

Gulf Ashley Motor Limited

Balance sheet as at Mar 31, 2024

Particulars	Note	As at March 31 2024	As at March 31 2023
		Rs Crores	Rs Crores
ASSETS			
Non-current assets			
Property, plant and equipment	1.1	6.77	6.73
Capital work-in-progress	1.1	-	-
Right-of-use asset	1.1A	1.41	1.98
Goodwill	-	-	-
Other Intangible assets	1.2	-	-
Intangible assets under development	1.2	-	-
Financial Assets			
(i) Investments	1.3	0.02	0.02
(ii) Trade receivables	1.4	-	-
(iii) Loans	1.5	-	-
(iv) Other financial assets	1.6	0.09	0.21
Income tax assets (net)	1.7	0.71	0.73
Other non-current assets	1.8	0.16	0.20
Deferred tax Assets (net)	1.22	0.96	0.62
		10.12	10.49
Current assets			
Inventories	1.9	22.42	12.12
Financial Assets			
(i) Trade receivables	1.10	23.28	25.11
(ii) Cash and cash equivalents	1.11A	0.45	0.85
(iii) Bank balances other than (ii) above	1.11B	5.03	4.03
(iv) Loans	1.12	-	-
(v) Other financial assets	1.13	0.21	0.17
Contract Assets	1.14	0.95	0.34
Other current assets	1.15	10.76	8.21
		63.10	60.83
TOTAL ASSETS		73.22	61.32
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.16	29.70	29.70
Other equity	1.17	(24.74)	(23.75)
		4.96	5.95
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	1.18	-	-
(ii) Lease Liability	-	1.68	2.23
(iii) Other financial liabilities	1.19	-	-
Contract liabilities	1.20	-	-
Provisions	1.21	0.85	0.78
Deferred tax liabilities (net)	1.22	-	-
Other non-current liabilities	1.23	-	-
		2.53	3.01
Current liabilities			
Financial liabilities			
(i) Borrowings	1.24	19.50	18.00
(ii) Lease Liability	-	0.43	0.58
(iii) Trade payables	-	-	-
enterprises	-	-	-
b) Total outstanding dues other than micro enterprises and small enterprises	1.25	41.52	27.17
(iv) Other financial liabilities	1.26	1.57	1.70
Contract liabilities	1.27	2.00	4.35
Provisions	1.28	0.07	0.07
Other current liabilities	1.29	0.64	0.49
Current tax liabilities (net)	-	-	-
		65.73	52.36
Liabilities directly associated with assets classified as held for sale		-	-
TOTAL EQUITY AND LIABILITIES		73.22	61.32

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

The accompanying notes form an integral part of the standalone financial statements

For and on behalf of the Board

For M.S. Krishnaswami & Rajan
Chartered Accountants
FRN: 00115545

M.S. Murai

Partner

Membership No: 026453

UDIN: 24026453BKCLWB1982

Sanjeev Kumar
Chairman
DIN: 07255308

Mohit Golcha
Director and CEO
DIN: 07256105

Place: Chennai

Date: May 7, 2024

Srinath N
Chief Financial Officer

Ramachandran V
Company Secretary

Gulf Ashley Motor Limited

Statement of Profit and Loss for the Period ended Mar 31, 2024

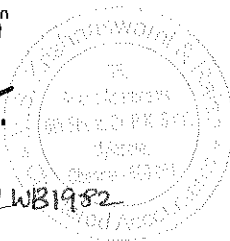
Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
Income			
Revenue from operations	2.1	265.12	231.11
Other income	2.2	0.40	0.62
Total Income		265.52	231.73
Expenses			
Cost of materials and services consumed			
Purchases of stock-in-trade	2.3 A	259.72	221.50
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.3	(10.30)	(3.08)
		249.42	218.42
Employee benefits expense	2.4	7.88	6.24
Finance costs	2.5	1.76	1.73
Depreciation and amortisation expense	2.6	1.14	1.86
Other expenses	2.7	6.60	9.18
Total Expenses		266.80	237.43
Profit before exchange gain / (loss) on swap contracts, exceptional items and tax		(1.28)	(5.70)
Exchange gain / (loss) on swap contracts		-	-
Profit/(Loss) before exceptional items and tax		(1.28)	(5.70)
Exceptional items	2.8	-	-
Profit/(Loss) before tax		(1.28)	(5.70)
Tax expense:			
Prior period tax		-	-
Current tax		-	-
Deferred tax - Charge/ (Credit)		(0.34)	(0.62)
		(0.34)	(0.62)
Profit/(Loss) for the year / period		(0.94)	(5.08)
Other Comprehensive Income / (Loss)			
A (i) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		(0.05)	(0.05)
B (i) Items that will be reclassified to Profit or Loss			
of			
hedging instruments in a cash flow hedge		-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income / (Loss)		(0.05)	(0.05)
Total Comprehensive Income for the year / period		(0.99)	(5.13)
Earnings per share (Face value Rs.100 each)			
-Basic (in Rs.)		(3.17)	(17.10)
-Diluted (in Rs.)		(3.17)	(17.10)

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

For M.S.Krishnaswami & Rajan
Chartered Accountants
FRN NO. 015548

M S Murali
Partner

Membership No: 026453
UDIN:2402653BKCLWB1982



Sanjeev Kumar
Chairman
DIN:07255308

Mohit Golcha
Director and CEO
DIN:07256105

Srinath N
Chief Financial Officer

Ramachandran V
Company Secretary

Place: Chennai
Date: May 7, 2024

Gulf Ashley Motor Limited

Statement of Cash flows for the period ended Mar 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Cash flow from operating activities		
Profit for the year / period	(1.28)	(5.70)
Adjustments for :		
Income tax expense		
Depreciation, amortisation and impairment	0.72	0.69
Depreciation of Right-of-use asset	0.42	1.17
Loss / (Profit) on sale of Property, plant and equipment (PPE) and intangible assets - net	-	0.04
Provision for Receivables	(0.12)	1.71
(ii) Other financial assets	(0.14)	0.07
Finance costs	1.76	1.73
Interest Income	(0.31)	(0.21)
Remeasurement of Defined benefit plans	(0.05)	(0.05)
Deferred Tax Asset	-	-
Operating profit before working capital changes	1.00	(0.55)
Adjustments for changes in :		
Trade receivables	1.95	15.57
Inventories	(10.30)	(3.08)
Non-current and current financial assets	(1.32)	0.34
Other non-current and current assets	(2.60)	(3.88)
Trade payables	14.35	7.97
Non-current and current financial liabilities	(0.13)	(0.49)
Other non-current and current liabilities	(2.19)	(1.25)
Other non-current and current provisions	0.07	(0.09)
Cash generated from operations	0.83	14.54
Income tax paid (net of refund)	0.02	0.58
Net cash from / (used in) operating activities	[A] 0.85	15.12
Cash flow from investing activities		
Purchase of PPE and intangible assets	(0.76)	(0.06)
Proceeds on sale of PPE and Intangible assets	0.02	0.47
New ROU Asset Purchase	(0.03)	-
Interest received	0.31	0.21
Dividend received		
Net cash (used in) / from Investing activities	[B] (0.46)	0.62
Cash flow from financing activities		
Proceeds from current borrowings	19.50	18.00
Repayments of current borrowings	(18.00)	(31.00)
Payments of Lease liability - Principal	(0.53)	(0.81)
Payments of Lease liability- Interest	(0.17)	(0.27)
Interest paid	(1.59)	(1.46)
Share issue expenses		
Net cash from / (used in) financing activities	[C] (0.79)	(15.54)
Net cash (Outflow) / Inflow	[A+B+C] (0.40)	0.20
Opening cash and cash equivalents	0.85	0.65
Exchange fluctuation on foreign currency bank balances		
Closing cash and cash equivalents [Refer Note 1.11A to the standalone financial statements]	0.45	0.85

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

For and behalf of the board

For M.S.Krishnaswami & Rajan
Chartered Accountants
FRN NO: 016645

M S Murali
Partner
Membership No: 026453
UDIN: 24026453BKCLWB1892

Sanjeev Kumar
Chairman
DIN:07255308

Srinath N
Chief Financial Officer

Mohit Golcha
Director and CEO
DIN:07256105

Ramachandran V
Company Secretary

Place:Chennai

Date: May 7, 2024

Gulf Ashley Motor Limited

Statement of Changes in Equity for the period ended Mar 31, 2024

A. Equity Share Capital

Rs. Crores

Balance at the beginning of April 1, 2022	Changes in equity share capital during the year	Balance at the end of March 31, 2023	Changes in equity share capital during the year	Balance at the end of Mar 31, 2024
29.70	-	29.70	-	29.70

B. Other Equity

Rs. Crores

	Retained Earnings	Other Comprehensive Income	Total Comprehensive Income
Balance as at the beginning of April 1, 2022	(19.01)	0.39	(18.62)
Profit for the year	(5.08)	-	(5.08)
Other comprehensive income	-	(0.05)	(0.05)
Balance as at the end of March 31, 2023	(24.09)	0.34	(23.75)
Profit for the period	(0.94)	-	(0.94)
Other comprehensive income	-	(0.05)	(0.05)
Balance as at the end of Mar 31, 2024	(25.03)	0.29	(24.74)

Other comprehensive income comprise of Acturial Gain/(Loss) on remeasurement of defined benefit plans.

Notes: (a) Dividends declared/paid during the year and Amounts transferred to Retained Earnings Rs.NIL (FY 2022-23 Rs.NIL)
(b) Share application money pending allotment, Equity Component of Compound Financial Instrument, Capital Reserves, Securities Premium, Debt/Equity Instruments through OCI, Effective portion of Cash Flow hedges, Revaluation surplus, etc. Rs.NIL (FY 2022-23 Rs.NIL)

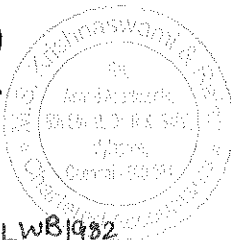
This is the statement of Changes in Equity referred to in our report of even date.

Accompanying Notes form an integral part of the Standalone Financial Statements

For M.S.Krishnaswami & Rajan
Chartered Accountants
FRN NO: 01554S

For and behalf of the board

M S Murali
Partner
Membership No: 026453
UDIN: 24026453 BKCLWB1982



Sanjeev Kumar
Chairman
DIN:07255308

Mohit Golcha
Director and CEO
DIN:07256105

Srinath N
Chief Financial Officer

Ramachandran V
Company Secretary

Place: Chennai
Date: May 7, 2024

Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS CARRYING AMOUNT (COST)				DEPRECIATION / AMORTISATION				NET CARRYING
	01.04.2023	Additions	Disposals / Adjustment	31.03.2024	Upto 01.04.2023	Charge during the year	Disposals / Adjustment	31.03.2024	31.03.2024
Property, plant and equipment (PPE)	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores
Freehold land	0.88	-	-	0.88	-	-	-	-	0.88
Buildings	4.56	0.42	-	4.98	1.31	0.21	-	1.52	3.46
Plant and equipment	3.42	0.01	-	3.43	1.76	0.20	-	1.96	1.47
Furniture and fittings	2.06	0.04	0.40	1.70	1.65	0.13	0.41	1.37	0.33
Vehicles including electric vehicles	1.68	0.23	0.21	1.70	1.17	0.17	0.20	1.14	0.56
Office Equipment	0.58	0.06	-	0.64	0.56	0.01	-	0.57	0.07
TOTAL	13.18	0.76	0.61	13.33	6.45	0.72	0.61	6.56	6.77

B Notes:

1. Title to Freehold Land at Jainamore, Jharkhand (carrying value Rs.0.88 Crores) is yet to be conveyed to the Company.
- 2.Amount of contractual commitments for acquisition of property,plant and equipment: Nil
3. Exchange Loss / (Gain) capitalised, borrowing cost capitalised and expenditure in the course of construction Rs.Nil (2022-23 Rs.Nil)
4. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
5. Impairment loss recognised during the period Rs. NIL(FY 2022-23 Rs.0.30 Crore)



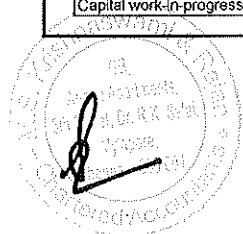
Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS CARRYING AMOUNT (COST)				DEPRECIATION / AMORTISATION					Rs. Crores
	01.04.2022	Additions / Adjustment	Disposals / Adjustment	31.03.2023	Upto 01.04.2022	Charge during the year	Impairment	Disposals / Adjustment	Upto 31.03.2023	NET CARRYING AMOUNT
Property, plant and equipment (PPE)	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores	Rs Crores
Freehold land	0.88	-	-	0.88	-	-	-	-	-	0.88
Buildings	4.58	-	0.02	4.56	1.10	0.21	-	-	1.31	3.25
Plant and equipment	4.07	0.05	0.70	3.42	1.74	0.05	0.31	0.34	1.76	1.66
Furniture and fittings	2.27	0.03	0.24	2.06	1.36	0.42	-	0.13	1.65	0.41
Vehicles	1.68	-	-	1.68	0.98	0.19	-	-	1.17	0.51
Office Equipment	0.56	0.02	-	0.58	0.56	-	-	-	0.56	0.02
TOTAL	14.04	0.10	0.96	13.18	6.74	0.87	0.31	0.47	6.45	6.73

Description	01.04.2022	Additions	Capitalised during the year	Adjustments	31.03.2023
Capital work-in-progress	-	-	-	-	-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.1A RIGHT-OF-USE ASSET

Description	Gross Carrying Amount				Amortisation			Net Carrying Amount 31.03.2024
	01.04.2023	Additions	Closure / Pre closure/Prior period correction	31.03.2024	01.04.2023	Depreciation	31.03.2024	
Land								-
Building	3.89	0.03	(0.18)	3.74	1.91	0.42	2.33	1.41
Plant and Machinery								-
Vehicle								-
	3.89	0.03	(0.18)	3.74	1.91	0.42	2.33	1.41

Notes

1. Escalation clause- The Percentage of escalation is up to a maximum of 15%
2. Discounting rate used for the purpose of computing right to use assets 8.5%
3. Rental amount per Annum ranges from Rs 0.011 to Rs 0.50 Cr
4. The lease period ranges from 2 years to 11 years over which the right to use asset is depreciated on stright line basis



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.1A RIGHT-OF-USE ASSET

Description	Gross Carrying Amount				Amortisation				Net Carrying Amount
	01.04.2022	Additions	Closure /Pre closure	31.03.2023	Upto 31.3.2022	Depreciation	Adjustments	31.03.2023	31.03.2023
Building (Right to Use of Asset)	9.78		5.89	3.89	6.74	0.69	5.52	1.91	1.98
Total	9.78	-	5.89	3.89	6.74	0.69	5.52	1.91	1.98



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.2 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

DESCRIPTION	GROSS CARRYING AMOUNT (COST)				DEPRECIATION / AMORTISATION				Rs. Crores
	01.04.2023	Additions	Disposals / Adjustment	31.03.2024	Upto 01.04.2023	Charge during the year	Disposals / Adjustment	31.03.2024	NET CARRYING AMOUNT
Intangible assets									
Computer software									
- Developed				-				-	-
- Acquired				-				-	-
Others									
Technical knowhow									
- Developed				-				-	-
- Acquired				-				-	-
TOTAL	-	-	-	-	-	-	-	-	-

Description	01.04.2022	Additions	Capitalised during the year	Adjustments	31.03.2024
Intangible assets under development					-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.2 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

DESCRIPTION	GROSS CARRYING AMOUNT (COST)					DEPRECIATION / AMORTISATION				Rs. Crores
	01.04.2022	Additions / Adjustment	Adjustments	Disposals	31.03.2023	Upto 01.04.2022	Charge during the year	Disposals	Upto 31.03.2023	NET CARRYING AMOUNT
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	31.03.2023
Intangible assets										
Computer software										
- Developed					-				-	-
- Acquired					-				-	-
Others										
Technical knowhow										
- Developed					-				-	-
- Acquired					-				-	-
	-	-	-	-	-	-	-	-	-	-

Description	01.04.2022	Additions	Adjustments	Capitalised during the year	Adjustments	31.03.2023
Intangible assets under development						-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.3 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

DESCRIPTION	As at March 31 2024		As at March 31 2023	
	Nos	Rs. Crores	Nos	Rs. Crores
A) Investments in Equity Instruments (unquoted) (fully paid up unless otherwise stated)				
Joint Ventures (at cost)				
Equity Shares of Rs.0.01 each fully paid up in Ashok Leyland John Deere Construction Equipment Company Private Limited	1,60,64,853	0.02	1,60,64,853	0.02
Total		0.02		0.02

Note:

- (i) Aggregate amount of unquoted investment
- (ii) Ashok Leyland John Deere Construction equipment Company Private Limited is under Liquidation.
- (iii) Aggregate of Impairment in value of investment Rs . Nil (2022-23 Rs Nil)



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.4 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES (Unsecured, considered good)	Rs Crores	Rs Crores
Trade receivables - considered good Related parties Others		
Trade receivables - considered doubtful Related parties Others Less: Provision		
	-	-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.5 NON-CURRENT FINANCIAL ASSETS - LOANS (Unsecured, considered good)	Rs. Crores	Rs. Crores
Loans		
a) Loans		
Considered good, secured	-	-
Related parties	-	-
Others	-	-
	-	-
Note: These are carried at amortised cost.		



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

		As at March 31 2024	As at March 31 2023
1.6	NON-CURRENT - OTHER FINANCIAL ASSETS (Unsecured, considered good unless otherwise stated)	Rs Crores	Rs Crores
	Security Deposits		
	Considered good	0.09	0.21
	Considered doubtful	0.34	0.32
		0.43	0.53
	Less: Allowance for doubtful receivables	0.34	0.32
		0.09	0.21

Note: Movement in allowance for doubtful deposits

	As at March 31 2024	As at March 31 2023
Opening	0.32	0.34
Less: Reclassification to Doubtful advance - refer note 1.10		(0.04)
Add: Additions / (Reversal)	0.02	0.02
Closing	0.34	0.32



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.7	NON - CURRENT - INCOME TAX ASSETS (NET)	As at March 31 2024	As at March 31 2023
		Rs. Crores	Rs. Crores
	Advance income tax (net of provision)	0.71	0.73
		0.71	0.73



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.8 OTHER NON-CURRENT ASSETS (Unsecured, considered good unless otherwise stated)	Rs. Crores	Rs. Crores
a) Prepayments under operating leases		
b) Capital advances		
Advances to related parties		
Considered good		
Others		
Considered good	0.16	0.20
Considered doubtful	-	0.16
Less: Allowance for doubtful advances	-	0.16
	0.16	0.20
c) Balances with customs, port trust, central excise etc.		
Considered good		
Considered doubtful		
Less: Allowance for doubtful balances		
	-	-
d) Others		
i. Sales tax paid under protest		
ii. Other advances (break up required)		
	-	-
	0.16	0.20

Note: Movement in Allowance for doubtful advances

	As at March 31 2024	As at March 31 2023
Opening	0.16	0.07
Add: Reclassification		0.04
Add: Additions/(Reversal)	(0.16)	0.05
Closing	-	0.16



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.9 INVENTORIES	Rs. Crores	Rs. Crores
Stock-in-trade		
(i) Commercial vehicles	18.30	8.87
(ii) Spare parts and auto components	7.27	6.84
	25.57	15.71
Less: Allowance for obsolescence	3.15	3.59
	22.42	12.12

a) Stock- in - Trade includes
Goods in transit 16.48 8.39

b) Cost of inventory recognised as an expense during the year 249.42 218.42

c) Movement in allowances in Spare parts and auto components

	As at March 31 2024	As at March 31 2023
Opening balance	3.59	0.90
Provision created / (Reversal)	(0.44)	2.69
Closing balance	3.15	3.59

d) The net movement in provision for obsolete/ slow moving stock during the previous year has been considered under purchases of stock in trade - Traded goods in Note 2.3



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.10 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES	Rs. Crores	Rs. Crores
(Unsecured)		
Considered good		
Related parties	0.44	0.07
Others	22.84	25.04
	23.28	25.11
Doubtful		
Related parties	3.41	-
Others	3.41	3.52
	3.41	3.52
Less: Loss allowance	3.41	3.52
	23.28	25.11

Trade Receivables ageing schedule

Particulars	Outstanding as at March 31, 2024 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								
(i) Undisputed Trade receivables -- considered good			0.44					0.44
Others								
(i) Undisputed Trade receivables -- considered good			21.80	0.15	0.38	0.23	0.28	22.84
(iii) Undisputed Trade Receivables -- credit impaired					0.24	0.84	2.33	3.41

Particulars	Outstanding as at March 31, 2023 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								
(i) Undisputed Trade receivables -- considered good		-	0.07					0.07
Others								
(i) Undisputed Trade receivables -- considered good		-	24.01	0.70	0.03	0.15	0.15	25.04
(iii) Undisputed Trade Receivables -- credit impaired					1.22	1.20	1.10	3.52

Notes :

(a) Due from Related Parties - Considered Good

(b) Refer note 3.9 for details of Trade Receivables pledged as security for liabilities

(b) Movement in allowances:

Movement in Provision for doubtful debts is as follows:	As at March 31 2024	As at March 31 2023
Opening Balance	3.52	1.83
Provision Made/(Reversed) - Refer Note 2.7	(0.08)	1.70
Provision written back - Refer Note 2.7	(0.03)	(0.01)
Closing Balance	3.41	3.52

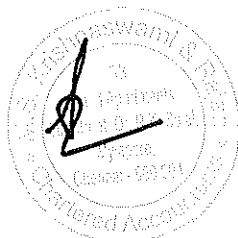


Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.11 A. CASH AND CASH EQUIVALENTS	Rs. Crores	Rs. Crores
i) Balance with banks:		
In current accounts	0.43	0.82
ii) Cheques, drafts on hand	-	-
iii) Cash and stamps on hand	0.02	0.03
	0.45	0.85
1.11 B. BANK BALANCES OTHER THAN (A) ABOVE		
i) In deposit accounts #	5.03	4.02
ii) Escrow bank account (earmarked)	-	0.01
	5.03	4.03

This represents deposits with original maturity of 12 months and remaining maturity less than 9 months. These are at amortised cost.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
1.12 CURRENT FINANCIAL ASSETS - LOANS		
(Unsecured, considered good)		
a) Loans to related parties in foreign currency	-	-
b) Loans to others	-	-
	-	-

Note:

These are carried at amortised cost.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
1.13 CURRENT FINANCIAL ASSETS - OTHERS		
(Unsecured, considered good unless otherwise stated)		
a) Interest accrued on bank deposits	0.11	0.08
b) Employee advances	0.10	0.09
c) Other receivables - Considered doubtful	0.31	0.31
	0.52	0.48
Less : Allowance for doubtful receivable	0.31	0.31
	0.21	0.17

Note: Movement in allowance for doubtful deposits	As at March 31 2024	As at March 31 2023
Opening balance	0.31	0.31
Provision created / (Reversal)	-	-
Closing balance	0.31	0.31



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

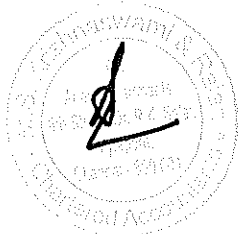
	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
1.14 CURRENT CONTRACT ASSETS		
Unbilled revenue	0.95	0.34
	0.95	0.34



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.15 OTHER CURRENT ASSETS	Rs. Crores	Rs. Crores
(Unsecured, considered good unless otherwise stated)		
a) Prepayments under operating leases	-	-
b) Advances to related parties	-	-
c) Supplier advances		
Considered good	-	-
Considered doubtful	-	-
Less: Allowance for doubtful advances	-	-
d) Balances with Government Authorities	2.14	1.38
Less: Provision for GST	(0.69)	-
e) Amount paid under protest :	1.45	1.38
- VAT	0.71	0.71
- Service Tax	0.10	0.10
- Goods and Service Tax	3.79	2.15
f) GST on Hold	4.57	3.38
g) Others receivables	-	0.43
h) Prepaid Expenses		
- Prepaid Rent**	0.01	0.01
- Others	0.13	0.05
	10.76	8.21



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024 Rs. Crores	As at March 31 2023 Rs. Crores
1.16 EQUITY SHARE CAPITAL		
Authorised		
40,00,000 (2023: 40,00,000) Equity shares of Rs.100 each	40.00	40.00
	40.00	40.00
Issued		
29,69,999 (2023: 29,69,999) Equity shares of Rs.100 each	29.70	29.70
	29.70	29.70
Subscribed and fully paid up		
29,69,999 (2023: 29,69,999) Equity shares of Rs.100 each	29.70	29.70
	29.70	29.70
Add: Forfeited shares		
	29.70	29.70

Notes:

1. Reconciliation of number of equity shares subscribed

	As at March 31 2024	As at March 31 2023
Balance as at the beginning of the year	29.70	29.70
Add: Issued during the year	-	-
Balance as at end of the period	29.70	29.70

2. Shares issued in preceding 5 years

Aggregate number and class of equity shares allotted for consideration other than cash, bonus shares etc., in the five years immediately preceding the balance sheet date as on March 31, 2023 and aggregate number of Shares bought back is NIL (2023: NIL)

3. Details of Equity Shares held by Promoters and Shareholders holding more than 5% of total share capital.

	As at March 31 2024	As at March 31 2023
Ashok Leyland Limited - Holding Company (No. of shares- 27,66,428)* - Promoter	93.15%	93.15%
Gulf Oil Lubricants India Limited (No. of shares- 2,03,571) - Promoter	6.85%	6.85%

*5000 Equity shares (2023 -5000) of Rs.100 each are jointly held by Ashok Leyland Limited with 7 individuals are included in the number of shares held and % disclosed above.

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

The Company has only one class of equity shares having a par value of Rs 10 each.
The Equity share holders are entitled to receive dividend as and when declared, right to vote in proportion of holding etc., and their rights, preferences and restrictions are governed by or in terms of their issue and provisions of Companies' Act, 2013.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.17 OTHER EQUITY	Rs. Crores	Rs. Crores
Retained Earnings		
Balance as at the beginning of the year	(23.75)	(18.62)
Add/(Less): Current year profit/(loss)	(0.94)	(5.08)
		-
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of Income Tax	(0.05)	(0.05)
	(24.74)	(23.75)

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



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
1.18 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS	Rs. Crores	Rs. Crores
a) Secured borrowings		
i. Term loan from banks	-	-
ii. SIPCOT soft loan	-	-
b) Unsecured borrowings		
i. External commercial borrowings from banks	-	-
ii. Interest free sales tax loans	-	-
	-	-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.19 NON-CURRENT - OTHER FINANCIAL LIABILITIES	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
a) Derivatives designated in hedging relationships	-	-
b) Others (break up required)	-	-
	-	-

Note:

These (except derivatives) are carried at amortised cost. Derivatives are carried at fair value through profit or loss / other comprehensive income.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.21	NON-CURRENT PROVISIONS	As at March 31 2024	As at March 31 2023
		Rs. Crores	Rs. Crores
	a) Provision for employee benefits		
	i. Compensated absences	0.33	0.26
	b) Provision for other contingencies - Disputed tax	0.52	0.52
		0.85	0.78

Movement in provisions (Refer Notes 1.21 and Note 1.28)

Provision for compensated absences	As at March 31 2024	As at March 31 2023
Opening	0.33	0.47
Add: Provision made	0.10	0.13
Less: Utilisation	(0.03)	(0.27)
Closing	0.40	0.33

Provision for Litigation matters	As at March 31 2024	As at March 31 2023
Opening	0.52	0.52
Add: Provision made	-	-
Less: Utilisation	-	-
Closing	0.52	0.52



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
1.22 DEFERRED TAX ASSETS / LIABILITIES (NET)		
a) Deferred tax assets	1.34	1.12
b) Deferred tax (liabilities)	(0.38)	(0.50)
	0.96	0.62



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

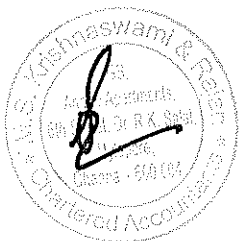
	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
1.20 NON CURRENT CONTRACT LIABILITIES		
Income received in advance	-	-
	-	-
1.23 OTHER NON-CURRENT LIABILITIES		
Others	-	-
	-	-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.24	CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at March 31 2024	As at March 31 2023
		Rs. Crores	Rs. Crores
	Secured borrowings		
	Loans from banks		
	Working Capital Demand Loans from banks	19.50	18.00
		19.50	18.00



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

		As at March 31 2024	As at March 31 2023
1.25	CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	Rs. Crores	Rs. Crores
	Trade payables - including acceptances		
	a) Total outstanding dues of micro enterprises and small enterprises	-	-
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	41.52	27.17
		41.52	27.17

Trade Payables ageing schedule

Current Year

Particulars	Outstanding as at March 31, 2024 for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	41.52	-	-	-	41.52

Particulars	Outstanding as at March 31, 2024 for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Related Parties	-	-	38.77	-	-	-	38.77
Others	-	-	2.75	-	-	-	2.75

Previous Year

Particulars	Outstanding as at March 31, 2023 for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	0.21	0.11	26.85	-	-	-	27.17

Particulars	Outstanding as at March 31, 2023 for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Related Parties	-	0.11	26.85	-	-	-	26.96
Others	0.21	-	-	-	-	-	0.21



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.26 CURRENT - OTHER FINANCIAL LIABILITIES	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
a) Interest accrued but not due on borrowings	0.04	0.14
b) Employee benefits	0.53	0.58
c) Gratuity Fund	0.54	0.34
d) Refund liabilities	-	-
e) Accrued expenses	0.46	0.64
	1.57	1.70



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.27	CURRENT CONTRACT LIABILITIES	As at March 31 2024	As at March 31 2023
		Rs. Crores	Rs. Crores
	Advance from customers	2.00	4.35
		2.00	4.35



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

		As at March 31 2024	As at March 31 2023
1.28	CURRENT PROVISIONS	Rs. Crores	Rs. Crores
	Provision for employee benefits		
	i. Compensated absences	0.07	0.07
		0.07	0.07



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

1.29 OTHER CURRENT LIABILITIES	As at March 31 2024	As at March 31 2023
	Rs. Crores	Rs. Crores
Statutory liabilities	0.64	0.49
	0.64	0.49



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.1 REVENUE FROM OPERATIONS		Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
a) Sale of products			
- vehicles		269.44	232.44
- Spare parts and others		21.80	16.58
(A)		291.24	249.02
b) Sale of services	(B)	4.54	3.45
c) Other operating revenues			
-Commission		0.00	-
- Incentives		2.30	1.30
- Scrap sales		0.53	0.30
(C)		2.83	1.60
(A+B+C)		298.61	254.07
Less: Rebates and discounts		33.49	22.96
		265.12	231.11



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.2 OTHER INCOME	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
a) Interest income from financial assets measured at amortised cost		
i. Fixed deposit	0.31	0.17
ii. Income Tax Refund	0.02	0.04
	0.33	0.21
b) Other non-operating income		
i. Gain or loss on modification/ termination of lease contracts	-	-
ii. Net (loss) / gain arising on financial asset mandatorily measured at FVTPL	0.00	0.05
iii. Others (Including Unclaimed balances written back)	0.07	0.36
	0.07	0.41
	0.40	0.62



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.3	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
	Opening Stock		
	Finished goods and stock-in-trade		
	- Commercial vehicles	8.87	5.71
	- Spare parts and auto components	3.26	3.33
		12.13	9.04
	Closing Stock		
	Finished goods and stock-in-trade		
	- Commercial vehicles	18.30	8.87
	- Spare parts and auto components	4.12	3.26
		22.42	12.13
	Net Movement		
	- Commercial vehicles	(9.44)	(3.15)
	- Spare parts and auto components	(0.86)	0.07
	Net Movement	(10.30)	(3.08)



Gulf Ashley Motor Limited

Notes annexed to and forming part of the Standalone Financial Statements

2.3 PURCHASES OF STOCK-IN-TRADE	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
a) Commercial vehicles	240.30	208.48
b) Spare parts and auto components	21.67	15.71
Less: Provision for obsolescence	(2.25)	(2.69)
	259.72	221.50



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.4 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
a) Salaries and wages	6.72	5.35
b) Contribution to provident and other funds	0.63	0.50
c) Staff welfare expenses	0.53	0.39
	7.88	6.24
Less: Expenses capitalised	-	-
	7.88	6.24



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.5	FINANCE COSTS	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
	Interest expense	1.59	1.46
	Interest on lease liability	0.17	0.27
		1.76	1.73



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

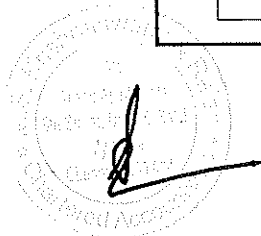
2.6	DEPRECIATION AND AMORTISATION EXPENSE	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
	A) Property, plant and equipment		
	(i) Buildings	0.21	0.21
	(ii) Plant and equipment	0.20	0.35
	(iii) Furniture and fittings	0.13	0.42
	(iv) Vehicles	0.17	0.19
	(v) Office equipment	0.01	-
	(A)	0.72	1.17
	B) Depreciation of Right-of-use asset	0.42	0.69
	(A+B)	1.14	1.86



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.7	OTHER EXPENSES	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
	Consumption of stores and tools	0.02	0.03
	Power and fuel	0.24	0.25
	Rent	0.08	0.50
	Repairs and maintenance	0.45	0.59
	Insurance	0.02	0.08
	Rates and taxes, excluding taxes on income	0.70	0.78
	Transportation, loading and unloading charges	0.28	0.54
	Packing and forwarding charges	0.02	0.02
	Selling and administration expenses - net	0.95	0.67
	Diesel for Service Van	0.07	0.04
	Local Conveyance	0.21	0.17
	Directors Sitting fees	0.03	0.01
	Consultancy Charges	1.28	0.87
	Audit Fees (Refer Note 3.10)	0.05	0.06
	Outsourced Service Expenses	0.71	0.49
	Administration Expenses	1.04	1.52
	Miscellaneous expenses	0.02	0.02
	Security Charges	0.53	0.57
	Contract Labour Charges	0.07	0.07
	Bank Charges	0.04	0.09
	Postage & Courier	-	0.00
	Allowance for doubtful debts - Trade Receivables	(0.08)	1.70
	Bad Debts/Advances - Written off	0.04	0.01
	Less: Allowance for doubtful debt written back	(0.04)	(0.01)
	Allowance for doubtful advances and deposits	(0.13)	0.07
	Loss on Sale of Assets	-	0.04
		6.60	9.18
	Less: Expenses capitalised	-	-
		6.60	9.18



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

2.8	EXCEPTIONAL ITEMS	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Crores	Rs. Crores
		-	-
		-	-



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

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	-	-
	Deferred tax In respect of the current year	(0.34)	(0.62)
	Adjustments to deferred tax attributable to changes in tax rates and laws	(0.34)	(0.62)
	Total income tax expense recognised in profit or loss (A + B)	(0.34)	(0.62)

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	(1.28)	(5.70)
Income tax rate	33.38%	33.38%
Income tax expense	-	-
Effect of previously unrecognised and unused tax losses and deductible temporary differences	-	-
Effect of concessions and other allowances	-	-
Effect of exceptional items, disallowances and reversals (net)	-	-
Effect of different tax rates of branches operating in overseas jurisdictions	-	-
Income tax expense recognised in profit or loss	-	-



Gulf Ashley Motor Limited

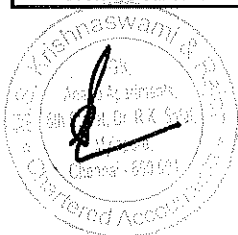
Notes annexed to and forming part of the standalone financial statements

3.1.3 Analysis of deferred tax assets / liabilities:

March 31, 2024	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Unused tax credits - availed / (utilised)	Rs. Crores Closing balance
Deferred tax (liabilities)/assets in relation to:	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Property, Plant & Equipment and intangible	(0.50)	0.12	-	-	-	(0.38)
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	1.12	0.22	-	-	-	1.34
	0.62	0.34	-	-	-	0.96

March 31, 2023	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Unused tax credits - availed / (utilised)	Rs. Crores Closing balance
Deferred tax (liabilities)/assets in relation to:	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
Property, Plant & Equipment and intangible	(0.92)	0.42	-	-	-	(0.50)
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	0.92	0.20	-	-	-	1.12
	(0.0)	0.62	-	-	-	0.62

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.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.1.4	Unrecognised deductible temporary differences, unused tax losses and unused tax credits	As at March 31, 2024	As at March 31, 2023
		Rs. Crores	Rs. Crores
	- Unused tax losses (capital)	-	-
	- Unused Tax Credits (NOTE)	-	-
	- Unabsorbed depreciation*	3.39	2.74
	- Unused tax losses*	17.73	17.37
		21.12	20.11

Notes:

- 1 These will expire in various years .
- 2 The above are gross amounts on which appropriate tax rates would apply.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

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. 0.56 crores (Mar'31 2023: Rs.0.47 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.

Eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined benefit plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions are made to the provident fund and pension fund set up as irrevocable trusts by the Company. The interest rates declared and credited by trusts to the members have been higher than / equal to the statutory rate of interest declared by the Central Government.

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.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone 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	7.19%	7.40%
Expected rate of salary increase	5.00%	5.00%
Average Longevity at retirement age - past service	4.58	4.84
Average Longevity at retirement age - future service	22.39	21.54
Attrition rate	15.00%	15.00%
Compensated absences		
Discount rate	7.19%	7.40%
Expected rate of salary increase	5.00%	5.00%
Attrition rate	15.00%	15.00%

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	0.12	0.09
Net interest expense / (income)	0.03	0.01
Components of defined benefit costs recognised in profit or loss	0.15	0.10
<u>Remeasurement on the net defined benefit liability comprising:</u>		
Actuarial (gain)/loss arising from changes in financial assumptions	0.01	(0.02)
Actuarial (gain)/loss arising from experience adjustments	0.03	0.06
Actuarial (gain)/loss on plan assets	0.01	0.00
Components of defined benefit costs recognised in other comprehensive Income	0.05	0.04
Total	0.20	0.14

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	0.77	0.64
Fair value of plan assets	0.24	0.30
Net liability / (asset) arising from defined benefit obligation (funded)	0.53	0.34
Compensated absences and other defined benefit plans		
Present value of defined benefit obligation	0.40	0.33
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation (unfunded)	0.40	0.33



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.2 Retirement benefit plans (continued)

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 1.21,1.26].



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone 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	0.64	0.93
Current service cost	0.12	0.09
Interest cost	0.04	0.05
Actuarial (gain)/loss arising from changes in financial assumptions	0.01	(0.02)
Actuarial (gain)/loss arising from experience adjustments	0.03	0.06
Benefits paid	(0.07)	(0.47)
Closing defined benefit obligation	0.77	0.64
Compensated absences and other defined benefit plans		
Opening defined benefit obligation	0.33	0.47
Current service cost	0.07	(0.14)
Interest cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Benefits paid	-	-
Closing defined benefit obligation	0.40	0.33

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	0.30	0.73
Interest on plan assets	0.02	0.04
Remeasurements due to Actual return on plan assets less interest on plan assets	(0.00)	(0.00)
Contributions	-	-
Benefits paid	(0.08)	(0.47)
Closing fair value of plan assets	0.24	0.30

The Company funds the cost of the gratuity expected to be earned on a yearly basis to SBI Life Insurance Company limited, which manages the plan assets.

The actual return on plan assets was Rs. 0.02 crores (31, 2023: Rs.0.03 crores).



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.2 Retirement benefit plans (continued)

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 Rs. Crores	As at March 31, 2023 Rs. Crores
Gratuity		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease by	0.05	0.04
increase by	0.05	0.04
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase by	0.05	0.04
decrease by	0.05	0.04
Compensated absences		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease by	0.02	0.02
increase by	0.03	0.02
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase by	0.02	0.02
decrease by	0.02	0.02

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. 0.00 crores (March 2023: Rs.0.00 crores) to the defined benefit plans (gratuity - funded) during the next financial year.

The average duration of the benefit obligation (gratuity) is 6.94 years (March 2023: 6.72 years).



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.3 Earnings per share	Year ended March 31, 2024	Year ended March 31, 2023
	Rs.	Rs.
Basic earnings per share	(3.17)	(17.10)
Diluted earnings per share	(3.17)	(17.10)
Face value per share	100	100

3.3.1 Basic earnings per share

	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Profit for the year attributable to equity shareholders	(0.94)	(5.08)

	Year ended March 31, 2024	Year ended March 31, 2023
	Nos.	Nos.
Weighted average number of equity shares used in the calculation of basic earnings per share	29,69,999	29,69,999

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	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
Profit for the year attributable to equity shareholders	(0.94)	(5.08)

	Year ended March 31, 2024	Year ended March 31, 2023
	Nos.	Nos.
Weighted average number of equity shares used in the calculation of basic earnings per share	29,69,999	29,69,999
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	29,69,999	29,69,999



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.4 Lease arrangements

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 classified as Short term lease expenses aggregating to Rs.0.06 crores (March 31, 2023: Rs.0.40 crores) and variable lease payments aggregating to Rs.0.00 crores (March 31, 2023: Rs. 0.00 crores) which are not required to be recognised as part of the practical expedient under Ind AS 116 'Leases' mentioned above.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.5 Financial Instruments

3.5.1 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.

Gearing Ratio:

	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)	21.61	20.81
Less: Cash and bank balances	(0.45)	(0.85)
Less: Units in Mutual Fund	-	-
Net debt	21.16	19.96
Total Equity	4.96	5.95
Debt equity ratio	4.35	3.50

Categories of Financial Instruments:

Financial assets	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
a. Measured at amortised cost:		
Investments	0.02	0.02
Cash and cash equivalents	0.45	0.85
Other bank balances	5.03	4.03
Trade Receivables	23.28	25.11
Loans *	-	-
Others	0.30	0.38
* net of impairment		
b. Mandatorily measured at fair value through profit or loss (FVTPL):		
Investments	-	-
Derivatives designated in hedge accounting relationships	-	-
Financial liabilities		
a. Measured at amortised cost:		
Borrowings	19.50	18.00
Trade Payables	41.52	27.17
Other financial liabilities	3.68	4.51
b. Mandatorily measured at fair value through profit or loss (FVTPL):		
Derivatives designated in hedge accounting relationships	-	-
Derivatives not designated in hedge accounting relationships	-	-

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.



3.5 Financial Instruments

3.5.2 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.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.5 Financial Instruments continued...

(1) 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 Rs. Crores	March 31, 2023 Rs. Crores
Variable rate Borrowings	19.50	18.00
Fixed rate Borrowings *		
	19.50	18.00

* includes variable rate borrowings amounting to Rs. Nil crores (March 31, 2023: Rs. Nil crores) subsequently converted to fixed rate borrowings through swap contracts

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.0.04 crores (March 31, 2023 decrease / increase by Rs.0.05 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.



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Notes annexed to and forming part of the standalone financial statements

3.5 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 1.10.

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



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.5 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
From Banks		
- Secured	21.00	50.00
- Unsecured		
Total	21.00	50.00

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	Total
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
March 31, 2024				
Trade payables	41.52	-	-	41.52
Other financial liabilities	1.57	-	-	1.57
Borrowings	19.50	-	-	19.50
Lease liabilities	0.59	1.96	-	2.55
	63.18	1.96	-	65.14
March 31, 2023				
Trade payables	27.17	-	-	27.17
Other financial liabilities	1.70	-	-	1.70
Borrowings	18.00	-	-	18.00
Lease liabilities	0.79	2.23	0.45	3.47
	47.66	2.23	0.45	50.34

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.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.5 Financial Instruments

3.5.3 Categories of Financial assets and liabilities:

Rs. Crores

	As at March 31, 2024	As at March 31, 2023
Financial assets		
<u>a. Measured at amortised cost:</u>		
Investments (net of impairment)	0.02	0.02
Cash and cash equivalents	0.45	0.85
Other bank balances	5.03	4.03
Trade Receivables (net of allowance)	23.28	25.11
Loans (net of allowance)	-	-
Others (net of allowance)	0.30	-
<u>b. Mandatorily measured at fair value through profit or loss (FVTPL) / other comprehensive income (OCI):</u>		
Investments	-	-
Derivatives designated in hedge accounting relationships	-	-
Financial liabilities		
<u>a. Measured at amortised cost:</u>		
Borrowings	19.50	18.00
Trade Payables	41.52	27.17
Other financial liabilities	1.57	1.70
Lease liabilities	2.11	2.81
<u>b. Mandatorily measured at fair value through profit or loss (FVTPL) / other comprehensive income (OCI):</u>		
Derivatives designated in hedge accounting relationships	-	-

3.5.4 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.



Gulf Ashley Motor Limited

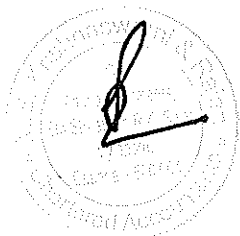
Notes annexed to and forming part of the standalone financial statements

3.6 Revenue from contracts with customers:

3.6.1 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	269.44	232.44
- Engines and gensets	-	-
- Ferrous castings and patterns	-	-
- Spare parts and others	21.80	16.58
	291.24	249.02
b) Sale of services		
- Freight and Insurance	0.00	0.00
- Annual Maintenance Contracts	-	-
- Warranty services	1.62	0.80
- Others	2.92	2.65
	4.54	3.45
c) Other operating revenues		
- Scrap sales	0.53	0.30
- Others	2.30	1.30
	2.83	1.60
Less: Rebates and discounts	33.49	22.96
Total revenue from contract with customers	265.12	231.11
India	265.12	231.11
Outside India	-	-
Total revenue from contract with customers	265.12	231.11

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
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
- Sale of products and other operating revenue	288.90	5.17	248.70	1.92
- Sale of Services - Freight and Insurance	0.00	-	0.00	-
- Sale of Services - Annual Maintenance Contracts, warranty services and others	2.92	1.62	2.65	0.80
Less: Rebates and discounts	33.49	-	22.96	-
Total revenue from contract with customers	258.33	6.79	228.39	2.72



Gulf Ashley Motor Limited

Notes annexed to and forming part of the Standalone Financial Statements

3.6.2 Contract balances	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Trade receivables (Refer Note 1.4 & 1.10)	23.28	25.11
Contract liabilities (Refer Notes 1.27)	2.00	4.35

Trade receivables are non-interest bearing and are generally on terms of "Cash and Carry" for Vehicles and the credit period for services rendered are on the basis of credit worthiness of the customers. (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.

3.6.3 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	4.35	5.29
Revenue recognised from performance obligations satisfied in previous years	0.34	0.20

3.6.4 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	298.61	254.07
Adjustments		
Rebates and discounts	(33.49)	(22.96)
Revenue from contract with customers	265.12	231.11

3.6.5 Unsatisfied or partially unsatisfied performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:

	March 31, 2024	March 31, 2023
	Rs. Crores	Rs. Crores
Within one year	0.95	0.34
More than one year	-	-
	0.95	0.34

The remaining performance obligations expected to be recognised in more than one year relate to the extended warranty and other obligation which is expected to be recognised over a period of 13 months to 18 months.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.7 Related party disclosure

a) List of parties where control exists

Holding company

Ashok Leyland Limited

Subsidiaries

b) Other related parties

Fellow subsidiary of Holding company

Hinduja Leyland Finance Limited

Hinduja Housing Finance Limited

Optare PLC

Optare UK Limited

Switch Mobility Limited (formerly known as Optare Group Limited)

Jamesstan Investments Limited

Optare Holdings Limited

Optare (Leeds) Limited

East Lancashire Bus Builders Limited

Optare Australia PTY LTD

Ashok Leyland (UAE) LLC

LLC Ashok Leyland Russia

Ashok Leyland West Africa

Ashok Leyland (Nigeria) Limited

Ashok Leyland (Chile) S.A.

Global TVS Bus Body Builders Limited

HLF Services Limited

Ashley Aviation Limited

Vishwa Buses and Coaches

Albonair (India) Private Limited

Albonair GmbH, Germany

Albonair (Taicang) Automotive Technology Co. Limited, China

Hinduja Tech Limited

Hinduja Tech Inc., USA

Hinduja Tech Inc. GmbH

Gulf Oil

Associates

NA

Joint Ventures

Ashok Leyland John Deere Construction Equipment Company Private Limited(under liquidation)

Entities where control exist

NA

Entities where significant influence exist

NA

Key management personnel

Mr. Sanjeev Kumar-Chairman

Mr. K M Balaji-Director

Mr.Mohit Gotcha-Director

Mr.Prabir Kumar Mandal-Director

Mr.Nalin Malik, Chief Operating Officer

Mr.N.Sinath - Chief Financial Officer

Mr.V Ramachandran - Company Secretary



Gulf Ashley Motor Limited

Notes annexed to and forming part of the Standalone Financial Statements

3.7 Related party disclosure continued...

c) Related Party Transactions - summary

		Rs. Crores							
		Fellow subsidiary of Holding company		Holding Company		Key Management Personnel		Total	
Transactions during the year ended March 31		2024	2023	2024	2023	2024	2023	2024	2023
1	Purchase of raw materials, components and traded goods (net of GST)	5.98	4.68	241.70	207.84	-	-	247.68	212.51
2	Sales and services (net of GST)			6.71	3.11	-	-	6.71	3.11
3	Other operating Income			1.93	2.37	-	-	1.93	2.37
4	Other expenditure incurred / (recovered) (net)			1.20	0.93	-	-	1.20	0.93
5	Interest and other income			-	-	-	-	-	-
6	Purchase of assets			-	-	-	-	-	-
7	Sale of asset			-	-	-	-	-	-
8	Dividend payments			-	-	-	-	-	-
9	Dividend Income			-	-	-	-	-	-
10	Remuneration to key management personnel**			-	-	-	-	-	-
11	Commission and sitting fees to key management personnel *			-	-	-	-	-	-
12	Financial guarantees issued @			-	-	-	-	-	-
13	Financial guarantees released			-	-	-	-	-	-
14	Investments in shares of			-	-	-	-	-	-
15	Loans / ICD repaid			-	-	-	-	-	-
16	Loan converted into equity			-	-	-	-	-	-
17	Consideration towards sale of Electric vehicle business			-	-	-	-	-	-
18	Contribution to employee related trusts made during the year including loans and interest recovered			-	-	-	-	-	-
		5.98	4.68	251.54	214.25	-	-	257.52	218.92



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.7 Related party disclosure continued...

d) Related Party balances - summary

Rs. Crores

		Fellow subsidiary of Holding company		Holding Company		Key Management Personnel		Total	
Balances as on March 31		2024	2023	2024	2023	2024	2023	2024	2023
1	Trade receivables (Refer Note 1.4 and 1.10)			0.44	0.07	-	-	0.44	0.07
2	Loans (Refer Note 1.12)			-	-	-	-	-	-
3	Other financial and non-financial assets (Refer Note 1.7, 1.13 and 1.14)			-	-	-	-	-	-
4	Trade and other payables	1.09	0.71	37.68	26.25	-	-	38.77	26.96
5	Share application money (Refer Note 1.13)			-	-	-	-	-	-
6	Financial guarantees			-	-	-	-	-	-

amount is below rounding off norms adopted by the Company.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.7 Related party disclosure continued...

e) Significant Related Party Transactions

		Rs. Crores	
Transactions during the year ended March 31	2024	2023	
1 Purchase of raw materials, components and traded goods (net of GST)			
Purchase of Vehicles	228.51	199.74	
Purchase of Spares	12.80	7.85	
Purchase of Lubricants	5.98	4.68	
Purchase of Recon	0.39	0.25	
2 Sales and services (net of GST)			
Warranty Income	6.69	3.10	
Engine Recon	0.02	0.01	
3 Other Operating Income			
Incentive Service	1.41	2.26	
Incentive Marketing	0.52	0.11	
4 Other expenditure incurred / (recovered) (net)			
DBM Charges	0.08	0.10	
Consultancy/ Management Fee	0.99	0.74	
Training Debits	0.05	0.03	
Rent Ennore & Registered Office	0.06	0.07	
Corporate Office rent	0.01	0.01	
Select Credit	-	(0.01)	
5 Advance / current account - net increase / (decrease)	-	-	
6 Interest and other income	-	-	
7 Purchase of assets	-	-	
8 Sale of assets	-	-	
9 Dividend payment	-	-	
10 Dividend income	-	-	
11 Financial guarantees issued	-	-	
12 Financial guarantees released	-	-	
13 Investment in shares of	-	-	
14 Loans / ICD repaid	-	-	
15 Commission and sitting fees to key management personnel	-	-	
16 Contribution to employee related trusts made during the year including loans and interest recovered	-	-	
17 Loan converted into equity	-	-	
18 Consideration towards sale of Electric vehicle business	-	-	
19 Remuneration to key management personnel *	-	-	



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.8 Contingent liabilities	As at March 31, 2024	As at March 31, 2023
	Rs. Crores	Rs. Crores
a) Claims against the Company not acknowledged as debts (net)		
i) Sales tax / VAT / GST #	33.98	15.73
ii) Excise duty #	-	-
iii) Service Tax #	0.99	0.99
iv) Customs Duty #	-	-
v) Income tax \$	-	-
vi) Others	-	-
\$ These relates to issues of deductibility and taxability in respect of which the Company is in appeal and inclusive of the effect of similar matters in respect of assessments remaining to be completed.		
# These have been disputed by the Company on account of issues of applicability and classification.		
b) Corporate guarantees given to others for loans taken by subsidiaries and a joint venture company	-	-

Future cash outflows in respect of the above are determinable only on receipt of judgement / decisions pending with various forums / authorities.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.9 Details of current borrowings

a. Secured borrowings:

	As at March 31, 2024	Particulars of Repayment	As at March 31, 2023
	Rs. Crores		Rs. Crores
i. HDFC-Working Capital Demand Loan	16.00	Loan repayable on demand carry interest rates ranges from 7.77% p.a.	18.00
ii. HDFC-Inventory Funding	3.50		-
	19.50		18.00

The company has outstanding secured borrowings as at March 31, 2024 of Rs.19.50 Crs (March 31, 2023 : Rs.18.00).

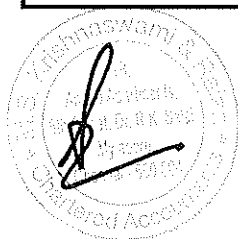
Working capital demand loan from banks are secured by way of hypothecation of the whole stocks of Raw Materials, Semi Finished and Finished goods, Stores and Spares not related to Plant and Machinery (Consumable stores and spares) Bills Receivable, Book Debts and all other movables both present and future now lying or stored about the factory premises, godowns, warehouses, yards and any other locations to the extent of Rs. 45.70 crore (March 31, 2023: Rs. 37.23 crores) reduced by the Trade Payable in the book Rs.41.52 Crores (March 31, 2023: Rs. 27.17 crores)



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.10 Other Information (including foreign currency transactions)	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Crores	Rs. Crores
3.10 Auditors' remuneration Included under Consultancy Charges & Audit Fees [Refer Note 2.7]		
i) For financial audit	0.03	0.03
ii) For other services - limited review, certification work, etc.	0.05	0.05
iii) For reimbursement of expenses	0.01	0.01



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.11 Financial Ratios

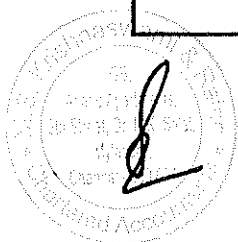
Ratios	Year ended March 31, 2024	Year ended March 31, 2023	% of Change
Debt equity ratio	4.35	3.50	25%
Debt service coverage ratio	0.10	(0.04)	-319%
Current ratio	0.96	0.97	-1%
Trade receivable turnover ratio	10.96	6.85	60%
Inventory turnover ratio	15.35	21.84	-30%
Trade payable turnover ratio	6.26	8.15	-23%
Net capital turnover ratio	(100.92)	(150.54)	-33%
Return on capital employed (%)	1.96%	-16.55%	-112%
Return on equity (%)	-17.23%	-59.67%	-71%
Net profit margin %	-0.35%	-2.20%	-84%

The Company earns a return on investment ranging from 5.5% to 7.55% p.a on fixed deposit and mutual funds.

The reason for change in ratios by more than 319% is mainly due to higher repayment of borrowings during year ended March 31, 2023 in comparison with year ended March 31, 2024.

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)	Net profit after tax + Finance costs + Depreciation and amortisation 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)	Revenue from operations	Average inventory
Trade payable turnover ratio (in times)	Purchases of Stock in Trade	Closing trade payable
Net capital turnover ratio (in times)	Revenue from operations	Working capital
Return on capital employed (%)	Earnings before interest and Taxes	(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

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



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

3.13 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.

3.14 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.

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

3.16 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.

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

3.18 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.



Gulf Ashley Motor Limited

Notes annexed to and forming part of the standalone financial statements

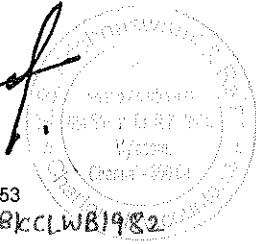
3.19 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

3.20 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.

For and on behalf of the Board of the Directors

For M.S.Krishnaswami & Rajan
Chartered Accountants
FRN NO: 01554S

M.S.Murali
Partner
Membership No: 026453
UDIN: 24026453 BKCLWB1982



Sanjeev Kumar
Chairman
DIN: 07255308

Srinath N
Chief Financial Officer

Mohit Golcha
Director and CEO
DIN: 07256105

Ramachandran V
Company Secretary

Place: Chennai

Date: May 7, 2024 .

Gulf Ashley Motor Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024

A. General information

Gulf Ashley Motor Limited ("the Company") is a public limited company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Company's registered office is situated at 1, Sardar Patel Road, Guindy, Chennai, Tamil Nadu, India. The main activities of the Company are those relating to sale and service of Commercial Vehicle and sale of Spare Parts.

B. Material Accounting Policies

3.1 Basis of Preparation and Presentation

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Crores, except where otherwise indicated.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below these accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

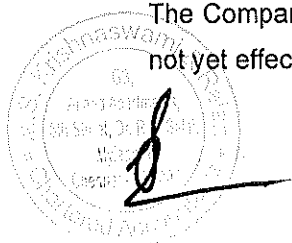
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

3.2 Compliance with Ind AS

These financial statements (the 'financial statements') have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company has consistently applied the accounting policies to all periods.

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.



The material accounting policies are detailed below.

3.3 Revenue recognition

Revenue from contract with customer

Ind AS 115 Revenue from Contracts with Customers

Revenue is measured at the fair value of the consideration received or receivable.

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers and establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

3.3.1 Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is shipped to the customer. The revenue from sale of vehicles is based on the terms of the tender.

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus, there is no significant financing component.

3.3.2 Rendering of services

Revenue from services is recognised over a period of time as and when the services are rendered in accordance with the specific terms of contract with customers.

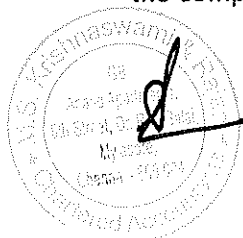
3.3.3 Other Operating Revenues

Other operating revenues comprise of income from ancillary activities (eg: scrap sales) incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

3.3.4 Revenue in excess of invoicing (referred to as Unbilled revenue) are classified as Contract assets while invoicing in excess of revenues (referred to as Unearned revenue) are classified as Contract liabilities.

3.3.5 Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).



3.3.6 Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

3.4 Employee benefits

3.4.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans i.e., Company's contribution to provident 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.

For defined benefit plans i.e. Company's liability towards gratuity (funded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.4.2 Short-term employee benefits

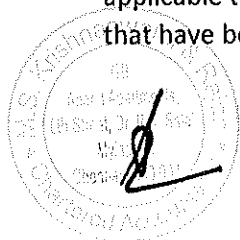
A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

3.5 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.5.1 Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.



3.5.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.6 Segment Information

The company's primary segment as per Ind AS 108 "Operating Segment" is identified as business segment based on nature of products, risk, returns and internal reporting business systems the company is principally engaged in a single business segment viz. sale and service of Commercial Vehicle and sale of Spare Parts.

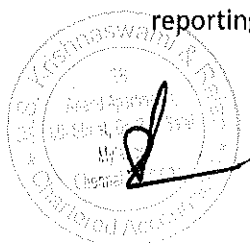
3.7 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of eligible credit for GST) less accumulated depreciation and accumulated impairment losses. Cost of all civil works (including electrification and fittings) is capitalised.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Property, plant and equipment (including patterns and dies) where the cost exceeds Rs.10,000 is capitalised and stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.



3.8 Impairment of assets:

At the end of each reporting period, the Company determines whether there is any indication that its tangible assets carried at cost have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Investment in joint venture is measured at deemed cost. However, provision for diminution is made to recognize a decline, if any, other than temporary, in the carrying value of the investment.

The Indian Accounting Standard (Ind AS) 116 is applicable from FY 2019-20 and it replaces Ind AS 17.

Ind AS 116 requires lessee to recognise a liability to make lease payments and an asset representing the right to use asset during the lease term for all leases except for short term leases and leases of low-value assets.

operation

alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

At the commencement date, Company recognized a Right-Of Use asset measured at cost and a lease liability measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company has used its incremental borrowing rate.

The cost of the right-of-use asset comprised of, the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee.

At the commencement date, the lease payments included in the measurement of the lease liability comprise (a) fixed payments less any lease incentives receivable; (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (c) amounts expected to be payable by the company under residual value guarantees; (d) the exercise price of a purchase option if the company is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

Depreciation on Right to use asset and impairment losses if any is recognised in Statement of Profit and Loss. Computed on a straight-line basis over the period of lease. Also, the company separately recognises interest on lease liability as a component of finance cost in Statement of Profit and Loss.

3.11 Inventories

Inventories are stated at lower of cost and net realisable value.

Cost of Vehicles and spares comprises cost of purchases and includes taxes and duties. Cost of inventories also includes all other related costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

Cost of inventories are determined as follows,

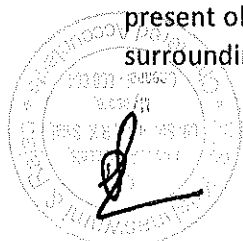
- Stores, Spares, Consumable tools and components: on moving weighted average basis;
- Traded goods: on weighted average basis;

Cost of obsolete/ slow moving inventories are adequately provided for.

3.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event or it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the



present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed in case of:

- A present obligation arising out of past events, when it is not probable that there will be an outflow of resources that will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Provisions, Contingent liabilities, Contingent assets and commitments are reviewed at each Balance sheet date.
- Provision for litigation related obligation represents liabilities expected to materialise in respect of matters in appeal.

3.13 Exceptional Items:

On certain occasions, the size, the type or incidence of an item of expense or income, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, in that event such income or expense is classified as an exceptional item and accordingly disclosed in notes to the financial statements.

3.14 Fair Value Measurement:

The Company measures financial instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.15 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit or loss.

3.15 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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



Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

The Company has determined the classification of debt instruments in terms of whether they meet amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date. Accordingly, the Company has classified all debt instruments as of the transition date at amortised cost.

The Company measures its investments in equity instruments of joint venture at cost in accordance with Ind AS 27. At transition date, the Company had elected to continue with the carrying value of such investments measured as per the previous GAAP and use such carrying value as its deemed cost.

All other financial assets are subsequently measured at fair value.

3.15.2 Impairment of financial assets:

A Financial asset is regarded as credit impaired or subject to significant increase in credit risk, when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the company expects to receive).

3.15.3 De-recognition of financial assets:

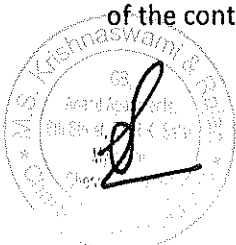
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

3.16 Financial liabilities and equity instruments

3.16.1 Classification as debt or equity

Equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



3.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

3.17.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item.

3.17.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.



The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Critical accounting judgments and key sources of estimation uncertainty:

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the Management to estimate the level of tax that will be payable based upon the Company's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

In respect of other taxes which are in disputes, the Management estimates the level of tax that will be payable based upon the Company's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Provisions against receivables

The Management makes judgement based on experience regarding the level of provision required to account for potentially uncollectible receivables using information available at the balance sheet date.

