

Albonair (India) Private Limited
Balance sheet as at March 31, 2020

Particulars	Note No.	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	1.1	1,345.64	664.78
Capital work-in-progress	1.1	249.86	-
Other Intangible assets	1.2	79.95	10.80
Financial Assets			
(i) Loans	1.3	0.90	-
Advance tax assets (net)	1.4	7.81	12.49
Deferred tax Asset (net)	1.5	0.37	0.37
Other non-current assets	1.6	100.45	215.45
		1,784.98	903.89
Current assets			
Inventories	1.7	687.88	270.63
Financial Assets			
(i) Trade receivables	1.8	577.32	109.51
(ii) Cash and cash equivalents	1.9A	74.49	327.12
(iii) Bank balances other than (ii) above	1.9B	322.86	-
(iv) Other financial assets	1.10	2.36	7.80
Other current assets	1.11	277.06	69.77
		1,941.97	784.83
TOTAL ASSETS		3,726.95	1,688.72
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.12	4,500.00	2,500.00
Other equity	1.13	(1,653.78)	(1,355.48)
		2,846.22	1,144.52
Liabilities			
Non-current liabilities			
Provisions	1.14	39.77	31.38
		39.77	31.38
Current liabilities			
Financial liabilities			
(i) Borrowings	1.15	7.10	-
(ii) Trade payables	1.16		
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues other than micro and small enterprises		486.72	442.24
(iii) Other financial liabilities	1.17	293.27	16.86
Other current liabilities	1.18	8.09	16.05
Provisions	1.19	45.78	37.67
		840.96	512.82
TOTAL EQUITY AND LIABILITIES		3,726.95	1,688.72

Statement on Significant Accounting Policies and Notes form an integral part of this Financial Statements.

For and on behalf of the Board

R. Sivanesan
Director
DIN: 07506488

E. Balasubramoniam
Chief Executive Officer
DIN: 07990377

U. Jhanvi
Company Secretary
09th June 2020, Chennai

Vasan Ranganathan
Chief Financial Officer

This is the Balance Sheet referred to in our report of even date.

For MSKA & Associates
Firm Registration Number - 105047W
Chartered Accountants

Geetha Jeyakumar
Partner
Membership Number - 029409
09th June 2020, Chennai

Albonair (India) Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note No.	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Income			
Revenue from operations	2.1	1,191.85	1,223.56
Other income	2.2	67.31	38.08
Total Income		1,259.16	1,261.64
Expenses			
Cost of materials and services consumed	2.3	844.96	881.52
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.4	(29.98)	137.43
Employee benefits expense	2.5	380.92	256.48
Finance costs	2.6	6.18	-
Depreciation and amortisation expense	2.7	109.25	57.76
Other expenses	2.8	239.09	150.81
Total Expenses		1,550.42	1,484.00
Loss before tax		(291.26)	(222.36)
Tax expense:			
Current tax - Prior year		-	(0.10)
		-	(0.10)
Loss for the year		(291.26)	(222.26)
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		0.47	2.05
(ii) Income tax relating to items that will not be reclassified to Profit or Loss			
		-	-
Total Other Comprehensive Income		0.47	2.05
Total Comprehensive Income for the year		(290.79)	(220.21)
Earnings per share (Face value Rs.10 each)			
- Basic (in Rs.)		(0.72)	(0.98)
- Diluted (in Rs.)		(0.72)	(0.98)
[Refer Note 3.3]			

Statement on Significant Accounting Policies and Notes form an integral part of this Financial Statements.

For and on behalf of the Board

R. Sivanesan
Director
DIN: 07506488

E. Balasubramoniam
Chief Executive Officer
DIN: 07990377

U. Jhanvi
Company Secretary
09th June 2020, Chennai

Vasan Ranganathan
Chief Financial Officer

This is the Statement of Profit and Loss referred to in our report of even date.

For MSKA & Associates
Firm Registration Number - 105047W
Chartered Accountants

Geetha Jeyakumar
Partner
Membership Number - 029409
09th June 2020, Chennai

Albonair (India) Private Limited
Statement of Cash flows for the year ended March 31, 2020

Particulars	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Cash flow from operating activities		
Loss before tax for the year	(291.26)	(222.36)
Adjustments for :		
Depreciation and amortisation expenses	109.25	57.76
Foreign exchange loss/ (gain)	22.68	(22.53)
Loss on sale of Fixed Assets and obsolete inventory - Net	31.73	0.56
Finance costs	6.18	-
Interest income	(66.71)	(15.55)
Operating Loss before working capital changes	(188.13)	(202.12)
Adjustments for changes in :		
Trade receivables	(467.81)	22.90
Inventories	(432.42)	668.16
Non-current and current financial assets	5.15	4.26
Other non-current and current assets	(210.52)	(29.68)
Trade payables	21.80	(1,183.66)
Non-current and current financial liabilities	20.13	3.86
Other non-current and current liabilities	(7.96)	11.62
Other non-current and current provisions	16.97	5.86
Cash generated from / (used in) operations	(1,242.79)	(698.80)
Income tax paid (net of refund)	4.68	(8.65)
Net cash flow from / (used in) operating activities	[A] (1,238.11)	(707.45)
Cash flow from investing activities		
Purchase of Property, Plant and Equipment and intangible assets	(759.96)	(22.87)
Proceeds on sale of Property, Plant and Equipment and intangible assets	8.79	-
Bank Balance not considered as Cash and Cash Equivalents (with maturity more than three months) - Net	(322.86)	-
Interest received	66.10	15.55
Net cash flow from / (used in) investing activities	[B] (1,007.93)	(7.32)
Cash flow from financing activities		
Proceeds from issue of equity shares	2,000.00	1,000.00
Proceeds from current borrowings	7.10	-
Share Issue Expenses	(7.51)	(15.01)
Interest & loan processing fees paid	(6.18)	-
Net cash flow from (used in) financing activities	[C] 1,993.41	984.99
Net cash Inflow / (Outflow)	[A+B+C] (252.63)	270.22
Opening cash and cash equivalents	327.12	56.90
Closing cash and cash equivalents [Refer Note 1.9A to the standalone financial statements]	74.49	327.12

Statement on Significant Accounting Policies and Notes form an integral part of this Financial Statements.

For and on behalf of the Board

R. Sivanesan
Director
DIN: 07506488

E. Balasubramoniam
Chief Executive Officer
DIN: 07990377

U. Jhanvi
Company Secretary
09th June 2020, Chennai

Vasan Ranganathan
Chief Financial Officer

This is the Statement of Cash Flows referred to in our report of even date.

For MSKA & Associates
Firm Registration Number - 105047W
Chartered Accountants

Geetha Jeyakumar
Partner
Membership Number - 029409
09th June 2020, Chennai

Albonair (India) Private Limited
Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

Rs. Lakhs

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid				
Opening	2,50,00,000	2,500	1,50,00,000	1,500
Add: Equity Shares issued during the year	2,00,00,000	2,000	1,00,00,000	1,000
Closing	4,50,00,000	4,500	2,50,00,000	2,500

B. Other Equity

Rs. Lakhs

Particulars	Retained earnings
Balance at the beginning of April 1, 2018	(1,120.26)
Loss for the year	(222.26)
Other comprehensive income	2.05
Total Comprehensive Income for the year	(220.21)
Transactions with owners:	
On issue of shares	(15.01)
Balance at the end of March 31, 2019	(1,355.48)
Loss for the year	(291.26)
Other comprehensive income	0.47
Total Comprehensive Income for the year	(290.79)
Transactions with owners:	
On issue of shares	(7.51)
Balance at the end of March 31, 2020	(1,653.78)

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

For and on behalf of the Board

R. Sivanesan
Director
DIN: 07506488

E. Balasubramoniam
Chief Executive Officer
DIN: 07990377

U. Jhanvi
Company Secretary
09th June 2020, Chennai

Vasan Ranganathan
Chief Financial Officer

This is the Statement of changes in Equity referred to in our report of even date.

For MSKA & Associates
Firm Registration Number - 105047W
Chartered Accountants

Geetha Jeyakumar
Partner
Membership Number - 029409
09th June 2020, Chennai

1.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Rs. Lakhs

DESCRIPTION	GROSS CARRYING AMOUNT (COST)				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	01.04.2019	Additions	Disposals	31.03.2020	Upto 31.03.2019	Charge during the year	Disposals	Upto 31.03.2020	Upto 31.03.2020
Property, plant and equipment (PPE)									
Plant and equipment	830.17	643.20	31.90	1,441.47	183.12	70.59	9.12	244.59	1,196.88
Furniture and fittings	10.65	17.57	2.55	25.67	5.92	2.96	0.29	8.59	17.08
Office Equipment	29.38	138.39	0.67	167.10	16.38	19.41	0.37	35.42	131.68
TOTAL	870.20	799.16	35.12	1,634.24	205.42	92.96	9.78	288.60	1,345.64

Capital work-in-progress 249.86

DESCRIPTION	GROSS CARRYING AMOUNT (COST)				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	01.04.2018	Additions	Disposals	31.03.2019	Upto 31.03.2018	Charge during the year	Disposals	Upto 31.03.2019	Upto 31.03.2019
Property, plant and equipment (PPE)									
Plant and equipment	814.50	15.67	-	830.17	136.58	46.54	-	183.12	647.05
Furniture and fittings	10.65	-	-	10.65	5.65	0.27	-	5.92	4.73
Office Equipment	21.43	8.80	0.85	29.38	11.97	4.71	0.30	16.38	13.00
TOTAL	846.58	24.47	0.85	870.20	154.20	51.52	0.30	205.42	664.78

Capital work-in-progress -

Notes:

- 1 Impairment loss has not been recognised during the current and previous year
- 2 For amount of contractual commitments for the acquisition of PPE, Refer Note 3.7

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.2 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Rs. Lakhs

DESCRIPTION	GROSS CARRYING AMOUNT (COST)			DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT
	01.04.2019	Additions	31.03.2020	Upto 31.03.2019	Charge during the year	Upto 31.03.2020	31.03.2020
Intangible assets							
Computer software - Acquired	31.28	85.44	116.72	20.48	16.29	36.77	79.95
TOTAL	31.28	85.44	116.72	20.48	16.29	36.77	79.95

Intangible assets under development -

DESCRIPTION	GROSS CARRYING AMOUNT (COST)			DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT
	01.04.2018	Additions	31.03.2019	Upto 31.03.2018	Charge during the year	Upto 31.03.2019	31.03.2019
Intangible assets							
Computer software - Acquired	31.28	-	31.28	14.24	6.24	20.48	10.80
TOTAL	31.28	-	31.28	14.24	6.24	20.48	10.80

Intangible assets under development -

Notes:

1. Impairment loss during the current and previous year is Nil.
2. For amount of contractual commitments for the acquisition of intangible assets, Refer Note 3.7.

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.3 NON-CURRENT FINANCIAL ASSETS - LOANS (Unsecured, considered good)		
Security deposits	0.90	-
	0.90	-

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.4 NON - CURRENT - ADVANCE TAX ASSETS (NET)		
Advance income tax (net of provision)	7.81	12.49
	7.81	12.49

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.5 DEFERRED TAX ASSETS (NET)		
a) Deferred tax assets	132.39	102.10
b) Deferred tax liabilities	(132.02)	(101.73)
	0.37	0.37

Notes:

- Refer Note 3.1 for details of deferred tax liabilities and assets.
- Deferred tax asset includes unused tax credits (MAT credit entitlement) of Rs.0.37 lakh (March 31, 2019 - Rs.0.37 lakh)

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.6 OTHER NON-CURRENT ASSETS (Unsecured, considered good unless otherwise stated)		
a) Capital Advances Considered good	97.22	215.45
	97.22	215.45
b) Balances with customs, port trust, central excise etc. Considered doubtful Less: Allowance for doubtful amounts	5.68 (5.68)	5.68 (5.68)
	-	-
c) Prepaid Expenses	3.23	-
	3.23	-
	100.45	215.45

Note :

Movement in Allowance for doubtful amounts towards Balances with customs, port trust, central excise etc is as follows:

Particulars	March 31, 2020	March 31, 2019
Opening	5.68	-
Add: Additions	-	5.68
Closing	5.68	5.68

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.7 INVENTORIES

(a) Raw materials and components

(b) Work-in-progress

(c) Finished goods

(d) Stores, spares and consumable tools

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	617.88	233.91
	-	35.09
	65.76	0.69
	4.24	0.94
	687.88	270.63

Notes :

1. Goods in transit included above are as below :

Raw materials and components

2. Cost of materials consumed (including purchase cost) during the year

3. Provision made for Non / Slow moving inventory

4. Amount of provision written back during the year

5. Borrowings are secured by inventories

	March 31, 2020	March 31, 2019
	43.92	0.29
	814.98	1,018.95
	22.35	22.95
	22.95	-

**1.8 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES
(Unsecured)**

Considered good

Related parties (Refer Note 3.6C)

Others

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	557.65	102.00
	19.67	7.51
	577.32	109.51

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.9 A. CASH AND CASH EQUIVALENTS		
i) Balance with banks:		
In current accounts	74.37	326.73
ii) Cash on hand	0.12	0.39
	74.49	327.12
1.9 B. BANK BALANCES OTHER THAN (A) ABOVE		
In deposit accounts #	322.86	-
	322.86	-

This represents deposits with original maturity of more than 3 months and remaining maturity less than 12 months. These are at amortised cost.

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.10 CURRENT FINANCIAL ASSETS - OTHERS (Unsecured, considered good unless otherwise stated)		
a) Employee advances	1.75	0.32
b) Interest accrued on Bank deposits	0.61	-
c) Security deposits		
Considered good	-	7.48
	2.36	7.80

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
1.11 OTHER CURRENT ASSETS (Unsecured, considered good unless otherwise stated)		
a) Supplier advances Considered good	37.77	-
b) Balances with Government authorities GST receivable	231.52	64.04
c) Prepaid expense	7.77	5.73
	277.06	69.77

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.12 EQUITY SHARE CAPITAL

Authorised

4,50,00,000 (March 2019: 2,50,00,000) Equity shares of Rs. 10 each

Issued

4,50,00,000 (March 2019: 2,50,00,000) Equity shares of Rs. 10 each

Subscribed and fully paid up

4,50,00,000 (March 2019: 2,50,00,000) Equity shares of Rs. 10 each

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	4,500.00	2,500.00
	4,500.00	2,500.00
	4,500.00	2,500.00
	4,500.00	2,500.00
	4,500.00	2,500.00
	4,500.00	2,500.00

Notes:

1. Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year

Add: Issued during the year (refer note 4 below)

Balance as at end of the period

	March 31, 2020	March 31, 2019
	2,50,00,000	1,50,00,000
	2,00,00,000	1,00,00,000
	4,50,00,000	2,50,00,000

2. Shares issued in preceding 5 years

Aggregate number and class of shares allotted for consideration other than cash, bonus shares etc. in the five years immediately preceding the Balance sheet date as on March 31, 2020 is Nil (March 2019- Nil)

3. Shares held by the Holding Company

Ashok Leyland Limited, the holding company, holds 4,50,00,000 (March 2019: 2,50,00,000) Equity shares of Rs.10 (March 2019: Rs.10) each aggregating to 100% (March 2019: 100%) of the total share capital.

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

a) The Equity share holders are entitled to receive dividends as and when declared; a right to vote in proportion to holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue under the provisions of the Companies Act, 2013.

b) On April 5, 2019, the company invited its shareholders to subscribe to a rights issue of 1,00,00,000 equity shares at an issue price of Rs.10 per share, with such shares to be issued on and rank for dividends on paripassu basis with other shares. The issue was fully subscribed.

c) On September 5, 2019, the company further invited its shareholders to subscribe to a rights issue of 1,00,00,000 equity shares at an issue price of Rs.10 per share, with such shares to be issued on and rank for dividends on paripassu basis with other shares. The issue was fully subscribed.

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.13 OTHER EQUITY

Retained Earnings

Balance as at the beginning of the year

Current year Loss

Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)

Share issue expenses

Balance as at the end of the year

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	(1,355.48)	(1,120.26)
	(291.26)	(222.26)
	0.47	2.05
	(7.51)	(15.01)
	(1,653.78)	(1,355.48)

1.14 NON-CURRENT PROVISIONS

Provision for employee benefits

i. Compensated absences

ii. Others including post retirement benefits

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	20.90	15.20
	18.87	16.18
	39.77	31.38

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.15 CURRENT FINANCIAL LIABILITIES - BORROWINGS

Short term loans from banks

Secured Borrowings - Working Capital Demand Loans

As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
7.10	-
7.10	-

Note:

The weighted average rate of interest of these loans is around 8% per annum. The Borrowings are secured against Inventory and Trade Receivables of the company of Rs. 687.88 lakhs and 577.32 lakhs respectively.

Net debt reconciliation:

Cash and cash equivalents

Current borrowings

Net debt

As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
74.49	327.12
(7.10)	-
67.39	327.12

Net debt as at March 31, 2018

Cash flows (net)

Net debt as at March 31, 2019

Cash flows (net)

Interest / Processing fee expense

Interest / Processing fee paid

Net debt as at March 31, 2020

Other assets Cash and Cash equivalents	Liabilities from financing activities Current borrowings	Total
56.90	-	56.90
270.22	-	270.22
327.12	-	327.12
(252.63)	(7.10)	(259.73)
-	(6.18)	(6.18)
-	6.18	6.18
74.49	(7.10)	67.39

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.16 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

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

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	-	-
	486.72	442.24
	486.72	442.24

Refer note 3.6 C for amount payable to related parties

1.17 CURRENT - OTHER FINANCIAL LIABILITIES

a) Employee benefits

b) Capital creditors

c) Others - Accrued expenses

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	6.91	8.08
	256.28	-
	30.08	8.78
	293.27	16.86

1.18 OTHER CURRENT LIABILITIES

a) Advance from customers (Refer note 3.5)

b) Statutory liabilities

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	0.15	-
	7.94	16.05
	8.09	16.05

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

1.19 CURRENT PROVISIONS

- a) Provision for employee benefits
 - i. Compensated absences
 - ii. Others including post retirement benefits
- b) Others
 - i. Product warranties

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	4.31	3.29
	3.13	3.19
	38.34	31.19
	45.78	37.67

Note :

Movement in Provision for product warranties is as follows :

Particulars

- Opening
- Add: Additions (net of utilisations)
- Less: Reversals
- Closing

	March 31, 2020	March 31, 2019
	31.19	24.22
	17.74	6.97
	10.59	-
	38.34	31.19

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future economic benefits. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which range from 1 to 36 months.

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

2.1 REVENUE FROM OPERATIONS

a) Sale of products

- Selective Catalytic Reduction (SCR)
- BS6 Specific Parts
- Spare parts and Others

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
	394.97	1,109.04
	427.19	-
	240.20	40.44
(A)	1,062.36	1,149.48
b) Sale of services	126.35	73.50
(B)		
c) Other operating revenues		
- Scrap sales	1.73	0.58
- Others including recoveries (freight, etc.)	1.41	-
(C)	3.14	0.58
(A+B+C)	1,191.85	1,223.56

2.2 OTHER INCOME

a) Interest income from

Deposits with banks and Income tax refund

b) Other non-operating income

- i. Foreign exchange gain (net)
- ii. Provision no longer required

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
	66.71	15.55
	66.71	15.55
	-	22.53
	0.60	-
	0.60	22.53
	67.31	38.08

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

2.3 COST OF MATERIALS AND SERVICES CONSUMED

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Opening Stock	233.91	762.15
Add:- Purchases and expenses- net	1,228.93	353.28
	1,462.84	1,115.43
Less: Closing Stock	617.88	233.91
	844.96	881.52

Note:

Cost of Material consumed includes the items scrapped during the period amounting to Rs. Nil Lakhs (2018-19 : Rs. 40.67 lakhs)

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

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Changes in inventories		
- Finished goods and stock-in-trade	(65.07)	36.87
- Work-in-progress	35.09	100.56
Net change	(29.98)	137.43

2.5 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
a) Salaries and wages	337.19	227.46
b) Contribution to provident and other funds	14.65	9.66
c) Gratuity and compensated absences expenses	13.69	9.98
d) Staff welfare expenses	15.39	9.38
	380.92	256.48

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

2.6 FINANCE COSTS

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
a) Interest expense	0.18	-
b) Loan processing fees	6.00	-
	6.18	-

2.7 DEPRECIATION AND AMORTISATION EXPENSE

A) Property, plant and equipment

- (i) Plant and equipment
- (ii) Furniture and fittings
- (iii) Office equipment

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
(i) Plant and equipment	70.59	46.54
(ii) Furniture and fittings	2.96	0.27
(iii) Office equipment	19.41	4.71

(A) 92.96 51.52

B) Computer software - Acquired

(B) 16.29 6.24

(A + B) 109.25 57.76

(A + B) 109.25 57.76

Albonair (India) Private Limited
Notes annexed to and forming part of the financial statements

2.8 OTHER EXPENSES

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
(a) Consumption of stores and tools	2.28	10.44
(b) Power and fuel	4.25	6.71
(c) Rent*	27.34	29.41
(d) Repairs and maintenance		
- Buildings	2.60	
- Plant and machinery	-	4.74
(e) Insurance	0.87	0.92
(f) Rates and taxes, excluding taxes on income	15.11	1.43
(g) Service and product warranties (Net of reversals)	8.10	7.84
(h) Packing and forwarding charges	7.71	14.48
(i) Consultancy and Professional charges	21.27	19.46
(j) Foreign exchange loss – net	22.68	-
(k) Payments to Auditor **	3.52	1.50
(l) Travel Expenses and conveyance	34.79	35.16
(m) Bank charges	3.65	2.92
(n) Manpower and Security agent charges	28.87	9.25
(o) Selling and administration expenses - net	15.89	5.99
(p) Annual maintenance contracts	8.43	-
(q) Loss on Sale of Fixed Assets and Sale of obsolete Inventory - Net	31.73	0.56
	239.09	150.81

Note:

**** Payments to Auditor comprise:**

- For Statutory Audit
- For Taxation matters
- Reimbursement of expenses

*** Rent expenses include :**

- Short term lease expenses (except leases with lease term of one month or less)

	March 31, 2020	March 31, 2019
	3.00	1.00
	0.50	0.50
	0.02	-
	27.34	29.41

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

3.1 Income taxes relating to continuing operations

3.1.1 Income tax recognised in profit or loss

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Current tax		
In respect of prior years	-	(0.10)
Total income tax expense / (income) recognised in profit or loss	-	(0.10)

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

Loss before tax

Income tax rate *

Income tax expense / (benefit)*

Deferred tax expense / (reversal) on in relation to Property, Plant and Equipment

Tax benefit not recognised based on the principle laid in para 14 of Ind AS 12

Adjustments recognised in the current year in relation to the current tax of prior years

Income tax expense / (income) recognised in profit or loss

	Year ended March 31, 2020 Rs. Lakhs
	(291.26)
	26.00%
	(75.73)
	30.29
	45.44
	-
	-

* The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961 as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

3.1.3 Analysis of deferred tax assets / liabilities:

Deferred Tax Assets Opening balance

Add: Recognition of deferred tax asset on unused unabsorbed depreciation to the extent of total Deferred Tax Liability

Deferred Tax Asset closing balance

Deferred Tax Liabilities Opening balance

Add: Recognised in Profit and Loss in relation to Property, Plant and Equipment

Deferred Tax Liabilities closing balance

Deferred Tax Asset (Net)

	March 31, 2020 Rs. Lakhs	March 31, 2019 Rs. Lakhs
	102.10	102.79
	30.29	(0.69)
	132.39	102.10
	101.73	102.79
	30.29	(1.06)
	132.02	101.73
	0.37	0.37

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.

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

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

- Unabsorbed depreciation
- Unused tax losses

As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
375.88	252.17
1,111.29	948.98
1,487.17	1,201.15

Notes:

- 1 These will expire in various years as per Income tax Act, 1961 read with applicable rules

Loss can be carried forward till Financial years

- 2021-22
- 2022-23
- 2023-24
- 2024-25
- 2025-26
- 2026-27
- 2027-28

As at March 31, 2020 Rs. Lakhs	As at March 31, 2020 Rs. Lakhs
7.36	7.36
59.36	59.36
224.72	224.72
165.07	165.07
316.45	316.45
176.02	176.02
162.31	
1,111.29	948.98

- 2 Unabsorbed depreciation can be carried forward for indefinite period until it is set off
- 3 The above are gross amounts on which appropriate tax rates would apply.

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

Eligible employees of the Company are entitled to receive benefits in respect of Provident Fund and Employee's pension scheme, are defined contribution plans, in which both employees and the Company make monthly contributions to the Employee's Provident Fund Organisation at a specified percentage of the covered employees' salary.

The total expense recognised in profit or loss of Rs. 14.65 Lakhs (2018-2019: Rs. 9.66 Lakhs) represents employers contribution to the fund said above.

3.2.2 Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, 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.

Company's liability towards gratuity (unfunded) and compensated absences (unfunded) are actuarially determined at the end of each year 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.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability.
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.

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, 2020	As at March 31, 2019
Gratuity		
Discount rate	6.36%	7.17%
Expected rate of salary increase	7.00%	8.00%
Average Longevity at retirement age - past service	3.07	3.44
Average Longevity at retirement age - future service	6.79	6.40
Attrition rate	14.00%	15.00%
Compensated absences		
Discount rate	6.36%	7.17%
Expected rate of salary increase	7.00%	8.00%
Attrition rate	14.00%	15.00%

The estimates of future salary increases, considered in actuarial valuation, take account of 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, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Gratuity		
Current service cost	3.66	3.76
Net interest expense / (income)	1.32	1.39
Components of defined benefit costs recognised in profit or loss *	4.98	5.15
<u>Remeasurement on the net defined benefit liability comprising:</u>		
Actuarial (gain)/loss arising from changes in financial assumptions	(0.18)	(3.11)
Actuarial (gain)/loss arising from experience adjustments	(0.29)	1.06
Components of defined benefit costs recognised in other comprehensive income	(0.47)	(2.05)
Total	4.51	3.10
Compensated absences and other defined benefit plans		
Net interest expense	1.25	1.31
Current service cost	2.02	1.76
Actuarial (gain)/loss arising from changes in financial assumptions	5.58	4.56
Actuarial (gain)/loss arising from experience adjustments	(0.14)	(2.80)
Components of defined benefit costs recognised in profit or loss *	8.71	4.83

* Included in "Gratuity and compensated absences expenses" under employee benefits expense in profit or loss (Refer Note 2.5)

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

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

Gratuity

Present value of defined benefit obligation

Fair value of plan assets

Net liability arising from defined benefit obligation (unfunded)

Compensated absences and other defined benefit plans

Present value of defined benefit obligation

Fair value of plan assets

Net liability arising from defined benefit obligation (unfunded)

	As at March 31, 2020 Rs. Lakhs	As at March 31, 2019 Rs. Lakhs
	22.00	19.37
	-	-
	22.00	19.37
	25.21	18.49
	-	-
	25.21	18.49

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

Gratuity

Opening defined benefit obligation

Current service cost

Interest cost

Actuarial (gain)/loss arising from changes in financial assumptions

Actuarial (gain)/loss arising from experience adjustments

Benefits paid

Closing defined benefit obligation

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
	19.37	20.30
	3.66	3.76
	1.32	1.39
	(0.18)	(3.11)
	(0.29)	1.06
	(1.88)	(4.03)
	22.00	19.37

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

Compensated absences and other defined benefit plans

Opening defined benefit obligation

Current service cost

Interest cost

Actuarial (gain)/loss arising from changes in financial assumptions

Actuarial (gain)/loss arising from experience adjustments

Benefits paid

Closing defined benefit obligation

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
	18.49	20.71
	2.03	1.76
	1.25	1.31
	5.58	4.56
	(0.14)	(2.80)
	(2.00)	(7.05)
	25.21	18.49

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

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

	Year ended March 31, 2020 Rs. Lakhs	Year ended March 31, 2019 Rs. Lakhs
Gratuity		
Opening fair value of plan assets	-	-
Contributions	1.88	4.03
Benefits paid	(1.88)	(4.03)
Closing fair value of plan assets	-	-
Compensated absences		
Opening fair value of plan assets	-	-
Contributions	2.00	7.05
Benefits paid	(2.00)	(7.05)
Closing fair value of plan assets	-	-

The Company does not fund the cost of the gratuity expected to be earned on a yearly basis.

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

3.3 Earnings per share

Basic earnings per share

Diluted earnings per share

Face value per share

Year ended March 31, 2020 Rs.	Year ended March 31, 2019 Rs.
(0.72)	(0.98)
(0.72)	(0.98)
10.00	10.00

3.3.1 Basic earnings per share

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

Loss for the year attributable to equity shareholders

Year ended March 31. 2020 Rs. lakhs	Year ended March 31. 2019 Rs. Lakhs
(291.26)	(222.26)

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

Year ended March 31. 2020 Nos.	Year ended March 31. 2019 Nos.
4,05,73,770	2,26,43,836

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:

Loss for the year attributable to equity shareholders

Year ended March 31. 2020 Rs. Lakhs	Year ended March 31. 2019 Rs. Lakhs
(291.26)	(222.26)

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

Year ended March 31. 2020 Nos.	Year ended March 31. 2019 Nos.
4,05,73,770	2,26,43,836

3.4 Financial Instruments

3.4.1 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, 2020	March 31, 2019
Debt (long-term and short-term borrowings including current maturities)	7.10	-
Total Equity	2,846.22	1,144.52
Debt equity ratio	0.00	-

The Company is required to comply with certain covenants under the Facility Agreements executed for its borrowings, which is monitored for compliance.

3.4.2 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.

(A) Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable 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.

3.4 Financial Instruments continued...

(1) Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, its treasury team.

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

As on March 31, 2020 (all amounts are in equivalent Rs. in Lakhs):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
CNY	0.13	-	0.13	-	-	-	(0.13)
USD	21.45	-	21.45	-	-	-	(21.45)
EUR	366.47	-	366.47	0.30	-	0.30	(366.17)

As on March 31, 2019 (all amounts are in equivalent Rs. in Lakhs):

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
EUR	357.22	-	357.22	-	-	-	(357.22)

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

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

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments. The following table details the Company's sensitivity movement in the increase / decrease in foreign currencies exposures (net):

	Rs. Lakhs	
	Impact in Statement of Profit and loss	
	March 31, 2020	March 31, 2019
CNY	-	-
USD	0.43	-
EUR	7.32	7.14

3.4 Financial Instruments continued...

(2) Interest rate risk management:

The Company is exposed to interest rate risk pertaining to funds borrowed at floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Further, in appropriate cases, the Company may also effect changes in the borrowing arrangements to convert floating interest rates to fixed interest rates and vice versa.

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

Particulars	March 31, 2020	March 31, 2019
	Rs.Lakhs	Rs.Lakhs
Variable rate Borrowings	7.10	-

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 0.25% basis points higher/ lower, the Company's profit for the year ended March 31, 2020 would decrease/ increase by Nil (2018-19: decrease/ increase by Rs. Nil). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(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 does not have significant credit risk exposure since the Holding Company is its main customer.

The Company, thus has Nil expected credit loss allowance for trade receivable after considering historical credit loss experience and adjusted for forward-looking information.

Age analysis of Trade receivables

Particulars	As at March 31, 2020			As at March 31, 2019		
	Rs.Lakhs			Rs.Lakhs		
	Gross	Allowance	Net	Gross	Allowance	Net
Not Due	432.18	-	432.18	-	-	-
Due less than 6 months	79.60	-	79.60	106.48	-	106.48
Due greater than 6 months	65.54	-	65.54	3.03	-	3.03
Total	577.32	-	577.32	109.51	-	109.51

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, and other financial assets excluding equity investments.

3.4 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 based working capital lines from bank.

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

Particulars	March 31, 2020	March 31, 2019
	Rs.Lakhs	Rs.Lakhs
Expiring within one year (bank overdraft and other facilities)		
- Secured	3,400.00	
Total	3,400.00	-

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining 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.

Particulars	Rs.Lakhs			
	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total
March 31, 2020				
Trade payables	486.72			
Other financial liabilities	293.27			
Borrowings	7.10			
Total	787.09	-	-	-
March 31, 2019				
Trade payables	442.24			
Other financial liabilities	16.86			
Total	459.10	-	-	-

Categories of Financial assets and liabilities:

Financial assets	As at March 31, 2020	As at March 31, 2019
	Rs.Lakhs	Rs.Lakhs
Measured at amortised cost:		
Cash and cash equivalents	74.49	327.12
Other bank balances	322.86	-
Trade Receivables	577.32	109.51
Loans (net of allowance)	0.90	-
Others	2.36	7.80
Financial liabilities		
Measured at amortised cost:		
Borrowings	7.10	-
Trade Payables	486.72	442.24
Other financial liabilities	293.27	16.86

3.5 Revenue from contracts with customers:

3.5.1 Disaggregated revenue information

Particulars	March 31, 2020 Rs.Lakhs	March 31, 2019 Rs.Lakhs
Type of goods and service		
a) Sale of products		
- Selective Catalytic Reduction (SCR)	394.97	1,109.04
- BS6 Specific Parts	427.19	-
- Spare parts and Others	240.20	40.44
	1,062.36	1,149.48
b) Sale of services	126.35	73.50
	126.35	73.50
c) Other operating revenues		
- Scrap sales	1.73	0.58
- others including recoveries (freight, etc.)	1.41	
	3.14	0.58
Total revenue from contract with customers	1,191.85	1,223.56
India	1,038.27	1,211.78
Outside India	153.58	11.78
Total revenue from contract with customers	1,191.85	1,223.56

Timing of revenue recognition

Particulars	March 31, 2020		March 31, 2019	
	At a point in time	Over a period of time	At a point in time	Over a period of time
- Sale of products and other operating income	1,065.50	-	1,150.06	-
- Sale of Services - Freight and Insurance				
-Sale of Services - AMC, Warranty services and others	126.35	-	73.50	-
Less: Rebates and discounts				
Total revenue from contract with customers	1,191.85	-	1,223.56	-

3.5.2 Contract balances

	March 31, 2020 Rs.Lakhs	March 31, 2019 Rs.Lakhs
Trade receivables (Refer note 1.8)	577.32	109.51

Trade receivables are non - interest bearing and are generally on terms of 30 to 45 days

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

Particulars	March 31, 2020	March 31, 2019
	Rs.Lakhs	Rs.Lakhs
Contracted price	1,191.85	1,223.56
Adjustments		
Rebates and discounts	-	-
Revenue from contract with customers	1,191.85	1,223.56

3.5.4 Unsatisfied or partially unsatisfied Performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2020 are, as follows:

	March 31, 2020	March 31, 2019
	Rs.Lakhs	Rs.Lakhs
Within one year	0.15	-
More than one year	-	-
	0.15	-

3.6 Related party disclosure

a) List of related parties

Holding and ultimate holding companies

Ashok Leyland Limited

(Holding Company)

Hinduja Automotive Limited, United Kingdom

(Holding company of Ashok Leyland Limited)

Machen Holdings SA

(Holding Company of Hinduja Automotive Limited, United Kingdom)

Machen Development Corporation, Panama

(Holding Company of Machen Holdings, SA)

Amas Holdings SA

(Holding Company of Machen Development Corporation, Panama)

Fellow Subsidiaries

Albonair GmbH, Germany

- Albonair (Taicang) Automotive Technology Co. Limited., China

Ashok Leyland (Nigeria) Limited

Ashley Aviation Limited

Gulf Ashley Motor Limited

Optare plc

- Optare UK Limited.

- Optare Group Limited.

- Jamesstan Investments Limited.

- Optare Holdings Limited.

- Optare (Leeds) Limited.

- East Lancashire Bus Builders Limited.

Ashok Leyland (Chile) S.A.

Hinduja Leyland Finance Limited

- Hinduja Housing Finance Limited

HLF Services Limited

Global TVS Bus Body Builders Limited

Ashok Leyland (UAE) LLC

- LLC Ashok Leyland Russia

- Ashok Leyland West Africa

3.6 Related party disclosure continued...

a) List of related parties

Fellow subsidiaries of Ashok Leyland

Gulf Oil Lubricants India Limited
Hinduja Energy (India) Limited
DA Stuart India Private Limited
Hinduja Renewables Private Limited
IDL Explosives Limited
Gulf Oil Iran (Iran)
Gulf Oil Persia (Iran)
Hinduja Tech GMBH (Germany)
Hinduja Tech USA (USA)
Hinduja National Power Corporation Limited (India)
Sangam Limited (United Kingdom)
NN Investment BV (Netherlands)
Gulf Oil International Limited (Cayman Islands)
Gulf Oil Yantai Limited (china)
Gulf Oil International UK Limited (United Kingdom)
Gulf Oil International Middle East (Cayman Islands)
Gulf Oil Marine Limited (Hong Kong)
Gulf International Lubricants Limited (Cayman Islands)
Gulf Oil International Middle East Limited (UAE & GCC branches) (Cayman Islands)
Gulf Oil Philippines Inc (Philippines)
Gulf Oil Bangladesh (Bangladesh)
P T Gulf Oil Lubricants Inc (indonesia)
Gulf Oil Corporation Limited (India)
HGHL Holdings Limited (United Kingdom)
Gulf Oil Mauritius Inc (Mauritius)
Base Oil Supply Limited (Cayman Islands)
Gulf Oil Argentina SA (Argentina)
Gulf Rak Lube Oil (Ras Al Khaimah)
Gulf Oil Panama, SA (Panama)
Gulf Oil Marketing Gmbh (Austria)
Gulf Oil Selective Asia Limited (Cayman Islands)
Gulf International Lubricants Limited (Bermuda)
Gulf Oil Benelux B.V. (Netherlands)
Houghton Norge AS (Norway)
GITCEL Limited (United Kingdom)
SLAA (USA)

Associates of Ashok Leyland

Ashok Leyland Defence Systems Limited
Lanka Ashok Leyland PLC
Rajalakshmi Wind Energy Limited
Mangalam Retail Services Limited

Joint Ventures of Ashok Leyland

Ashley Alteams India Limited
Ashok Leyland John Deere Construction Equipment Company Private Limited [Along with Gulf Ashley Motor Limited]
Hinduja Tech Limited

Key management personnel

Mr. E Balasubramoniam, Chief Executive Officer

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

3.6 Related party disclosure continued...

b) Related Party Transactions - summary

Rs.Lakhs

		Fellow Subsidiaries		Joint Ventures		Holding Company		Total	
	Transactions during the year ended March 31	2020	2019	2020	2019	2020	2019	2020	2019
1	Purchase of raw materials, components and traded goods (net of GST)	289.39	71.50	-	-	-	-	289.39	71.50
2	Sales and services (net of GST)	153.59	11.78	-	-	937.68	1,182.54	1,091.27	1,194.32
3	Other expenditure incurred / (recovered) (net)	-	-	7.80	7.60	34.61	0.48	42.41	8.08
4	Purchase of assets	-	-	-	-	31.42	-	31.42	-
5	Issue of equity shares	-	-	-	-	2,000.00	1,000.00	2,000.00	1,000.00

c) Related Party balances - summary

		Fellow Subsidiaries		Holding Company		Total	
	Balances as on March 31	2020	2019	2020	2019	2020	2019
1	Trade receivables	90.85	11.94	466.80	90.06	557.65	102.00
2	Trade and other payables	232.74	361.62	41.18	-	273.92	361.62

Albonair (India) Private Limited
Notes annexed to and forming part of the Financial Statements

3.6 Related party disclosure continued...

d) Significant Related Party Transactions

Transactions during the year ended March 31	Rs.Lakhs	
	2020	2019
1 Purchase of raw materials, components and traded goods (net of GST)		
Albonair GmbH, Germany	174.12	71.13
Albonair (Taicang) Automotive Technology Co. Ltd., China	115.27	0.37
2 Sales and services (net of GST)		
Sale of Finished goods (Net of GST)		
Ashok Leyland Limited	868.38	1,109.04
Albonair GmbH, Germany	27.23	-
Sale of Spare Parts		
Albonair GmbH	-	11.78
Ashok Leyland Limited	69.30	-
Revenue from Services		
Albonair GmbH	126.35	-
Ashok Leyland Limited	-	73.50
3 Other expenditure incurred / (recovered) (net)		
Receipt of Services		
Hinduja Tech Limited	7.80	7.60
Ashok Leyland Limited	11.91	-
Rent Expenses		
Ashok Leyland Limited	22.70	0.48
4 Purchase of assets		
Ashok Leyland Limited	31.42	-

3.7 Contingent liabilities and Commitments

Particulars	As at March 31, 2020 Rs.Lakhs	As at March 31, 2019 Rs.Lakhs
Capital commitments (net of advances) not provided for.	117.47	430.30

There are no contingent liabilities as at the end of current and previous financial year

3.8 Leases

Maturity Analysis of future lease payments

Particulars	Year ended March 31, 2020 Rs in Lakhs	Year ended March 31, 2019 Rs in Lakhs
(a) Not later than 1 year	9.69	-
(b) Later than 1 year and not later than 5 years	-	-
(c) Later than 5 years	-	-

Details of rental payment for contracts for which exemption is availed under IND AS 116 on account of the following

Particulars	Year ended March 31, 2020 Rs in Lakhs
Lease period being less than 12 months from the date of inception of lease	27.34

Albonair (India) Private Limited
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3.9 The company operates only in one segment viz. development and production of exhaust after-treatment systems for on road and off-road vehicles and hence, segment reporting is not applicable.

3.10 The World Health Organization announced a global health emergency because of a new strain of coronavirus (“COVID-19”) and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till May 31, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Given the dynamic nature of pandemic situation, the Company's assessment of the impact of COVID 19 are inherently uncertain due to severity and duration of the pandemic and, as a result, actual results may differ from these estimates as on the date of approval of these Financial Statements. The Company will continue to monitor any material changes to the future economic conditions.

3.11 The figures for the previous year have been reclassified/ regrouped wherever necessary for better understanding and comparability.

For and on behalf of the Board

R. Sivanesan
Director
DIN: 07506488

E. Balasubramoniam
Chief Executive Officer
DIN: 07990377

U. Jhanvi
Company Secretary
09th June 2020, Chennai

Vasan Ranganathan
Chief Financial Officer

For MSKA & Associates
Firm Registration Number - 105047W
Chartered Accountants

Geetha Jeyakumar
Partner
Membership Number - 029409
09th June 2020, Chennai