

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF AUTOMARK MOTORS PRIVATE LIMITED**

**Report on the Audit of the Special Purpose Condensed Interim Financial
Statements**

1. Opinion

We have audited the accompanying Special Purpose Condensed Interim Financial Statements of **AUTOMARK MOTORS PRIVATE LIMITED** (the "Company"), which comprise the Condensed Balance Sheet as at June 30, 2022, the Condensed Statement of Profit and Loss (including Other Comprehensive Income), the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the three months ended on that date and selected explanatory information (hereinafter referred to as the "Special Purpose Condensed Interim Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Condensed Interim Financial Statements is prepared, in all material respects, in accordance with the basis set out in note 2 to the Special Purpose Condensed Interim Financial Statements.

2. Basis for Opinion

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

3. Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the Special Purpose Condensed Interim Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Condensed Interim Financial Statements have been prepared by the Company in connection with the proposed initial public offering of Landmark Cars Limited (the



"Parent"). As a result, the Special Purpose Condensed Interim Financial Statements may not be suitable for any another purpose. The Special Purpose Condensed Interim Financial Statements cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our report is intended solely for the purpose of proposed initial public offering of the Parent and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Our opinion is not modified in respect of this matter.

4. Responsibilities of Management and Those Charged with Governance for the Special Purpose Condensed Interim Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Special Purpose Condensed Interim Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the basis stated in Note 2 to the Special Purpose Condensed Interim Financial Statements for the purpose set out in paragraph 3 above.

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 Special Purpose Condensed Interim Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Special Purpose Condensed Interim Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Condensed Interim 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 Special Purpose Condensed Interim 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 Special Purpose Condensed Interim 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Condensed Interim 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 Special Purpose Condensed Interim Financial Statements, including the disclosures, and whether the Special Purpose Condensed Interim Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Condensed Interim Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Condensed Interim Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Condensed Interim Financial Statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)
UDIN: 22106189AZFRMK4993

Place: Ahmedabad
Date: October 1, 2022

AUTOMARK MOTORS PRIVATE LIMITED
CIN: US0500GJ2018PTC101476
SPECIAL PURPOSE CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2022
(All amount in INR Millions unless otherwise stated)

Particulars	As at	
	June 30, 2022	
ASSETS		
Non-current assets		
Property, plant and equipment		239.29
Right-of-use assets		439.47
Goodwill		12.34
Other intangible assets		16.98
Financial assets		
Other financial assets		16.56
Deferred tax assets		15.95
Other non-current assets		1.24
Total non-current assets		741.83
Current assets		
Inventories		545.25
Financial assets		
Trade receivables		59.04
Cash and cash equivalents		55.50
Other balances with banks		0.11
Loans		38.12
Other financial assets		66.18
Current tax assets (net)		16.59
Other current assets		140.37
Total current assets		921.16
Total assets		1,662.99
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital		10.00
Other equity		474.23
Total equity		484.23
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings		3.14
Lease liabilities		418.20
Other non-current liabilities		23.62
Total non-current liabilities		444.96
Current liabilities		
Financial liabilities		
Borrowings		525.10
Lease liabilities		49.30
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises		2.15
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		52.88
Other financial liabilities		8.34
Other current liabilities		96.03
Total current liabilities		733.80
Total liabilities		1,178.76
Total equity and liabilities		1,662.99

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval

Kartikeya Raval
Partner



Place : Ahmedabad
Date : October 1, 2022

For and on behalf of Board of Directors

Garima Misra
Managing Director
DIN: 00190076

Place : Delhi
Date : October 1, 2022

Sanjay Thakker
Director
DIN: 00156093

Place : Mumbai
Date : October 1, 2022

AUTOMARK MOTORS PRIVATE LIMITED

CIN: U50500GJ2018PTC101476

SPECIAL PURPOSE CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

Particulars	For three months ended June 30, 2022
Income	
Revenue from operations	1,154.59
Other income	1.04
Total Income	1,155.63
Expenses	
Purchase of cars, spares and others	1,056.44
Changes in inventories of stock-in-trade	(46.94)
Employee benefits expense	57.02
Finance costs	20.79
Depreciation and amortisation expense	28.02
Other expenses	51.30
Total expenses	1,166.63
Loss before tax	(11.00)
Tax expense	
Current tax	-
Deferred tax	(2.56)
Total tax expense	(2.56)
Loss for the period	(8.44)
Other comprehensive income	
Items that will not be subsequently reclassified to profit and loss	
Remeasurement gain of defined benefit plans	0.42
Less: income tax impact on above	-
Other comprehensive income for the period	0.42
Total Comprehensive Loss for the period	(8.02)
Loss per Equity Share (face value of ₹ 10 each)	
Basic (In ₹) (not annualised)	(8.44)
Diluted (In ₹) (not annualised)	(8.44)

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya R

Kartikeya Raval
Partner



Place : Ahmedabad
Date : October 1, 2022

For and on behalf of Board of Directors

Garima Misra

Garima Misra
Managing Director
DIN: 00190076

Sanjay Thakker

Sanjay Thakker
Director
DIN: 00156093

Place : Delhi Place : Mumbai
Date : October 1, 2022 Date : October 1, 2022

AUTOMARK MOTORS PRIVATE LIMITED

CIN: U50500GJ2018PTC101476

SPECIAL PURPOSE CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

Particulars	For three months ended June 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss before tax	(11.00)
Adjustments for:	
Depreciation and amortisation expense	28.02
Finance costs	20.79
Interest income	(0.40)
Sundry balances written back (Net)	(0.63)
Operating Profit Before Working Capital Changes	36.78
Adjustments for:	
Increase in Inventories	(46.94)
Decrease in trade receivables	8.73
Increase in financial assets	(14.89)
Increase in other assets	(11.88)
Increase in trade payables	0.27
Increase in other liabilities	15.54
Cash Used in Operations	(12.39)
Direct taxes paid (net)	(1.54)
Net Cash flows used in Operating Activities	(13.93)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment (Including capital advances and capital creditors)	(15.70)
Inter-corporate deposits (Net)	(31.66)
Interest received	0.12
Net Cash flows used in Investing Activities	(47.24)
CASH FLOWS FROM FINANCING ACTIVITIES	
Finance costs paid	(20.18)
Repayment of long-term borrowings	(0.35)
Proceeds from short-term borrowings	107.70
Repayment of lease liabilities	(9.29)
Net Cash flows generated from financing activities	77.88
Net Increase In Cash and Cash equivalents	16.71
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	38.79
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	55.50

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Kartlikeya Raval

Kartlikeya Raval
Partner



Place : Ahmedabad
Date : October 1, 2022

For and on behalf of Board of Directors

Garima Misra

Garima Misra
Managing Director
DIN: 00190076

Place : Delhi
Date : October 1, 2022

Sanjay Thakker

Sanjay Thakker
Director
DIN: 00156093

Place : Mumbai
Date : October 1, 2022

AUTOMARK MOTORS PRIVATE LIMITED

CIN: U50500GJ2018PTC101476

SPECIAL PURPOSE CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

A Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at April 1, 2022	10,00,000	10.00
Issued during the period	-	-
Balance as at June 30, 2022	10,00,000	10.00

B Other Equity

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at April 1, 2022	423.31	58.94	482.25
Add: Loss for the period	-	(8.44)	(8.44)
Add : Other comprehensive income for the period, net of tax Remeasurement gain of the defined benefit plan	-	0.42	0.42
Balance as at June 30, 2022	423.31	50.92	474.23

In terms of our report attached

For and on behalf of Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Kartikya Raval

Kartikya Raval
Partner



Place : Ahmedabad
Date : October 1, 2022

Garima Misra

Garima Misra
Managing Director
DIN: 00190076

Place : Delhi
Date : October 1, 2022

Sanjay Thakker

Sanjay Thakker
Director
DIN: 00156093

Place : Mumbai
Date : October 1, 2022

AUTOMARK MOTORS PRIVATE LIMITED

CIN: U50500GJ2018PTC101476

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

1 Company overview

Automark Motors Private Limited ("the Company") is a private limited company incorporated and domiciled in India on March 23, 2018 under the Companies Act, 2013 and is a wholly owned subsidiary of Landmark Cars Limited.

The Company is the authorized dealer for Volkswagen cars for the states of Gujarat, Delhi and Haryana. The Company is engaged in the business of (i) operation of showrooms to buy and sell automobiles of a single brand "Volkswagen" (ii) the operation of workshops and garages to repair and service the automobiles (iii) direct selling agency/marketing agency on behalf of inter alia banks and non-banking financial companies to market their financing schemes to customers (iv) selling of accessories provided by Volkswagen Company and other vendors (v) the insurance commission business in connection with (i) and (ii).

2 Basis of preparation

The Special Purpose Condensed Interim Financial Statements of the Company presented herein reflect the Company's results of operations, assets and liabilities, statement of changes in equity and cash flows as at and for the three months ended June 30, 2022.

The Special Purpose Condensed Interim Financial Statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies, Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. The accounting policies followed in preparation of Special Purpose Condensed Interim Financial Statements are consistent with those followed in preparation of Financial Statement as at and for the year ended March 31, 2022 of the Company. The Special Purpose Condensed Interim Financial Statement do not include the comparative financial information and disclosures.

These Special Purpose Condensed Interim Financial Statements has been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Further, these Special Purpose Condensed Interim Financial Statements is not a complete set of financial statements of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act.

The Special Purpose Condensed Interim Financial Statements have been prepared by the Company in connection with the proposed initial public offering of the Landmark Cars Limited. As a result, the Special Purpose Condensed Interim Financial Statements may not be suitable for any another purpose.

3 Contingent Liabilities

Particulars	As at June 30, 2022
Contingent Liabilities	
Matters under appeal with GST authorities	24.25
Matters under appeal with service tax authorities	80.45
Matters under appeal with VAT authorities	1.63
Matters under appeal with Local authorities	11.02

Contingent liabilities includes demand and show cause notices received from tax authorities for various matters including mismatch in input tax credit, non-submission of different forms and disallowances of expenses. The Group has preferred appeals on these matters and the same are pending with various appellate authorities.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities. The management is of the view that no liability shall arise on the group for the above matters. The amount assessed as contingent liabilities do not include interest and penalties

4 Segment Reporting

The primary reporting of the Company has been made on the basis of Business Segments. The Company has a single business segment as defined in Indian Accounting Standard (Ind AS) 108 on Segment Reporting, namely dealership of cars in India. The Director of the Company allocates resources and assess the performance of the Company, thus are the chief operating decision maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

5 Disaggregation of revenue

Particulars	For three months ended June 30, 2022
Sale of cars	940.06
Sale of spares, lubricants and others	124.99
Sale of services	59.84
Revenue from sale of products and services	1,124.89
Other operating revenues	29.70
	1,154.59

Other operating revenue includes:

Particulars	For three months ended June 30, 2022
Finance Commission	6.88
Insurance commission	2.58
Income from schemes and incentives	17.26
Others	2.98
	29.70



AUTOMARK MOTORS PRIVATE LIMITED

CIN: U50500GJ2018PTC101476

NOTES TO THE SPECIAL PURPOSE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

6 Related party transactions

Name of the parties and its relationships

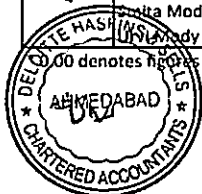
Sr. No.	Description of Relationship	Name of Related Parties
a.	Holding Company	Landmark Cars Limited (Formerly known as Landmark Cars Private Limited)
b.	Enterprise over which key management Personnel are able to exercise significant influence and control	Wild Dreams Media and Communications Private Limited
c.	Fellow Subsidiaries	Landmark Automobiles Private Limited Landmark Commercial Vehicles Private Limited Landmark Lifestyle Cars Private Limited Watermark Cars Private Limited Benchmark Motors Private Limited
d.	Key Management Personnel	Mr. Sanjay K Thakker Mrs. Garima Misra Mrs. Sucheta N Shah (w.e.f December 20, 2021) Ms. Urvi Mody
e.	Relatives of Key Management Personnel	Mrs. Smit A Mody (Mother in law of Sanjay Thakker)

DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES

Sr.No.	Particulars	For three months ended June 30, 2022
1	Part 1 : Transactions during the period Sale of Goods/Spares/Services Landmark Cars Limited	0.00*
2	Purchase of Goods/Spares/Services Watermark Cars Private Limited	0.02
3	Manpower services Watermark Cars Private Limited	3.42
4	Advertisement and sales promotion Wild Dreams Media and Communications Private Limited	4.60
5	Remuneration Garima Misra	3.47
6	Interest expense Landmark Cars Limited Smita Mody Urvi Mody	0.12 0.08 0.11
7	Loan taken Smita Mody Urvi Mody	8.00 11.50
8	Loan repaid Landmark Cars Limited	60.07
9	Director Reimbursement Garima Misra	3.47
10	Director's Sitting Fees Sucheta Shah	0.04

Sr. No.	Particulars	As at June 30, 2022
	Part 2 : Balance at the end of the period	
1	Trade payables Wild Dreams Media and Communications Private Limited Watermark Cars Private Limited	2.41 1.09
2	Trade Receivables Landmark Cars Limited Watermark Cars Private Limited	0.00* 0.00
3	Loan taken Smita Mody Urvi Mody	8.00 11.50
4	Interest Payable Landmark Cars Limited Smita Mody Urvi Mody	0.11 0.07 0.10

*00 denotes figures are below the rounding off norms adopted by the Company



AUTOMARK MOTORS PRIVATE LIMITED

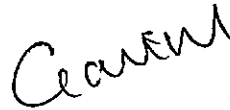
CIN: U50500GJ2018PTC101476

NOTES TO THE SPECIAL PURPOSE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED JUNE 30, 2022

(All amount in INR Millions unless otherwise stated)

- 7 The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of October 1, 2022 there were no subsequent events and transactions to be recognized or reported that are not already disclosed.
- 8 The financial statements are approved for Issue by the Board of Directors at their meeting conducted on October 1, 2022.

For and on behalf of Board of Directors



Garima Misra
Managing Director
DIN: 00190076



Sanjay Thakker
Director
DIN: 00156093

Place : Delhi
Date : October 1, 2022

Place : Mumbai
Date : October 1, 2022

