co.in. Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

    d) Members may join the AGM through VC/ OAVM facility, by following the procedure as mentioned in point number 21, which shall be kept open for the Members from 03:30 P.M. IST i.e. 30 minutes before the time scheduled to start the AGM. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on first come first served basis ("FCFS"). No restrictions on account of FCFS entry into AGM will apply in respect of large shareholders (shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc.

    e) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

12. **Submission of questions or queries prior to AGM/ Registration of Speakers:**

    Members seeking any information with regard to the Financial Statements or any other matter to be placed at the AGM, are requested to write to the Company latest by Friday, 21st August, 2026 through email on cs@popularv.com. Such questions shall be taken up during the meeting or replied by the Company suitably.

    Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/Folio no, No. of shares, PAN, mobile number to cs@popularv.com on or before Friday, 21st August, 2026 . Those Members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

    Online Dispute Resolution (ODR) Portal: A common ODR Portal (https://smartodr.in/login) has been established by SEBI to raise disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievances through RTA or the Company or SCORES platform, the investors can initiate dispute resolution through the ODR Portal. For more details visit: www.popularvehicles.in

13. **Inspection**

    All documents referred to in the Notice along with the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., 28th August, 2026. Members seeking to inspect such documents can send an email to cs@popularv.com.

14. **Nomination and Unclaimed Dividend**

    Members can avail nomination facility in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the Registrar and Transfer Agent (RTA), MUFG Intime India Private Limited at the address mentioned in Point No.7. Members holding shares in electronic form may contact their respective DPs for availing this facility.

As per SEBI circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10th June, 2024, Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios. Security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders.

Unclaimed Dividends and IEPF: Dividends, if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of which dividend has remained unclaimed for 7 consecutive year or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. For further details, please refer to Director's Report which forms part of this Integrated Annual Report.

15. Cut-off Date for sending Notice and Annual Report :

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Friday, 31stJuly, 2026 is fixed as the cut-off date for determining the shareholders entitled to receive the Notice and Annual Report of the 42nd Annual General Meeting of the Company.

16. Cut-off Date:

The Company has fixed 21st August, 2026 as the Cut-off date for remote e-voting. The remote e-voting/ voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e. 21st August, 2026. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

17. Remote e-voting:

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility of voting by electronic means viz. 'remote e-voting' (e-voting from a place other than venue of the AGM) through MUFG, for all Members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of 42nd AGM of the Company.

The remote e-voting period begins on Tuesday, 25th August, 2026 at 09:00 AM. (IST) and ends on Thursday, 27th August, 2026 at 5:00 PM (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the Cut-off Date i.e. 21st August, 2026 may cast their votes electronically. The remote e-voting module shall be disabled after Thursday, 27th August, 2026 at 5:00 PM (IST). The facility for electronic voting system, shall also be made available at the 42nd AGM. The Members attending the AGM, who have not cast their votes through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM. The Members desirous of voting through remote e-voting are requested to refer to the detailed procedure given hereinafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

18. The Company will be webcasting the proceedings of the AGM on its corporate website www.popularvehicles.in. The transcript of the AGM proceedings will also be made available on the Company's website.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

20. Additional Information relating to PVSL ESOP 2025

Disclosure pursuant to the condition stipulated in the In-principle Approval granted by BSE Limited for Popular Vehicles Employee Stock Option Scheme 2025.

Members are hereby informed that the Company received in-principle approval from Stock Exchanges on June 9, 2026, for the issuance and allotment of equity shares under the Popular Vehicles Employee Stock Option Scheme 2025 ("PVSL ESOP 2025").

BSE Limited, while granting the in-principle approval had stipulated that the undertaking dated 15th May, 2026, submitted by the Company to BSE Limited, be disclosed to the shareholders at the ensuing General Meeting.

In compliance with this requirement, the undertaking is reproduced below. The Members are requested to take note of the contents of the said undertaking**.**

1. The Company has formulated and implemented only one employee stock option scheme, namely PVSL ESOP 2025.

2. The shareholder resolution passed at the Annual General Meeting held on September 29, 2025, together with the explanatory statement annexed to the notice of the meeting, relates only to the said PVSL ESOP 2025.

3. The explanatory statement to the notice contained the disclosures required under Regulation 6 read with Part C of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, including the description of the scheme, number of options, eligible employees, vesting, exercise price/pricing formula, exercise period, appraisal process, mode of implementation and other prescribed particulars.

4. There is no other ESOP scheme or other share-based employee benefit scheme of the Company for which the aforesaid shareholder approval is being relied upon.

5. The present application for in-principle approval is being made only in respect of PVSL ESOP 2025.

   A copy of the undertaking dated 15 May 2026 is available for inspection by the Members and is also accessible on the Company's website at: https://assets.popularvehicles.in/Undertaking_submitted_to_BSE_dated_May_15_2026_90c9a264b6.pdf

21. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 25th August, 2026 at 09:00 A.M. and ends on Thursday, 27th August, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by MUFG for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 21st August, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21st August, 2026.

REMOTE EVOTING INSTRUCTIONS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:

I. **Individual Shareholders holding securities in demat mode with NSDL**

METHOD 1 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password.

e) Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Google Play App Store

METHOD 3 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

II. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.**Individual Shareholders holding securities in demat mode with CDSL**

METHOD 1 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through “e-voting” option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

III. **Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.**

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

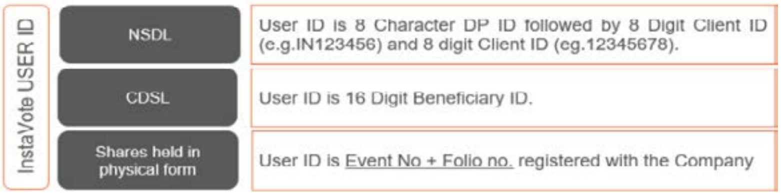
a) Visit URL: https://instavote.linkintime.co.in & click on **“Login”** under ‘SHARE HOLDER’ tab.

b) Enter details as under:

1. User ID: Enter User ID

2. Password: Enter existing Password

3. Enter Image Verification (CAPTCHA) Code



4. Click “Submit”.

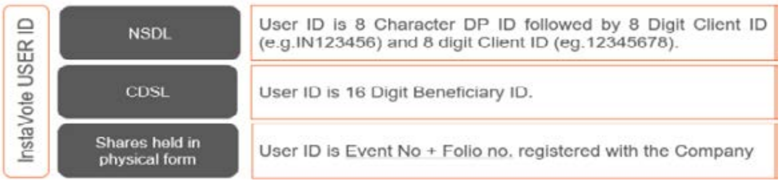
(Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **“Sign Up”** under ‘SHARE HOLDER’ tab & register with details as under:

1. User ID: Enter User ID

2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.



3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

   o Shareholders, holding shares in **NSDL form**, shall provide ‘point 4’ above.

   o Shareholders, holding shares in **CDSL form**, shall provide ‘point 3’ or ‘point 4’ above.

   o Shareholders, holding shares in **physical form** but have not recorded ‘point 3’ and ‘point 4’, shall provide their Folio number in ‘point 4’ above

5. Set the password of your choice.

   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.

7. Click “Submit” (You have now registered on InstaVote).

   Post successful registration, click on **“Login”** under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.

B. Select ‘View’ icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).

D. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

NOTE: Shareholders may click on “Vote as per Proxy Advisor’s Recommendation” option and view proxy advisor recommendations for each resolution before casting vote. “Vote as per Proxy Advisor’s Recommendation” option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

IV. Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”)

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on “Investor Mapping” tab under the Menu section

C. Map the Investor with the following details:

   1) ‘Investor ID’ – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

   2) ‘Investor’s Name - Enter Investor’s Name as updated with DP.

   3) ‘Investor PAN’ - Enter your 10-digit PAN.

   4) ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

      NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

   Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report section”.

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on “Votes Entry” tab under the Menu section.

c) Enter the “Event No.” for which you want to cast vote.

   Event No. can be viewed on the home page of InstaVote under “On-going Events”.

d) Enter “16-digit Demat Account No.”.

e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

   (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

HELPDESK:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

- Click on **"Login"** under 'SHARE HOLDER' tab.
- Further Click on **"forgot password?"**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click on **"forgot password?"**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

INSTAMEET VC INSTRUCTIONS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

a) Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login"**.

b) Select the "Company Name" and register with your following details:

c) Select Check Box - **Demat Account No**. / **Folio No.** / **PAN**

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
- Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
- Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
- Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the company at company's registered email address.

b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.

c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for shareholders to Inspect Document during the General Meeting through InstaMeet:

During the AGM session, shareholders shall click the "Inspect Documents" button which will be appearing on the VC meeting screen. By clicking the same you shall be able to view/ inspect documents available for inspection during the AGM.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on link "Cast your vote".

b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

EXPLANATORY STATEMENT

Statement setting out material facts in respect of the special businesses pursuant to section 102 of the Companies Act, 2013 (The Act), Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The Listing Regulations).

The following Statement sets out all material facts relating to the special business proposed in this Notice:

Item No. 4:

To appoint Mr. Paul Francis Kuttukaran as Non-Executive Non-Independent Director of the Company

The appointment of Mr. Paul Francis Kuttukaran as a Non-Executive Director was recommended by the Nomination and Remuneration Committee and approved by the Board in their meetings held on 26th May, 2026. One of the Promoters of the Company, Mr. Francis Kuttukaran Paul, had stepped down from the Board with effect from 31st March, 2026. In order to ensure representation of all the three promoter families on the Board, it is proposed to induct Mr. Paul Francis Kuttukaran to the Board of Directors of the Company.

In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of the Act, be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him as a Director has, not less than fourteen days before the meeting, left at the Registered Office of the Company, a notice in writing under his hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as the case may be, along with deposit of one lakh rupees.

However, pursuant to the proviso to Section 160 of the Companies Act, 2013, made effective from 9th February, 2018, the requirement of deposit shall not apply in case of appointment of a Director recommended by the Nomination and Remuneration Committee constituted under Section 178(1) of the Act. Since the appointment of Mr. Paul Francis Kuttukaran has been recommended by the Nomination and Remuneration Committee of the Company, submission of the aforesaid deposit is not applicable in this case.

Accordingly, the Company has received a notice from a Member proposing candidature of Mr. Paul Francis Kuttukaran (DIN: 11727635) for the office of Director in terms of Section 160 of the Companies Act, 2013.

The Company has received from Mr. Paul Francis Kuttukaran his consent to act as Director in Form DIR-2, disclosure of interest in Form MBP-1 and declaration in Form DIR-8 confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has also received a declaration confirming that he is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India (SEBI) or any other statutory/regulatory authority.

The Board, based on the recommendation of the Nomination and Remuneration Committee, has approved and recommended the appointment of Mr. Paul Francis Kuttukaran as a Non-Executive Director of the Company, liable to retire by rotation, with effect from the date of the ensuing 42nd AGM.

The Board has further approved payment of sitting fees of ₹ 75,000/- (Rupees Seventy-Five Thousand only) for attending each meeting of the Board and Committees thereof of which he may become a member during his tenure as Director of the Company.

A brief Profile of Mr. Paul Francis Kuttukaran is as follows:

Mr. Paul Francis Kuttukaran is a senior commercial and strategy leader with broad international experience across automotive, high-technology manufacturing and semiconductor ecosystems. He has built a proven track record in market intelligence, product and portfolio strategy, contract negotiation and cross-functional leadership, with a demonstrated ability to convert customer requirements and market insights into effective business outcomes.

Throughout his career, he has led strategic accounts, worked closely on major global OEM programmes and contributed to commercial success across Europe and Asia. He brings together operational discipline, customer focus and strong executive stakeholder management. He holds a Master of Business Administration from Rotterdam School of Management, Erasmus University and a Bachelor's degree in Mechanical Engineering from PSG College of Technology, Coimbatore.

Details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is provided as **Annexure B and B1** forming part of the explanatory statement.

None of the Other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 4 of the Notice. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval by the Members.

ANNEXURE A

DETAILS OF DIRECTORS RECOMMENDED FOR RE-APPOINTMENT AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of the Director	Mr. John Kuttukaran Paul
Brief Profile	Mr. John K. Paul is the Whole-Time Director of the Company. He is responsible for the Maruti Suzuki dealership operations of the group. With over 50 years of experience in the automobile industry, he is currently the President of the Kerala Automobiles Dealers Association and a member of the Federation of Automobile Dealers Association's Governing Council. Additionally, he is a trustee of the Lawrence School Lovedale Alumni Foundation.
Age	73 years
Date of First Appointment on the Board	05th July, 1983
Qualifications	Bachelor's degree in mechanical engineering from the University of Calicut.
Nature of expertise, experience in specific functional areas.	Over 50 years of experience in the automobile industry and responsible for the Maruti Suzuki dealership operations of the group.
Past Remuneration	Details have been provided in the Corporate Governance Report which forms part of the Annual Report 2025-26.
Terms and conditions of appointment/ re-appointment including Remuneration to be paid.	Re-appointment as a Director, liable to retire by rotation.
Number of shares held in the Company including shares held as a Beneficial Owner as on March 31, 2026.	1,45,19,362
Relationship with other Directors / KMPs.	Relative of Mr. Naveen Philip (Managing Director).
Directorships held in other Companies.	Director at Bluetimbre Music Private Limited, Keracon Equipments Private Limited, Kuttukaran Cars Private Limited, Memorytrain Creatives Private Limited, Popular Auto Dealers Private Limited, Popular Auto Spares Private Limited, Popular Autoworks Private Limited, Prabal Motors Private Limited, and Regiis Insurance Broker Private Limited, Foundation For Entrepreneurial Development (Kerala), Designated Partner at Kuttukaran Mobility Services LLP and Kuttukaran Homes LLP.

ANNEXURE B

DETAILS OF DIRECTORS RECOMMENDED FOR APPOINTMENT AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of the Director	Mr. Paul Francis Kuttukaran
Brief Profile	Paul Francis Kuttukaran is a senior commercial and strategy leader with broad international experience across automotive, high-tech manufacturing and semiconductor ecosystems. He has built a proven track record in market intelligence, product and portfolio strategy, contract negotiation and cross-functional leadership, with a clear ability to turn customer needs and market signals into practical business decisions. Throughout his career, he has led strategic accounts, worked closely on major global OEM programs and helped deliver commercial success across Europe and Asia. He brings together operational discipline, customer focus and strong executive stakeholder management, backed by an MBA from Rotterdam School of Management, Erasmus University and a Mechanical Engineering degree from PSG College of Technology, Coimbatore.
Age	46 years
Date of First Appointment on the Board	-
Qualifications	MBA from Rotterdam School of Management, Erasmus University. Mechanical Engineering degree from PSG College of Technology, Coimbatore.
Nature of expertise, experience in specific functional areas.	
Past Remuneration	Not applicable
Terms and conditions of appointment/ re-appointment including Remuneration to be paid.	Appointment as a Director, liable to retire by rotation. Entitled to a sitting fees of ₹ 75,000/- (Rupees Seventy-Five Thousand only) for attending each meeting of the Board and Committees he is part of.
Number of shares held in the Company including shares held as a Beneficial Owner as on March 31, 2026.	Nil
Relationship with other Directors / KMPs.	Relative of Mr. Naveen Philip, Managing Director and Mr. John K. Paul, Whole Time Director.
Directorships held in other Companies.	Nil
Committee Chairmanship held in other Companies	Nil
Committee Membership held in other Companies	Nil
Resignation from Listed entities in the past three years.	Nil
No. of Board Meetings of the Company attended during the Financial year 2025-26.	Not applicable

Annexure B1

Sl No.	Name of the Company	Type of Committee	Member/Chairman
Nil	Nil	Nil	Nil

BY ORDER OF THE BOARD OF DIRECTORS OF
POPULAR VEHICLES AND SERVICES LIMITED

SD/-
VARUN T.V.
COMPANY SECRETARY & COMPLIANCE OFFICER
(MEMBERSHIP NO: A22044)

Registered Office:
Kuttukaran Centre,
Mamangalam, Cochin,
Ernakulam, Kerala-682025
CIN: L50102KL1983PLC003741
E-mail: cs@popularv.com
Website: www.popularvehicles.in
Tel.: +91 484 2341134
Kochi, 26th May, 2026

Notes

Notes

Popular Vehicles and Services Limited
CIN: L50102KL1983PLC003741
Kuttukaran Centre, Mamangalam, Kochi - 682 025.
keralam, India. Tel: +91 484 2341 134
Web: www.popularvehicles.in
Email: cs@popularv.com