

ARP 79 - Ratios - FY 23

S.No	Particulars	Quarter Ended					Year Ended	
		31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.03.2023	31.03.2024	31.03.2023
1	Debt equity ratio	13.71	(4.27)	(2.34)	(2.44)	(2.58)	13.71	(2.58)
2	Debt service coverage ratio	0.04	0.33	1.68	2.20	0.80	0.36	4.94
3	Current ratio	0.65	0.64	0.64	0.61	0.60	0.65	0.60
4	Debtors turnover	1.94	0.89	0.37	0.49	0.53	2.76	1.81
5	Inventory turnover	0.73	0.36	0.17	0.30	0.73	1.55	0.71
6	Net profit margin (%)	(0.16)	(1.01)	(1.48)	(1.09)	(1.99)	(0.66)	(2.62)
7	Interest Service Coverage Ratio	(0.50)	(1.53)	(1.78)	(2.49)	(3.24)	(1.56)	(4.99)
8	Long term debt to Working Capital	(0.55)	(1.64)	(1.91)	(1.28)	(0.91)	(0.49)	(0.91)
9	Bad debts to accounts receivable	(0.02)	(0.13)	(0.08)	(0.08)	(0.15)	(0.01)	(0.16)
10	Current liability Ratio	0.81	0.59	0.56	0.63	0.69	0.81	0.69
11	Total Debt to Total Assets	0.66	0.88	1.18	1.15	0.99	0.66	0.99
12	Operating Margin (%)	(0.07)	(0.55)	(0.84)	(0.65)	(1.37)	(0.36)	(1.94)

Particulars	Note No.	As at March 31, 2024 Rs. Crores	As at March 31, 2023 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment	1.1	402.71	281.91
Capital work-in-progress	1.1	7.79	82.39
Goodwill		-	-
Other Intangible assets	1.2	172.89	149.08
Intangible assets under development	1.2	111.39	33.97
Right To use Asset	1.3	103.46	76.78
Financial Assets			
(i) Trade receivables	1.4	2.30	2.21
(ii) Other financial assets	1.5	30.69	6.90
Deferred tax assets (net)	1.26	52.83	34.54
Advance tax assets (net)	1.6	0.67	0.44
Other non-current assets	1.7	5.11	2.16
		889.84	670.38
Current assets			
Inventories	1.8	309.35	314.42
Financial Assets			
(i) Trade receivables	1.9	200.64	66.87
(ii) Cash and cash equivalents	1.10	86.80	101.67
(iii) Bank balances other than (iii) above	1.11	41.39	6.20
(iv) Other financial assets	1.12	71.95	164.52
Contract Assets	1.13	12.12	8.14
Other current assets	1.14	240.83	265.73
		963.08	927.55
Assets classified as held for sale		73.41	-
		73.41	-
TOTAL ASSETS		1,926.33	1,597.93
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.15	1,030.97	899.37
Other equity	1.16	(945.32)	(1,504.73)
Equity Attributable to parent		85.65	(605.36)
Non controlling interest		6.47	(7.83)
		92.12	(613.19)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	1.17	254.83	548.81
(ii) Lease liabilities		65.28	75.86
Provisions	1.19	29.58	39.58
Other non-current liabilities	1.18		13.68
		349.69	677.93
Current liabilities			
Financial liabilities			
(i) Borrowings	1.20	896.73	942.63
(ii) Trade payables			
a) Total outstanding dues of micro and small enterprises	1.21	0.52	0.49
b) Total outstanding dues of creditors other than Micro and Small Enterprises	1.21	252.12	393.85
(iii) Lease Liabilities		46.23	13.90
(iv) Other financial liabilities	1.22	74.64	42.30
Contract liabilities	1.23	57.28	40.06
Other current liabilities	1.25	56.56	79.89
Provisions	1.24	100.44	20.07
Current tax liabilities (net)			
		1,484.52	1,533.19
TOTAL EQUITY AND LIABILITIES		1,926.33	1,597.93

The above Balance Sheet should be read in conjunction with the accompanying notes.



Lalit Malik
Chief Financial Officer

Optare PLC
Consolidated statement of Profit and Loss for the period ended March 31, 2024

Particulars	Note No.	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Variance current quarter vs prior quarter	Quarter ended March 31, 2023	Variance current quarter vs prior quarter	Year Ended March 31, 2024	Nine Months ended December 31, 2023	Variance current 12 months vs prior year 12 months	Year ended March 31, 2023
		Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Income										
Revenue from operations	2.1	350.80	138.78	210.01	70.73	279.87	695.38	345.78	474.24	222.14
Other income	2.2	6.92	2.50	4.42	6.43	0.49	10.92	4.00	3.34	7.58
Total Income		357.72	142.28	215.23	77.16	280.36	707.30	349.78	477.58	229.72
Expenses										
Cost of materials and services consumed		200.33	156.98	43.35	38.52	161.81	497.27	296.94	(712.89)	215.56
Purchases of stock-in-trade		(1.29)	(3.49)	2.23	0.50	(1.76)	(2.97)	(1.71)	2.52	0.45
Changes in inventories of finished goods and work-in-progress	2.3	23.05	(44.13)	67.19	19.58	3.48	(11.73)	(34.79)	53.99	(42.25)
		222.13	109.36	112.77	58.80	163.33	487.57	260.44	(655.33)	175.76
Employee benefits expense	2.4	59.93	49.10	10.83	56.37	3.56	223.64	163.71	(483.33)	259.69
Finance costs	2.5	33.63	48.22	(14.59)	27.87	5.76	153.25	119.62	(238.25)	85.00
Depreciation and amortisation expense	2.6	24.23	27.56	(3.33)	51.88	(27.55)	96.75	72.52	(190.04)	93.29
Other expenses	2.7	92.19	57.67	34.52	52.43	29.73	239.93	147.74	(451.56)	191.63
Total Expenses		432.11	291.51	140.20	247.18	184.53	1,195.14	764.03	(1,939.51)	803.37
Profit before exchange (loss) on swap contracts, exceptional items and tax		(74.39)	(145.52)	75.03	(170.02)	95.45	(483.84)	(414.25)	2,477.09	(573.65)
Exchange (loss) on swap contracts		-	-	-	-	-	-	-	-	-
Profit before exceptional items and tax		(74.39)	(145.52)	75.03	(170.02)	95.43	(483.84)	(414.25)	2,477.09	(573.65)
Exceptional items		13.53	-	13.53	-	(13.53)	13.53	-	15.58	(29.09)
Profit before tax	2.8	(61.06)	(145.52)	88.56	(170.02)	81.90	(475.31)	(414.25)	2,492.68	(602.74)
Tax expense:										
Current tax		(3.65)	(8.55)	4.93	(25.12)	25.47	(18.29)	(14.64)	1.86	(19.95)
Deferred tax - Charge/ (Credit)		(3.85)	(6.56)	4.93	(25.12)	25.47	(18.29)	(14.64)	1.86	(19.95)
Net Profit / (Loss) for the year		(57.41)	(141.04)	83.63	(140.90)	56.43	(457.02)	(395.51)	2,490.99	(592.79)
Other Comprehensive Income										
- Translation difference		(3.33)	(36.77)	33.24	(13.96)	10.43	(37.13)	(33.60)	10.75	(26.38)
- Defined benefit pension scheme		0.41	-	0.41	(0.75)	1.16	0.16	(0.25)	0.91	(0.75)
Total Other Comprehensive Income		(3.12)	(36.77)	33.65	(14.71)	11.59	(36.97)	(33.85)	(9.84)	(27.13)
Total Comprehensive Income for the year		(60.53)	(177.81)	117.28	(155.61)	68.02	(493.99)	(433.46)	2,481.15	(620.92)
Profit or loss attributable to Owners		(58.04)	(136.97)	82.93	(141.97)	85.93	(445.32)	(393.28)	127.66	(576.98)
Non Controlling Interest		(1.37)	(2.07)	0.70	1.08	(2.45)	(7.70)	(6.33)	(1.89)	(5.81)
Other Comprehensive Income Owners		(3.16)	(36.62)	33.46	(14.50)	11.34	(36.92)	(33.75)	(10.14)	(26.78)
Non Controlling Interest		0.04	(0.15)	0.19	(0.21)	0.25	(0.09)	(0.09)	0.30	(0.35)
Total Comprehensive Income for the year Owners		(59.20)	(175.59)	116.39	(156.48)	97.28	(486.24)	(427.04)	117.52	(603.76)
Non Controlling Interest		(1.33)	(2.22)	0.89	0.87	(2.20)	(7.75)	(6.42)	(1.59)	(8.16)
Earnings per share (Face value Rs. 1 each) -										
- Basic (in Rs.)		(0.04)	(0.01)	0.01	(0.01)	0.01	(0.05)	(0.01)	0.01	(0.06)
- Diluted (in Rs.)		(0.04)	(0.01)	0.01	(0.01)	0.01	(0.05)	(0.01)	0.01	(0.06)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

Latif Malik

Latif Malik
Chief Financial Officer

Rs. Crores

B. Other Equity

The above *Statement of Changes in Equity* should be read in conjunction with the accompanying notes.

Laif Malik
Chief Financial Officer

	As at March 31, 2024 Rs. Crores	As at March 31, 2023 Rs. Crores
Cash flow from operating activities		
Profit for the year	(475.31)	(602.74)
Adjustments for :		
Depreciation, amortisation and impairment	87.90	75.80
Depreciation of right-of-use asset	8.85	17.49
Foreign exchange loss/ (gain) realised	(4.78)	(3.38)
Loss / (Profit) on sale of Property, plant and equipment (PPE) and intangible assets - net	(2.58)	(0.82)
Finance costs	153.25	85.00
Interest income	(3.62)	(0.39)
Payments of Lease Liability	21.20	14.54
Cashflow translation difference unrealised	(38.19)	(23.75)
Operating profit before working capital changes	(253.28)	(438.25)
Adjustments for changes in :		
Trade receivables	(133.87)	(54.89)
Inventories	5.07	(137.95)
Non-current and current financial assets	71.73	(137.70)
Contract assets	(3.98)	(5.52)
Other non-current and current assets	21.72	(95.03)
Trade payables	(141.70)	228.96
Non-current and current financial liabilities	50.01	62.57
Contract liabilities	17.22	(7.94)
Other non-current and current liabilities	(37.01)	65.03
Other non-current and current provisions	70.37	7.91
Cash generated from operations	(333.72)	(512.81)
Income tax paid (net of refund)	-	-
Net cash (used in)/ from operating activities	[A] (333.72)	(512.81)
Cash flow from investing activities		
Purchase of PPE, intangible assets & right to use assets	(366.94)	(409.58)
Proceeds on sale of PPE and intangible assets	28.64	0.79
Interest Income	3.62	0.39
Net cash from/ (used in) Investing activities	[B] (334.68)	(408.40)
Cash flow from financing activities		
Proceeds from issue of equity shares*	1,199.30	-
Proceeds from issues of shares to non-controlling interest	-	52.49
Proceeds from non-current borrowings	98.87	507.78
Proceeds from current borrowings	211.81	113.33
Proceeds from non-current loans received from related parties	-	-
Proceeds from current loans received from related parties	500.00	285.89
Repayments of non-current borrowings	(438.21)	-
Repayments of current borrowings	(25.78)	-
Repayment of non-current loans from related parties	-	-
Repayment of current loans from related parties	(690.89)	-
Payments of Lease Liability	(21.20)	(14.54)
Interest paid	(145.18)	(61.49)
Net cash (used in) financing activities	[C] 688.72	883.46
Net cash Inflow / (Outflow)	[A+B+C] 20.32	(37.75)
Opening cash and cash equivalents	107.87	145.62
Exchange fluctuation on foreign currency bank balances		
Closing cash and cash equivalents [Refer Note 1.10 & 1.11 to the consolidated financial statements]	128.19	107.87

Notes:

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.


Lalit Malik
Chief Financial Officer

1.1A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS CARRYING AMOUNT (COST)					
	01.04.2023	Adjustments	Additions	Reclassified as Held for Sale	Exchange	Disposals
Property, plant and equipment (PPE)						
Freehold land	45,49					
Buildings	2,84	0,71	1,78		0,24	(0,50)
Leasehold property improvements	14,53	3,65	2,41		0,66	
Plant and equipment	56,02	16,73	15,21		1,89	
Furniture and fittings	8,54	0,88	1,88		0,19	
Vehicles	232,13	(8,65)	244,73	(81,06)	1,26	(28,62)
Computer equipment	13,96	0,10			0,47	
Office equipment	5,89	0,99	1,68		0,00	(0,14)
TOTAL	391,30	18,11	266,89	81,06	4,71	(29,26)

Notes:

a) The info relating to 40 vehicles which was acquired through a business combination during previous years which is in the name of the selling entity and are not to be transferred in the name of the

Company. Gross value of such assets are Rs.29,12 Crores

b) These additions represents vehicles transferred from inventories for fleet operations given to customers

c) Refer Note 3.11 for secured loans over Property, Plant and Equipment pledged as security by the Group.

Capital work-in-progress	01.04.2023	Adjustments	Additions	Acquisition in business combination	Capitalised during the year	Exchange	31.03.2024
	82,39	(78,38)	268		(268,89)	2,19	7,79
Capital work in progress							

must agree to additions

CWIP Aging Schedule

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	129				7,79

Note:

There are no projects as Capital Work in Progress as at 31 March 2024 and 31 March 2023, whose completion is overdue or cost of which has exceeded in comparison to its original plan.

DESCRIPTION	DEPRECIATION / AMORTISATION						
	Units 01.04.2023	Adjustments	Charge during the year	Exchange	Deposals	Reclassified as held for Sale	31.03.2024
Property, plant and equipment (PPE)							
Freehold land							
Buildings	0,14	0,01	0,35	0,00	10,06		0,44
Leasehold property improvements	12,72	4,80	0,19	0,59			18,40
Plant and equipment	37,85	14,05	4,43	1,89			58,05
Furniture and fittings	2,19	0,52	1,15	0,09			3,94
Vehicles	37,07	(5,19)	36,40	1,04	(3,14)	(7,65)	60,53
Computer equipment	8,69	(0,32)	2,90	0,32			11,59
Office equipment	0,75	0,06	1,82				2,63
TOTAL	99,41	16,07	47,63	3,72	(3,20)	7,65	155,98

Rs. Crores

NET CARRYING AMOUNT	31.03.2024
	45,49
	4,12
	3,45
	33,30
	7,25
	300,37
	2,84
	5,79
	402,71

*Adjustments raised to correct opening positions - net adjustment : 0.04

The adjustment is necessary to align pack with companies FAR.

1.1B ASSETS CLASSIFIED AS HELD FOR SALE

Vehicle additions in the year

As at March 31, 2024 Rs. Crores	As at March 31, 2023 Rs. Crores
73.41	-
73.41	-

The above assets comprise of 71 buses which are proposed to be sold to OHM Global Mobility Private Limited. These are reclassified from Property, Plant and Equipment to Non Current Assets Held for Sale on March 31, 2024. The sale is expected to be completed within 12 months from the date of classification as held for sale.

There are no assets classified as held for sale as at March 31, 2023.

1.1C PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS														
DESCRIPTION	GROSS CARRYING AMOUNT (COST)							DEPRECIATION / AMORTISATION					NET CARRYING AMOUNT	
	01.04.2022	Adjustments	Additions	Acquisition through business combination	Exchange	Disposals	31.03.23	Up to 01.04.2022	Adjustments	Charge during the year	Exchange	Disposals		31.03.2023
Property, plant and equipment (PPE)														
Freehold land	-		42.55		2.94		45.49							45.49
Buildings			2.34		-		2.34			0.14			0.14	2.20
Leasehold property improvements	13.75		0.76		0.42		14.93	12.24		0.10	0.38		12.72	2.21
Plant and equipment	43.90		12.74		1.38		58.02	33.98		2.74	1.12		37.85	20.17
Furniture and fittings	4.67		3.73		0.14		8.54	1.40		0.74	0.05		2.19	6.35
Vehicles	70.59		160.77		0.78	(0.01)	232.13	23.79		12.60	0.58		37.07	195.06
Computer equipment	19.47	(8.41)	2.53		0.37		13.96	10.32	(5.21)	3.31	0.27		8.69	5.27
Office Equipment			5.84		0.05		5.89			0.75			0.75	5.14
								81.74	5.21	20.38	2.50	-	98.41	287.89

DESCRIPTION	CAPITALISED DURING THE YEAR				31.03.2023
	01.04.2022	Additions / Adjustments	Acquisition through business combination	Exchange	
Capital work-in-progress	24.98	286.67	-	2.00	82.39
TOTAL	24.98	286.67	-	2.00	82.39

CWIP Ageing Schedule

Amount in CWIP for a period of	Period				Total
	Less than 1 year	1-2 years	2-3 years	More than 4 years	
Projects in progress	82.39	-	-	-	82.39

There are no projects as Capital Work in Progress as at 31 March 2023 and 31 March 2022, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

1.2 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT															Rs. Crores
DESCRIPTION	GROSS CARRYING AMOUNT (COST)							DEPRECIATION / AMORTISATION						NET CARRYING AMOUNT	
	01.04.2023	Adjustment	Additions	Acquisition through business combination	Exchange	Disposals	31.03.2024	Upto 01.04.2023	Adjustment	Charge during the year	Exchange	Disposals	31.03.2024		
Intangible assets															
Computer software															
- Developed	6.86		3.23		-		10.09	3.23	0.02	2.17	-		5.42	4.67	
- Acquired	11.96	1.30	6.20		0.32		19.78	7.15	0.17	2.17	0.22		9.70	10.08	
Others															
Technical knowhow															
- Developed	110.33	41.20	38.52		4.37		194.42	84.56	11.05	11.73	3.23		110.57	83.85	
- Acquired	135.53	(22.89)			0.03		112.67	20.66	(0.71)	18.43	-		38.38	74.28	
TOTAL	264.68	19.61	47.95	-	4.71	-	336.95	115.60	10.53	34.49	3.45	-	154.07	172.89	

agree to dep' note

Intangible assets under development	01.04.2023	Adjustments	Additions	Capitalised during the year	Exchange	31.03.2024
Intangible assets under development	33.97	69.32	56.04	(47.95)		111.38
				must agree to additions		

Intangible assets under development

Amount in IAUD for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	86.48	15.29	9.62		111.39

Notes:

- Intangibles under development pertains to development of new model electric vehicles.
- There are no projects as intangible assets under development as at 31 March 2024 and 31 March 2023, whose completion is overdue or cost of which has exceeds in comparison to its original plan.
- For amount of contractual commitments for the acquisition of intangible assets, Refer Note 3.9b
- Employee expenses capitalised Rs. 13.19 Crores (2022-2023: Rs. 29.88 Crores) - Refer Notes 2.4

*Adjustments raised to correct opening positions - net adjustment : 78.40
This adjustment is necessary to align pack with companies' FAR.

1.2b OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

DESCRIPTION	GROSS CARRYING AMOUNT (COST)						DEPRECIATION / AMORTISATION					NET CARRYING AMOUNT
	01.04.2022	Adjustments	Additions	Acquisition through business	Exchange	Disposals	Upto 01.04.2022	Adjustment	Charge during the year	Exchange	Disposals	Upto 31.03.2023
Intangible assets												
Computer software												
- Developed	8.86						1.06		2.17			3.23
- Acquired	0.96	8.41	2.56			0.03	0.29	5.21	1.85			7.15
Others												
Technical knowhow												
- Developed	83.24		24.48		3.37	(0.76)	44.49		37.80	3.03	(0.76)	84.56
- Acquired	107.08		28.09		0.36		6.50		13.80	0.36		20.66
TOTAL	198.14	8.41	55.13	-	3.73	(0.73)	52.34	5.21	55.42	3.39	(0.76)	115.60

Employee expenses capitalised Rs. 29.68 crores (2021-2022: Rs. 3.31 crores) - Refer Notes 2.4

Other Intangible Assets	01.04.2022	Adjustments	Additions	Exchange	Capitalised during the year	Reclassification	31.03.2023
	16.58		72.40	0.12	(55.13)	-	33.97

Intangible assets under development

Amount in IAUO for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	2.70	5.56			8.26
Projects in progress					25.71
Projects temporarily suspended					

Notes:

- Intangibles under development includes 2 R&D projects. The cost includes to those that are relating to the development phase on these projects.
- There are no projects as intangible assets under development as at 31 March 2023 and 31 March 2022, whose completion is overdue or cost of which has exceeds in comparison to its original plan.
- There were R. 25.71 Crores of suspended projects provided with accelerated depreciation as these assets are no longer going to yield future benefits.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.3

[illegible]

Note :

1. A range from 2% -8% discounting rates have been used for the purpose of computing right to use assets
2. Rental amount per annum ranges from Rs 0.1 Crores to Rs 6.58 Crores across the leases held.
3. The lease period ranges from 2 to 15 years over which the right to use asset is depreciated on a straight line basis.
4. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.
5. Escalation clause - the percentage of escalation is NIL
6. Expense relating to short term leases (included in other expenses - Refer Note 2.7) amounting to Rs. Nil Crores. The Rs. 7.20 Crores relates to other admin related expenses for rent (March 31, 2023 - Rs. 5.53 Crores)
7. The company did not enter into lease contracts that contain variable lease options.
8. The total cash outflow for the lease for the year ended March 31, 2024 was Rs. 21.20 Crores (March 31, 2023 - Rs. 14.54 Crores)
9. During the year, the group entered into sale and lease agreement with the Hinduja Leyland Finance limited.
10. The Company has given 50 Nos. vehicles on sale and lease back for which lease rental was Rs.4.11 crores till March 31, 2024. The lease contract is for a period of 8 years. This has been accounted as per Ind AS 116 for recognition and measurement of right of use asset.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.3a		Gross carrying amount					Depreciation/Amortisation				Net Carrying Amount
Description	01.04.2022	India lease adjustment current year	Additions	Disposals	Exchange	31.03.2023	01.04.2022	Charge during the year	Disposals	Exchange	31.03.2023
Right of use asset											
Land and building	67.39	2.69	44.74		2.81	112.25	20.03	16.16		1.05	37.24
Vehicle	4.68		0.85		0.13	5.46	2.24	1.33		0.12	3.69
Total	72.07	2.69	45.39		2.94	117.71	22.27	17.49		1.17	40.93
											75.01
											1.77
											76.78

Note :

1. A range from 2% - 8% discounting rates have been used for the purpose of computing right to use assets
2. Rental amount per annum ranges from Rs 0.1 Crores to Rs 5 Crores.
3. The lease period ranges from 5 to 17 years over which the right to use asset is depreciated on a straight line basis.
4. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.
5. Escalation clause - the percentage of escalation is NIL

Notes annexed to and forming part of the consolidated financial statements

1.4 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES
(Unsecured, considered good)

Trade receivables - considered good
Related parties
Others

Trade receivables - considered doubtful
Related parties
Others
Less: Provision

	As at March 31, 2024 Rs Crores	As at March 31, 2023 Rs Crores
	-	2.21
	2.30	
	-	
	2.30	2.21

Note:
See aged debtor analysis in note 1.9
These are carried at amortised cost.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.5 NON-CURRENT - OTHER FINANCIAL ASSETS
(Unsecured, considered good unless otherwise stated)

a) Security Deposits *

b) Bank deposits with remaining maturity of greater than 12 months

As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at 30, 2023 Rs. Crores	June 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
7.54	8.62	0.55		0.40	6.90
23.15	44.57	4.15		4.15	-
-					-
30.69	53.19	4.70		4.55	6.90

*Included in security deposits are related party balances of Rs. 6.90 Crores (31 Mar 23: Rs. 6.90 Crores) after providing for lease discounting of Rs 2.46 Crores.
Total related party balance therefore equals Rs. 9.36 Crores as displayed in Note 3.6.3.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
1.7 OTHER NON-CURRENT ASSETS					
(Unsecured, considered good unless otherwise stated)					
Capital advances					
Considered good	5.11	4.92	4.68	2.47	2.16
Considered doubtful	-	-	-	-	-
Less: Allowance for doubtful advances	-	-	-	-	-
	5.11	4.92	4.68	2.47	2.16
Customs duty paid under protest	-	-	6.49		
	5.11	4.92	11.17	2.47	2.16

Optare PLC

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
1.6 NON-CURRENT INCOME TAX ASSETS (NET)					
Advance income tax (net of provision) #	0.00	-	-	0.96	0.44
TDS Receivable	0.67	1.69	1.11		
	0.67	1.69	1.11	0.96	0.44
CURRENT TAX ASSETS					
Advance income tax (net of provision) #	-				-
	-	-	-	-	-

mainly represents tax refund receivable on account of conclusion of assessments/ litigations.

Optare PLC
Notes annexed to and forming part of the consolidated financial statements

1.8 INVENTORIES

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
(a) Raw materials and components	202.92	169.32	226.21	217.98	225.65
(b) Work-in-progress	65.98	1.19	29.68	4.81	14.96
(c) Finished goods	31.69	120.08	44.29	98.53	68.21
(d) Stock-in-trade	2.37	2.39	3.83	6.05	5.60
(e) Stores, spares and consumable tools	6.39	5.15	-	-	-
	309.35	298.13	304.01	327.37	314.42

Notes:

Amount of inventories recognised as an expense and write down of inventories during the year are Rs. 482.57 crores (2022-2023: Rs. 173.76 crores). Goods in transit included above are raw materials and components totalling Rs. 5.96 crores (2022-2023: Rs. 3.19 crores).

See note for 3.11 for the group availed Working Capital facility and other non fund based facilities namely Bank Guarantee, Letter of Credit etc some of which are secured by hypothecation of inventories.

1.9 CURRENT FI
(Unsecured)

Considered good	104.83	12.01	12.01	12.01	12.01
Related parties	95.81	45.63	70.57	54.86	54.86
Others	200.64	57.54	62.19	82.58	66.87
Significant credit risk	3.53	20.45	19.98	20.18	19.88
Others	3.53	20.45	19.98	20.18	19.88
Less: Loss allowance	200.64	57.54	62.19	82.58	66.87

Trade Receivables ageing schedule

[illegible]

Comparative trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Related Parties								12.01
(i) Undisputed Trade receivables – considered good			8.74	3.27				-
(ii) Undisputed Trade Receivables – which have significant credit risk								
Others								37.19
(i) Undisputed Trade receivables – considered good			34.36	0.62	2.21			19.88
(ii) Undisputed Trade Receivables – which have significant credit risk			19.88					
	0	0	62.98	3.89	2.21	0	0	69.08

Notes :
Movement in loss allowance is as follows:

	Mar-24	Mar-23
Opening	19.88	20.26
Pursuant to business combination	-	-
Additions/Transfers	1.22	(2.39)
Utilisations / Reversals	(17.57)	(2.01)
	3.63	19.88

Short Term

Long Term (Note 1.4)

66.87

2.21

69.08

1 Movement in loss allowance is as follows:

These are carried at amortised cost

Before Note 3 11

3. For details of assets given as security against borrowings, see Note 12.

er was 1.00, indicating one was interested boring and one generally on terms of 15 to 30 days.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.10 A. CASH AND CASH EQUIVALENTS

i) Balance with banks:

a) In current accounts

b) In deposit accounts *

ii) Cash and stamps on hand

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) In current accounts	40.38	35.67	16.94	5.37	97.16
b) In deposit accounts *	46.42	93.40	19.35	0.36	4.50
ii) Cash and stamps on hand	-	0.01	0.01		0.01
	86.80	129.08	36.30	5.73	101.67

1.11 B. BANK BALANCES OTHER THAN (A) ABOVE

i) Unclaimed dividend accounts (earmarked)

ii) In deposit accounts #

i) Unclaimed dividend accounts (earmarked)	41.39	13.23	29.24	30.84	6.20
ii) In deposit accounts #	41.39	13.23	29.24	30.84	6.20

* This represents deposits with original maturity of less than or equal to 3 months.

This represents deposits with original maturity of more than 3 months and remaining maturity less than 12 months.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.12 CURRENT FINANCIAL ASSETS - OTHERS

(Unsecured, considered good unless otherwise stated)

- a) Interest accrued :
- Loans to related parties
- Others

- b) Security deposits

- c) Employee advances

- d) Subsidy receivable**

- e) Loans given to Hinduja Group Limited*

- f) Other Receivable+

Less: Allowance for doubtful amount

	As at March 31, 2024	As at December 31, 2023	As at September 30, 2023	As at June 30, 2023	As at March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
	-	0.93	0.42	0.19	0.09
	1.33				
	2.47	4.23	6.15	10.50	1.69
	0.03	0.03	0.03	0.03	0.04
	25.73	25.73	154.36	158.33	155.50
	40.00	-	-	-	-
	2.39	0.01	1.38		7.20
	71.95	30.93	162.34	169.05	164.52
	-	-	-	-	-
	71.95	30.93	162.34	169.05	164.52
	71.95	30.93	162.34	169.05	164.52

Disclosure required under Section 186(4) of Companies Act, 2013:

*Loans given refers to Rs. 40 Crores given as inter corporate deposit to Hinduja Group Limited at rate of interest 10.65% p/a for a tenor of 34 days.

**Subsidy represents amount receivable from both Central and State Government on completion of milestone as specified in the relevant notification issued by the respective authorities.

+ Included in other receivables are Rs. 1.80 Crores (2023: Rs. 0.79 Crores) due to related party (AL)

Optare PLC

Notes annexed to and forming part of the Consolidated Financial Statements

1.13 CONTRACT ASSETS

Unbilled revenue

Others

Related party

	As at March 31, 2024 Rs. Crores	As at 31, 2023 Rs. Crores	As at 30, 2023 Rs. Crores	As at 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
	11.41	13.61	12.53	11.26	7.48	
	0.71	0.66	0.66	0.66	0.66	
	12.12	14.27	13.19	11.92	8.14	

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.14 OTHER CURRENT ASSETS
(Unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at 30, 2023 Rs. Crores	June 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) Supplier advances						
Considered good	121.69	170.42	167.19	148.41	148.41	137.15
Considered doubtful	-	-	-	-	-	-
	121.69	170.42	167.19	148.41	148.41	137.15
Less: Allowance for doubtful advances	-	-	-	-	-	-
	121.69	170.42	167.19	148.41	148.41	137.15
b) Balances with customs, port trust, central excise etc.	79.45	106.23	111.36	94.49	94.49	78.06
c) VAT debtor	1.98	-	6.10	-	-	14.03
d) Prepayments	37.03	34.70	33.33	34.89	34.89	35.54
e) Other debtors	0.68	0.87	0.37	0.23	0.23	0.16
f) Other receivable	-	-	-	1.19	1.19	0.79
	240.83	312.22	318.35	279.21	279.21	265.73

Note:

All supplier advances considered good at this time. Therefore no allowance required.
No movement in allowance for doubtful advances as no allowance in current or prior year

Optare PLC
Notes annexed to and forming part of the consolidated financial statements

1.15 EQUITY SHARE CAPITAL

Authorised 108,670,441,233 Equity Shares	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
	1,030.97	972.08	900.37	899.37	899.37
Issued 108,670,441,233 Equity Shares	1,030.97	972.08	900.37	899.37	899.37
Subscribed and fully paid up 108,670,441,233 Equity Shares	1,030.97	972.08	900.37	899.37	899.37
	1,030.97	972.08	900.37	899.37	899.37
	1,030.97	972.08	900.37	899.37	899.37

amount is below rounding off norms adopted by the group

Notes:

1. Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year
Issued during the year
Balance as at end of the period

	Mar-24	Mar-23
	96,210,291,827	96,210,291,827
	12,460,149,406	
	108,670,441,233	96,210,291,827

2. Shares issued in preceding 5 years

a) The Company had issued and allotted the following: 2,000,000,000 ordinary shares during the year 2017-18; 11,000,000,000 ordinary shares during the year 2019-20; and 22,750,000,000 ordinary shares in the year 2020-21.
The company had issued and allotted the following in the year ended 31 March 2024: 6,898,918,198 in November 2023 and 5,561,231,208 in February 2024.

3. Shares held by the Holding Company - all shares issued in year were to ultimate holding company

	Mar-24	Mar-23
	100,613,853,568	86,153,704,162

4. Shareholders other than the Holding Company holding more than 5% of the equity share capital:

Hinduja Automotive Ltd	7,500,000,000	7,500,000,000
------------------------	---------------	---------------

5. Rights, preferences and restrictions in respect of equity shares and GDRs issued by the Company

S. No	Promoter name	Shares held by promoters at the end of the year				% Change during the year
		Mar 24: No. of Shares**	Mar 24: %of total shares**	Mar 23: No. of Shares**	Mar 23: %of total shares**	
	Ashok Leyland Limited	100,613,853,568	92.59%	88,153,704,162	91.63%	14%
	Hinduja Automotive Ltd	7,500,000,000	6.90%	7,500,000,000	7.80%	0%
Total		108,113,853,568	99.49%	95,653,704,162	99.42%	13%

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

		As at March 31, 2024		As at December 31, 2023		As at September 30, 2023		As at June 30, 2023		As at March 31, 2023	
		Rs. Crores		Rs. Crores		Rs. Crores		Rs. Crores		Rs. Crores	
1.16 OTHER EQUITY											
a	Shares Pending Allotment Capital Reserve	(96.08)		(96.08)		(96.08)		(96.08)		(96.08)	
b	Securities Premium	1,067.70		589.87		-		-		-	
c	Foreign currency monetary item translation difference	(74.20)		(70.63)		(34.26)		(50.88)		(37.12)	
d	Retained Earnings	(2,102.87)		(2,034.07)		(1,885.97)		(1,757.02)		(1,631.66)	
e	Preference Share Reserve	260.13		260.13		260.13		260.13		260.13	
		(945.32)		(1,350.78)		(1,756.18)		(1,643.85)		(1,504.73)	

*Refer "Statement of Changes in Equity" for additions / deletions in each reserve.

a Capital reserve represents consideration paid over and above the net assess taken over pursuant to the business combinations accounted as per IND AS 103 in the previous year.

b Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2006 for specified purposes.

c Foreign currency translation reserve represents exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian Rupees) which are recognised directly in other comprehensive income and accumulated in this foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

d Retained earnings reserve represents the accumulated profit and losses of the group, inclusive of the profit or loss for the year ended Mar 24. See Statement of Changes in Equity for split of brought forward, profit and loss in year, and amounts attributable to minority interest and parent.

e The Company has issued 8.5% 301,00,000 Non-Convertible Redeemable preference shares to M/s.Ashok Leyland Limited (ultimate Holding Company) redeemable on or before 20 years. These preference shares are fair valued as per Accounting Standard 109 Financial Instruments at a discount rate of 10.5% and the equity component amounting to Rs.260.12 crores was recognised in Other Equity and the liability component of Rs.45.36 lakhs is disclosed under financial liability and measured at amortised cost, until it is redeemed. The carrying amount of equity is not measured in subsequent years.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.17 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

a) Secured borrowings

- i. External commercial borrowings from banks
- ii. Term loan from banks
- iii. Loan from Siemens
- iv. Related party

b) Unsecured borrowings

- i. Loan from Siemens
- ii. Preference Share Capital

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
	208.04	234.36	473.50	485.62	548.81
	-	500.00	500.00	250.00	
	1.43	2.00	0.31	-	
	45.36	44.28	43.20	42.12	
	254.83	780.64	1,017.01	777.74	548.81

Notes:

- These are carried at amortised cost.
- Refer Note 3.11 for current maturities of non-current borrowings.
- Refer Note 3.11 for security and terms of the borrowings.
- Refer Note 3.6 for details on debt covenants.
- The Company has utilised the borrowings for the purpose for which it is obtained as mentioned in the agreements.
- The Company is not declared as a wilful defaulter by any bank or financial institution or government or any government authority.

Optare PLC
Notes annexed to and forming part of the consolidated financial statements

Notes annexed to and forming part of the consolidated financial statements					
	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
1.18 CONTRACT LIABILITIES					
Income received in advance	-	-	-	-	-
	-	-	-	-	-
OTHER NON-CURRENT LIABILITIES					
Others - Spain	-	-	-	-	13.68
	-	-	-	-	13.68

Optare PLC
Notes annexed to and forming part of the consolidated financial statements

1.19 NON-CURRENT PROVISIONS

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) Provision for employee benefits					
i. Compensated absences	1.43	1.12	0.97	1.03	1.17
ii. Others including post retirement benefits	-	-	-	-	-
Others					
i. Product warranties	28.15	53.24	46.81	47.19	38.41
c) Provision for other contingencies					
i. Others (including litigation matters)	-	-	-	-	-
	29.58	54.36	47.78	48.22	39.58

Note:

Movement in Provision for product warranties is as follows :

Particulars	Mar-24	Mar-23
Opening	38.41	20.00
Net movement from short term . See note 1.24	(10.26)	18.41
Closing	28.15	38.41

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future economic benefits. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which range from 1 to 7 years

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.20 CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at March 31, 2024	As at December 31, 2023	As at September 30, 2023	As at June 30, 2023	As at March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Secured borrowings					
Loans from banks (includes cash credit, packing credit, etc)	798.89	719.27	509.11	410.31	335.43
Loan from Siemens	-	-	-	-	-
Unsecured borrowings					
Short term loans from banks	1.84	1.84	271.07	275.73	280.27
Loan from Siemens	-	-	-	-	41.04
Preference Share Capital	96.00	40.00	153.68	324.39	285.89
Loans from related parties	836.73	761.11	933.66	1,610.43	942.63

Note:

- These are carried at amortised cost.
- Refer Note 3.11 for security and terms of the borrowings.
- Refer Note 3.6.1 for details of debt covenants.
- The Company has utilised the borrowings for the purpose for which it is obtained as mentioned in the agreements.
- Net debt reconciliation:

	As at March 31, 2024	As at March 31, 2023
	Rs. Crores	Rs. Crores
Cash and cash equivalents	128.19	107.87
Non Current Borrowings	209.47	548.81
Preference shares	45.36	41.04
Leases	111.51	89.76
Current borrowings	886.73	901.59
Interest Accrued on borrowings	3.57	0.37
Derivative Asset / (Liability)	-	-
Net debt	1,394.83	1,689.44
		(294.61)

Current borrowings
Preference shares
Total match with note 1.17

886.73	901.59
41.04	-
886.73	942.63

	cash and bank overdraft	Non Current borrowings	Preference Shares	Leases	Current borrowings & accrued Interest	Total
Net debt as at March 31, 2022	145.62			57.61	543.40	746.63
Recognised on adoption of Ind As 116						
Cash flows (net)	(37.75)	548.81	41.04	32.15	335.05	919.30
Interest expense		0.12		2.97	81.91	85.00
Interest paid		(0.12)		(2.97)	(59.40)	(61.49)
Net debt as at March, 2023	107.87	548.81	41.04	89.76	901.96	1,689.44
Recognised on adoption of Ind As 116						
Cash flows (net)	20.32	(339.34)		21.20	(4.86)	(302.68)
Interest expense		12.46	4.32	2.22	134.26	153.25
Interest paid		(12.46)		(1.87)	(131.05)	(145.18)
Net debt as at March 31, 2024	128.19	209.47	45.36	111.51	900.30	1,394.83

1.21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) Total outstanding dues of micro enterprises and small enterprises	0.52	0.68	0.68	0.61	0.49
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	252.12	297.63	305.72	277.92	393.85
	252.64	298.31	306.40	278.53	394.34

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) MSME - undisputed		0.52				0.52
(ii) Others - undisputed		54.32	156.64	4.85	0.29	216.10
(iii) Related Parties		14.55	21.09	0.38		36.02
(iv) Disputed dues - Others						-
	-	69.39	177.73	5.23	0.29	252.64

Comparative trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) MSME		0.16	0.33			0.49
(ii) Others		60.58	199.18	0.32		260.08
(iii) Related Parties			133.77			133.77
(iv) Disputed dues - Others						0
	-	60.74	333.28	0.32	-	394.34

a) Trade payables are recognised at amortised cost.

b) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. Generally, the average credit period on purchases is 0 to 90 days.

c) Terms and conditions of the above financial liabilities:

- (i) Trade payables are non-interest bearing.
- (ii) For explanations on the Company's credit risk management processes, refer to Note 3.6

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.22 CURRENT - OTHER FINANCIAL LIABILITIES

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) Interest accrued but not due on borrowings	3.57	10.51	17.16	-	0.37
b) Employee benefits	8.72	6.45	4.44	2.71	9.91
c) Capital creditors	0.51	0.82	0.26	0.41	2.92
d) Slump sale - related party	-	-	-	-	-
e) Others *	60.10	64.67	38.96	33.72	25.08
Of which are to related parties	1.74	2.22	2.22	2.22	4.02
	74.64	84.67	63.04	39.06	42.30

* Includes Accrued expenses / liabilities

Notes:

1. Refer Note 3.11 for security and terms of the borrowings.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
1.23 CONTRACT LIABILITIES					
Advance from customers	13.74	37.63	23.41	32.71	34.12
Advance from customers - related parties	43.54	5.94	5.94	5.94	5.94
	57.28	43.57	29.35	38.65	40.06

Refer Note 3.7 for disclosures relating to revenue from contracts with customers.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

1.24 CURRENT PROVISIONS

	As at March 31, 2024	As at December 31, 2023	As at September 30, 2023	As at June 30, 2023	As at March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
a) Provision for employee benefits					
i. Compensated absences	2.08	1.56	2.56	3.23	1.89
b) Others					
i. Product warranties	98.36	24.40	15.96	12.79	18.18
	100.44	25.96	18.52	16.02	20.07

1. Movement in Provision for product warranties is as follows :

Particulars	March 2024	March 2023
Opening	18.18	28.65
Additions	116.74	56.19
Utilisations	(41.25)	(45.55)
Unwinding of discount	(5.56)	(2.70)
Moved Long Term - see note 1.19	10.26	(18.41)
Closing	98.36	18.18

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future economic benefits. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which range from 1 to 7 years.

Optare PLC

Notes annexed to and forming part of the standalone financial statements

1.25 OTHER CURRENT LIABILITIES

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
a) Statutory liabilities	6.98	60.55	47.57	47.53	39.91
b) Others - Spain land payment	13.75	14.06	24.32	24.55	21.14
c) Accrued gratuity	0.02	1.30	1.11	0.84	0.59
d) Subsidy received in advance - Switch India	35.81	26.78	18.43	17.78	18.25
	56.56	102.69	91.43	90.70	79.89

1.26 DEFERRED TAX ASSETS (NET)

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
i) Deferred tax (liabilities)	(38.70)	(8.31)	(8.31)	(4.99)	(4.99)
i) Deferred tax assets	91.53	57.49	48.91	41.71	39.53
	52.83	49.18	40.60	36.72	34.54

1.26 DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2024 Rs. Crores	As at December 31, 2023 Rs. Crores	As at September 30, 2023 Rs. Crores	As at June 30, 2023 Rs. Crores	As at March 31, 2023 Rs. Crores
i) Deferred tax liabilities	-	-	-	-	-

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

2.1 REVENUE FROM OPERATIONS

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Nine Months ended December 31, 2023	Year ended March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
a) Sale of products						
- Commercial vehicles	282.54	84.57	35.25	471.45	188.91	120.38
- Spare parts and others	25.05	12.60	14.53	68.56	43.51	54.30
(A)	307.59	97.17	49.78	540.01	232.42	174.68
b) Sale of services	45.39	43.21	21.11	160.14	114.75	48.42
c) Other operating revenues						
- Grant income	-	-	0.12	0.16	0.16	0.31
- Export incentives	-	-	-	-	-	-
- Scrap sales	0.03	0.04	0.08	0.11	0.08	0.18
- Others	0.26	0.01	-	0.66	0.40	-
(C)	0.29	0.05	0.20	0.93	0.64	0.49
(A+B)	353.27	140.43	71.09	701.08	347.81	223.59
Less: Rebates and discounts	(2.67)	(0.64)	(0.36)	(4.70)	(2.03)	(1.45)
	350.60	139.79	70.73	696.38	345.78	222.14

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

2.2 OTHER INCOME

	Quarter ended March 31, 2024 Rs. Crores	Quarter ended December 31, 2023 Rs. Crores	Quarter ended March 31, 2023 Rs. Crores	Year ended March 31, 2024 Rs. Crores	Nine Months ended December 31, 2023 Rs. Crores	Year ended March 31, 2023 Rs. Crores
a) Interest income from						
i. Loans to related parties (Refer Note 3.8)	-	-	-	-	-	-
ii. Others	2.12	0.93	0.12	3.62	1.50	0.39
b) Dividend income from						
i. Current investments	-	-	-	-	-	-
ii. Non-current investments (Refer Note 3.8)	-	-	-	-	-	-
c) Profit on sale of investments - net						
i. Current investments	-	-	-	-	-	-
ii. Non-current investments	-	-	-	-	-	-
Other non-operating income						
Profit/(loss) on sale of Property, Plant and Equipment (net)	0.40	1.64	0.01	2.58	2.18	0.82
ii. Foreign exchange gain (net)	-	-	-	-	-	-
iii. R&D Tax Credit	4.40	-	6.25	4.40	-	6.25
iv. Income from subleasing right of use assets	-	-	-	-	-	-
v. Gains or losses arising from sale or leaseback transactions;	-	-	-	-	-	-
vi. Others	(0.00)	(0.07)	0.05	0.32	0.32	0.12
	6.92	2.50	6.43	10.92	4.00	7.58

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

2.3 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE
AND WORK-IN-PROGRESS

Changes in inventories
- Finished goods and stock-in-trade
- Work-in-progress

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Nine Months ended December 31, 2023	Year ended March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
	87.95	(73.19)	27.88	38.79	(49.16)	(46.83)
	(64.89)	29.06	(8.30)	(50.52)	14.37	4.58
Net change	23.06	(44.13)	19.58	(11.73)	(34.79)	(42.25)

Stock in trade movement displayed on face of profit and loss.

Optare PLC
Notes annexed to and forming part of the consolidated financial statements

2.4 EMPLOYEE BENEFITS EXPENSE

- a) Salaries and wages
b) Contribution to defined contribution retirement benefit schemes
c) Staff welfare expenses

Less: Expenses capitalised

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Nine Months ended December 31, 2023	Year ended March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
a) Salaries and wages	52.81	52.00	62.01	222.03	169.22	275.62
b) Contribution to defined contribution retirement benefit schemes	0.73	1.43	2.36	6.12	5.39	7.45
c) Staff welfare expenses	1.63	2.07	2.28	8.68	7.05	6.50
	55.17	55.50	66.65	236.83	181.66	289.57
Less: Expenses capitalised	4.76	(6.40)	(9.53)	(13.19)	(17.95)	(29.88)
	59.93	49.10	57.12	223.64	163.71	259.69

At year end Mar 24, included within employment benefit expenses are Gratuity of R.s 0.51 Crores (2023: R.s 0.25 Crores)

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

2.5 FINANCE COSTS

	Quarter ended March 31, 2024 Rs. Crores	Quarter ended December 31, 2023 Rs. Crores	Quarter ended March 31, 2023 Rs. Crores	Year ended March 31, 2024 Rs. Crores	Nine Months ended December 31, 2023 Rs. Crores	Year ended March 31, 2023 Rs. Crores
a) Interest expense and other borrowing costs	31.89	46.70	26.20	146.59	114.70	82.03
b) Preference shares	1.18	0.98	-	4.32	3.14	-
c) Interest relating to financing activities	0.08	0.04		0.12	0.04	
d) Interest on leases	0.48	0.50	1.67	2.22	1.74	2.97
	33.63	48.22	27.87	153.25	119.62	85.00

2.6 DEPRECIATION AND AMORTISATION EXPENSE

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Nine Months ended December 31, 2023	Year ended March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
A) Property, plant and equipment						
(i) Leasehold property improvements	0.06	0.04	0.02	0.19	0.13	0.10
(ii) Plant and equipment	1.22	1.11	0.98	4.43	3.21	2.74
(iii) Furniture and fittings	0.37	0.24	(2.45)	1.15	0.78	0.74
(iv) Vehicles	9.50	14.69	5.00	36.80	27.30	12.60
(v) Office Equipment	0.56	0.57	0.75	1.82	1.26	0.75
(vi) Buildings	0.10	0.09	0.14	0.35	0.25	0.14
(vii) Computers	0.65	0.70	3.08	2.90	2.25	3.31
(A)	12.45	17.44	7.52	47.63	35.18	20.38
B) Intangible assets						
(i) Computer software						
- Developed	0.55	0.54	0.55	2.17	1.62	2.17
- Acquired	0.67	0.52	0.49	2.17	1.50	1.65
Technical knowhow						
- Developed	(7.08)	5.69	23.54	11.73	18.81	37.80
- Acquired	13.53	-	10.47	18.43	4.90	13.80
(B)	7.66	6.75	35.05	34.49	26.83	55.42
C) Amortisation of right to use asset						
	4.12	3.37	9.31	14.63	10.51	17.49
(A + B+C)	24.23	27.56	51.88	96.75	72.52	93.29

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Notes annexed to and forming part of the consolidated financial statements

2.7 OTHER EXPENSES

	Quarter ended March 31, 2024 Rs. Crores	Quarter ended December 31, 2023 Rs. Crores	Quarter ended March 31, 2023 Rs. Crores	Year ended March 31, 2024 Rs. Crores	Nine Months ended December 31, 2023 Rs. Crores	Year ended March 31, 2023 Rs. Crores
Consumption of stores and tools	0.38	0.75	0.92	2.23	1.85	4.19
Power and fuel	8.38	6.69	4.76	27.12	18.74	11.21
Rent	2.03	1.74	0.10	7.20	5.17	5.53
Repairs and maintenance - Buildings	3.55	0.10	0.15	3.99	0.44	0.40
- Plant and machinery	2.41	1.96	1.63	6.68	4.27	6.44
Insurance	2.74	3.48	2.80	11.73	8.99	7.84
Rates and taxes, excluding taxes on income	13.43	1.23	3.80	17.73	4.30	4.43
Research and development (includes materials consumed and testing charges)	10.23	5.62	3.30	25.73	15.50	14.62
Service and product warranties ^movement disagrees to BS due to external costs with no provision raised	54.64	19.15	21.41	94.78	40.14	48.25
Selling and administration expenses - net	10.43	21.70	30.70	75.45	65.02	124.16
Annual maintenance contracts	0.06	0.06	(0.01)	0.22	0.16	0.14
Impairment loss allowance / write off on trade receivable (net) ^movement disagrees to BS due to external costs with no provision raised	(16.92)	0.43	(1.88)	(16.35)	0.57	(2.39)
Travelling & conveyance	-	-	(0.53)	0.06	0.06	-
Legal & Professional business	0.47	1.58	(4.16)	3.44	2.97	-
	91.83	64.49	62.99	260.01	168.18	224.82
Less: Expenses capitalised - Switch India	0.36	(6.82)	(10.53)	(20.08)	(20.44)	(33.19)
	92.19	57.67	52.46	239.93	147.74	191.63

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Notes annexed to and forming part of the consolidated financial statements

2.8 EXCEPTIONAL ITEMS

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Nine Months ended December 31, 2023	Year ended March 31, 2023
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Other exceptional items - (income)/expense	(13.53)	-	-	(13.53)	-	29.09
	(13.53)	-	-	(13.53)	-	29.09

3.1 Income taxes relating to continuing operations

3.1.1 Income tax recognised in profit or loss

	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Current tax		
In respect of the current year	-	-
A	-	-
Deferred tax		
In respect of the current year	(18.29)	(19.95)
B	(18.29)	(19.95)
Total income tax expense recognised in profit or loss (A + B)	(18.29)	(19.95)

3.1.2 Income tax expense for the year reconciled to the accounting profit:

	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Profit before tax	(475.31)	(602.74)
Income tax rate	25%	19%
Income tax expense	(118.83)	(114.52)
Effect of income that is exempt from taxation	1.10	-
Effect of previously unrecognised and unused tax losses	(25.10)	
Utilisation of losses brought forward	(39.27)	
Effect of exceptional items, disallowances and reversals (net)		
Effects of other timing differences	163.80	94.57
Income tax expense recognised in profit or loss	(18.29)	(19.95)

3.1.4 Analysis of deferred tax assets / liabilities:

Rs. Crores

March 31, 2024	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, Plant & Equipment and intangible assets	(4.99)	(34.21)	-	(39.20)
Provision for other employee benefits	-	0.49	-	0.49
Unused tax losses / unabsorbed depreciation	39.53	52.00	-	91.53
	34.54	18.29	-	52.83

March 31, 2023	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, Plant & Equipment and intangible assets	14.38	(19.37)	-	(4.99)
Right-of-use asset				
Lease Liability				
Voluntary retirement scheme compensation				
Expenditure allowed upon payments				
Unused tax credit (MAT credit entitlement)				
Cash flow hedges				
Other temporary differences				
Unused tax losses / unabsorbed depreciation		39.53	-	39.53
	14.38	20.16	-	34.54

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, unused tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and unused tax credits could be utilised.

3.1.5 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	As at March 31, 2024 Rs. Crores	As at March 31, 2023 Rs. Crores
- Unused tax losses	(2,443.38)	(2,050.54)
	(2,443.38)	(2,050.54)

Notes:

- 1 The above are gross amounts on which appropriate tax rates would apply.
- 2 The Company has business loss which are allowed to be carried forward and set off against the available future taxable income under Income Tax Act, 1961. No Deferred Tax asset has been recognised on this considering no reasonable certainty.

3 Unused Tax Loss (Rs. Crs)	Expiry period
(27.99)	31st March 2030
(94.07)	31st March 2031
(42.04)	31st March 2032
(2,279.28)	No expiry
(2,443.38)	Total

3.2 Retirement benefit plans**3.2.1 Defined contribution plans**

Payments to defined contribution plans i.e., Company's contribution to superannuation fund, employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

The total expense recognised in profit or loss of Rs. 6.12 crores (2022-23: Rs. 7.45 crores) represents contribution paid/ payable to these schemes by the Company at rates specified in the schemes.

3.2.2 Defined benefit plans

The Company has an obligation towards gratuity as per payment of gratuity act, 1972, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at the time of retirement, separation, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company makes annual contributions through trusts to a funded gratuity scheme administered by the Life Insurance Corporation of India.

Company's liability towards gratuity (funded), provident fund, other retirement benefits and compensated absences are actuarially determined at the end of each reporting period using the projected unit credit method as applicable.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes annexed to and forming part of the consolidated financial statements**3.2 Retirement benefit plans (continued)****3.2.3 The principal assumptions used for the purposes of the actuarial valuations were as follows:**

	As at March 31, 2024	As at March 31, 2023
Gratuity		
Discount rate	6.98%	7.14%
Expected rate of salary increase	8.00%	10.00%
Average Longevity at retirement age - past service	2.60	2.40
Average Longevity at retirement age - future service	4.10	4.40
Attrition rate	23.50%	22.00%
Compensated absences		
Discount rate	6.98%	7.14%
Expected rate of salary increase	8.00%	10.00%
Attrition rate	23.50%	22.00%
Other defined benefit plans		
Discount rate		

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3.2.4 Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	Year ended March 31, 2024 Rs. Crores	Year ended March 31, 2023 Rs. Crores
Gratuity		
Current service cost	0.50	0.28
Net interest expense / (income)	0.01	(0.03)
Components of defined benefit costs recognised in profit or loss	0.51	0.25
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gain)/loss arising from changes in financial assumptions	(0.14)	0.79
Actuarial (gain)/loss arising from experience adjustments	(0.02)	(0.03)
Actuarial (gain)/loss on plan assets		
Components of defined benefit costs recognised in other comprehensive income	(0.16)	0.75
Total	0.35	1.00
Compensated absences and other defined benefit plans		
Current service cost	1.22	0.49
Net interest expense		
Actuarial (gain)/loss arising from changes in financial assumptions		
Actuarial (gain)/loss arising from experience adjustments		
Components of defined benefit costs recognised in profit or loss	1.22	0.49

The current service cost and the net interest expense for the year are included in "contribution to provident and other funds" and "Salaries and wages" under employee benefits expense in profit or loss (Refer Note 2.4).

3.2.5 The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

	As at March 31, 2024 Rs. Crores	As at March 31, 2023 Rs. Crores
Gratuity		
Present value of defined benefit obligation	2.26	2.72
Fair value of plan assets	2.24	2.13
Net liability / (asset) arising from defined benefit obligation	0.02	0.59
Funded	0.02	0.59
Unfunded	-	-
Total	0.02	0.59
Compensated absences and other defined benefit plans		
Present value of defined benefit obligation	1.97	1.63
Fair value of plan assets		
Net liability arising from defined benefit obligation	1.97	1.63

Gratuity is reflected in other current asset in case of Net asset and reflected in "Accrued gratuity" under other current liabilities in case of Net liability and compensated absences is reflected in "Provision for employee benefits" under provisions. [Refer Notes 1.19, 1.24 and 1.25].

Notes annexed to and forming part of the consolidated financial statements

3.2 Retirement benefit plans (continued)

3.2.6 Movements in the present value of the defined benefit obligation were as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Gratuity		
Opening defined benefit obligation	2.72	1.63
Current service cost	0.50	0.28
Interest cost	0.16	0.11
Actuarial (gain)/loss arising from changes in financial assumptions	(0.14)	0.95
Actuarial (gain)/loss arising from experience adjustments		
Benefits paid	(0.98)	(0.26)
Closing defined benefit obligation	2.26	2.72
Compensated absences and other defined benefit plans		
Opening defined benefit obligation	1.63	1.15
Current service cost	0.33	0.49
Addition pursuant to business combination	-	-
Actuarial (gain)/loss arising from changes in financial assumptions		
Actuarial (gain)/loss arising from experience adjustments		
Benefits paid		
Closing defined benefit obligation	1.97	1.63

3.2.7 Movements in the fair value of the plan assets were as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Gratuity		
Opening fair value of plan assets	2.13	1.97
Interest on plan assets	0.15	0.14
Remeasurements due to Actual return on plan assets less interest on plan assets	0.02	0.03
Transfer in from AL	-	0.16
Contributions	0.92	0.07
Benefits paid	(0.98)	(0.26)
Closing fair value of plan assets	2.24	2.13

The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets. During the year the company has transferred Rs. 0.3 crores worth of plan assets to OHM global mobility limited.

The actual return on plan assets was Rs. 0.18 crores (2022-23: Rs. 0.14 crores).

3.2.8 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period.

	As at March 31, 2024	As at March 31, 2023
	Rs. Crores	Rs. Crores
Gratuity		
If the discount rate is 50 basis points higher/lower, the defined benefit obligation would:		
decrease by	0.04	0.05
increase by	0.04	0.05
If the expected salary increases/decreases by 50 basis points, the defined benefit obligation would:		
increase by	0.05	0.06
decrease by	0.05	0.05
Compensated absences		
If the discount rate is 50 basis points higher/lower, the defined benefit obligation would:		
decrease by	0.03	0.05
increase by	0.03	0.05
If the expected salary increases/decreases by 50 basis points, the defined benefit obligation would:		
increase by	0.03	0.06
decrease by	0.03	0.05

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation, since the above analysis are based on change in an assumption while holding other assumptions constant. In practice, it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

The Company expects to make a contribution of Rs. 0.01 crores (March 2023: Rs. 0.59 crores) to the defined benefit plans (gratuity - funded) during the next financial year.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.3 Earnings per share

	Year ended March 31, 2024 Rs.	Year ended March 31, 2023 Rs.
Basic earnings per share	(0.05)	(0.06)
Diluted earnings per share	(0.05)	(0.06)
Face value per share		

3.3.1 Basic earnings per share

	Year ended March 31, 2024 Rs. Crores	Year ended March 31, 2023 Rs. Crores
Profit for the year attributable to equity shareholders	(457.02)	(582.79)
Earnings used in the calculation of basic earnings per share from continuing operations	(457.02)	(582.79)

	Year ended March 31, 2024 Nos.	Year ended March 31, 2023 Nos.
Weighted average number of equity shares used in the calculation of basic earnings per share	99,323,752,852	96,210,291,827

3.3.2 Diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows:

	Year ended March 31, 2024 Rs. Crores	Year ended March 31, 2023 Rs. Crores
Profit for the year attributable to equity shareholders	(457.02)	(582.79)

	Year ended March 31, 2024 Nos.	Year ended March 31, 2023 Nos.
Weighted average number of equity shares used in the calculation of basic earnings per share	99,323,752,852	96,210,291,827

Adjustments :

Dilutive effect - Number of shares relating to employee stock options

Weighted average number of equity shares used in the calculation of diluted earnings per share

	Year ended March 31, 2024 Nos.	Year ended March 31, 2023 Nos.
	-	
	99,323,752,852	96,210,291,827

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.4 Share based payments

There were no share options or share based payments outstanding at the end of the year (as at March 31, 2023: None) and none issued during the year.

3.5 Lease arrangements

Non-cancellable operating lease commitments

	Year ended March 31, 2024	Year ended March 31, 2023
Not later than 1 year	46.23	13.90
Later than 1 year but not later than 5 years	34.97	53.80
Later than 5 years	30.31	22.06

Company as lessee

Company has applied following practical expedients for the purpose of lease on initial recognition :

- 1) Single discount rate has been applied for leases with same characteristics.
- 2) Non - lease component which are difficult to be separated from the lease components are taken as the part of lease calculation.
- 3) Short term leases i.e. leases having lease term of 12 months or less had been ignored for the purpose of calculation of right-of-use asset.

Expenses for the year ended March 31, 2024 includes lease expense aggregating to Rs.7.20 crores (March 31, 2023: Rs.5.53 crores) which are not required to be recognised as part of the practical expedient under Ind AS 116 'Leases' mentioned above.

3.6 Financial Instruments**3.6.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual master planning and budgeting and five year's corporate plan for working capital, capital outlay and long-term product and strategic involvements. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Debt (long-term and short-term borrowings and lease liabilities net off effective interest rate adjustment)	1,263.07	1,581.20
Total Equity	92.12	(613.19)
Debt equity ratio	13.71	(2.58)

The quarterly returns or statements of current assets filed by the Company with Banks and Financial Institutions are in agreement with the books of account.

The Company is required to comply with certain covenants under the facility agreements executed for its borrowings, which were either complied or consent obtained for continuing the facility.

3.6.2 Financial risk management

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Company uses derivative financial instruments to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

(A) Market risk

Market risk represent changes in market prices, liquidity and other factors that could have an adverse effect on realisable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

3.6 Financial Instruments continued...

(1) Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through a centralised treasury division and uses derivative instruments such as foreign currency forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2024 (all amounts are in equivalent Rs. in Crores):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	1.39		1.39			-	(1.39)
EUR	0.04		0.04	0.88		0.88	0.84

As on March 31, 2023 (all amounts are in equivalent Rs. in Crores):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	4.91		4.91	0.76		0.76	(4.15)
EUR	1.61		1.61	0.09		0.09	(1.52)
JPY	1.16		1.16			-	(1.16)
Others	1.46		1.46			-	(1.46)

Notes annexed to and forming part of the consolidated financial statements**3.6 Financial Instruments continued...**Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's export proceeds, import payments and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on the other components of equity arises from foreign currency forward contracts designated as cash flow hedges. The following table details the Company's sensitivity movement in the increase / decrease in foreign currencies exposures (net):

	Rs Crores	
	USD impact	
	March 31, 2024	March 31, 2023
Profit or loss	(0.03)	(0.08)
Equity		
	EUR impact	
	March 31, 2024	March 31, 2023
Profit or loss	0.02	(0.03)
Equity		
	JPY impact	
	March 31, 2024	March 31, 2023
Profit or loss	-	(0.02)
Equity		
	Impact of other currencies	
	March 31, 2024	March 31, 2023
Profit or loss	-	(0.03)
Equity		

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.6 Financial Instruments continued...

No foreign currency forward contracts outstanding at the end of the reporting period and for Mar 31 2023.

3.6 Financial Instruments continued...**(2) Interest rate risk management:**

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

The exposure of company's borrowings to interest rate changes at the end of the reporting period are as follows:

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Variable rate borrowings excluding preference shares	1,106.20	1,450.40
Fixed rate Borrowings	-	-
	1,106.20	1,450.40

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/ lower, the Company's profit / loss for the year ended March 31, 2024 would decrease / increase by Rs.4.49 crores (March 31, 2023 decrease / increase by Rs. 3.63 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(3) Foreign currency and interest rate sensitivity analysis for swap contracts:

The Company has not taken foreign currency and interest rate swap (FCIRS) contracts for hedging its foreign currency and interest rate risks related to certain external commercial borrowings.

3.6 Financial Instruments continued...

(4) Equity price risk:

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

(B) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee cover is taken. The Company operates predominantly on cash and carry basis excepting sale to State Transport Undertaking (STU). Government project customers based on tender terms and certain export customers which are on credit basis. The average credit period is in the range of 7 days to 90 days. However, in select cases, credit is extended which is backed by Security deposit/ Bank guarantee/ Letter of credit and other forms. The Company's trade and other receivables consists of a large number of customers, across geographies, hence the Company is not exposed to concentration risk except in case of a STU.

The Company makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.

Expected credit loss for other than trade receivables has been assessed and based on life-time expected credit loss, loss allowance provision has been made. The ageing on trade receivable is given in note 1.9.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

3.6 Financial Instruments continued...

(C) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures, and other debt instruments. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks.

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Banks and other loans		
- Secured (Barclays and Yes Bank Loans)	200.11	66.58
- Unsecured		
Total	200.11	66.58

Further to the above, the Company has an option to issue commercial paper for an amount of Rs. Nil crores (March 31, 2023 Rs. Nil crores). The Company also constantly monitors funding options available in the debt and capital markets with a view to maintain financial flexibility.

The table below summarises the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the undiscounted cash flows.

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Rs. Crores Total
March 31, 2024				
Trade payables	247.12	5.52		252.64
Other financial liabilities	74.64			74.64
Borrowings and interest accrued	900.30	209.47		1,109.77
Preference shares and interest accrued			305.49	
Lease liabilities	26.69	87.33	29.99	144.00
	1,248.74	302.32	335.48	1,581.05
March 31, 2023				
Trade payables	394.02	0.32		394.34
Other financial liabilities	42.30			42.30
Borrowings	1,002.43	414.49	74.89	1,491.81
Lease liabilities	14.62	57.78	28.24	100.64
	1,453.37	472.59	103.13	2,029.09

As there is no expected credit loss on the financial guarantees given to group companies, the Company has not recognised a liability towards financial guarantee as at the end of the reporting period. Accordingly, not included in the above table.

3.6 Financial Instruments

3.6.3 Categories of Financial assets and liabilities:

	Rs. Crores As at March 31, 2024	Rs. Crores As at March 31, 2023
Financial assets		
<u>a. Measured at amortised cost:</u>		
Cash and cash equivalents	86.80	101.67
Other bank balances	41.39	-
Trade Receivables (net of allowance including long term)	202.94	66.87
Others (net of allowance)	102.64	171.42
Financial liabilities		
<u>a. Measured at amortised cost:</u>		
Borrowings	1,151.56	1,491.44
Trade Payables	252.64	394.34
Other financial liabilities	74.64	42.30
Lease liabilities	144.00	89.76
<u>b. Mandatorily measured at fair value through profit or loss (FVTPL) / other comprehensive income (OCI):</u>		
Derivatives designated in hedge accounting relationships	-	-

3.6.4 Fair value measurements:

(A) Financial assets and liabilities that are not measured at fair values but in respect of which fair values are as follows:

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Company Name

Notes annexed to and forming part of the consolidated financial statements

3.6 Financial Instruments continued...

	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
(i) Financial liabilities held at amortised cost:				
- Term Loan	1,007.93	1,007.93	1,164.51	1,164.51

The fair values of the financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models with the most significant inputs being the market interest rates.

3.6 Financial Instruments continued...

(B) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

None of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period.

Notes annexed to and forming part of the consolidated financial statements

3.7 Revenue from contracts with customers:

3.7.1 Disaggregated revenue information

Particulars	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Type of goods and service		
a) Sale of products		
- Commercial vehicles	471.45	120.38
- Spare parts and others	68.56	54.30
	540.01	174.68
b) Sale of services		
- Operations and Maintenance	160.14	48.42
	160.14	48.42
c) Other operating revenues		
- Scrap sales	0.11	0.18
- Other	0.66	-
- Grant income	0.16	0.31
	0.93	0.49
Less: Rebates and discounts	(4.70)	(1.45)
Total revenue from contract with customers	696.38	222.14
India	425.13	75.20
Outside India	271.25	146.94
Total revenue from contract with customers	696.38	222.14

Particulars	March 31, 2024		March 31, 2023	
	At a point in time	Over a period of time	At a point in time	Over a period of time
- Sale of products and other operating revenue	540.94	-	163.00	12.17
- Sale of Services - Annual Maintenance Contracts, warranty services and others		161.01	-	48.42
Less: Liquidated damages		(0.87)		
Less: Rebates and discounts	(4.70)		(1.45)	
Total revenue from contract with customers	536.24	160.14	161.55	60.59

Notes annexed to and forming part of the consolidated financial statements

3.7.2 Contract balances

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Trade receivables (Refer Note 1.4 & 1.9)	202.94	66.87
Contract assets (Refer Note 1.14)	12.12	0.66
Contract liabilities (Refer Notes 1.18 & 1.23)	57.28	71.98

Trade receivables are non - interest bearing and are generally on terms of 7 to 90 days (Refer Credit risk Note 3.6.2 (B)).

Contract liabilities includes advance received from customers and income received in advance arising due to allocation of transaction price towards freight and insurance services on shipments not yet delivered to customer and unexpired service warranties. The decrease in contract liabilities is due to decrease in unexpired service warranties and decrease in volumes/revenue.

3.7.3 Revenue recognised in relation to contract liabilities

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Revenue recognised from contract liabilities at the beginning of the year	71.98	66.24

3.7.4 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Contracted price	701.08	223.59
Adjustments		
Rebates and discounts	(4.70)	(1.45)
Revenue from contract with customers	696.38	222.14

3.7 Related party disclosure

a) List of parties where control exists

Ultimate Holding company

Hinduja Automotive Limited

Holding Company

Ashok Leyland Limited

b) Other related parties

Fellow subsidiaries

Hinduja Tech Ltd
Ashok Leyland (UAE) LLC
Ashok Leyland (UAE) LLP
Vishwa Buses and Coaches Limited
Global TVS Bus Body Builders Limited
HLF Services Limited
Hinduja Leasing Finance Limited
OHM Global Mobility Private Limited
Hinduja Leyland Finance Limited

Subsidiaries

Switch Mobility Limited
Switch Mobility Automotive Limited
Switch Mobility Europe S.L.
Ohm International Mobility Limited

c) List of key staff

Key Management Personnel

Mr. Mahesh Babu Subramanian, CEO & Director
Mr Lalit Malik, CFO
Abhijit Mukhopdabay, company secretary

c) Related Party Transactions - summary

	Transactions during the year ended March 31	Fellow Subsidiaries		Holding Company Ashok Leyland		Ultimate Holding Company Hinduja Auto Ltd		Key Management Personnel		Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
1	Purchase of raw materials, components and traded goods (net of GST/ CENVAT / VAT)	27.18	44.99	9.92	111.35	3.92				41.01	156.34
2	Sales and services (net of excise duties/GST)	178.71		78.76	28.11					257.47	28.11
3	Other expenditure incurred / (recovered) (net)	20.38	6.84	22.20	14.76		0.24			42.58	21.84
4	Advance / current accounts - net increase / (decrease)			43.21	38.11		1.80			43.21	39.91
5	Interest expense									6.59	4.39
6	Remuneration to key management personnel							6.59	4.39		
7	Commission and sitting fees to key management personnel*							0.03		0.03	-
8	Financial guarantees released									-	-
9	Loan interest paid to Ultimate Holding Company									6.19	-
10	Allotment of shares to Holding Company			1,199.30		6.19				1,199.30	-
11	Loan converted to equity				260.13					-	260.13
12	Fees for Corporate Guarantees			7.03						7.03	-
13	Allotment of shares to Ultimate Holding Company						56.92			-	56.92
14	Loans taken from Holding Company			500.00						500.00	-
15	Loans repaid to Holding Company			605.00						605.00	-
16	Loans taken from Ultimate Holding Company					16.28	131.63			16.28	131.63
17	Loans repaid to Ultimate Holding Company					101.82				101.82	-
18	Import charges		0.12							-	0.12
19	Others		4.11							-	4.11
		226.27	56.07	2,465.42	452.46	128.20	190.59	6.62	4.39	2,826.51	703.51

Rs. Crores

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.8 Related party disclosure continued...

d) Related Party balances - summary

Rs. Crores

	Fellow Subsidiaries		Holding Company AL		Ultimate Holding Company Hinduja Auto Ltd		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Balances as on March 31								
1 Trade receivables (Refer Note 1.4 and 1.9)	96.66		8.17	12.01			104.84	12.01
2 Loans (Refer Note 1.20 & 1.17)			95.00	200.00	85.89		95.00	285.89
3 Other financial and non-financial assets (Notes 1.5 & 1.12)		0.79	1.80				1.80	0.79
4 Trade and other payables (1.21)	13.69	6.99	18.39	124.56	2.23		36.02	133.78
5 Current Financial Liabilities (Note 1.22)		0.48	1.74	1.74	1.80		1.74	4.02
6 Preference shares			305.49	301.00			305.49	301.00
7 Contract assets (Note 1.13)			0.71	0.66			0.71	0.66
8 Contract liabilities (Notes 1.18 & 1.23)	42.93		0.61	5.94			43.54	5.94
9 Security deposit (Notes 1.5 & 1.12)	9.36						9.36	-
Total	162.64	8.26	431.92	645.91	3.93	89.92	598.50	744.09

3.8 Related party disclosure continued...

e) Significant Related Party Transactions

Transactions during the year ended March 31	Rs. Crores	
	2024	2023
Purchase of raw materials, components and traded goods (net of GST)		
Ashok Leyland Limited	9.92	111.35
Vishwa Buses and Coaches Limited	0.03	0.04
Global TVS Bus Body Builders Limited	28.63	44.95
Gulf Oil Lubricants India Limited	0.52	-
Hinduja Automotive Limited	3.92	-
	41.01	156.34
Sales and services (net of GST)		
Ashok Leyland Ltd	78.76	28.11
Hinduja Leyland Finance Limited	87.61	-
OHM Global Mobility Pvt Ltd	91.10	-
	257.47	28.11
Other expenditure incurred / (recovered) (net)		
Ashok Leyland Limited	22.20	14.76
Ashok Leyland (UAE) LLP	-	0.28
Hinduja Automotive Limited	-	0.24
HLF Services Limited	0.25	-
Hinduja Tech Limited	14.25	6.56
Hinduja Leasing Finance Limited	4.11	-
OHM Global Mobility Pvt Ltd	1.78	-
	42.58	21.84
Interest paid		
Ashok Leyland Limited	43.21	38.11
Hinduja Automotive Limited	6.19	1.80
	49.39	39.91
Fees for Corporate Guarantee		
Ashok Leyland Limited	7.03	-
Investment in shares by HAL	-	56.92
Loans taken from		
Hinduja Automotive Limited	16.28	131.63
Ashok Leyland Limited	500.00	-
Loans repaid to		
Hinduja Automotive Limited	101.82	-
Ashok Leyland Limited	605.00	-
Loan converted into equity (preference shares)		260.13
Equity Injection (Ashok Leyland)	1,199.30	-
Remuneration to key management personnel	6.62	4.39

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

f. Details of loans (excluding interest accrued) as required under regulation 53(1)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations

Name of the company	March 2024				March 2023			Rs. Crores
	Status	Outstanding amount	Maximum loan outstanding during the year	Investment in shares of the Company	Status	Outstanding amount	Maximum loan outstanding during the year	
None held								

* During the year, loan outstanding, has been converted to investment in equity shares

g. Disclosure as required under section 186(4) of the Companies Act, 2013:

Particulars	Rs. Crores			Purpose
	As at March 31, 2024	As at March 31, 2023	Maximum amount outstanding during the year	
i) Loans outstanding - Optare plc	-	85.89		Funding for operations

The terms are in compliance with Section 186(7) of the Companies Act, 2013.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.9a	Contingent liabilities		
		As at	As at
		March 31, 2024	March 31, 2023
		Rs. Crores	Rs. Crores

There are no contingent liabilities for the year ended March 31, 2024 and March 31, 2023.

Optare PLC

Notes annexed to and forming part of the consolidated financial statements

3.9b Commitments

	As at March 31, 2024	As at March 31, 2023
	Rs. Crores	Rs. Crores
a) Capital commitments (net of advances) not provided for	12.60	14.52

The outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved.

Optare PLC

Notes annexed to and forming part of the Consolidated Financial Statements

3.10.1

Information relating to subsidiaries

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Principal activity	Place of incorporation and registration	Proportion of ownership interest	
			As at December 31, 2023	As at March 31, 2023
Optare UK Limited	Supplying kits of passenger vehicles	UK	100.00%	100.00%
Switch Mobility Limited	Manufacturer of passenger vehicles	UK	98.56%	98.42%
Switch Mobility Automotive Limited	Manufacturer of passenger vehicles	IND	98.56%	98.42%
Switch Mobility Europe S.L	Manufacturer of passenger vehicles	SPN	98.56%	98.42%
Ohm International Mobility Limited	Dormant	UK	80.00%	80.00%

3.10.2

Information relating to subsidiaries

Goodwill	As at	
	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Gross Goodwill at the beginning of the year	88.43	87.65
Exchange		
Recognised during the year	2.95	0.78
Gross Goodwill at the end of the year	91.38	88.43
Opening accumulated impairment		
Exchange		
Impairment during the year	88.43	87.65
Closing accumulated impairment	91.38	88.43
Carrying amount of Goodwill	-	-

Goodwill arose on the 2008 purchase of Jamesian Investments Limited. The Directors consider there is only one cash-generating unit ("CGU"), being the whole group. The Directors carried out an impairment review of the goodwill and the net investments in subsidiaries, using the same forecasts and assumptions used in the going concern review. Based on this review, the Directors concluded in 2018 full impairment of goodwill was required. No change has been made in the current year.

Information relating to subsidiaries (Continued)

Details of non wholly-owned subsidiaries that have material non-controlling interests:

The table below shows details of non wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Total comprehensive income allocated to non-controlling interests		Accumulated non-controlling interests	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Switch Mobility Limited	Leeds, UK	1.44%	1.58%	7.75	(6.16)	6.47	(7.83)
		1.44%	0.02	(7.75)	(6.16)	6.47	(7.83)

No material non-controlling interest. Please note due to the equity injection in the year, there was an equity deduction in the non-controlling interest amounting to an increase of Rs. 22.06 Crores. See Statement of Changes in Equity for further details

3.11 Details of all borrowings:

		As at March 31, 2024			Particulars of Redemption / Repayment	As at March 31, 2023		
		Non-current March 31, 2024	Current Maturities March 31, 2024	Total March 31, 2024		Non-current Rs. Crores	Current Maturities Rs. Crores	Total Rs. Crores
a.	Secured borrowings:							
i.	Term loans:							
UK	HDFC Bank		262.97	262.97	3 years (2 yrs moratorium, repayable in two equal half yearly instalments May24 and Nov24) 30.11.24	254.49		254.49
India	ICICI Term loan	57.00	12.67	69.67	24 quarterly payments starting from Dec 2023	234.89		234.89
UK	Barclays		335.05	335.05	12 months roll over, 09th August 2024		304.94	304.94
UK	ICICI Working Capital Utilisation		31.51	31.51	12 Months roll over, 03rd Jun 2024		30.49	30.49
India	Bank of Baroda	51.04	7.69	58.73	92 monthly payments starting from Sep 2023	59.43		59.43
India	Bank of Baroda	100.00		100.00	Upon receipt of Subsidy			-
India	Yes Bank Working Capital Loan		150.00	150.00	Rolling basis			-
		<u>208.04</u>	<u>799.89</u>	<u>1,007.93</u>		<u>548.81</u>	<u>335.43</u>	<u>884.24</u>
		(n.n)	(n.n)					

Working capital loans from banks are secured by way of hypothecation of the whole stocks of Raw Materials, Semi Finished and Finished goods, Stores and Spares not related to Plant and Machinery (Consumable stores and spares), Bills Receivable, Book Debts and all other movables both present and future now lying or stored about the factory premises, godowns, warehouses, yards and any other locations to the extent of Rs. 150 Crores (2023: Rs 30.49 Crores).

Loans from banks are secured by:

1. First parti passu charge on all assets of the specific project related assets
2. Exclusive charge on Electric Vehicles (EV) of the specific project
3. Exclusive charge on the receivables of the specific project

b. Unsecured borrowings:

		As at March 31, 2024			Particulars of Redemption / Repayr	As at March 31, 2023		
		Non-current March 31, 2024	Current Maturities March 31, 2024	Total March 31, 2024		Non-current March 31, 2022	Current Maturities March 31, 2022	Total March 31, 2022
India	Citibank RTA Working Capital Loan			-	Repaid		250.05	250.05
	Ashok Leyland Limited		95.00	95.00	Repaid in April 2024		200.00	200.00
	ICICI CC Loan			-	Repaid		9.89	9.89
India	Preference shares	305.49	-	305.49	20 years from issue, Including equity balance.	260.13	41.04	301.17
	Citibank Short Term Loan			-	Repaid		20.33	20.33
	HAL Working capital				Repaid		85.89	85.89
India	Siemens Loan	1.43	1.84	3.27	Payable in equal monthly instalments until 28 July 2025	-		-
		<u>305.49</u>	<u>96.84</u>	<u>403.76</u>		<u>260.13</u>	<u>607.20</u>	<u>867.33</u>
		-	(0.00)					

The above loans carry varying rates of interest with the maximum rate of interest going up to 10.5% (as at March 31, 2023: 3.33%) per annum. The weighted average rate of interest of these loans is around 8.16% (2023: 3.20%) per annum. Interest-bearing bank loans and overdrafts are recorded initially at their fair value, net of direct transaction costs. Such instruments are subsequently carried at their amortised cost and finance charges, including premiums payable on settlement or redemptions, are recognised in the income statement over the term of the instrument using an effective interest rate

Notes annexed to and forming part of the Consolidated Financial Statements

3.12 Interest free sales tax loans

There are no interest free sales tax loans held as at year ended Mar 31 2024 and Mar 31 2023.

Notes annexed to and forming part of the Consolidated Financial Statements

3.13	Other Information (including foreign currency transactions)	Year ended March 31, 2024	Year ended March 31, 2023
3.13.1	Auditors' remuneration Included under selling and administration expenses - net [Refer Note 2.7]		
	i) For financial audit	2.43	2.04
	ii) For other services - limited review, certification work, etc.	0.92	0.78
	iii) For reimbursement of expenses	0.00	0.31
3.13.2	Total research and development costs charged to the Statement of Profit and Loss (including amount shown under Note 2.7)	25.73	14.62

- 3.14a The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company. The amount of principal and interest outstanding is given below:

Particulars	Rs. Crores	
	March 2024	March 2023
i) Principal amount paid after appointed date during the year	-	-
ii) Amount of interest due and payable for the delayed payment of Principal amount	-	0.31
iii) Principal amount remaining unpaid as at year end (over due)	0.52	0.18
iv) Principal amount remaining unpaid as at year end (not due)	-	-
v) Interest due and payable on principal amount unpaid as at the year end	0.02	0.02
vi) Total amount of interest accrued and unpaid as at year end	-	-
vii) Further interest remaining due and payable for earlier years	-	-

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

The financial statements have been prepared on a Going Concern basis which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future. The Group incurred a net loss of Rs.457.02 Crores for the year ended 31st March 2024 (2023: Rs. 582.79 Crores) and its current liabilities exceeded current assets by Rs. 500.89 Crores (2023: Rs 605.63 Crores). Based on the business plans of the Group, sale of Electric Vehicle buses which will be effective from 2024, cash flow forecasts for a period of 12 months from the date of approval of these financial statements, considering the commitment for financial support by Parent entity, the financial statements have been prepared on a going concern basis.

There was no relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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,

There are no benami properties held by the Company under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company has not been declared as wilful defaulter by any bank or any Government or any Government authority

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

The Company has not revalued its Property, Plant and Equipment (including Right of Use Asset) or intangible Assets or both during current year and previous year.

3.15 CSR Expenditure:

There was no CSR Expenditure to disclose in year ended March 31 2024 and March 31 2023.

Optare PLC

Notes annexed to and forming part of the Consolidated Financial Statements

3.16 Goodwill

There is no Goodwill held as at 31 Mar 2024 and 31 Mar 2023

3.17 Financial Ratios

Ratios	FY 2023-2024	FY 2022-2023	% of Change
Debt equity ratio	13.71	(2.58)	-632%
Debt service coverage ratio	0.36	4.94	-93%
Current ratio	0.65	0.60	7%
Trade receivable turnover ratio	2.76	1.81	53%
Inventory turnover ratio	1.55	0.71	119%
Trade payable turnover ratio	(0.66)	1.31	-150%
Net capital turnover ratio	(1.34)	(0.37)	264%
Return on capital employed (%)	-54%	26%	-313%
Return on equity (%)	175%	213%	-18%
Net profit margin %	(0.66)	(2.62)	-75%

The Company earns a return on investment ranging from 4% to 5% p.a on fixed deposit. No mutual funds are held.

Variances are purely attributable to commercial operations in the CY and no specific variances are explained for each ratio separately. Net sales has increased and profitability has improved significantly in the CY when compared to PY. This is due to large growth of business and expansion in scale of operations of the Company since its inception in Nov 2021. Furthermore, there was significant equity injections during the year.

Ratios	Numerator	Denominator
Debt equity ratio (in times)	Gross total borrowings (before deducting un-amortised loan raising expense)	Equity share capital + Other equity
Debt service coverage ratio (in times)	Profit / (loss) before exceptional items and tax + Finance costs + Depreciation and amortisation expense – Tax expense	Interest paid + Lease payments + Principal repayments for long term borrowings
Current ratio (in times)	Current assets	Current liabilities
Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivable
Inventory turnover ratio (in times)	(Cost of materials and services consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress)	Average inventory
Trade payable turnover ratio (in times)	Purchases + other expenses - service and product warranties	Average trade payable
Net capital turnover ratio (in times)	Revenue from operations	Working capital
Return on capital employed (%)	Profit / (Loss) before exceptional items and tax, Finance costs and Other income	(Equity share capital + Other equity) - Goodwill - Other intangible assets - Intangible asset under development + Deferred tax Liabilities (net) + Gross Borrowings
Return on equity (%)	Profit / (Loss) after tax	Average total equity
Net profit margin (%)	Profit / (Loss) after tax	Revenue from operations

3.18 The Company does not have any transactions with struck off companies under Companies Act, 2013 or Companies Act, 1956, during the year.

Notes annexed to and forming part of the Consolidated Financial Statements

- 3.19 The Company has not advanced or loaned or invested funds to any other person or entities, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- a. 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
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. 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
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

- 3.20 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

- 3.21 The Company has complied with the number of layers prescribed under the Companies Act.

- 3.22 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

- 3.23 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

- 3.24 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

- 3.25 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

- 3.26 The figures for the previous year have been reclassified / regrouped wherever necessary including for amendments relating to Schedule III of the Companies Act, 2013 for better understanding and comparability.