



Minda Industries Limited  
27<sup>th</sup> Annual Report 2018-19

BUILDING TRUST  
EXPANDING  
POSSIBILITIES





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Or simply scan to download

#### **INVESTOR INFORMATION**

Market Capitalisation as at 31 March 2019: ₹8558 crore

BSE Code: 532539

NSE Symbol: MINDAIND

Bloomberg Code: MNDA: Natl India



On the footprints of persistence and perseverance rides success.

Every attempt, big or small, brings along opportunities to learn and surmount new challenges.

Every change, predictable or unpredictable, builds our ability to adapt and innovate.

Such uncertain times help build capabilities that drive growth and help expand in the right direction.

Last year, the industry experienced a muted growth with the introduction of new regulations and bleak macro-economic outlook.

However, our capabilities and strategic approach underpinned our long-term vision and helped us respond promptly and adequately.

Our approach to business process has helped us build trust amongst our stakeholders – customers, shareholders, partners, employees and community – while expanding our possibilities, as we transcend new horizons.

**Result:**

***We continued with our unflinching efforts by calibrating new product portfolio and driving new synergies in our journey.***

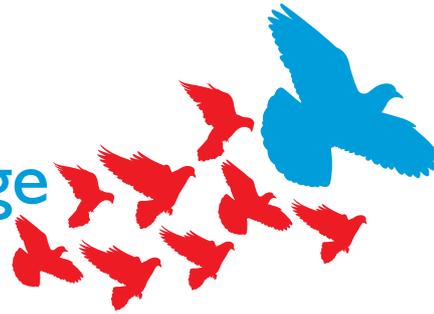
***This proves that challenges in business can be transformed into opportunities. As such times bring out the best by instilling discipline in the system and optimises resource allocation. It lays strong foundation for building trust as we continue to push the limits and expand possibilities.***



“In our pursuit of excellence, we have moved ahead diligently keeping our values in mind. Every challenge has been seen in the light of an opportunity to get better. We have swiftly navigated through the business cycle while continuing to accelerate our expansion in right direction. It fills me with an immense satisfaction when I see every member of our global family contributing towards making MIL resilient and more sustainable. Our continued aspirations to learn, unlearn and relearn positions us to think ahead of the industry. These efforts help us evolve with contemporary solutions for our customers while seeking newer growth markets across geographies and build a culture of innovation”



# Chairman's Message



## Dear Shareholders,

The year 2018-19 was strewn with sentiments of growth, in the first half and challenges in the second half. Keeping on course with our vision, we continued channelising our efforts to deliver superior performance. Our investments - technological collaborations and team expertise gathered over years – echo with our vision and mission. These help us prepare better for tomorrow. Last fiscal, we registered a record performance in all key financial metrics. We further strengthened our portfolio by adding new synergistic product lines. Our vision is to transition and offer future ready mobility solutions.

Various factors like increase in cost of ownership and liquidity squeeze led to the slowdown of automotive industry during the second half of last fiscal. However, the Company is cautiously optimistic to regain growth momentum. We anticipate reaping benefits from consolidation and inorganic investment and move to next stage. In a nutshell, the Company will constantly move towards a new growth trajectory.

During 2018-19, we reported

1. Revenues of ₹ 5,908 Cr, an increase of 32% over 2017-18
2. EBITDA of ₹ 725 Cr, an increase of 36% over 2017-18
3. PAT of ₹ 286 Cr, an increase of 12% over 2017-18
4. EBITDA margins of 12.3%, expansion of 33 bps over 2017-18

The year 2018 brought along its share of challenges and the fluctuating business cycles. However, on the brighter side, the Indian automobile industry registered a production growth of 6.26% in 2018-19 with 3,09,15,420 vehicles as compared to 2,90,94,447 in 2017-18 (Source:

SIAM). Further, the recent introduction of the BS VI, norms for electric vehicles made it compulsory for all auto manufacturers to supply cleaner, safer and sustainable vehicles. Together these factors along with a mix of other reasons like high interest rates with tight liquidity conditions by NBFCs, increased insurance premiums, volatility in exchange rate and oil prices and uncertainty caused by General elections also contributed to a tepid growth.

**“We are preparing to cement our position further by entering into new product categories with increased focus on R&D, expecting a revolution in auto world.”**

### **NEW COLLABORATIONS, NEWER POSSIBILITIES.**

This year witnessed new collaboration between us and KPIT Engineering Limited with regards to telematics business. This business deals with telematics hardware product consisting VTS-AIS 140 on bus, integrated telematic system compliant to UBS-II specification and telematic products for school buses.

As a strategic priority, our Board has approved merger of Harita Seating Systems Limited (HSSL). This is the largest of its kind transaction that UNO MINDA has ever undertaken. HSSL is a quality-focused, system-driven organisation that is engaged in manufacturing, product development and sales of driver seats and bus passenger seats. We are hopeful of taking the business to the consequent level while creating value for shareholders of both the companies. Some of the prominent customers of HSSL include TVS Motor Company, Royal Enfield, TAFE, Daimler, John Deere and Tata Motors, amongst others.



It gives us great pleasure to inform you that our JV Roki Minda has successfully qualified in the QAV 1 and 2 audit. This audit is conducted for the development of BS-VI model air cleaner assembly. Simply put, it means that our products are not just BS VI ready, but future ready.

#### INDUSTRY TRENDS

Moving on to some other update in terms of BS-VI norms: our filter and canister business are the only ones in our portfolio to have impacted majorly due to BS-VI emission norms. It gives us great pleasure to inform you that our JV Roki Minda has successfully qualified in the QAV 1 and 2 audit. This audit is primarily conducted for the development of BS-VI model air cleaner assembly for HMSI. Simply put, it means that our filters are BS-VI compliant.

#### TECHNOLOGY LEAPFROG

It is a matter of immense pride for us to inform you that our new R&D center has been established which has dedicated team of more than 150 engineers. This is an important milestone in our journey towards becoming completely self-reliant on the technology front. This will enable us to develop new technologies and products which in turn will help us seize newer opportunities.

#### EXPANSION UPDATES

Our new facilities of Alloy Wheels (2W), controllers & sensors under expansion are on track. The civil work for these have started already and are scheduled for commercial production in April 2020.

The high-temperature sensor line (HTS) is under its installation process. It is expected to commission by the end of this calendar year and we are expecting mass production in Q4 of this fiscal FY2020.

We have already received orders for BS VI sensors from leading OEMs. On the other hand, work on cam and crank sensors is also progressing and orders for product and machinery are as per schedule.

In controller division, the plant construction is going on at full swing with its commissioning expected in Q2 of FY2020.

#### WINNING BIG

During the year, the Company was recognised and conferred with some major awards and accolades. Some of the prominent ones include:

1. The 'Most Promising Company of this Year' award by CNBC TV18 at the Indian Business Leader Awards.
2. The National Intellectual Property Award for the year 2019 in the category of Top Indian Company Organization for Designs.
3. Comprehensive Excellence Award from MSIL.
4. Quality Award from TKML for the lighting division
5. Quality Excellence Award to MTG and Roki Minda by MSIL.
6. 'EY Entrepreneur of this year' in Manufacturing category.
7. IR-Magazine award for excellence in Investor Relations.



With a motive of simplifying the Group structure, the board approved the merger of four of its wholly-owned subsidiaries – Minda Distribution and Services Limited, Minda Auto Components Limited, M J Casting Limited and Minda Rinder Private Limited. This scheme will be subjected to necessary regulatory approvals. We expect the exercise to be completed in FY2020.

#### **CONSOLIDATING WITH A PURPOSE**

With a motive of simplifying the Group structure, the Board approved the merger of four of its wholly-owned subsidiaries – Minda Distribution and Services Limited, Minda Auto Companies Limited, M J Casting Limited and Minda Rinder Private Limited. This scheme will be subject to necessary regulatory approvals. We expect the exercise to be completed in FY2020. The said merger is expected to bring a lot of operational and strategic synergies and create value for all our stakeholders.

#### **CLOSING REMARK**

I take this opportunity to thank our Board, Senior Management team and our staff across the organisation for their contribution. Together, we make a thriving and sustainable enterprise. Thanks for your continuous support and trust in us.

Best wishes,

Nirmal K Minda

Chairman & Managing Director



# Performance Highlights FY19



## Financial capital

Financial capital represents the pool of funds available to our organisation, including debt and equity. We source our funds from multiple streams which are used for different activities including expansion and operations.

**₹ 80 Billion**

Group turnover in FY2019  
(UNO MINDA)

**₹ 5,908 Cr, +32%**

Revenue  
(MIL consolidated)

**₹ 286 Cr, +12%**

PAT  
(MIL share)

**₹ 725 Cr, +36%**

EBITDA

**₹ 28.84 Cr**

Dividend  
(including interim dividend)



## Manufacturing capital

Manufacturing capital represents our facilities, warehouses and all the physical assets used for manufacturing automotive components. We continue investing towards this capital as it helps build capacities while also enhancing operational efficiency.

**Switches**

Largest Manufacturer  
(2W, 4W)

**Horns**

Largest Manufacturer

**Alloy Wheels**

Largest installed capacities



## Intellectual capital

Intellectual capital represents our strengths and skills in technical know-how, our hands-on research & development and innovation quotient. With a vision of self-reliance and technological leadership, we launched CREAT to develop products that enhance our competitiveness.

**₹ 123 Cr**

Investments in R&D  
(Standalone MIL)

**215+**

Patents filed

**230+**

Designs registered

EBITDA: Earnings before interest, tax, depreciation and amortisation

PAT: Profit after tax

All the above figures are as on 31 March 2019 (consolidated basis)



## Human capital

Human capital, for us, equals our power. Forming the Company's backbone, our employees hold right knowledge, skills and experience that enable us to heighten our value proposition.

4:1

Gender composition

21000+

Employees

23:1

India : Foreign

2,600+

No. of trainings



## Social and relationship capital

Our social and relationship capital are reflections of our well-defined ethos and values. The social capital represents our commitments to develop and nurture communities that have helped us grow. Our relationship capital, on the other hand, reflects our engagement with various stakeholders across the value chain. Together these two make us strive for being a responsible corporate, adding to our legacy as a corporate citizen.

₹ 2.6 Cr

CSR spend

7

Center/locations

9,000+ people

Benefitted till date (Reach)



## Natural capital

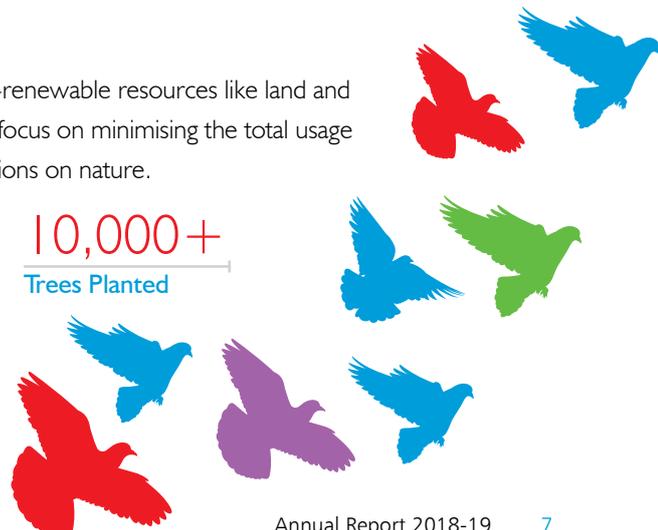
Our natural capital comprises all renewable and non-renewable resources like land and water that help in swift execution of operations. We focus on minimising the total usage of natural resources to limit the impact of our operations on nature.

72000000+ kwh

Energy generated from renewable sources

10,000+

Trees Planted





## Highlights

### Supporting continuous growth

with the merger of Harita Seating Systems Limited (HSSL) and acquisition of iSYS RTS GmbH, we have moved up the scale and strive to create more value for shareholders



### Delivering value, Achieving new milestones

through our 'Business Model' to help align our capabilities to our growth strategies.



### Progressing with BS VI

and launching new products like MSP sensor, HTS, BSVI, quality filters to strengthen our exposure. The new emission guidelines mandate is anticipated to bring new opportunities, demanding sophisticated technology and controllers.



### Building trust with customers

to grow stronger in all businesses and increase customer traction.



### Future ready through R&D

at our flagship centre for advance technologies "CREAT" (Center for Research, Engineering and Advance Technologies).



### Expanding possibilities. Transcending Horizons

by riding the waves of change and harnessing opportunities at a time when the industry is at an inflection point.





# Across the pages

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Trust is portrayed through the interdependence of birds. They fly collaboratively to help expand new horizons, hence echoing MIL's philosophy. The upward and circular pattern of the birds render MIL's industry leadership. It further depicts its strategies to lead from the front while adding new dimensions and expanding possibilities.



# An auto component major with a market leadership in automotive switches, horns, alloy wheels and blow moulding parts.

Right through our journey of the last six decades, Minda Industries Ltd (MIL) the flagship company of UNO MINDA Group, has endeavoured to build trust and touch more and more lives.

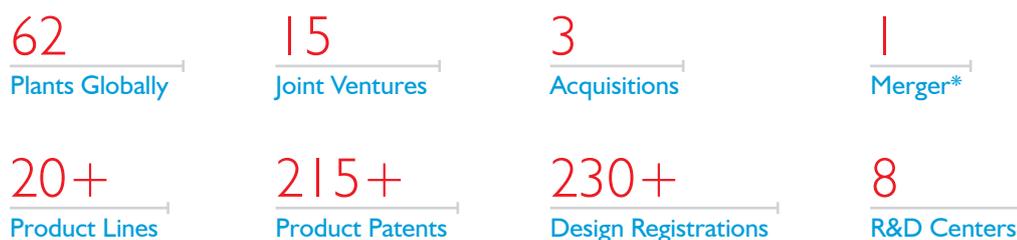
## Rightly positioned in an arena of evolving landscapes

Our strategic collaborations with the globally renowned leaders has helped us grow exponentially by venturing into new product lines. Our ambition is to be the leader in the changing world in order of mobility, demands the highest degree of innovation and ability to adapt quickly to changes. With this in mind, we offer top-of-the-line products in the automotive industry and are ready for next transition, ELECTRONIFICATION. The Group has achieved new milestones while gradually setting new benchmarks and being ahead of the curve through the years.

MIL is present across geographies and enjoys being one of the leaders in Tier I Supplier of Proprietary Automotive Solutions to the Original Equipment Manufacturers (OEMs) globally. MIL has been instrumental in significantly contributing to the automotive industry supply chain with its innovative products and solutions.

The Company's joint ventures are celebratory achievements with each collaboration boasting of something unique. The Group's partnerships are pivotal in continuing its evolution. We foster a culture for innovation and upgradation that helps us offer contemporary products while staying ahead of the competition and be partner of choice to the customers.

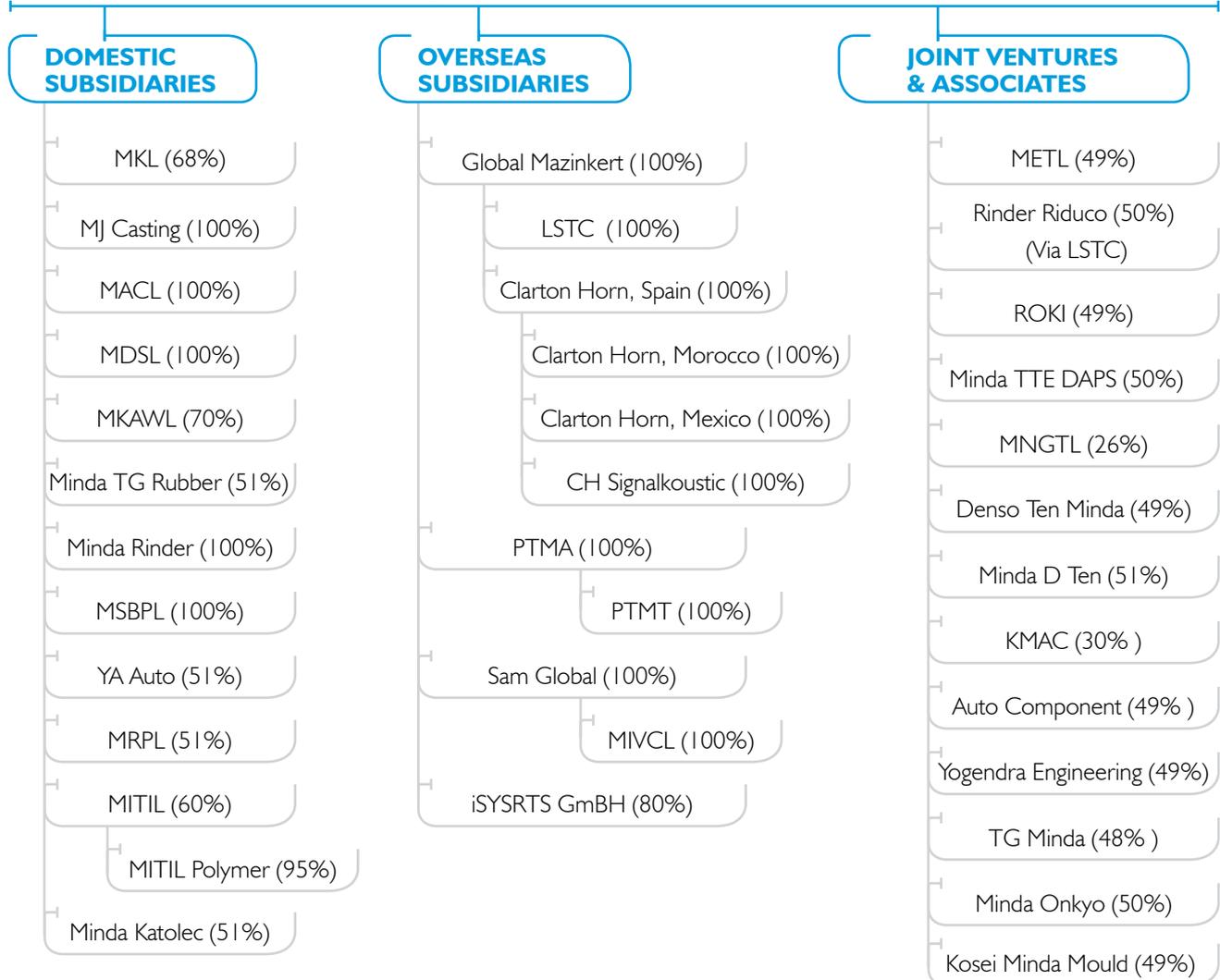
## Continuing our legacy and expanding possibilities.



\* Harita Seating Systems Limited (HSSL) - Subject to regulatory approvals



## MIL'S SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES\*



MIL: Minda Industries Ltd.

MKL: Minda Kyoraku Ltd.

MACL: Minda Auto Component Ltd.

MDSL: Minda Distribution and Services Ltd.

MKAWL: Minda Kosei Aluminum Wheel Private Ltd.

MSBPL: Minda Storage Batteries Private Ltd.

PTMA: PT Minda Asean Automotive, Indonesia.

MIVCL: Minda Industries Vietnam Company Ltd.

LSTC: Light & Systems Technical Centre S.L. Spain.

ROKI: ROKI Minda Co. Pvt. Ltd.

METL: Minda Emer Technologies Ltd.

Riduco: Rinder Riduco, S.A.S., Columbia.

MNGTL: Minda NextGen Tech Ltd.

MRPL: Mindarika Private Ltd.

KMAC: Kosei Minda Aluminum Company Pvt Ltd.

TG Minda: Toyota Gosei Minda India Pvt. Ltd.

PTMT: PT Minda Trading, Indonesia.

MITIL: MI Torica India Pvt. Ltd.

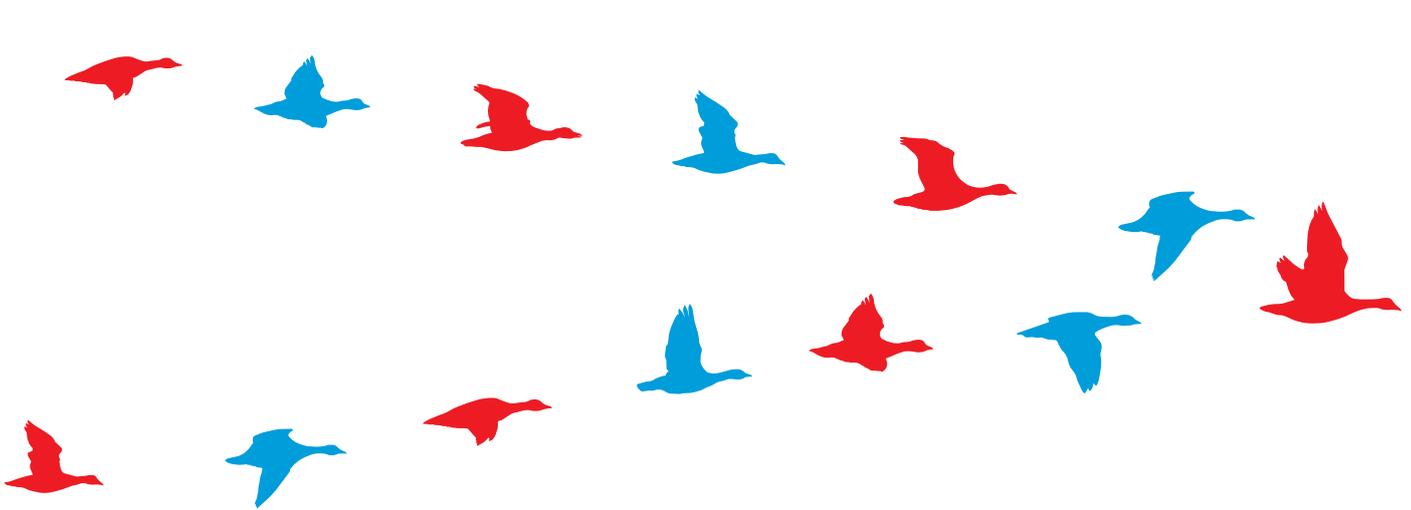
\* As on 16 May 2019



# UNO MINDA Group

## Group Vision

To be a **Sustainable Global** organisation that enhances value for all its **Stakeholders**, attains **Technology Leadership** and cares for its people like a **Family**.



## THE VISION DECODED

### **Sustainable:**

A business model that is dynamic, responsive, self-evolving and resilient over time which meets the needs of the present without compromising the ability to meet the needs of future. It successfully manages technological, financial, social and environmental risks, obligations and opportunities from time to time.

### **Global:**

Having manufacturing footprints in all major geographies Globally i.e. Asia, Africa Europe, North America and South America

### **Stakeholders:**

- Customers
- Employees
- Suppliers
- Technical collaborators
- Community
- Shareholders

### **Technology Leadership:**

UNO MINDA would attain leadership in technology of its products and processes through JV partners, Own R & D, Contract research and M & A

### **Employee Care:**

UNO MINDA would

- Be a like a family, that employees could relate to and feel that they are a part of it - company and employees would care for each other at all times
- Grow its employees so that they are able to realise and unlock their full potential

### **Values**

- Customer is Supreme
- Live Quality
- Encourage Creativity and Innovation to drive people process & products
- Respect for Individual
- Respect for work-place Ethics



# Minda's Core Business

Minda strives to evolve its core business verticals using its long-cultivated strengths under R&D and design. The Company is underpinning its efforts towards developing other core businesses and grow with BS VI regulations projecting a huge potential to offer added value in products. This will help the Company promote business activities across all business verticals.

## Switching Systems

#1

\* India's largest Switch Player diversified across the 2Wheeler (2W) and 4Wheeler (4W) segments

11

Manufacturing units

55%

Market share in India  
Minda Rika (4W)

## Lighting Division

#3

India's 3rd largest Automotive Lighting Player, post-acquisition of Rinder Group

Taiwan

R&D & Design Center

8

Manufacturing units

Spain

R&D Base for 2W

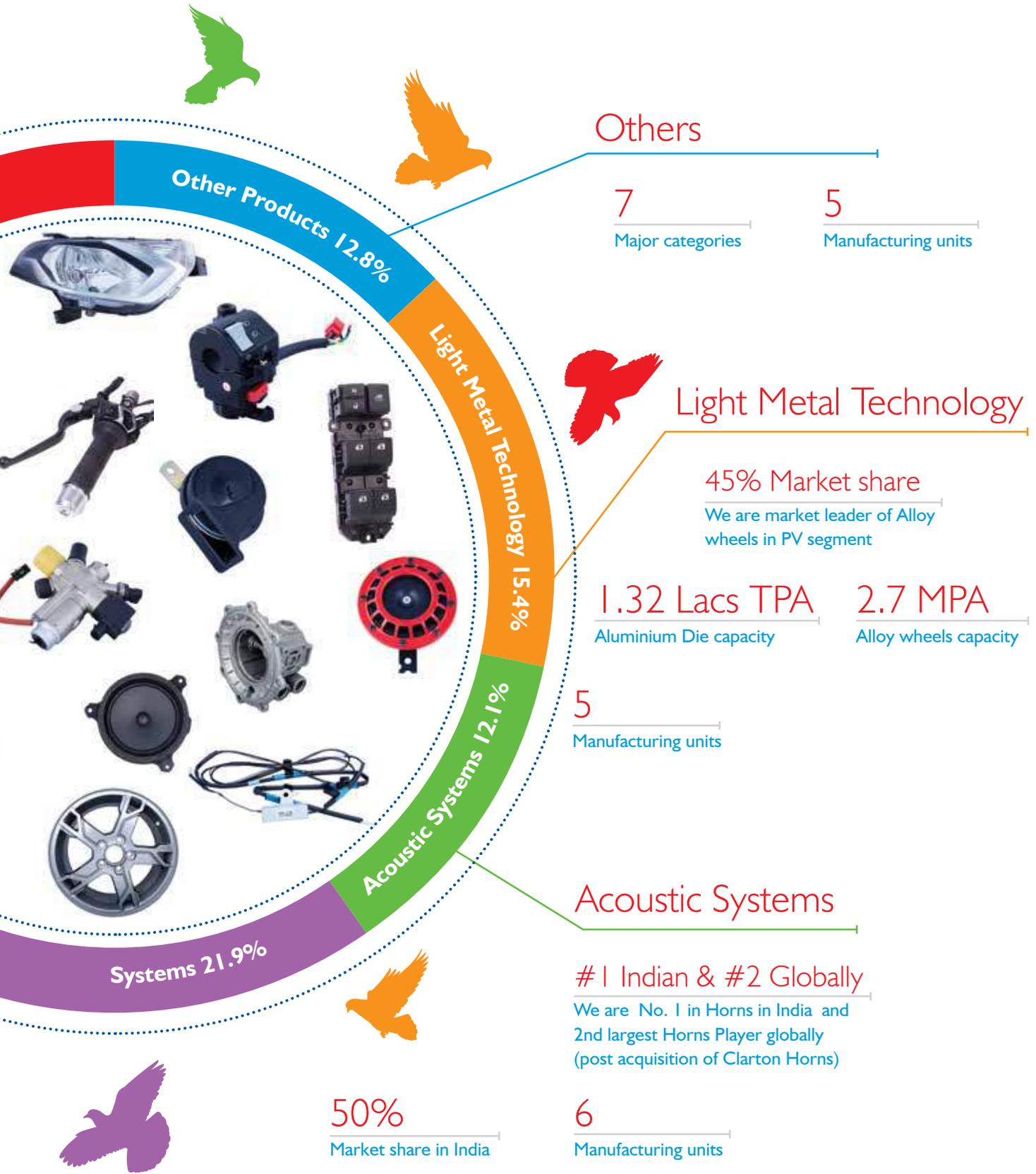
India

R&D Base for 4W

Switching Systems 37.8%



Lighting





# Business Model

Our business model is designed keeping our strategy of delivering across the value chain. Our aim is to build trust while also expanding possibilities and our business model takes us a step closer to our aim.



## 1. Shareholders:

Shareholders form a pre-eminent part of our business model. We focus on protection of their interests in the Company by ensuring progress and creating value.

### New trends

- EV vehicles where future follows
- BS VI norms and disruption opportunities
- Safety norms for a better driving

### ETHICAL TRADE PRACTICES:

*Our value chain begins with raw material procurement and we emphasise on following ethical and fair trade practices and principles. Our endeavour is to transform social and environmental challenges into more inclusive and sustainable business opportunities.*



## 5. Community:

We strive to serve and give back to the communities we work within at large. It is the essence of our business model and we constantly work in tandem with our Group vision of being a sustainable business organisation that works for the community like a family.

### Sewage treatment plant

We use plastic to manufacture various products

### Water recycling

Facilities at each plant

### Samarth-Jyoti

Platform that links us with social and environmental projects

9000+

people benefited in the health, education, culture, sports and other areas





## 2. Partners:

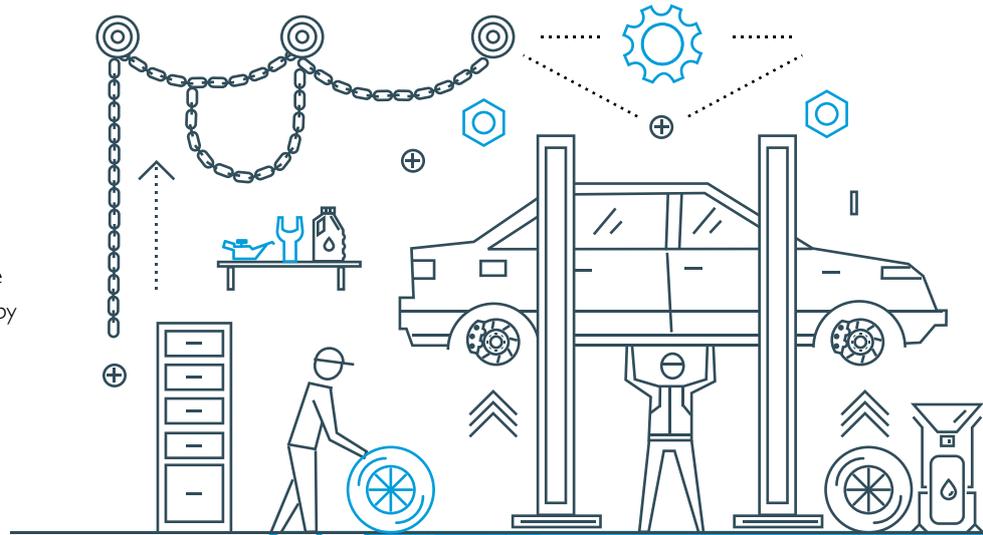
Our valued partners give us opportunities to leverage our presence across the globe while also helping us meet OEM demand by incorporating their technology.

## Vendors:

Our suppliers form the pillar of the microcosm of our business. We ensure they get all the right support in form of technology and efficient management across the various stages of our products' cycle.

1350+

Suppliers as on date



## 3. Customers:

Our business activities are conducted with an objective of meeting our customers' requirements and expectations. We deliver value to our customers by helping them respond to the changing market and societal factors. Thus, enabling them to adapt to their customers' needs.

62

Manufacturing plants supporting and catering the growing demand

## 4. Employees:

The success of any business is directly dependant on the performance of its employees. As an integral part of our value chain, we ensure our employees get the conducive work environment, training and support.

### R&D

Launched CREAT - a step closer towards being self-reliant and gaining technological leadership.

150+  
Engineers

50+  
Designers





# Building trust

by offering an extensive product portfolio to expand customer base

Trust is not something you get. It is something you create over years.

At UNO MINDA, we have consciously integrated our business systems keeping the best interest of our customers in mind. Our extensive product portfolio is designed to offer value-for-money while also being proximate to the customers. We emphasise on quality and prioritise customer expectations.





## International

### 2-Wheeler



### 4-Wheeler



### Off Road





# Expanding possibilities

by connecting with people and places across geographies



## NORTH & SOUTH AMERICA

Mexico (Queretaro)



Colombia (Manizales)



## EUROPE & AFRICA

Morocco (Tangier)



Spain (La Carolina)



France (Epernon)



Germany (Ettlingen/Konzell)



Italy (Turin)



## ASIA

Indonesia (Karawang)



Vietnam (Vin Phuc)



Taiwan (Tainan)



Japan (Nagoya)



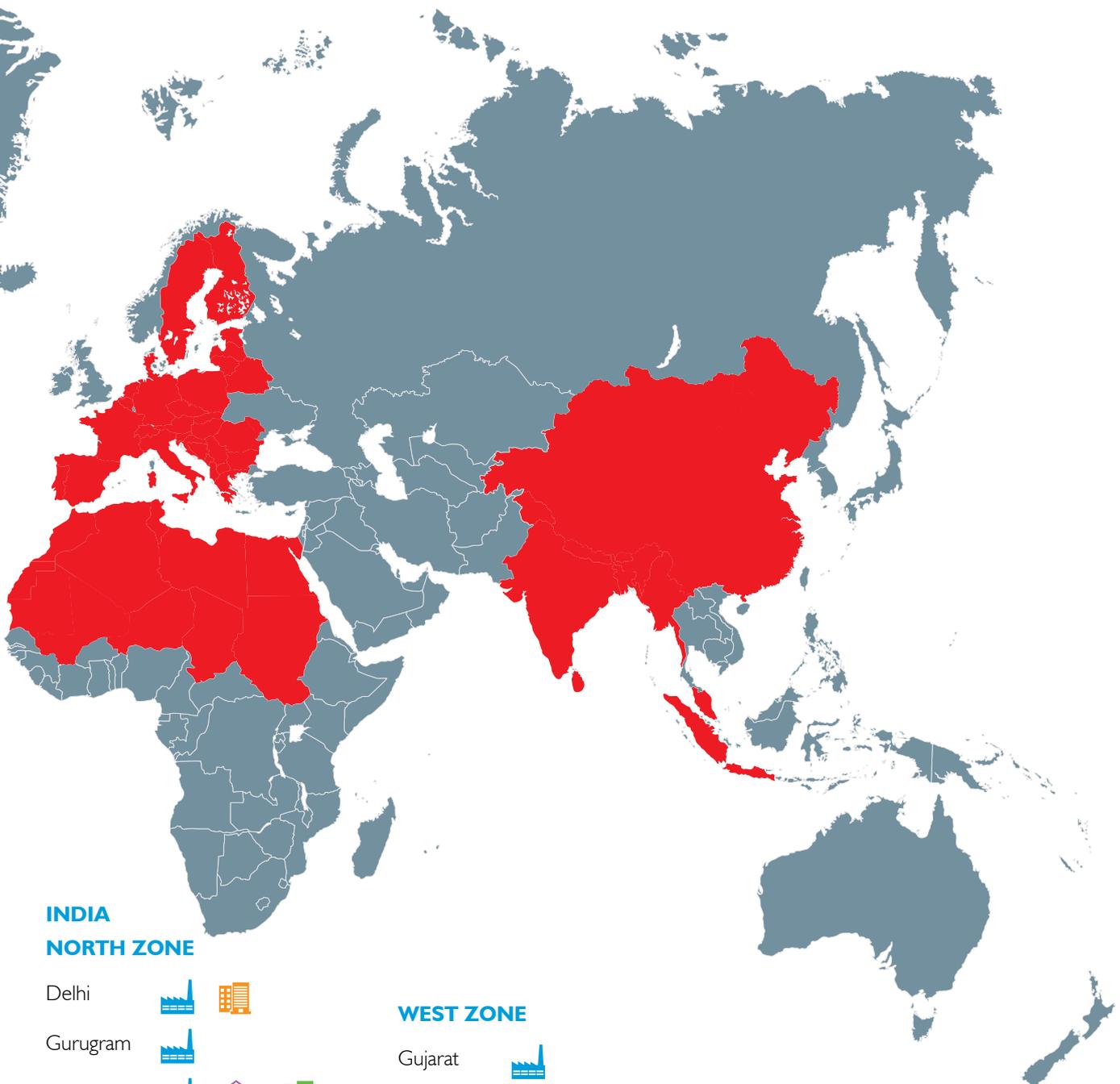
Thailand (Bangkok)



 Sales Office

 Plants

 Design Centre



**INDIA**  
**NORTH ZONE**

- Delhi  
- Gurugram 
- Manesar   
- Sonipat  
- Bawal  
- Pantnagar 
- Surajpur 
- Haridwar 
- Rudrapur 
- Bahadurgarh 
- Nalagarh 

**WEST ZONE**

- Gujarat 
- Pune  
- Aurangabad 

**SOUTH ZONE**

- Bengaluru  
- Chennai 
- Hosur 
- Mysore 

-  Sales Office
-  Plants
-  R&D Centre
-  Corporate Office
-  Registered Office
-  Design Centre



# Building trust

by keeping R&D as core business element and fostering culture of innovation

Innovation is intrinsic to building a sustainable enterprise

At UNO MINDA, our strong R&D capabilities are instrumental in achieving our vision of becoming self-reliant. Our ability to develop safe, superior and sustainable products and solutions, across the automotive components value chain, makes us a preferred partner to global OEMs. Keeping in sync with our goal of attaining technology leadership, we recently launched our flagship centre for advance technologies called CREAT (Centre for Research, Engineering and Advance Technologies) in Pune,India.

**R&D vision**

**SELF-RELIANCE**  
Skill Upgradation, Technology Absorption, Technology Acquisition and Technology Creation.

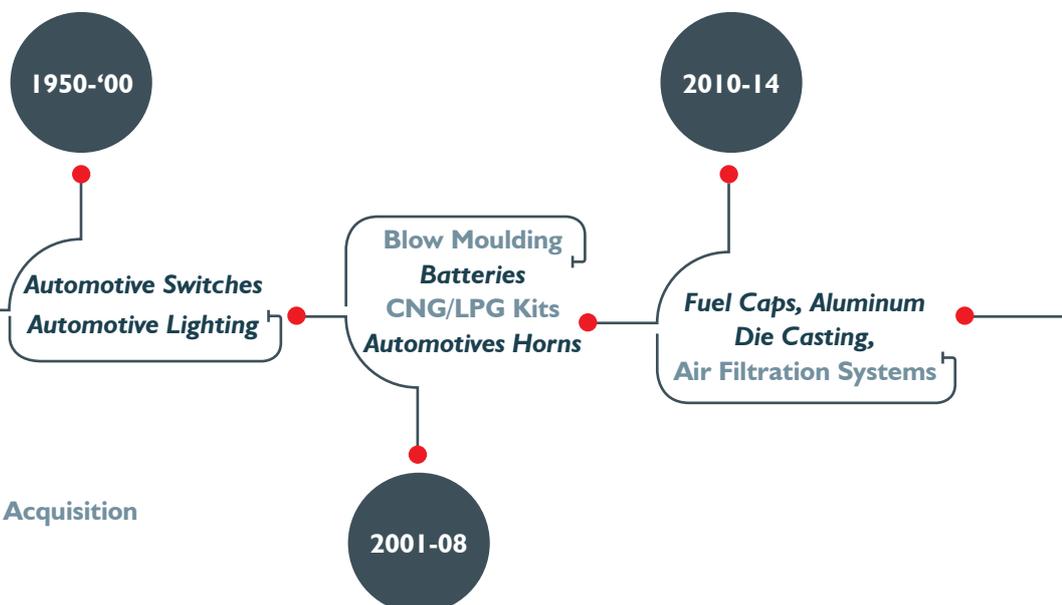
**INNOVATION AND CREATIVITY**  
Fields of Products, Processes and Services.

**INTEGRATION WITH ELECTRONICS**  
Exploring Ways to Master Electronic Embedded Systems for Inclusion in our Products

**ROBUST NPD PROCESS**  
First Time Right with Global Quality Standards and On-Time Completion of Projects

# Evolution of Product Portfolio

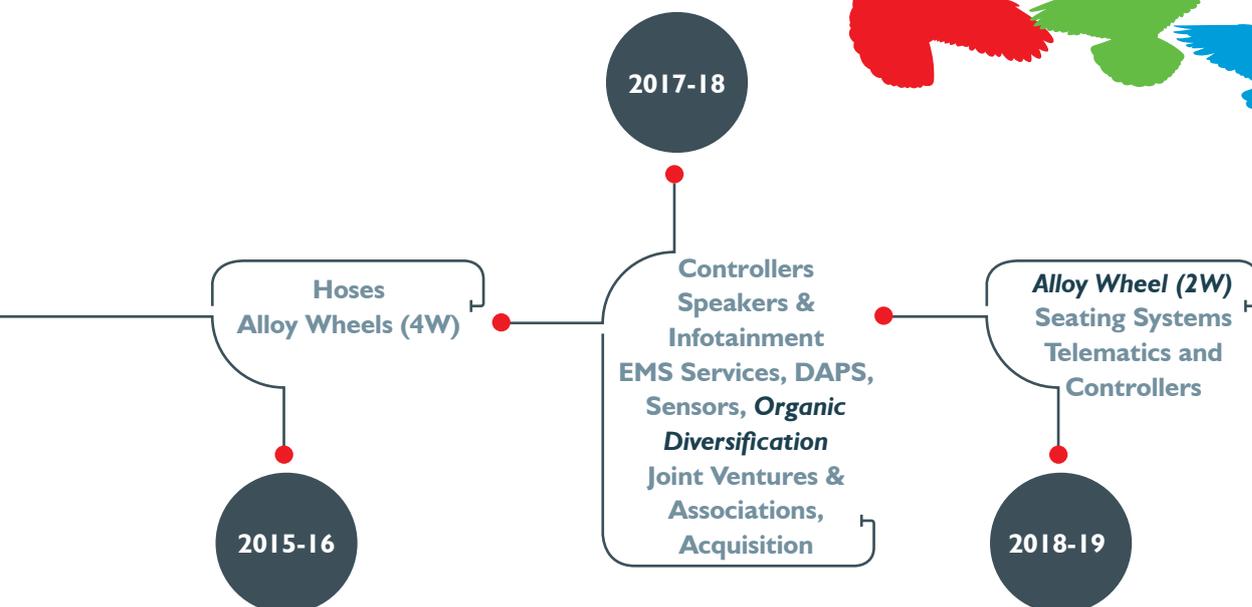
**Organic Diversification**  
Joint Ventures and Associations, Acquisition





### ABOUT 'CREAT'

- Works on embedded electronics products related to connected vehicles, telematics, ADAS, infotainment, EV technologies, controllers and sensors, advance lighting and technologies related to next generation automotive needs.
- Works in collaboration with other entities of the UNO MINDA group as well as external technology providers.
- Team of engineers and designers specialise in software, hardware, mechanical and creative design and work in the following four product spaces:
  - Cockpit Electronics and Advance Technologies
  - Body Exterior and Safety Technologies
  - Creative Design and Innovation
  - Product Assurance Lab





## Building trust

taking our people along

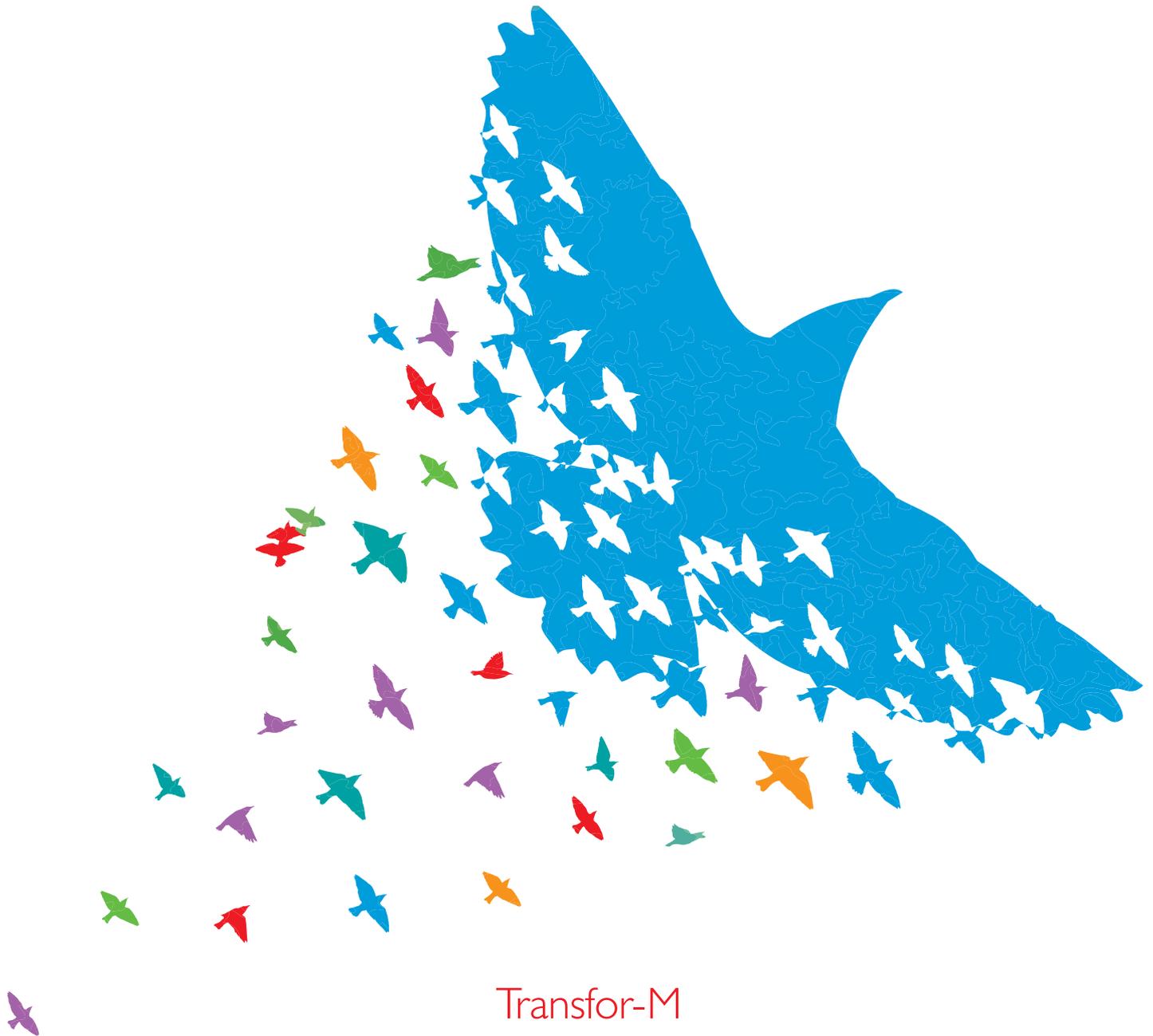
groom people to leap forth

At UNO MINDA, our employees play a crucial role in driving sustainability across the Company. We earnestly seek to create a thriving work environment, fostering leadership skills and empowering our people with right training. It is our endeavour to help our employees leverage their capabilities through development programs

21 000+  
Employees

150 Individuals  
Selected for leadership programs





## Transfor-M

Growth comes through continuous effort towards excellence. Transfor-M is an initiative towards developing people for future roles.

## M-Leap

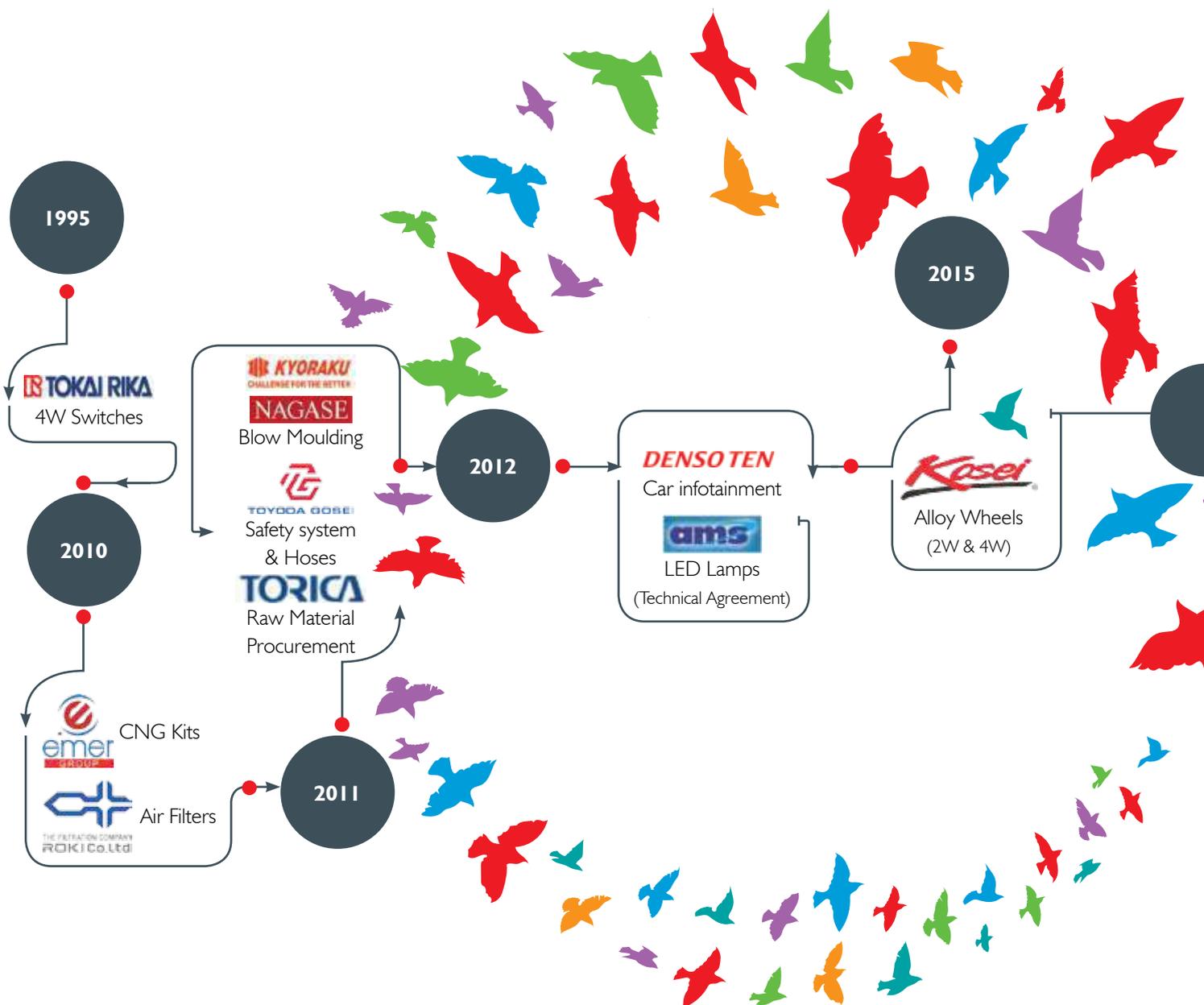
The strength of each team member is the strength of the team. M-Leap is an initiative of helping individual to flourish and rise to lead teams by empowering them.



# Building trust

Nuturing Partnerships

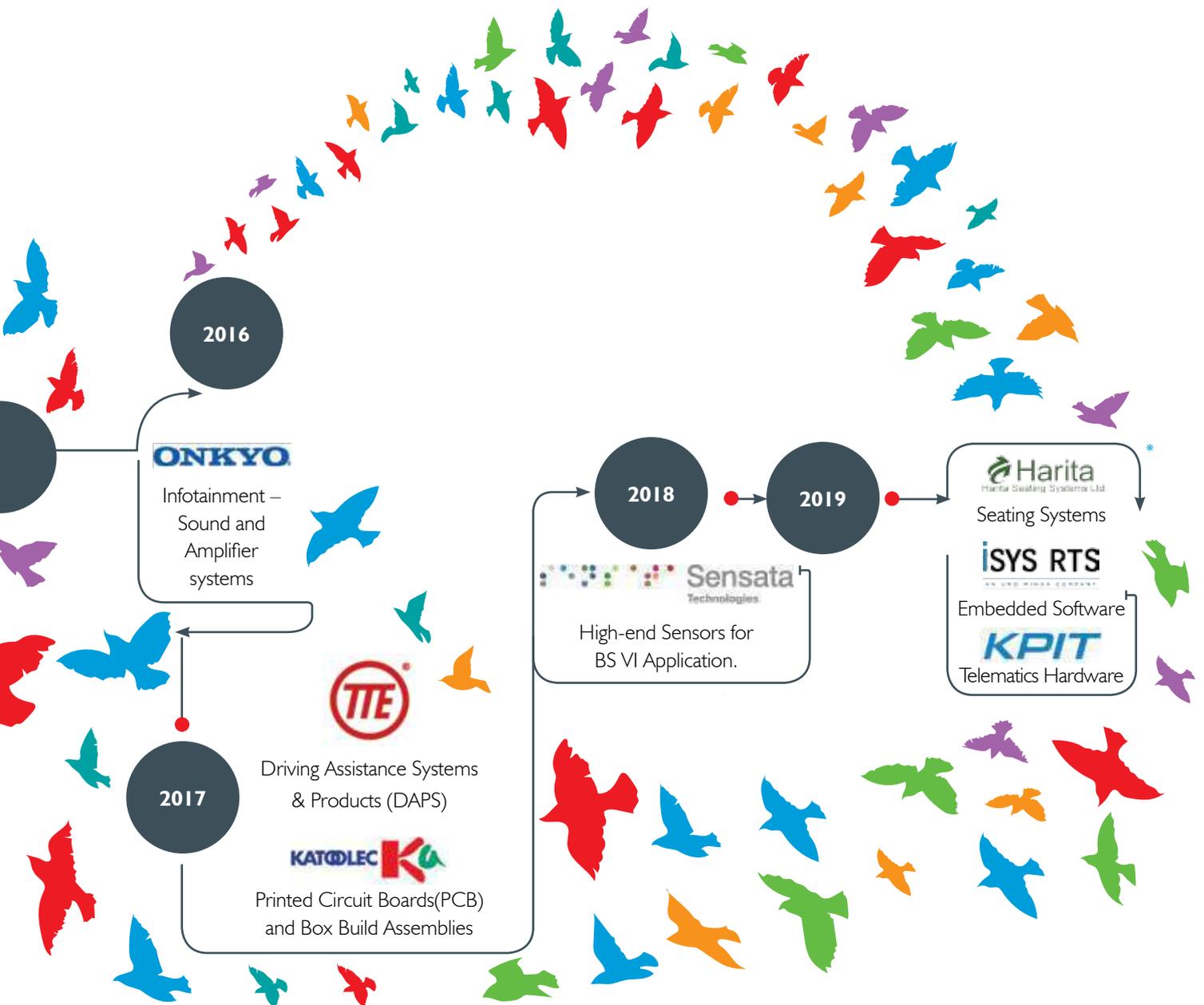
Trust and Transparency are vital to success.





At UNO MINDA, our partners form the backbone of our Company. Our valued collaborations with our global partners are instrumental in localisation and timely upgradations of products for evolving Indian

markets. We along with our partners aspire to be ahead of curve and offer mobility solutions to our customers. Together, we create value for our customers while growing with each other.



\* Subject to Regulatory Approvals



## Building trust

Touching a million lives for a sustainable tomorrow.

Society is to business what foundation is to building.

At UNO MINDA, we define our value as our 'capability to endure and bring change'. We aim to bring people together from different backgrounds, religions, races, different skills, experiences and cultural reference frameworks with the aim of creating a better society and a sustainable future for tomorrow

542  
Students  
certified in  
Beauty and  
Culture



1214  
Students  
certified in  
Cutting and  
Tailoring





**1240**  
Students  
certified in  
IT Literacy  
Programme



**277**  
Students  
enrolled  
in Primary  
Education



**856**  
Students  
supported  
through  
Remedial Classes



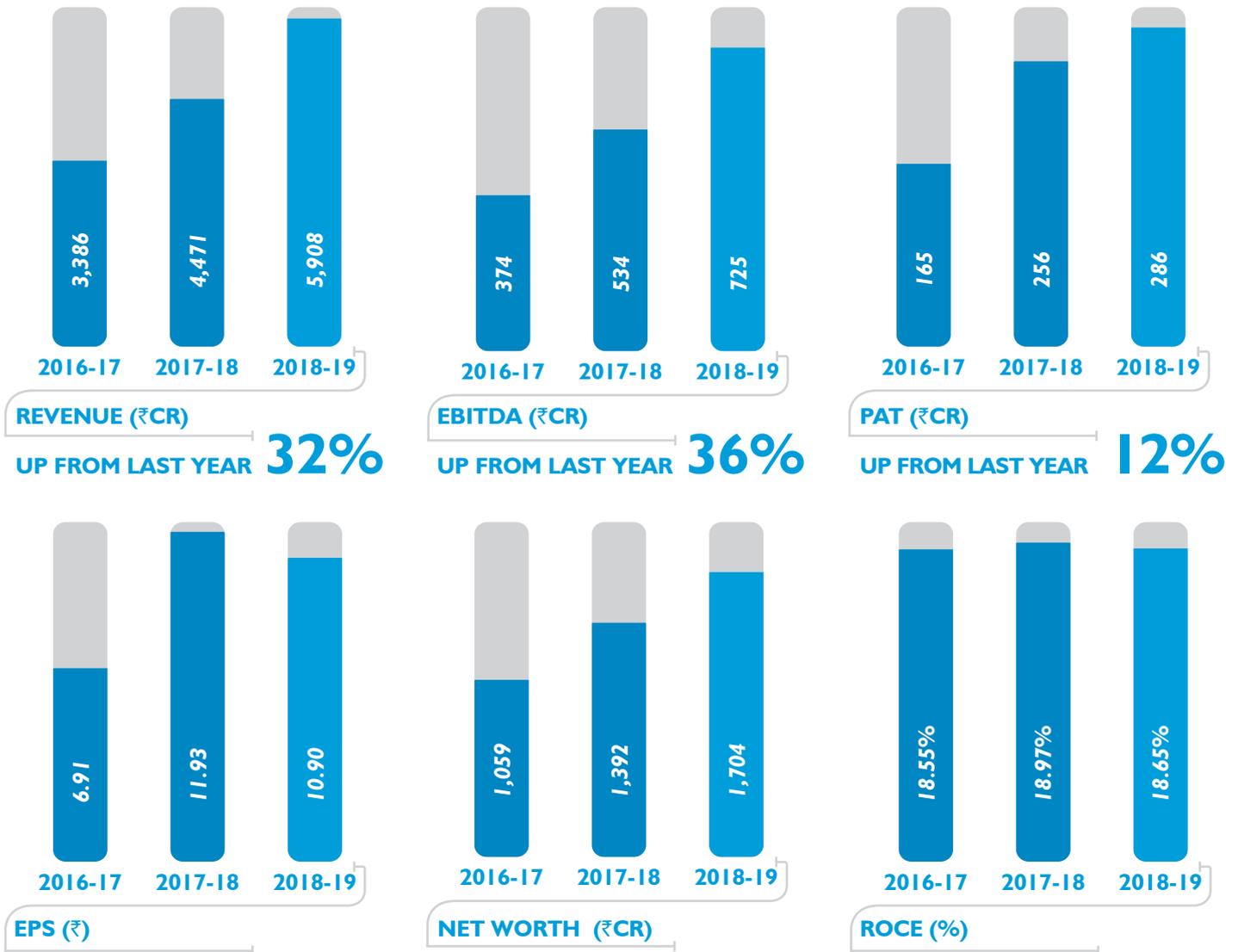


# Building trust

by creating value and constantly expanding our contribution.

Value-creation for shareholders is not a result. It is a core business strategy.

At MINDA, our conscious efforts are synced towards increasing long-term value for our shareholders. As a part of our Group’s mission, we continually work towards giving better returns to our shareholders. Our strong governance and global competitiveness boost our ability to perform under dynamic business environment.

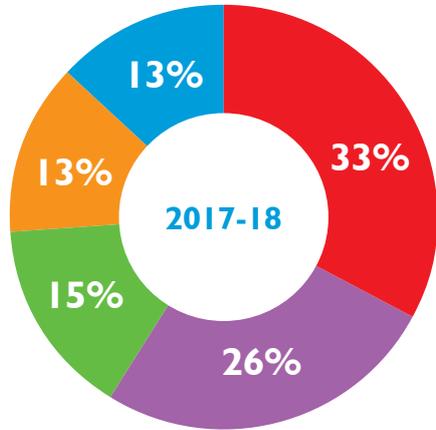


\*EBIDTA: Earnings before Interest Depreciation Tax and Amortisation \*PAT : Profit After Tax \*EPS : Earnings Per Share

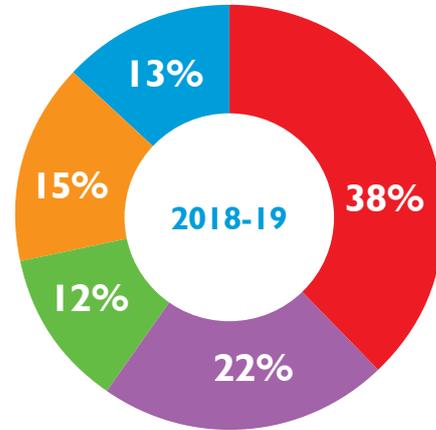
\*ROCE : Return on Capital Employed



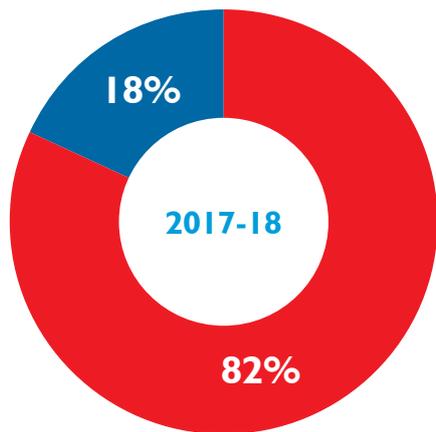
### DIVISION-WISE REVENUE DISTRIBUTION (%)



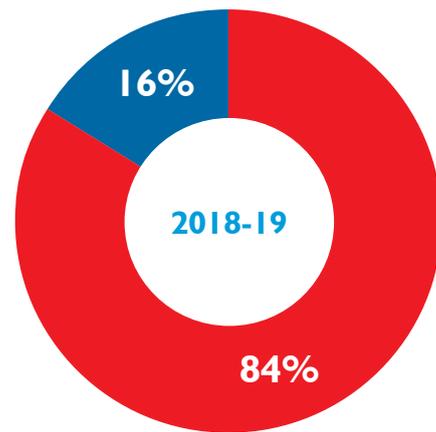
● Switches ● Lighting ● Acoustics ● LMT ● Others



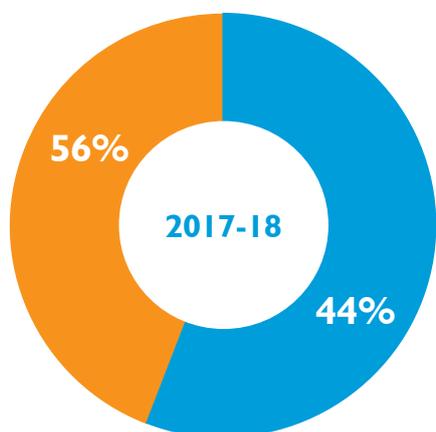
### GEOGRAPHY-WISE REVENUE DISTRIBUTION (%)



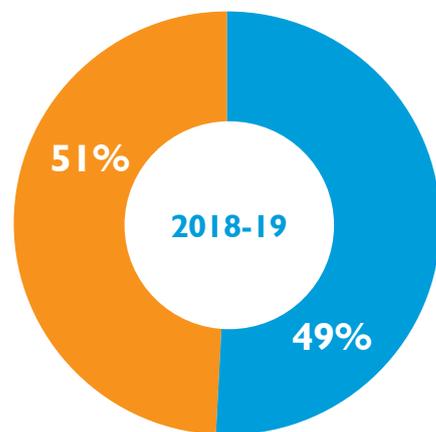
● Domestic ● International



### SEGMENT-WISE REVENUE DISTRIBUTION (%)



● 2/3 Wheeler ● 4 Wheeler





## CFO's Message



Dear Shareholders,

“We are purposeful in pursuit to transform the UNO MINDA Group. By maintaining our course, we will strive to exceed expectations of our stakeholders and reinforce trust and transparency with all stakeholders. Through these efforts we will transcend horizons and expand possibilities.”

There are various factors which makes UNO MINDA a unique company. Its a company with diversified customer base built on solid foundations and responsible for people development and the environment. UNO MINDA has always strived to reflect these ethos in its true sense. We, therefore, align our business to the following three pillars: digitization, electronification and maximise shareholder value.

Last year the automobile industry witnessed weak demand environment owing to various issues. Increase in ownership cost of a vehicle due to increase in insurance cost and other regulatory factors impacted growth. The demand during the year remained subdued since August but we continued to maintain the growth momentum sequentially.

To pursue the next leg of growth and create a strong entity MIL will continue to consolidate the Group to simplify the holding subsidiaries by amalgamating four of its domestic wholly owned subsidiaries (WOS) with MIL namely Minda Rinder Pvt. Ltd., Minda Distribution and Services Ltd., Minda Auto Components Ltd. and MJ Castings Ltd.

During the year, we continued to strengthen our balance sheet and recorded a revenue growth of 32% at ₹ 5,908 crores over the last year. Our switches business was the largest contributor with 37.9% followed by lighting



business at 21.9% to revenue this year. We recorded an EBITDA ₹ 725 Crores, higher by 36% year-on-year from ₹534 Crores in FY2018. Our EBITDA margins were seen at 12% compared to 11.9% in FY2019, recording an expansion of 33 basis points. These margins have been achieved on the back of continuous improvement in our operations, higher capacity utilization in the new businesses like MKA, MRPL, Minda Rinder etc. We believe these margin levels are sustainable, and we continue to focus on managing costs and ensure profitable growth.

The PBT before exceptional item for FY2019 was at ₹ 455 crores, higher by 24% year-on-year from ₹ 367 Crores in FY2018. And profit after tax attributable to MIL grew by 12% at ₹ 286 Crores in FY2019 as against ₹ 256 Crores in FY2018. These numbers are normalized adjusted for exceptional items.

Our Switching Systems segment achieved revenue of ₹2,237 Crores for FY2019, contributing about 37.9% of our total consolidated turnover. The EBITDA margin in this segment was around 12.6%.

The Lighting division achieved revenue of around ₹1,293 Crores for FY2019, which contributes 21.9% to our total turnover. The EBITDA margin in this segment was around 10.2% this year.

The Acoustic division achieved revenue of ₹ 717 Crores for FY2019, contributing 12.1% to our total turnover. EBITDA margin in this segment was around 9.4% in this year.

Moving on, you will notice our new segment called Light Metal Technologies, which achieved revenue of ₹ 908 Crores for FY2019, contributing to 15.4% to total turnover. The EBITDA margin in the segment was around 23.4% this year.

Other product lines have also started contributing and are showing good traction. Other products achieved revenue of ₹ 754 Crores for FY2019 and EBITDA margin of 10%. Several products among these are new business with potential for significant growth in coming year

We are focused to increase our kit value by 5% to 10% over last year. Starting from a base model of ₹ 4,000 to 5,000 our top-end model bags a kit value of almost ₹ 80,000 to ₹ 90,000 per vehicle. This is a result of

increased of premiumisation and regulatory norms which demands mandatory inclusion of airbags, reverse parking assistance systems (RPAS) which started in July. Under AIS-140 vehicle tracking maintenance system has become mandatory from January, 2019 for Public Transport Vehicles. So, there is a direct impact of the OEM volumes on all the auto ancillaries, our strategy has been to grow more than what the auto industry has been growing and these are key facts which gives confidence in our journey in FY19-20, compared to the overall average industry growth.

Our aftermarket sales are growing in double digits for last several years and we expect that momentum to improve significantly in the coming quarters. Our aftermarket sales this year was at ₹ 573 crore and is anticipated to witness growth in medium term. With our more than 1,000+ dealers across the country and a network of 30,000 touch points, we are confident that it will add a significant value to our revenue stream going forward.

Going further, the OEMs have given a guidance for the full year in the range of 4% to 6% and we will strive to keep the momentum going backed by adding newer products and premiumisation. We want to achieve sustainable growth and create value for all our stake. For our employees. For our shareholders.

Best regards,

Sunil Bohra  
Group CFO



## Building trust



The 'Most Promising Company of the Year' at Indian Business Leaders Awards.



– CNBC TV18

Mr. Nirmal K Minda awarded with 'EY Entrepreneur of the Year'

– Ernst & Young (EY)



Awarded 'National IP Award' in category Top Indian Company for Designs Minda Industries Ltd.

– CII





by being recognised for due efforts, one award at a time.

During the year, The Company's efforts were duly recognised and appreciated with awards.

## Awarded

'Comprehensive Excellence'

'Overall Performance'

'Quality Excellence'

'VA VE'

– Maruti Suzuki

'Quality Excellence'

GM & Toyota

'Best QCDDM Performance'

'Supplier Business Capability'

– HMSI

'Supplier Business Capability'

'Human Resource Excellence'

– M&M

'Exceptional Support Quality'

– Tata Motors



Awarded 'Delivery Management' to  
M J Casting Ltd



– HMSI



Awarded 'Special Support Award' MIL  
Switch Division



– Suzuki



## Board of Directors



### Mr. Nirmal K Minda

**Chairman & Managing Director**

An industrialist with rich business experience of more than three decades in the Auto Components Sector, he has been instrumental in forging new alliances and joint venture partnership with globally renowned names. He leads the USD 80 bn UNO MINDA Group currently with various other laurels to his name. He has been conferred with 'EY Entrepreneur of the Year' Award in Manufacturing Category in 2019. The Group grew manifold under his dynamic leadership, established footprints globally and received numerous awards and recognitions. He has held many offices in bodies like CII as Vice Chairman, Haryana State Council & Special Invitee, Northern Regional Council. He also served as the Chairman of ACMA, Northern

Region for three consecutive years, followed by Vice President for 2016-17 President of ACMA for the year 2017-18.

### Mr. Anand Kumar Minda

**Non-Executive Director**

He has over 36 years of hands-on experience in financial control, reviews, manufacturing and project management. He was appointed as member of the Board since 2011. He plays a pivotal role in new projects and strategy formulation. He is the Member of Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee of the Company.



## Mr. K. K. Jalan

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### **Independent Director**

He is a Post Graduate in Social Science (Development Administration) with distinction from University of Birmingham, UK. He has an experience of over 40 years which includes Secretary to the Government of India (Jan 2016 – Jun 2017) for the Ministry of Micro, Small & Medium Enterprises (MSME). A seasoned officer with a solid reputation of good governance, Mr. Jalan has spearheaded significant changes at Employee Provident Fund Organization as Central Provident Fund Officer. He is a recipient of various awards and accolades for outstanding work during his career stints at various organizations which include the National E – Governance award – Gold Category for implementation of UAN in EPFO, Director Special Award for outstanding contributions during stay at IIPA & Bhim Award for promotion of sports in Haryana amongst others.

## Mr. Satish Sekhri

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### **Independent Director**

He is an Engineering Graduate in Mechanical stream from Delhi College of Engineering and a Master of Business Administration (MBA) with more than 40 years of experience in the field of automotive industry. He held various senior positions, including Managing Director of Bosch Chassis Systems India Ltd (from 1995 to March 2010). He was a member of the Executive Committee of professional bodies like Automotive Components Manufacturers Association, Maharashtra Chamber of Commerce Industries and Agriculture and CII Pune Zone Council. He is the Director on the Board of Rico Auto Industries Ltd, Minda Distribution and Services Ltd, Minda Storage Batteries Pvt. Ltd, Rico Aluminium and Ferrous Auto Components Ltd, Rinder India Pvt. Ltd and Minda TG Rubber Pvt. Ltd.

## Ms. Pravin Tripathi

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### **Independent Director**

She is a former Indian Audit & Accounts Service (IAAS) Officer of 1973 batch with more than 4 decades of experience in the field of Audit & Accounts. She held various senior positions including that of Deputy Comptroller & Auditor General of India and Chairperson Audit Board, Member of the Competition Appellate Tribunal, Member of Airport Economic Regulatory Authority Appellate Tribunal and Chief Auditor, Municipal Corporation of Delhi amongst

others. Presently she serves as an Independent Director on the Board of PTC India Financial Services Ltd., PTC Energy Ltd., JBM Auto Ltd., IL&FS Technologies Ltd. and as a director on the Board of DSP Trustee Private Ltd. She has done Master in English Literature from Punjab University.

## Ms. Paridhi Minda

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### **Whole-time Director**

She is a management graduate from Bradford University, London and has a certification from London School of Economics in Marketing. In addition, she completed her Finishing school from Institut Villa Pierrefeu in Switzerland. She joined UNO MINDA Group in 2001. In the initial years, she spent extensive time on shop floor to get insights into best practices in manufacturing. She also worked closely with all 6M functional heads to understand the nuances of running a successful business. In her subsequent assignment, she got associated with the Lamp business of UNO MINDA Group and worked closely in diverse functions over next 7–8 years. She was also instrumental in driving process efficiency and led some de-bottlenecking assignments. She is also Director on the board of Minda Investments Limited, Minda Distribution and Services Limited, Minda Storage Batteries Private Limited and Minda Katolec Electronics Services Private Limited.

## Mr. Alok Dutta\*

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### **Independent Director**

He is a Mechanical Engineer from IIT, Kharagpur and a Cost Accountant from ICWAI, Kolkata. He has a work experience of over 41 years, including a long association of 26 years with the Eicher Group of Companies. He had held various senior leadership as well as Board positions while working with Eicher and his last assignment was as the Managing Director of one of the Group companies. He has in-depth experience in Greenfield projects, M&A, operational and financial turnaround, financial control and reviews, managing joint venture relationships, international business and organisation building and talent development. Currently, he is also engaged in leadership development activities including executive coaching as an independent consultant. Presently, he is also the Director on the Board of Minda Kyoraku Ltd. and Engineering First Enterprises Pvt. Ltd.

*\*(ceased as Director w.e.f. 17 May 2019)*



## Top Management Team



**Mr. Anand K Minda**

CEO, Battery and  
Aftermarket Business



**Mr. Sunil Bohra**

Group CFO



**Mr. Rajiv Kapoor**

Head Group HR



**Mr. J. K. Menon**

CEO, Electrical and  
Electronics Domain



**Mr. Pradeep Tewari**

CEO, Body and  
Structure Domain



**Mr. Ravi Mehra**

CEO, Interior, Controls  
and Safety Domain



**Mr. Kundan K. Jha**

CEO, Light Metal  
Technology Domain



**Mr. Amit Jain**

CEO, Advance Electronics  
Domain & Group Chief  
Technology Officer



**Mr. Naveesh Garg**

Group Chief  
Strategy Officer



**Mr. Rajeev Gandotra**

Group Chief  
Marketing Officer



**Mr. Amit Gupta**

President, Group  
Business Excellence



# Corporate Information

## BOARD OF DIRECTORS

Mr. Nirmal K Minda - Chairman & Managing Director

Mr. Anand Kumar Minda - Non-Executive Director

Mr. Alok Dutta - Independent Director\*

Mr. K. K. Jalan - Independent Director

Mr. Satish Sekhri - Independent Director

Ms. Pravin Tripathi - Independent Director

Ms. Paridhi Minda - Whole-time Director

## STATUTORY AUDITORS

B S R & Co. LLP

Chartered Accountants

## LISTED AT

BSE Limited

National Stock Exchange of India Ltd

## DEPOSITORIES

National Securities Depositories Ltd

Central Depository Services (India) Ltd

## COMPANY SECRETARY

Mr. Tarun Kumar Srivastava

## WORKS

Village Nawada Fatehpur, P.O. Sikanderpur Badda,  
Distt. Gurgaon (Haryana)

Village Naharpur Kasan P.O. Nakhrola Distt. Gurgaon  
(Haryana)

Plot No. ME-I, Sector-2A, IMT Manesar, Gurgaon  
(Haryana)

Plot No. ME-II, Sector-2A, IMT Manesar, Gurgaon  
(Haryana)

Plot No. 5, Sector- I 0, IIE, Pant Nagar, Udham Singh  
Nagar, Uttrakhand

Plot No. 5A, Sector- I 0, IIE, Pant Nagar, Udham Singh  
Nagar, Uttrakhand

B-6, Chakan Industrial Area, Village- Mahalunge,  
Taluka-Khed Distt. Pune, Maharashtra

B-1/5, Chakan Industrial Area, Village Mahalunge,  
Taluka-Khed Distt. Pune, Maharashtra

B-1/4/2, MIDC, Chakan Industrial Area, Villalge Nigoje,  
Taluka Khed, Distt. Pune, Maharashtra.

C-41, MIDC, Chakan Industrial Area, Village  
Mahalunge (Ingle), Taluka Khed, Distt. Pune,  
Maharashtra.

Gat No. 427/5, 427/10, Chakan Talegaon Road,  
Mahalunge Tal Khed, Pune, Maharastra

CREAT, Om Chambers, Bhosari Telco Rd, Balaji Nagar,  
MIDC, Bhosari, Pune, Maharashtra.

Plot No. A-29-6, MIDC, Industrial Area, Phase IV,  
Village Nigh, Pune, Maharashtra.

B-35, Portion-I, MIDC Waluj, Aurangabad,  
Maharashtra

Survey No. 209, Upparapalli Village, Periya  
Mathagondapally (Post) Hosur, Thally Road,  
Denkanikottai(Taluk), Krishanagiri District, Tamilnadu.

Plot No. B-3, SIPCOT Industrial Park at Pillaipakam  
Vengadu Taluk, Sriperumpudur, Chennai.

JV Gate No. 1, Plot No.07, SMG Vendor Park,  
Hansalpur, Bechrage, Ahmedabad, Gujarat.

## REGISTERED OFFICE

B-64/1, Wazirpur Industrial Area, Delhi – 110052

## CORPORATE OFFICE

Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt.  
Gurgaon (Haryana)

## BANKERS

Axis Bank

HDFC Bank

Standard Chartered Bank

Canara Bank

State Bank of India

Kotak Mahindra Bank

Citibank

Banco Bilbao Vizcaya Argentaria

HSBC

\* Till 16 May 2019



# Synopsis of Group Companies

## DOMESTIC FACILITIES

### MIL Lighting Division

Manesar  
Pune  
Chennai

### Minda Rinder Pvt. Ltd.

Bahadurgarh  
Pune  
Hosur  
Sonipat

### METL / MAGL

Manesar

### Minda Storage Batteries Pvt. Ltd.

Pantnagar

### M J Casting Ltd.

Bawal  
Hosur

### MIL Switch/HBA Division (2W & Off Road)

Manesar  
Pune  
Pantnagar  
Aurangabad  
Hosur

### MIL – Sensor Division

Pune

### MIL – Controller Division

Pune

### Mindarika Pvt. Ltd.

Manesar  
Pune  
Chennai  
Gujarat

### Kosei Minda Aluminium Co. Pvt. Ltd.

Chennai

### Minda Kosei Aluminium Wheel Pvt. Ltd.

Bawal  
Gujarat

### MIL 2W Alloy Wheel Division

Ahmednagar

### MIL Wheel & Tyre Assembly

Gujarat

### Kosei Minda Mould Pvt. Ltd.

Bawal

### MIL Acoustic Division

Manesar  
Pantnagar

### Roki Minda Co. Pvt. Ltd.

Bawal  
Gujarat  
Chennai

### TG Minda India Pvt. Ltd.

Neemrana  
Bawal  
Gujarat

### Minda TG Rubber Pvt. Ltd.

Bawal

### MIL – Fuel Cap Division

Manesar

### Minda D -Ten India Pvt. Ltd.

Bawal

### Minda Kyoraku Ltd.

Bengaluru  
Bawal  
Gujarat

### Minda Auto Components Ltd.

Mysore  
Nalagarh  
Surajpur  
Gujarat  
Narsapur

### Minda Onkyo India Pvt. Ltd.

Bawal

### Minda Katolec Electronic Services Pvt. Ltd.

Pune

### Minda TTE DAPS Pvt. Ltd.

Manesar

### MI TORICA India Pvt. Ltd.

(Trading Company)

Manesar

### Minda Distribution & Services Ltd. (Aftermarket Wing)

New Delhi

### YA Auto

Rudrapur

### Auto Component

Haridwar

### CREAT (Technical Centre)

Pune

## INTERNATIONAL FACILITIES

### Light Systems and Technical Centre S.I.

Spain

### Rinder Riduco S.a.

Columbia

### Clarton Horns

Spain

Mexico

Morocco

### PT Minda Asean Automotive

Indonesia

### Minda Industries Vietnam Co. Ltd.

Vietnam

### Minda Auto Components Ltd.

Japan

### iSYS RTS GmbH

Germany



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## Board's Report

To the Members of  
**Minda Industries Limited**

The Board of Directors hereby submit their Twenty-Seventh report along with the audited financial statements of the Company for the financial year ended on 31 March 2019. The standalone and consolidated performance of the Company is summarised below:

### Financial Results

(Amount ₹in Crores, unless otherwise stated)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	2,099.70	1,903.80	5,908.09	4,548.29
Other Income	47.02	38.39	27.03	33.35
Profit Before Tax	187.33	170.11	454.68	405.47
Tax Expense	41.69	39.75	134.07	97.69
Profit before share of profit in associates and joint ventures	145.30	135.83	320.61	307.78
Share of net profit in associates and joint ventures	-	-	18.87	23.08
Non-controlling interest	-	-	53.86	20.67
Profit for the year attributable to the Owner of the Company	145.30	135.83	285.62	310.19
Other Comprehensive income for the year attributable to the Owners of the Company	(0.09)	0.60	(0.71)	4.80
Total Comprehensive income for the year attributable to the Owners of the Company	145.21	136.43	284.91	314.99
Earnings per share (EPS)				
Basic (in ₹)	5.54	5.24	10.90	11.96
Diluted (in ₹)	5.54	5.22	10.90	11.93
Equity attributable to the Owners of the Company	1,097.95	969.90	1,704.16	1,391.69

### Company's Performance

#### Standalone

The Standalone Revenue from Operations grew by 10.29% during the year to ₹2,099.70 Crores from ₹1,903.80 Crores in previous year. The profit after tax was ₹145.30 Crores as against ₹135.83 Crores in the previous year. Total comprehensive income was ₹145.21 Crores as against ₹136.43 Crores in the previous year.

#### Consolidated

The Consolidated Revenue from Operations grew by 29.90% during the year to ₹5,908.09 Crores from ₹4,548.29 Crores in previous year. The profit after tax attributable to the Owners of the Company was ₹285.62 Crores, as against ₹310.19 Crores in the previous year. Total comprehensive income attributable to the Owners of the Company was ₹284.91 Crores as against ₹314.99 Crores in the previous year.

### Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, associates and joint ventures, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report.

### Dividends

The Board at its meeting held on 6 February 2019, declared an interim dividend of ₹0.45 per equity share i.e. 22.50% on

26,22,16,965 equity shares of ₹2 each. Further, the Board at its Meeting held on 16 May 2019 has recommended a final dividend of ₹0.65 per equity share for the financial year ended on 31 March 2019, subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 6 August 2019.

The total dividend for 2018-19 aggregates to ₹1.10 per equity share of the face value of ₹2 each, as compared to ₹0.94 (adjusted figure post Bonus Issue of 2:1) per equity share of the face value of ₹2 each for 2017-18. There was no liability towards dividend distribution tax on the dividend paid during the year considering the adequate tax credit was available on dividend received from its subsidiary companies.

The final dividend will be paid to members, whose names appear in the Register of Members as on 30 July 2019. The Company has complied with the dividend distribution policy of the Company, the copy is available on the website of the Company at [www.unominda.com](http://www.unominda.com).

### Transfer to Reserve

The Company has not proposed any amount to be transferred to the General Reserve.

### Share Capital

During the year under review, your Company issued and allotted 8,33,500 Equity Shares of ₹2/- each, fully paid-up, to the eligible employees upon exercising the options granted to them (including adjustment for bonus) under the Employee Stock Options Scheme, 2016 (ESOS-2016).



## Board's Report (Contd.)

Further, during the year under review, your Company issued Bonus shares to the shareholders of the Company in the ratio of 2:1 i.e. 2 (two) Bonus Equity Shares of ₹2 each fully paid up for every 1(one) existing equity share of ₹2 each fully paid up. The Company allotted 17,43,42,310 bonus shares.

Consequent to the above, the issued, subscribed and paid-up Equity Share capital of your Company as on 31 March 2019 is at ₹52,44,33,930/- comprising of 26,22,16,965 Equity Shares of ₹2 each.

During the year under review, the Company has neither issued any shares with differential voting rights nor any sweat equity shares.

### Key Business developments during the year under review

#### (i) Acquisition and Merger of Harita Seating Systems Limited (In process)

The Board of Directors of your Company had its meeting held on 14 February 2019, approved acquisition of Harita Seating Systems Limited ("Harita"), by way of composite scheme of amalgamation, which is the leading manufacturer of seating systems in India. Harita specialises in manufacture & supply of safe, ergonomic and reliable driver seats and bus passenger seats. Harita seats are used in the automotive segments of commercial vehicles, tractors, off-road vehicles and Buses.

The proposed amalgamation will enable the Company to have a new product range which will synergize well with its existing products. The scheme of amalgamation also involve amalgamation of four promoter's companies of Harita so as to have a simple holding structure post amalgamation.

The said merger shall be subject to receipt of necessary approvals of shareholders and creditors, SEBI, Stock Exchanges, National Company Law Tribunal, the Competition Commission of India, Reserve Bank of India and other governmental authorities as may be required.

In consideration for amalgamation of Harita along with its promoter's companies with the Company, the shareholders of the said companies, at the option exercised by them, shall receive equity shares of ₹2 each or 0.01 % fully paid up non-convertible redeemable preference shares of ₹100 each at a price of ₹121.25 per share of the Company as consideration for the proposed Scheme of amalgamation.

The Scheme as approved by the Board is available on the website of the Company at [www.unominda.com](http://www.unominda.com).

#### (ii) Acquisition of iSYS, RTS, Germany

The Company acquired 80% of equity share capital of iSYS RTS GmbH ('iSYS') a Germany based company.

iSYS is a niche player engaged in systems engineering, development of hardware and software with product and services offering in embedded systems, Electronic Control Unit ('ECUs' or 'controllers'). These automotive ECUs/ controllers are used in lighting, infotainment systems, automation and building technologies amongst others. Marquee customers of iSYS include BMW and Rolls Royce, which is testimony to the superior quality of controllers manufactured by the said Company. The acquisition is in line with strategy of the Company to increase its offering / kit value. This will also improve export prospects from India to European Union and ASEAN nations.

#### (iii) Business service agreement & technical tie up with Sensata Technologies for Magnetic Speed & Position Sensors India business

The Company entered into an agreement for Magnetic Speed & Position Sensors (Cam, Crank & TISS sensor products) India business of Sensata Technologies, i.e. Business Transfer of CAM, Crank & TISS sensors in India. Sensata Technologies will also provide know-how, technical support and engineering support for 5 years.

This will open opportunities to enter into critical engine sensors.

#### (iv) Acquisition of Telematics Business

Your Company has entered into definitive agreement with KPIT Engineering Ltd. and its subsidiary Impact Automotive Solutions Ltd. for purchase of its telematics business. This includes acquisition of software, know how, customers and relevant employees, related to Telematics hardware products consisting VTS-AIS 140, OBITS (On Bus Integrated Telematics Systems complying to UBS-II specifications), and Telematics product for School Bus.

The above acquisition will offer the opportunity for growth and expansion in the Telematics space in India and this collaboration would give access to new customers and technology.

#### (v) Joint Venture

The Company has entered into Joint Venture Agreement with Kosei International Trade and Investment Company Limited, Hong-Kong and formed a new joint venture company namely Kosei Minda Mould Private Limited (JV Company) for manufacturing of moulds for alloy-wheels. The shareholding of the Company is 49.90% in the said JV Company.

#### (vi) Setting up a 2 Wheeler Alloy Wheel Plant

The Company is in the process of setting up a new manufacturing plant of 2 Wheeler Alloy Wheel in



## Board's Report (Contd.)

Maharashtra. The outlay of the project is ₹500 Crores, which will be completed in two phases. In the first phase, ₹300 Crores will be undertaken within two years and thereafter the second phase will be undertaken. The start of production is expected from H2-2019-20.

### (vii) Setting up of Controller and Telematics Manufacturing Plant

The Company is in the process of setting up a new manufacturing plant of Controller and Telematics for 2Wheeler and 4Wheeler in Maharashtra. The outlay of the project is ₹77 Crores. The start of production is expected from H2-2019-20.

### Change in Nature of Business

There is no change in the nature of business of the Company during the year.

### Material Changes and Commitments

There were no material changes and commitments occurred between the end of the financial year as on 31 March 2019 and the date of this report which affects financial position of the Company.

### Employee Stock Option Scheme

Your Company had implemented "Minda Employee Stock Option Scheme, 2016" (ESOS 2016) in the year 2016. The said scheme provided for grant of 15,00,000 (pre bonus-bonus ratio being 2 new equity for existing 1 equity shares) options convertible into equal no. of Equity shares having face value of ₹2 each. Under the said scheme 9,86,750 shares were allotted to 21 eligible employees. The said Scheme was closed in 2018.

In order to widen scope and effectiveness of the vision of the Company to continue to incentivise the employees of the Company (including the employees of its existing or future subsidiaries) ("Employees"), the Board of Directors at their meeting held on 6 February 2019, upon recommendation of Nomination and Remuneration Committee ("NRC"), approved a new share-based incentive plan called the "UNOMINDA Employee Stock Option Scheme 2019" (ESOS 2019) which was duly approved by the shareholders through Postal Ballot during the year.

The maximum number of options to be granted under the ESOS 2019 shall not exceed 78,66,500 options, convertible into equity shares of the Company, which is approximate 3% of the paid-up share capital of the Company as on the date of approval of the scheme. One option shall entitle the eligible employee to one equity share. The NRC of the Board is empowered to administer this scheme including to determine the eligible employees, the vesting period and exercise price of the options.

During the year, no shares were allotted under ESOS 2019. Further, during the year, there has been no material change in ESOS 2016 and ESOS 2019.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014, disclosure with respect to the ESOS 2016 and ESOS 2019 Scheme of the Company as on 31 March 2019 is enclosed as Annexure A to this Report. The ESOS 2019 has also been uploaded on the Company's website at [www.unominda.com](http://www.unominda.com).

The stock option schemes are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 ('Employee Benefits Regulations') and there have been no changes to the plan during the financial year.

### Corporate Social Responsibility Initiatives

As part of its initiatives under Corporate Social Responsibility (CSR), the CSR Committee has been entrusted with the prime responsibility of recommending to the Board about Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013, the amount of expenditure to be incurred on CSR activities and monitoring the implementation of the framework of the CSR Policy.

During the year under review, the Committee comprised of Mr. Nirmal K Minda, Chairman & Managing Director, as Chairperson of the Committee. Mr. Alok Dutta, Independent Director, Mr. Satish Sekhri, Independent Director and Mr. Anand Kumar Minda, Non-executive Director.

The details of the CSR Policy of the Company are available on our website <https://www.unominda.com/investor/corporate-governance>. The CSR Report is enclosed as Annexure-B to the Board's Report.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8 of the Companies (Accounts) Rules, 2014, is enclosed as Annexure-C to the Board's Report.

### Corporate Governance

The Company has complied with the Corporate Governance requirements as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the report on the same as stipulated in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Annexure -D to the Board's Report.

The Certificate issued by M/s. Sanjay Grover & Associates, Company Secretaries in practice confirming the Compliance



## Board's Report (Contd.)

of conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Annexure-E to the Board's Report.

### Risk Management Policy

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and its effectiveness. The Company has Risk Management Policy which can be accessed on Company's website [www.unominda.com](http://www.unominda.com). The Company has also laid down the procedures to inform Board members about risk assessment and minimisation procedures.

### Internal Financial Control and its adequacy

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and its disclosures. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations.

The internal control and governance process are duly reviewed for the adequacy and effectiveness through regular testing of key controls by management and independent internal auditors.

### Human Resource Management

As the organisation moves closer to realising its Vision and achieving the Group Goals 2024-25, the Management is developing a Leadership pipeline and an Eco-System to support the Company's ambitious journey. The Company has made an impactful beginning in the year 2018-19 for Leadership Development Programs, i.e. Transfor-M & M-LEAP. Talent and capability building was made more robust by effecting job-rotations both inter and intra domains/businesses. The jobs rotated the highest ever number of key talent in the year 2018-19, thus creating an eco-system of cross learning and experiential capability enhancement.

The Company's Leadership Development programs are a year-long activity and these programmes are curated for Middle to Senior Leadership level. Through these initiatives the Company is taking strides to realise a very passionate goal of the Chairman, Shri Nirmal K Minda, which is to minimise lateral hiring and give more & more opportunities to internal talent pool. The TRANSFOR-M & M-LEAP phase 2 continues in the year 2019-20.

In order to fulfil this goal, the Company is focused to create a strong talent pool & pipeline by inducting trainees (GETs & MTs) from campuses across India and preparing them for future roles. Last year the Company has re-mapped the career growth path for its trainees to afford them with the right opportunities at the right time in the Organisation. The Company has revised its focus on taking operators to staff levels and ensuring, through relevant L&D initiatives, to help them make this transition easy and successful.

With a view to create an Eco-system for sustaining success, the Company recently conducted WOW (Ways of Working) workshop. Apart from many other takeaways, a list of 10 demonstrable behaviours was prepared and later announced to the entire Organisation. The Leadership Team has committed to live these behaviours in order to lead by example to foster a positive cascade of these behaviours across the entire Organisation.

The Company has embarked upon journey to become a 'Great Place to Work' and in 2018-19, the Company initiated a dip-stick survey for the same. The outcome of the survey would give action points, working and improving on which, the Company is very hopeful of entering the Great Places to Work league.

HR is moving rapidly on the e-HR way and last year automated various routine HR process, much to the delight of the employees. This year HR is speeding ahead on the new E-HRM module – Success Factors, which would provide seamless integration of all HR processes with the employee life-cycle.

All these initiatives taken in HR are a part of overall HR Strategy plan to achieve the Group Goals 2024-25.

### Particulars of Employees

The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure - F.

In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are available with the Company. In terms of provisions of Section 136(1) of the Act, any member interested in obtaining a copy of the said details may write to the Company Secretary.

### Vigil Mechanism

Your Company is deeply committed to highest standards of ethical, moral and legal business conduct. It ensures that it



## Board's Report (Contd.)

provide a respectful work environment, not only for all our employees, but for all our external partners too. Accordingly, the Board of Directors have formulated Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Initially, it had an internal ethics reporting mechanism to raise concerns internally about any potential misconduct which has been now been outsourced to an independent agency. It will enable anonymous reporting and confidentiality will be maintained about the Reporters.

The Company has launched an Ethics Helpline for the employees (both permanent and contractual), directors, vendors, suppliers and other stakeholders, collectively known as the "Reporters" of Minda Industries Limited. Ethics Helpline Service is a third party service managed by KPMG. The helpline will serve as an avenue for the Reporters to 'blow the whistle' in case they come across any unethical or fraudulent activity happening in the organisation. The Company has taken this initiative to encourage and promote transparency at workplace. The complaints under whistle blower are processed by trained professionals to assure collection of accurate information and protection of the information confidentiality.

The reportable matters are disclosed to Audit Committee. No personnel have been denied access to the Audit Committee.

### Directors and Key Managerial Personnel

#### Directors

As on 31 March 2019, there were six (6) Directors on the Board of your company, consisting of three (3) Independent Directors, one (1) Non-Executive Director, one (1) Executive Director and one (1) Chairman & Managing Director (CMD).

During the year under review, the following changes have taken place in the Board of Directors of the Company:

- Mr. Nirmal K Minda has been re-appointed as Chairman and Managing Director of the Company for a period of five years from 1 April 2018 to 31 March 2023.
- Ms. Renu Challu, Independent Director of the Company, has completed her second term on 18 December 2018 and accordingly ceased to be an Independent Director of the Company.
- Ms. Pravin Tripathi has been appointed as an additional director in the category of Independent Woman Director of the Company w.e.f. 6 February 2019 for a period of two years.
- Ms. Paridhi Minda has been appointed as an additional director in the category of Whole-time Director of the Company w.e.f. 29 March 2019 for a period of five years.

#### Key Managerial Personnel

As on 31 March 2019, Mr. Nirmal K Minda, Chairman & Managing Director, Ms. Paridhi Minda, Whole-time Director, Mr. Sunil Bohra, Group CFO and Mr. Tarun Kumar Srivastava, Company Secretary are the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013.

During the year under review, the following changes have taken place in the Key Managerial Personnel of the Company:

- Mr. Tarun Kumar Srivastava has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. 22 May 2018.
- Mr. Sudhir Jain, erstwhile Group CFO superannuated from the services of the Company on 30 September 2018.
- Mr. Sunil Bohra has been appointed as Group CFO of the Company w.e.f. 1 October 2018.
- Ms. Paridhi Minda has been appointed as Whole-time Director of the Company w.e.f. 29 March 2019.

#### Declaration by Independent Directors

In compliance with Section 149(7) of the Act, the Independent Directors of the Company have submitted the declaration(s) that each of them meet the criteria of independence as provided in Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

#### Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Nirmal K Minda retires by rotation and being eligible, offers himself for re-appointment. The details of the Director being recommended for re-appointment are included in the notice of the ensuing Annual General Meeting of the Company.

#### Board Evaluation

The evaluation of the Board, Board Committees and directors were carried out in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance note issued by SEBI in this regard. Questionnaire forms were circulated to all the directors for their feedback on Board, Board Committees and director evaluation. A meeting of the independent directors was held on 6 February 2019 where they reviewed and discussed the feedback on the functioning of the Board, Board Committees, Chairman and other directors. The Nomination and Remuneration Committee (NRC) at its meeting held on 6 February 2019 also reviewed the feedback on the evaluation of the functioning of the Board, Board Committees, Chairman



## Board's Report (Contd.)

and other directors. The Board reviewed and discussed the feedback of the evaluations.

### Familiarisation programme for Board Members

The Company has in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. The Company through such programmes familiarises not only the Independent Directors but any new appointee on the Board. They are updated on all business related issues and new initiatives. Plant visits are organised for directors to have first hand experience of manufacturing facilities. They are also informed of the important policies of the Company including the 'Code of Conduct for Directors and Senior Management Personnel' and the 'Code of Conduct for Prevention of Insider Trading.'

### Policy on Directors' appointment and remuneration

The Board Diversity Policy read with Nomination and Remuneration Policy aims to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the board, and separate its functions of governance and management. On 31 March 2019, the Board consists of Six members, out of which, two are executive directors, one is non-executive director and remaining three are independent directors. The aforesaid policies of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, are available on the Company's website [www.unominda.com](http://www.unominda.com). There has been no change in the said policies during the year under review.

### Meetings of Board and Audit Committee

During the year, ten (10) Board Meetings and ten (10) Audit Committee meetings were convened and held. The details of which are given in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the meetings was not exceeding within the period prescribed under the Companies Act, 2013.

### Committees of the Board

The Company has the following committees, which have been established as a part of the corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during

the year of relevant committees are given in detail in the Corporate Governance Report of the Company, which forms part of this Board's Report.

### Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) that they have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2019 and of the profit of the Company for the year ended on that date;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts on a 'going concern basis';
- e) that they have laid down proper internal financial controls and such internal financial controls are adequate and operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, Cost and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

### Related Party Transactions

All the related party transactions during the financial year were in the ordinary course of business and on arm's length basis and hence a disclosure in Form AOC-2 in terms of clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

The details of the transactions with related parties during the year under review are provided in the accompanying financial statements.



## Board's Report (Contd.)

Prior omnibus approval of the Audit Committee is obtained for the transactions, which are of a foreseen and repetitive nature. The Related Party Transactions are placed before the Audit Committee and also before the Board for approval.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.

In accordance with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has also adopted the Policy on Related Party Transactions and the same is available on the website of the Company at [www.unominda.com](http://www.unominda.com).

### Subsidiaries, Joint Ventures and Associates

The Company has 16 direct subsidiaries, 8 step down subsidiaries, 8 joint ventures and 2 associates as on 31 March 2019 as defined under the Companies Act, 2013. Besides, the Company has control over a partnership firm and significant influence over two partnership firm as on 31 March 2019. During the year under review, 2 subsidiaries, 1 step down subsidiary and 2 Joint Ventures were added.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries, joint ventures and associates in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <https://www.unominda.com/investor/subsidiaries-annual-accounts>.

### Deposits from Public

The Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 during the year under review and, as such, no amount of principal or interest was outstanding as on 31 March 2019.

### Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Standalone Financial Statements provided in this Annual Report.

### Statutory Auditors and Auditors' Report

#### Statutory Auditors

It is proposed to re-appoint M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm registration no. 101248W/W-100022) as Statutory Auditors of the Company for another term of two years commencing from the conclusion of the 27<sup>th</sup> Annual General Meeting until the conclusion of 29<sup>th</sup>

Annual General Meeting to be held in the year 2021. M/s. B S R & Co. LLP has furnished a certificate of their eligibility and consent under section 139 & 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for their re-appointment as the Auditors of the Company. In terms of listing regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The Statutory Auditors' Report for the financial year 2018-19, does not contain any qualification, reservation or adverse remark or disclaimer, the same forms part of this Annual Report

The Statutory Auditors of the Company have not reported any matter under Section 143(12) of the Companies Act, 2013.

### Cost Records and Cost Auditors

The cost accounts and records as required to be maintained under Section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

The Board of Directors upon recommendation of the Audit Committee has appointed M/s. Jitender Navneet & Co., Cost Accountants (Firm Registration No.: 000119), as the Cost Auditors for the financial year 2019-20. A resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for FY 2019-20 is provided in the Notice to the ensuing Annual General Meeting.

### Secretarial Auditors

The Board has appointed M/s. Sanjay Grover & Associates, Practising Company Secretaries (Firm Registration No. P2001DE052900), to conduct secretarial audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended 31 March 2019 is enclosed as Annexure-G. The Secretarial audit report does not contain any qualification, reservation or adverse remark or disclaimer.

### Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe workplace to every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy and framework for prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,



## Board's Report (Contd.)

2013. During the year, one complaint was received and necessary action has been taken to redress the same.

### Significant and Material Orders

No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

### Extract of Annual Return

The extract of the Annual Return in form MGT-9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as Annexure-H. The same is available on the website of the Company at [www.unominda.com](http://www.unominda.com)

### Management Discussion & Analysis Report

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis is enclosed as Annexure -I.

### Disclosure of Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### Suspension of Securities of the Company

The securities of the Company have not been suspended from trading in any of the stock exchanges.

### Financial Year

The Company follows the financial year commence from 1 April and ends on 31 March of subsequent year.

### Business Responsibility Report

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of the Listing Regulations is available as a separate section in the Annual Report.

### Acknowledgements

Your Directors thank the various Central and State Government Departments, organisations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors  
For **Minda Industries Limited**

**Nirmal K Minda**

Place : Gurugram  
Date : 16 May 2019

Chairman and Managing Director  
DIN: 00014942



## Annexure-A to Board's Report

### Disclosures for the financial year 2018-19, pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

Sl. No.	Particulars	ESOS 2016
A	Disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Refer to Notes No. 43 of Standalone Financial Statements for 2018-19
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations is disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	₹5.54
C	Details related to Employee Stock Option Scheme (ESOS)	
	i. A description of each ESOS that existed at any time during the year, including general terms and conditions of each ESOS	Details are provided in Annexure A1
	ii. Method used to account for ESOS – Intrinsic or Fair Value.	Refer to Notes No. 43 of Standalone Financial Statements for 2018-19
	iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not applicable
	iv. Option movement during the year (for each ESOS)	Details are provided in Annexure A2
	v. Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Refer to Notes No. 43 of Standalone Financial Statements for 2018-19
	vi. A description of the method and significant assumptions used during the year to estimate the fair value of options at the time of grant including the following information:	
	a) Risk-free interest rate	6.13%-6.51%
	b) Expected option life	1.53 years-1.85 years
	c) Expected volatility	27.92%-43.62%
	d) Expected dividends	4.61%-6.90%
	e) The price of underlying share in the market at the time of option grant	₹265.10 and ₹435.55 on 23 November 2016 and 21 March 2017 respectively
	f) Weighted average market price of Company's shares on NSE at the time of grant	₹268.58 and ₹436.05 on 23 November 2016 and 21 March 2017 respectively
	g) Methods used and assumptions made to incorporate effects of expected early exercise	Not applicable
	h) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
	i) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value.
	vii. Employee wise details of options granted to-	
	a) Senior Managerial Personnel	Details are provided in Annexure-A3
	b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and	Nil
	c) Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
D	Relevant disclosures in terms of the 'Guidance note on accounting for employees share based payments' issued by ICAI or any other relevant accounting standards, from time to time.	Refer to Notes No. 43 of Standalone Financial Statements for 2018-19



## Annexure-A to Board's Report (Contd.)

### Details related to ESOS

Annexure A1

S. No.	Particulars	Minda Employee Stock Option Scheme-2016 (ESOS 2016)
1	Date of shareholders' approval	11 August 2016
2	Total number of options approved under ESOS	15,00,000
3	Vesting requirements	Achieving target of market capitalisation of the Company on or before 31 March 2018
4	Exercise price of pricing formula	₹180 (date of grant 23 November 2016) and ₹392 (date of grant 21 March 2017)
5	Maximum term of options granted	1 year from the date of vesting
6	Source of shares (primary, secondary or combination)	Primary
7	Variation in terms of options	Nil

### Option movement during the year

Annexure A2

S. No.	Particular	Minda Employee Stock Option Scheme-2016 (ESOS 2016)
1	Number of Options outstanding at the beginning of the year	3,64,500 equity shares of ₹2 each
2	Number of Options granted during the year	NIL
3	Number of Options forfeited/lapsed during the year	NIL
4	Number of Options vested during the year	NIL (Option granted earlier had already been vested prior to FY 2018-19)
5	Number of Options exercised during the year	3,64,500
6	Number of shares arising as a result of exercise of option	3,64,500
7	Money realised by exercise of options(₹)	₹809.80 Lacs
8	Number of options outstanding at the end of the year	NIL
9	Number of options exercisable at the end of the year	NIL

**Annexure-A to Board's Report (Contd.)****Employee wise details of options granted to Senior Managerial Personnel****Annexure 3**

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Number of options granted</b>	<b>Exercise Price (In ₹)</b>
1	J K Menon	CEO	60,000	180
2	Sudhir Jain	Group CFO	60,000	180
3	Pradeep Tewari	CEO	60,000	180
4	Ravi Mehra	CEO	60,000	180
5	Rakesh Kher	President	50,000	180
6	Vikas Bajaj	President	50,000	180
7	V. J. Rao	President	50,000	180
8	Anadi Sinha	President	50,000	180
9	Naveesh Garg	President	50,000	180
10	R S Gupta	President	50,000	180
11	Xabier Pablo Esquibel	President	50,000	180
12	Arijit Dutta	President	50,000	180
13	Rajeev Gandotra	President	50,000	180
14	Muralidharan Menon	Vice President	42,000	180
15	S. L. Gupta	Vice President	42,000	180
16	Sunil Srivastava	Vice President	42,000	180
17	Atul Swaroop	Vice President	42,000	180
18	Nitesh Minda	General Manager	30,000	180
19	Rajiv Kapoor	Group HR Head	32,500	392
20	Parna Ghosh	Vice President	26,250	392
21	K K Jha	CEO	40,000	392
<b>TOTAL</b>			<b>9,86,750</b>	

**Notes:**

- i) Pursuant to approval of the members at the Annual General Meeting held on 11 August 2016, the Company adopted Minda Employee Stock Option Scheme-2016 ("ESOS 2016").
- ii) The maximum number of options issued per employee in a financial year did not exceed 1% of the outstanding issued share capital, in line with Regulation 6(3)(d) of SEBI (Share Based Employee Benefits) Regulations, 2014.
- iii) The ESOS-2016 scheme was closed in 2018-19.
- iv) Further, the members through Postal Ballot on 25 March 2019, adopted 'UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS-2019'. No options were granted under the new Scheme during the financial year 2018-19.



## Annexure-B to Board's Report

### Annual Report on Corporate Social Responsibility (CSR) Activities

**1) A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes:**

Our endeavour is to enable and empower underprivileged section of the society to live with dignity and happiness. At UNO MINDA, Corporate Social Responsibility (CSR) is an integral part of our larger business strategy, and being a responsible industry member it is fundamental to our goal as well. We continuously strive to improve the lives of the people around us and the community at large with our quality intervention.

Our Group is engaged to support various social charitable causes and running different programs under the aegis of Suman Nirmal Minda Charitable Trust (SNMCT) and Moga Devi Minda Charitable Trust (MDMCT).

**Suman Nirmal Minda Charitable Trust (SNMCT)**

SNMCT through Samarth-Jyoti is running centres at various locations including Manesar, Gurugram, Bawal (Haryana), Mahesana (Gujarat), Pune (Maharashtra) and Udham Singh Nagar (Uttarakhand), Hosur and Chennai (Tamil Nadu). These centres run various community centric programs i.e. remedial program (coaching classes) for government school students, Pre - Primary education and vocational trainings courses like IT Literacy, cutting and tailoring, Beauty Culture and embroidery program for underprivileged children, adolescent and women in need.

**Moga Devi Charitable Trust**

Moga Devi Minda Charitable Trust is carrying out various activities towards CSR including in Healthcare and vocational trainings through S L Minda Skill Centres.

Web link: <http://www.unominda.com>

**2) Composition of the CSR Committee**

Name of the Member	Designation
Mr. Nirmal K Minda	Chairman
Mr. Anand Kumar Minda	Member
Mr. Satish Sekhri	Member
Mr. Alok Dutta	Member

**3) The financial disclosures in compliance with the provisions of Companies Act, 2013 are as under:**

Particulars	Amt. (₹in Lacs)
Average Net Profit of the Company for the last three years	12786
Prescribed CSR Expenditure (Two percent of the average net profits computed above)	260
Total amount spent for the financial year	260
Amount unspent if any	Nil

**Annexure-B to Board's Report (Contd.)****4) Manner in which the amount spent during the financial year is detailed below:**

S. No.	Projects/ Activities	Sector	Location	Amount outlay (Budget) Project or Programwise	Amount spent on the Project or Programs	Cumulative expenditure upto reporting period	Amount spent through implementing agency
			District (State)	(₹in Lacs)	(₹in Lacs)	(₹in Lacs)	
1	Vocation Training & Education	Education & Vocation Training	Village Naharpur Kasan and Nawada, Gurugram, Haryana; Bawal (Haryana); Pantnagar (Uttarakhand); Pune (Maharashtra); Hosur and Chennai (Tamil Nadu)	88	88	88	Samarth Jyoti-A CSR unit run by Suman Nirmal Minda Charitable Trust
2	Building and running School in Gujarat	Education & Vocation Training	Mahesana (Gujarat)	172	172	172	Suman Nirmal Minda Charitable Trust
<b>Total</b>				<b>260</b>	<b>260</b>	<b>260</b>	

**5) A Responsibility Statement of the CSR Committee that the implementation and Monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

The CSR Committee confirms that the activities carried out by the Company are in compliance with the CSR objectives and policy of the Company.

For and on behalf of the Board of Directors  
For **Minda Industries Limited**

Place : Gurugram  
Date : 16 May 2019

**Nirmal K Minda**  
Chairman and Managing Director  
DIN: 00014942



## Annexure-C to Board's Report

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies Act (Accounts) Rules, 2014

#### A. Conservation of Energy:

##### (i) Step taken or impact on conservation of energy:

- Development of Automotive Energy conserving products such as LED Electronics Driver for Low Beam, High Beam, Fog Lamp, Sequential Indicator products. Approximately 40% energy conservation using the technology.
- Working on the development of Electric Vehicle Components such as Battery Management System, On Board Chargers, DC Controller etc. to save energy for automotive systems through electric drives.
- Development of Automotive Wireless charging system to improve the energy efficiency of charging and improve the life cycle of the chargeable products using non-contact method.
- Installation of Hydraulic Servo Motor in Injection Molding Machine
- Installation of RTAPFC Panel on utility which reduced harmonic losses 12% to 2.5% and energy save 450 units per day.
- Installation of water circulation Ambiator unit on fresh Air Suction line in HVAC for reducing ambient temperature 5 degree centigrade hence saving per day 1200 Units
- IR Heater Installation on 2 Nos Moulding Machines Units Save 24 units per day
- Installation of Inverter based Air-condition in some area of plant Saving 24 Units per day
- All PLC controlled motors are programmed to stop during idle time of machine
- Occupancy sensors are provided in office areas to avoid wastage of electricity by controlling lights and fans of respective area.
- The air leakage points are identified and closed on regular basis to avoid wastage of compressed air.

##### (ii) The steps taken by the company for utilising alternate sources of energy:

- Transparent PC sheet fitted on roof terrace to get sun light in day shift on shop floor area and reduced energy consumption.
- Change CFL tube to LED Tube
- Solar system on Roof terrace of company

##### (iii) The capital investment on energy conservation equipments:

- Proposed plan for solar Street Light
- Installation of Hydraulic Servo Motor in Injection Molding Machine
- Installation of RTAPFC Panel on utility distribution panels which reduced harmonic losses 12% to 2.5% and energy save 450 units per day.
- Installation of water circulation Ambiator unit for fresh Air Section line in HVAC for reducing ambient temperature 5 degree centigrade hence saving per day 1200 Units (mostly saving in June to Jan depend on environmental condition).

#### B. Technology Absorption, Research and Development (R&D)

##### (i) The efforts made towards technology absorption

- Patent Filed: 6110IN050 || Rear Windscreen Visual Indicator Projection Display
- Patent Filed: Temper Proof Vehicle Anti-Theft System
- Carbon Foot print reduction - Indigenising the technology by reducing the non-required components in Wireless charger which reduces the cost and all related process.
- Development of AIS 140 Regulated Telematics Control Unit to device safety system for passengers in public transport system
- Development of IRNSS based Telematics Control Units to align the technology with efforts by Indian government to reduce dependability on US based GPS technology.
- Development of Cloud connected Fleet tracking device to improve the commercial transport logistics efficiency.
- Working on the development of Advance Driver Assist System such as Reverse Park Assist System to improve the safety feature of vehicle, passengers and pedestrians.
- Working on the development of Intelligent Transport system for public transport to improve efficiency in safety, information display, routing details, cloud connectivity etc.



## Annexure-C to Board's Report (Contd.)

- Working on the development of Tire Pressure Management System to improve the passenger and pedestrian safety, energy efficiency by providing system for continuous monitoring the tire pressures.

### (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Sales from indigenous developed technology in Telematics Control Units (TCU).
- Implementation of Temper proof feature in TCU
- Reduction of energy required by optimising the bill of materials by maintaining the required features in Wireless charger

- Improvement in energy saving by removing the voltage fluctuations in 2 Wheeler LED lamp.

### Expenditure on R&D

₹ in Crores

Particular	Year ended on 31 March 2019	Year ended on 31 March 2018
a) a) Capital	27.77	13.20
b) Recurring	63.70	54.20
c) Total	<b>91.47</b>	<b>67.40</b>
Total R&D expenditure as percentage of total turnover.	4.36%	3.54%

### Foreign Exchange Earning and Outgo:

Amt. in Crores

S. No.	Particular	Current year 2018-19	Previous Year 2017-18
<b>1</b>	<b>CIF value of Imports</b>		
	-Raw Material	95.68	69.35
	-Stores and Spares	22.76	0.62
	-Capital Goods	16.52	10.74
<b>Total</b>		<b>134.96</b>	<b>80.71</b>
<b>2</b>	<b>Expenditure in Foreign Currency</b>		
	- Travel	4.41	0.74
	- Royalty	0.63	0.64
	- Technical Know-How Fee	0.67	0.08
	- Others	4.43	3.33
<b>Total</b>		<b>10.14</b>	<b>4.79</b>
<b>3</b>	<b>Total Foreign Exchange earned</b>	<b>123.67</b>	<b>130.42</b>



# Annexure-D to Board's Report

## Corporate Governance Report

### 1) Our Corporate Governance Philosophy

The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes in the concept of good Corporate Governance involving transparency, empowerment, accountability, equity and integrity with a view to enhance stakeholder's value in order to achieve its mission as stated below:

**"To continually enhance the stakeholders' value through global competitiveness while contributing to society."**

Our Corporate Governance framework ensures effective engagement with our stakeholders and which help us to evolve with changing time.

The Company believes that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. Company firmly believes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

### 2) Board Composition

#### Size and composition of Board

The Company believes that its Board needs an appropriate mix of Executive Directors and Independent Directors to maintain its independence and separate its functions of governance and management. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate that for a Company with an Executive Chairman, at least one-half of the Board should be Independent Directors.

On 31 March 2019, our Board consists of six members, out of which two are Executive; one Non-Executive, while the remaining three were Independent Directors. The Independent directors constitute 50% of the Board's strength as per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The above composition comprise of two Women Directors of which one is an independent. The Board periodically evaluates the need for change in its composition and size.

The Board of Directors of the Company at its meeting held on 16 May 2019, has appointed Mr. K.K. Jalan as an additional director in the category of Independent Director of the Company for a period of two years w.e.f. 16 May 2019, subject to approval of the shareholders at the ensuing AGM of the company.

The independent directors have confirmed that they meet the criteria of independence as required under the Companies Act, 2013 and Regulation 16 (1) (b) of Listing Regulations. The Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are Independent of the Management.

No Independent Director of the Company serves as a whole-time director of a listed Company. No Independent Director is a director in more than seven listed companies and as director of more than 10 public companies.

No director is a member in more than 10 committees of public companies nor acts as a chairperson of more than 5 committees across all listed entities in terms of Regulation 26(1) of Listing Regulations.

The shareholders at their General Meeting held from time to time have approved the appointment of Independent Directors for a fixed tenure not exceeding as prescribed under the Companies Act, 2013. The Company issued letter of appointment to all its Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of such appointment have been disclosed on the website of the Company at <http://www.unominda.com>

i. The composition of the Board, category and particulars of attendance during the FY 2018-19 is given below:

Name of Director	Category of Directorship	Attendance Record Total Board Meeting held during FY 2018-19 = 10 Nos.		Number of other Directorships*	Committee Membership/ Chairmanships**	
		Board Meetings attended	Last AGM held on 08/08/2018 Attended Yes/No		Member	Chairman
Mr. Nirmal K Minda	Chairman & Managing Director	8	Yes	8	-	-
Mr. Anand Kumar Minda	Non- Executive Director	10	Yes	8	2	-
Mr. Alok Dutta	Non- Executive & Independent Director	9	Yes	1	3	2

**Annexure-D to Board's Report (Contd.)**

Name of Director	Category of Directorship	Attendance Record Total Board Meeting held during FY 2018-19 = 10 Nos.		Number of other Directorships*	Committee Membership/ Chairmanships**	
		Board Meetings attended	Last AGM held on 08/08/2018 Attended Yes/No		Member	Chairman
Mr. Satish Sekhri	Non- Executive & Independent Director	9	Yes	6	8	5
Ms. Renu Challu***	Non- Executive & Independent Director	5	Yes	7	6	2
Ms. Pravin Tripathi @	Non- Executive & Independent Director	3	-	4	5	-
Ms. Paridhi Minda @@	Executive Director	1	-	4	2	-

Notes: There are no inter-se relationships between our Board members except Ms. Paridhi Minda. She is daughter of Mr. Nirmal K Minda, Chairman & Managing Director.

\* Includes directorship in Minda Industries Ltd. and excludes directorship in Private Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

\*\* For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Limited Companies have been considered. Also includes the Memberships & Chairmanships in Minda Industries Ltd.

\*\*\* the Second Term of the appointment of Ms. Renu Challu was completed on 18 December 2018.

@ Ms. Pravin Tripathi appointed as an Additional Director in the category of Non-Executive Independent Director on the Board for a term of two years with effect from 6 February 2019, subject to approval by the shareholders at the ensuing annual general meeting of the Company.

@@ Ms. Paridhi Minda was appointed on the Board as Additional Director. w.e.f. 29 March 2019, subject to regularisation as Director on the Board at the ensuing annual general meeting of the company.

Mr. K.K. Jalan has been appointed as an additional director in the category of Independent Director of the Company for a period of two years w.e.f. 16 May 2019, subject to approval by the shareholders at the ensuing annual general meeting of the company.

The name of other listed entities where such director is a director

Sl No	Name of Director	CIN & Name of other Listed Entity where he/ she is a director	Category of directorship
1	Mr. Nirmal K Minda	L67120DL1985PLC021349 Minda Finance Ltd	Non-Independent
2	Mr. Anand Kumar Minda	L67120DL1985PLC021349 Minda Finance Ltd	Non-Independent
3	Mr. Alok Dutta	Nil	NA
4	Mr. Satish Sekhri	L34300HR1983PLC023187 Rico Auto Industries Ltd	Independent Director
5	Ms. Renu Challu (Ceased w.e.f. 18.12.2018)	a) L29130MH1962PLC012340 Schaeffler India Ltd	a) Independent Director
		b) L72200TG1990PLC011146 NCC Ltd	b) Independent Director
		c) L72300MH1998PLC114790 Ceinsys Tech Ltd	c) Independent Director
6	Ms. Pravin Tripathi (Appointed w.e.f 06.02.2019)	a) L65999DL2006PLC153373 PTC India Financial Services Ltd	a) Additional Independent Director
		b) L74899DL1996PLC083073 JBM Auto Ltd	b) Independent Director
7	Ms. Paridhi Minda (Appointed w.e.f 29.03.2019)	Nil	NA



## Annexure-D to Board's Report (Contd.)

### Board Meetings

Ten (10) Board Meetings were held during the financial year 2018-19. These meetings were held on 9 April 2018, 22 May 2018, 13 July 2018, 8 August 2018, 25 September 2018, 5 November 2018, 22 December 2018, 6 February 2019, 14 February 2019 and 29 March 2019.

### Availability of information to the Board members

The Board has unrestricted access to all company related information including that of its employees. At Board Meeting, managers and representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include Annual Budget, Technology Collaboration, Investments, Quarterly Results, Minutes of meeting of Subsidiary Companies, Minutes of Audit Committee and other committees of the Board of the Company and other material information.

All the information relevant to the Company as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is also made available to the Board.

### Skills/Experience/ Competence of the Board

The Board has members having skill/experience/competence required for the business and affairs of the Company for it to function effectively. The Board has inter-alia the following attributes:

- (i) Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates;
- (ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders;
- (iii) Strategic thinking and decision making;
- (iv) Financial Skills;
- (v) Professional skills and knowledge to assist the ongoing aspects of the business.

### Code of Conduct

In compliance with Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted Code of Conduct ('the Code').

The code is applicable inter-alia to all Directors, Independent Directors and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code is available on the Company's website at <https://www.unominda.com/investor/corporate-governance>.

All Members of the Board and Senior Management personnel have affirmed the compliance with the Code as on 31 March 2019.

A declaration to this effect, signed by the CEO in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Board's Report is appended as **Annexure-J**.

### 3) Board Committees

The Board has 5 (five) Committees: Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee.

The quorum for meetings is either two or one-third of the total number of members of the committee, whichever is higher.

#### a) Audit Committee

Audit Committee comprises of three Independent Directors and one Non-Executive Non-Independent Director.

As on 31 March 2019, the Composition, Category and Attendance of Audit Committee is given below:

Name of the member	Category	Attendance Record (No. of meetings held= 11) Meeting(s) attended	Date on which meeting held
Mr. Alok Dutta	Chairman	9	09/04/2018 22/05/2018
Mr. Satish Sekhri	Member	9	13/07/2018 08/08/2018
Ms. Renu Challu*	Member	6	25/09/2018 05/11/2018
Mr. Anand Kumar Minda**	Member	3	04/12/2018 06/02/2019 14/02/2019 29/03/2019
Ms. Pravin Tripathi***	Member	2	

\*Ms. Renu Challu ceased to be a member of the Audit Committee on the closure of business hours on 18 December 2018, on completion of her second term of appointment.

\*\*Mr. Anand Kumar Minda was appointed as a member of the Audit Committee w.e.f. 22 December 2018.

\*\*\*Ms. Pravin Tripathi was appointed as Member of the Audit Committee w.e.f. 6 February 2019.

The Company Secretary acts as a Secretary the Committee.



## Annexure-D to Board's Report (Contd.)

### Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the SEBI (LODR) Regulations, 2015 pertaining to the Audit Committee. Its functioning is as under:

- i) The Audit Committee presently consists of the three Independent Directors and one non-executive non-independent director.
- ii) All members of the committee are financially literate and having the requisite financial management expertise.
- iii) The Chairman of the Audit Committee is an Independent Director.
- iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 8 August 2018.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

### Powers of the Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee, inter alia, includes matters specified under section 177(4) of the Companies Act, 2013 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### b) Nomination and Remuneration Committee

Nomination and Remuneration Committee comprises of three directors.

As on 31 March 2019, the composition, category and attendance of Nomination and Remuneration Committee is given below:

Name of the member	Category	Attendance Record (No. of meetings held= 7) Meeting(s) attended	Date on which meeting held
Mr. Alok Dutta	Chairman	6	09/04/2018 22/05/2018
Mr. Satish Sekhri	Member	6	13/07/2018 27/07/2018
Mr. Anand Kumar Minda	Member	7	25/09/2018 06/02/2019 29/03/2019

The Company Secretary acts as a Secretary the Committee.

### Terms of reference

- To identify persons, who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment or removal
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity.
- To recommend / review remuneration of the Managing Director(s), Whole-time Director(s) and their relatives, based on their performance and defined assessment criteria.
- To carry out any other functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.
- Such matters as are stated in section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Remuneration Policy

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a Remuneration Policy which is uploaded on the website of the company.

### c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised of three directors.



## Annexure-D to Board's Report (Contd.)

As on 31 March 2019, the composition, category and attendance of Stakeholders Relationship Committee is given below:

Name of the member	Category	Attendance Record (No. of meetings held= 4) Meeting(s) attended	Date on which meeting held
Mr. Alok Dutta	Chairman	4	22/05/2018 08/08/2018
Mr. Satish Sekhri	Member	4	05/11/2018 06/02/2018
Mr. Anand Kumar Minda	Member	4	

The Company Secretary acts as a Secretary the Committee.

### Terms of Reference

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share certificates
- Monitor redressal of investors' / shareholders' grievances
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to Investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other functions as may be referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable

### Name, Designation and Address of the Compliance Officer

Mr. Tarun Kumar Srivastava  
 Company Secretary & Compliance Officer  
 Minda Industries Ltd.  
 B-64/1, Wazirpur Industrial Area, Delhi-110052  
 E-mail: tksrivastava@mindagroup.com  
 Phone: 011-49373931, 0124-2291604,  
 Fax: 0124-2290676

### Share Transfer System

All the Share Transfers, received are being approved within 15 days of its receipts and are placed before the Stakeholders Relationship Committee on quarterly basis.

The Company has 50,384 shareholders as on 31 March 2019. The Company and share transfer agent has received 29 complaints during the year. All these complaints were resolved to the satisfaction of shareholders within a period of 15 days from its receipt.

### d) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprised of four directors.

As on 31 March 2019, the composition, category and attendance of Corporate Social Responsibility (CSR) Committee is given below:

Name of the member	Category	Attendance Record (No. of meetings held = 2) Meeting(s) attended	Date on which meeting held
Mr. Nirmal K Minda	Chairman	1	22/05/2018 05/11/2018
Mr. Anand Kumar Minda	Member	2	
Mr. Alok Dutta	Member	2	
Mr. Satish Sekhri	Member	2	

The Company Secretary acts as a Secretary the Committee.

### Terms of Reference

The CSR committee is responsible to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor the Corporate Social Responsibility Policy of the company from time-to time.

The CSR Policy of the Company is available on our website <https://www.unominda.com/investor/corporate-governance>.



## Annexure-D to Board's Report (Contd.)

The CSR Report, as required under the Companies Act, 2013 for the year ended on 31 March 2019 is appended as Annexure B to the Board's report.

### e) Risk Management Committee

The Company has constituted Risk Management Committee on 29 March 2019 comprising of following members:

S.No.	Name of Member	Designation
1	Mr. Satish Sekhri	Independent Director
2	Mr. Anand Kumar Minda	Director
3	Mr. Sunil Bohra	Group CFO

The terms of reference of the Committee includes:

- Review of implementation of Risk Management Policy and Framework;
- Other functions as may be specified under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; and
- Such other activities as may be specified by the Board from time to time.

The Company Secretary acts as a Secretary to the Committee.

### 4) General Body Meeting

Venue and Time of last three Annual General Meetings (AGM)

Year	Date of Meeting	Time	Venue
24th AGM, 2015 -16	11-08-2016	3.30 p.m.	PHD House, Opposite Asian Games Village, New Delhi
25th AGM, 2016 -17	29-08-2017	3.30 p.m.	PHD House, Opposite Asian Games Village, New Delhi
26th AGM, 2017-18	08-08-2018	3.30 p.m.	PHD House, Opposite Asian Games Village, New Delhi

The summary of the Special Resolutions passed at the previous 3 Annual General Meetings are reported below: -

### 26th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
1	Re-appointment of Mr. Alok Dutta, as an Independent Director
2	Re-appointment of Mr. Satish Sekhri, as an Independent Director

### 25th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
1	Approval of limits for the Loans and investments under Section 186 of the Companies Act, 2013.

### 24th Annual General Meeting

S.No.	Subject Matter of the Special Resolution
1	Re-appointment of Ms. Renu Challu, as an Independent Director
2	Minda Employee Stock Option Scheme-2016 for employees of Minda Industries Limited
3	Minda Employee Stock Option Scheme-2016 for employees of subsidiaries
4	Re-appointment and remuneration of Mr. Nirmal K Minda, as Chairman & Managing Director

### Postal Ballot

During the financial year, two Postal Ballot were conducted, the details of which are as under:-

(A) Postal Ballot dated 22 May 2018.

The shareholders passed the resolutions through Postal Ballot as per the details given below:

Date of Postal Ballot Notice : 22 May 2018

Voting period : 3 June, 2018 to 2 July 2018

Date of Declaration of Results : 4 July 2018

Ordinary Resolution under Section 63 and other applicable provisions, if any, of the Companies Act, 2013, consent of the members for issue of Bonus Shares i.e. 2 (two) equity shares for every 1(one) existing equity share of ₹2 each



## Annexure-D to Board's Report (Contd.)

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	6,18,73,205	0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		6,18,73,205	100.0000	6,18,73,205	0	100.0000	0.0000
	Total		6,18,73,205	100.0000	6,18,73,205	0	100.0000	0.0000
Public-Institutions	E-voting	1,32,82,615	1,03,37,330	77.8260	1,03,37,330	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		1,03,37,330	77.8260	1,03,37,330	0	100.0000	0.0000
Public-Non Institutions	E-voting	1,20,15,335	26,94,574	22.4261	26,94,527	47	99.9983	0.0017
	Postal Ballot		7,78,596	6.4800	7,78,596	0	100.0000	0.0000
	Total		34,73,170	28.9061	34,73,123	47	99.9986	0.0014
<b>Total</b>		<b>8,71,71,155</b>	<b>7,56,83,705</b>	<b>86.8220</b>	<b>7,56,83,658</b>	<b>47</b>	<b>99.9999</b>	<b>0.0001</b>

(B) Postal Ballot dated 6 February 2019.

The shareholders passed the resolutions through Postal Ballot as per the details given below:

Date of Postal Ballot Notice : 6 February 2019

Voting period : 24 February 2019 to 25 March 2019

Date of Declaration of Results : 27 March 2019

- (1) Special Resolution under Section 62(1) (b) and all other applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and SEBI (SBEB) Regulations, 2015, the consent of the members to approve "UNOMINDA Employee Stock Option Scheme 2019" or "UNOMINDA ESOS-2019".

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	18,56,19,615	0	0	0	0	0	0
	Postal Ballot		18,56,19,615	100.00	18,56,19,615	0	100.00	0
	Total		18,56,19,615	100.00	18,56,19,615	0	100.00	0
Public-Institutions	E-voting	3,95,81,788	3,43,19,424	86.71	1,37,86,698	2,05,32,726	40.17	59.83
	Postal Ballot		0	0	0	0	0	0
	Total		3,43,19,424	86.71	1,37,86,698	2,05,32,726	40.17	59.83
Public-Non Institutions	E-voting	3,70,15,562	89,181	0.24	73,912	15,269	82.88	17.12
	Postal Ballot		22,22,162	6.00	22,22,162	0	100.00	0
	Total		23,11,343	6.24	22,96,074	15,269	99.34	0.66
<b>Total</b>		<b>26,22,16,965</b>	<b>22,22,50,382</b>	<b>84.76</b>	<b>20,17,02,387</b>	<b>2,05,47,995</b>	<b>90.75</b>	<b>9.25</b>

- (2) **Special Resolution** under Section 62(1) (b) and all other applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and SEBI (SBEB) Regulations, 2015, the consent of the members to approve grant of stock options to the employee(s) of the Subsidiary Company(ies) of the Company under "UNOMINDA Employee Stock Option Scheme 2019" or "UNOMINDA ESOS-2019".



## Annexure-D to Board's Report (Contd.)

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	18,56,19,615	0	0	0	0	0	0
	Postal Ballot		18,56,19,615	100.00	18,56,19,615	0	100.00	0
	Total		18,56,19,615	100.00	18,56,19,615	0	100.00	0
Public-Institutions	E-voting	3,95,81,788	3,43,19,424	86.71	1,37,86,698	2,05,32,726	40.17	59.83
	Postal Ballot		0	0	0	0	0	0
	Total		3,43,19,424	86.71	1,37,86,698	2,05,32,726	40.17	59.83
Public-Non Institutions	E-voting	3,70,15,562	88,867	0.24	59,256	29,611	66.68	33.32
	Postal Ballot		22,22,137	6.00	22,22,137	0	100.00	0
	Total		23,11,004	6.24	22,81,393	29,611	98.72	1.28
<b>Total</b>		<b>26,22,16,965</b>	<b>22,22,50,043</b>	<b>84.76</b>	<b>20,16,87,706</b>	<b>2,05,62,337</b>	<b>90.75</b>	<b>9.25</b>

(3) **Special Resolution** under Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, the consent of the members to approve increase in Borrowing Powers of the Board from ₹500 Crores to ₹1500 Crores.

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	18,56,19,615	0	0	0	0	0	0
	Postal Ballot		18,56,19,615	100.00	18,56,19,615	0	100.00	0
	Total		18,56,19,615	100.00	18,56,19,615	0	100.00	0
Public-Institutions	E-voting	3,95,81,788	3,43,19,424	86.71	3,41,24,290	1,95,134	99.43	0.57
	Postal Ballot		0	0	0	0	0	0
	Total		3,43,19,424	86.71	3,41,24,290	1,95,134	99.43	0.57
Public-Non Institutions	E-voting	3,70,15,562	89,187	0.24	70,547	18,640	79.10	20.90
	Postal Ballot		22,22,137	6.00	22,22,083	54	100.00	0
	Total		23,11,324	6.24	22,92,630	18,694	99.19	0.81
<b>Total</b>		<b>26,22,16,965</b>	<b>22,22,50,363</b>	<b>84.76</b>	<b>22,20,36,535</b>	<b>2,13,828</b>	<b>99.90</b>	<b>0.10</b>

(4) **Special Resolution** under Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, the consent of the members to enable the Board of Directors to mortgage and/or create charge on all or anyone of the movable/immovable properties or such other assets of the Company upto ₹1500 Crores.



## Annexure-D to Board's Report (Contd.)

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	18,56,19,615	0	0	0	0	0	0
	Postal Ballot		18,56,19,615	100.00	18,56,19,615	0	100.00	0
	Total		18,56,19,615	100.00	18,56,19,615	0	100.00	0
Public-Institutions	E-voting	3,95,81,788	3,43,19,424	86.71	3,41,24,290	1,95,134	99.43	0.57
	Postal Ballot		0	0	0	0	0.00	0.00
	Total		3,43,19,424	86.71	3,41,24,290	1,95,134	99.43	0.57
Public-Non Institutions	E-voting	3,70,15,562	88,666	0.24	60,875	27,791	68.66	31.34
	Postal Ballot		22,22,137	6.00	22,22,124	13	100.00	0
	Total		23,10,803	6.24	22,82,999	27,804	98.80	1.20
<b>Total</b>		<b>26,22,16,965</b>	<b>22,22,49,842</b>	<b>84.76</b>	<b>22,20,26,904</b>	<b>2,22,938</b>	<b>99.90</b>	<b>0.10</b>

(5) **Special Resolution** under Section 186 and all other applicable provisions of the Companies Act, 2013, the consent of the members, authorising the Board to give loan(s), to provide guarantee(s) and to make investment(s) upto ₹3000 Crores.

Category	Mode of Voting	No. of shares held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
		(1)	(2)	(3)=(2)/(1)*100	(4)	(5)	(6)=(4)/(2)*100	(7)=(5)/(2)*100
Promoters and Promoter Group	E-voting	18,56,19,615	0	0	0	0	0	0
	Postal Ballot		18,56,19,615	100.00	18,56,19,615	0	100.00	0
	Total		18,56,19,615	100.00	18,56,19,615	0	100.00	0
Public-Institutions	E-voting	3,95,81,788	3,43,19,424	86.71	1,35,54,262	2,07,65,162	39.49	60.51
	Postal Ballot		0	0	0	0	0	0
	Total		3,43,19,424	86.71	1,35,54,262	2,07,65,162	39.49	60.51
Public-Non Institutions	E-voting	3,70,15,562	88,897	0.24	64,467	24,430	72.52	27.48
	Postal Ballot		22,22,137	6.00	22,22,137	0	100.00	0
	Total		23,11,034	6.24	22,86,604	24,430	98.94	1.06
<b>Total</b>		<b>26,22,16,965</b>	<b>22,22,50,073</b>	<b>84.76</b>	<b>20,14,60,481</b>	<b>2,07,89,592</b>	<b>90.65</b>	<b>9.35</b>

The Company successfully completed the process of obtaining approval of its shareholders for the resolutions on the items detailed above through the aforesaid postal ballot(s).

M/s Sanjay Grover & Associates, Company Secretaries, were appointed as the scrutiniser for carrying out the postal ballot process in a fair and transparent manner.

### Procedure for Postal Ballot

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility to all its members. The Company availed the services of NSDL for the purpose of providing e-voting facility to all its members. The members were given the option to vote either by physical ballot or through e-voting.



## Annexure-D to Board's Report (Contd.)

The Company dispatched the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members through:

- 1) electronic form at the email addresses registered with the depositories; and
- 2) registered post to those shareholders who have not registered their e-mail ID's with the depositories or with the Company.

The Company also published notices in the newspaper announcing the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms, duly completed and signed to the Scrutiniser on or before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-voting.

The Scrutiniser submitted its report after the completion of scrutiny, and the consolidated results of the voting by Postal Ballot were then announced by the authorised officer. The results were also displayed on the Company website, [www.unominda.com](http://www.unominda.com), besides being communicated to the Stock Exchanges. The last date for the receipt of duly completed Postal Ballot Forms or e-voting was considered as the date on which the resolution was deemed to have been passed by the requisite majority.

### 5) Holding/ Subsidiary Companies

In terms of clause (c) of sub-regulation (1) of Regulation 16 of Listing Regulations 'material subsidiary' means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In compliance with the said regulation, the Company has a policy on Determining Material Subsidiary, which has been approved by the Board and the same has been displayed on the Company's website at <https://www.unominda.com/investor/corporate-governance>.

As on 31 March 2019, there is no material unlisted subsidiary of the Company.

The management of subsidiary companies is carried out by their separate Board of Directors who are empowered to exercise all the duties and rights for efficient monitoring and management of the companies.

The Company oversees and monitors the performance of subsidiary companies by following means:

- i. The Audit Committee reviews the financial statements and, in particular, the investments made by the subsidiary companies;
- ii. The minutes of the Board meeting of the subsidiary companies are placed before the Board of the Company for their review;
- iii. A statement of all significant transactions, if any, of the subsidiary companies is placed before the Board of Directors of the Company for its review.

### 6) Disclosures

#### i) Related party Transactions

Related party transactions entered during the financial year were in the ordinary course of business and were on an arm's length basis. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a foreseen and repetitive nature.

A Statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website: <https://www.unominda.com/investor/corporate-governance>.

#### ii) Disclosure of Accounting Treatment

The financial statements have been prepared on the accrual basis of accounting in accordance with the mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.



## Annexure-D to Board's Report (Contd.)

### iii) Risk Management

The Management of the Company regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

### iv) Remuneration of Directors.

#### Disclosure of Director's Interest in transactions with the Company

None of the Non-Executive Director had no pecuniary relationship or transaction with the company. However, some commercial transactions have taken place where Company' non-independent directors hold directorship. Such transactions have taken place in the Ordinary Course of Business and on an Arm's Length basis and have been disclosed to the Board of Directors in accordance with the provisions of the Companies Act, 2013 and have been entered in the register of contracts and approved by the Board in accordance with the Section 189 of the Companies Act, 2013.

Remuneration paid to the Managing Director during the year 2018-19

(₹ in Crores)

Name of the Managing Director	Salary & Allowances	Commission	Rent Free Accommodation & Other Expenses	Total
Mr. Nirmal K Minda	1.37	5.60	1.45	8.42

#### Remuneration Policy for Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. No stock options were issued to the Non-Executive Independent Directors during the year.

The sitting fees to Non-Executive Independent director(s) amounting to ₹0.30 Crores pertaining to 2018-19 is detailed below:

Mr. Alok Dutta - ₹0.11 Crores, Mr. Satish Sekhri - ₹0.11 Crores, Ms. Renu Challu- ₹0.06 Crores and Ms. Pravin Tripathi - ₹0.02 Crores.

Mr. Anand Kumar Minda, Non-Executive Director has waived off his sitting fee.

#### Criteria of making payment to Non-Executive Directors

Non-Executive Directors may be paid sitting fees for attending the Meetings of the Board and of

Committees of which they may be members. They are eligible for commission within regulatory limits, as recommended by the Nomination & Remuneration Committee and approved by the Board. The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination & Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

#### Tenure, Notice Period and severance fee

The tenure of office of the Chairman & Managing Director is for five years from the date of appointment, and can be terminated by either party by giving three months' notice in writing. There is no separate provision of severance fee.

#### Shares held by Non-Executive Directors

Sl. No	Name of Director	No of shares held as on 31.03.2019
1	Mr. Anand Kumar Minda	54,000
2	Mr. Alok Dutta	Nil
3	Mr. Satish Sekhri	2,100
4	Ms. Renu Challu (Ceased w.e.f. 18.12.2018)	Nil
5	Ms. Pravin Tripathi (Appointed w.e.f. 06.02.2019)	Nil

### v) Details of non-compliances by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority.

### vi) Insider Trading Code in terms of SEBI (Insider Trading) Regulations, 2015

The Board has formulated the Code of Practice for Fair Disclosure of Un-Published Price Sensitive Information and the Code of Conduct for regulating, monitoring and reporting of Trading of Shares by Insiders in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("Regulation"). The Board has also formulated and adopted a Policy on Determination of Legitimate Purpose as per the provisions of the Regulation.



## Annexure-D to Board's Report (Contd.)

The above code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company at <https://www.unominda.com/investor/corporate-governance>

### vii) Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Whistle Blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No person has been denied access to the Chairman of Audit Committee. The whistle Blower Policy can be accessed on Company's website <https://www.unominda.com/investor/corporate-governance>.

### viii) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15 November 2018 is not required to be given. The Company has managed the foreign exchange risk and the transactions have been hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 49 to the Standalone Financial Statements.

### ix) Disclosures in relation to the Sexual Harassment of Women at workplace:

- No. of Complaints filed during the financial year: 1
- No. of Complaints disposed of during the financial year: 1
- No. of Complaints pending as at the end of the financial year: Nil

### x) Details of familiarisation programs imparted to the Independent Directors:

The details of familiarisation programs imparted to the Independent Directors are available at [www.unominda.com/investor/corporate-governance](http://www.unominda.com/investor/corporate-governance)

### xi) Certificate from Company Secretary in Practice certifying that none of the Directors are debarred or disqualified as Directors

None of the directors on the board of the company have been from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A certificate from a company secretary in practice has been attached herewith as **Annexure- K**.

### xii) Details of compliance with mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### xiii) Details of compliance with Non-mandatory requirements

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below: -

#### Modified opinion(s) in Audit report:

During the year under review, there was no audit qualification on your Company's financial statements.

#### Reporting of Internal Auditor:

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

### 7) CEO / CFO Certification

Chairman & Managing Director (CEO) and Chief Financial Officer (CFO) in terms of SEBI (Listing and Disclosure Requirements) Regulations, 2015, have furnished the requisite certificate to the Board of Directors. The copy of the same is appended as **Annexure - L**.

### 8) Means of Communication

#### Quarterly Results

The Company's quarterly results are published in Economic Times, Navbharat Times, Financial Express and Jansatta and are displayed on its website [www.unominda.com/investor/quarterly-results](http://www.unominda.com/investor/quarterly-results).

#### News Release and Presentations

Official news releases are sent to stock exchanges and simultaneously displayed on Company's website [www.unominda.com](http://www.unominda.com)

#### Presentations to Investors / Analysts

The presentations on the company's unaudited quarterly as well as audited annual financial results are made to the investors and financial analysts and simultaneously uploaded on the company's website [www.unominda.com](http://www.unominda.com).

#### Website

The Company's website [www.unominda.com](http://www.unominda.com) contains a separate dedicated section "Investor Relations" which enables stakeholders to be informed and allows them



## Annexure-D to Board's Report (Contd.)

to access information at their convenience. Up-to-date financial results, annual reports, shareholding patterns, official news releases, Notices and other general information about the Company.

### Annual Report

The Annual Report containing Standalone Audited Financial Statements, Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members. The Management's Discussion and Analysis Report forms part of the Annual report.

### 9) Detail of Compliance with the Corporate Governance Requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure requirements) Regulations 2015.

The Company has complied all the regulations mentioned above.

### 10) General Shareholders Information

#### Annual General Meeting

i)	Date	: 6 August 2019
	Time	: 3:30 p.m.
	Venue	: PHD House, Opp. Asian Games Village, New Delhi-110016

ii) Financial Year 1 April 2018 to 31 March 2019

vii) Stock Prices during 2018-19

The performance of the company's scrip on BSE and NSE as compared to the SENSEX and NIFTY during the year 2018-19 are as under: -'

Month(s)	SENSEX		MIL share price on BSE (Amount in ₹)	
	High	Low	High	Low
Apr 2018	35,213.30	32,972.56	1,164.45	1,052.00
May 2018	35,993.53	34,302.89	1,350.00	1,041.05
Jun 2018	35,877.41	34,784.68	1,322.65	1,099.20
July 2018	37,644.59	35,106.57	1,265.40	375.00
Aug 2018	38,989.65	37,128.99	449.25	397.20
Sep 2018	38,934.35	35,985.63	440.00	344.75
Oct 2018	36,616.64	33,291.58	354.00	282.00
Nov 2018	36,389.22	34,303.38	366.85	310.10
Dec 2018	36,554.99	34,426.29	343.15	298.65
Jan 2019	36,701.03	35,375.51	349.70	273.95
Feb 2019	37,172.18	35,287.16	333.00	256.30
Mar 2019	38,748.54	35,926.94	373.00	318.10

For the year ended on 31.03.2019, the results were announced on

For quarter ending	Date
30 June 2018	8 August 2018
30 September 2018	5 November 2018
31 December 2018	6 February 2019
31 March 2019 (Audited)	16 May 2019

For the year ended on 31.03.2020, the results will be announced on following tentative dates

For quarter ending	On or before
30 June 2019	14 August 2019
30 September 2019	14 November 2019
31 December 2019	14 February 2020
31 March 2020 (Audited)	30 May 2020

iii) Date of Book closure: 31 July 2019 to 6 August 2019 (both days inclusive).

iv) Dividend payment date: Expected on or before 5 September 2019.

v) Listing on Stock Exchanges

The Company's shares are listed at the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE). There are no arrears on account of payment of listing fees to the Stock Exchanges.

vi) Scrip Code

BSE Limited. : 532539  
National Stock Exchange of India Ltd. : MINDAIND



## Annexure-D to Board's Report (Contd.)

Month(s)	NIFTY		MIL share price on NSE (Amount in ₹)	
	High	Low	High	Low
Apr 2018	10,759.00	10,111.30	1,160.00	1,050.55
May 2018	10,929.20	10,417.80	1,350.00	1,050.00
Jun 2018	10,893.25	10,550.90	1,325.00	1,100.00
July 2018	11,366.00	10,604.65	1,269.95	375.60
Aug 2018	11,760.20	11,234.95	449.90	396.95
Sep 2018	11,751.80	10,850.30	437.35	344.40
Oct 2018	11,035.65	10,004.55	370.00	292.00
Nov 2018	10,922.45	10,341.90	367.30	310.00
Dec 2018	10,985.15	10,333.85	343.80	299.00
Jan 2019	10,987.45	10,583.65	337.45	274.00
Feb 2019	11,118.10	10,585.65	333.00	260.70
Mar 2019	11,630.35	10,817.00	374.90	320.05

- viii) Registrar and Share Transfer Agent  
Link Intime India Pvt. Ltd.  
Noble Heights, 1<sup>st</sup> Floor, NH-2  
C-1, Block, LSC, Near Savitri Market Janakpuri,  
New Delhi- 110 058.
- ix) Share Transfer System  
As per clause 3 (c) of this Report.
- x) Distribution Schedule and Shareholding Pattern as on 31 March 2019

Distribution Schedule			
Category (shares)	No. of Share-holders	No of Shares held	% of total shares held
Upto 500	42,521	51,84,987	1.98
501-1000	3,979	28,24,991	1.07
1001-2000	1,904	26,96,974	1.03
2001-3000	685	17,38,438	0.66
3001-4000	250	8,81,909	0.34
4001-5000	188	8,48,552	0.32
5001-10000	454	31,14,752	1.19
10001 and above	403	24,49,26,362	93.41
<b>TOTAL</b>	<b>50,384</b>	<b>26,22,16,965</b>	<b>100.00</b>

Shareholding Pattern		
Category of Shareholders	No. of Shares	% of Total Shares
Promoters and Promoters Group	18,56,19,615	70.79
Mutual Funds/UTI	1,16,61,467	4.45
Banks, Financial Institutions, Insurance Companies	1,30,953	0.05

Shareholding Pattern		
Category of Shareholders	No. of Shares	% of Total Shares
Foreign Portfolio Investors	2,87,20,398	10.95
Private Bodies Corporate	1,09,51,541	4.18
Indian Public	2,22,70,088	8.49
Non-resident Individuals / Overseas Corporate Bodies	12,45,690	0.48
Others	16,17,213	0.61
<b>Total</b>	<b>26,22,16,965</b>	<b>100.00</b>

**xi) Dematerialisation of shares and liquidity as on 31 March 2019:**

26,07,66,111 equity shares i.e. 99.45% of shares of the company are in dematerialised form.

**xii) Plant Location(s)**

- Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon (Haryana)
- Village Naharpur Kasan P.O. Nakhrola Distt. Gurgaon (Haryana)
- Plot No. ME-I, Sector-2A, IMT Manesar, Gurgaon (Haryana)
- Plot No. ME-II, Sector-2A, IMT Manesar, Gurgaon (Haryana)
- Plot No. 5, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand
- Plot No. 5A, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand
- B-6, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra



## Annexure-D to Board's Report (Contd.)

- B-1/5, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra
  - B-1/4/2, MIDC, Chakan Industrial Area, Villalge Nigoje, Taluka Khed, Distt. Pune, Maharashtra.
  - C-41, MIDC, Chakan Industrial Area, Village Mahalunge (Ingle), Taluka Khed, Distt. Pune, Maharashtra.
  - Gat No. 427/5, 427/10, Chakan Talegaon Road, Mahalunge Tal Khed, Pune, Maharashtra
  - CREAT, Om Chambers, Bhosari Telco Rd, Balaji Nagar, MIDC, Bhosari, Pune, Maharashtra.
  - Plot No. A-29-6, MIDC, Industrial Area, Phase IV, Village Nigh, Pune, Maharashtra.
  - B-35, Portion-I, MIDC Waluj, Aurangabad, Maharashtra
  - Survey No. 209, Upparapalli Village, Periya Mathagondapally (Post) Hosur, Thally Road, Denkanikottai(Taluk), Krishanagiri District, Tamilnadu.
  - Plot No. B-3, SIPCOT Industrial Park at Pillaipakam Vengadu Taluk, Sriperumpudur, Chennai.
  - JV Gate No.1, Plot No.07, SMG Vendor Park, Hansalpur, Bechragi, Ahmedabad, Gujarat.
- xiii) Address for Correspondence:  
Minda Industries Ltd.  
Regd. Off.: B-64/1, Wazirpur Industrial Area,  
Delhi - 110 052.  
(Tel) - 011-49373931, 0124-2291604  
(Fax) - 0124-2290676  
E-mail:investor@mindagroupcom
- xiv) Total fees for all services paid by the Company and its subsidiaries on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part : ₹2.72 crores.



## Annexure-E to Board's Report

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### Corporate Governance Certificate

To  
The Members  
Minda Industries Limited

We have examined the compliance of conditions of Corporate Governance by Minda Industries Limited ("the Company"), for the financial year ended March 31, 2019 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No.: P2001DE052900

Place : New Delhi  
Date : 16 May 2019

**Sanjay Grover**  
Managing Partner  
CP No. 3850



## Annexure-F to Board's Report

### Details Pertaining to Remuneration as Required Under Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19.

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (₹ in Crore)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Nirmal K Minda Chairman and Managing Director	8.42	8.92%	421:1
2	Ms. Paridhi Minda Whole-time Director*	0.005	#	#
3	Mr. Sudhir Jain Group CFO**	3.27	#	N.A.
4	Mr. Sunil Bohra, Group CFO***	1.30	#	N.A.
5	Mr. Tarun Kr. Srivastava, Company Secretary****	0.22	#	N.A.

\*Appointed w.e.f. 29.03.2019

\*\*Retired as Group Chief Financial Officer of the Company on 30.09.2018

\*\*\* Appointed as Group Chief Financial Officer w.e.f. 01.10.2018

\*\*\*\*Appointed as Company Secretary w.e.f. 22.05.2018

# Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence, not stated.

- ii) The median remuneration of employees of the Company during the financial year was ₹0.02 Crores.
- iii) In the financial year, there was an increase of 6.19% in the median remuneration of employees;
- iv) There were 3,894 permanent employees on the roll of Company as on 31 March 2019;
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2018-19 was 10% whereas the increase in the managerial remuneration for the same financial year was 8.92%.
- vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



## Annexure-G to Board's Report

### Secretarial Audit Report

for the Financial Year Ended on 31<sup>st</sup> March 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Minda Industries Limited  
(CIN: L74899DL1992PLC050333)  
B-64/1 Wazirpur, Industrial Area, Delhi-110052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Minda Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

#### We report that-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised

representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, where applicable;



## Annexure-G to Board's Report (Contd.)

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buyback of Securities) Regulations, 2010;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

\* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India which the Company has generally complied with.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable as mentioned above.

- (vi) The Company is manufacturer of auto components such as Switches, Lighting, Batteries, Horns, CNG/ LPG Kits, Fuel Caps and Electronic Components etc. It has manufacturing facilities located at Manesar and Sonapat (Haryana), Pune and Aurangabad (Maharashtra), Pantnagar (Uttarakhand), Hosur and Chennai (Tamil Nadu) and Ahmedabad (Gujarat). As informed by the management, being an automotive components manufacturer, there is no sector specific law applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines.

We further report that during the audit period:

- Pursuant to the provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other listing regulations, the members passed a Special Resolution by way of postal ballot on 25 March 2019, to adopt the UNOMINDA Employee Stock Option Scheme 2019 or UNOMINDA ESOS 2019 and thereby introduce, offer, issue and allot equity shares of the Company having face value of ₹2/- per share ("Equity Shares") by way of issuance of employee stock options ("Options"), to the "Eligible Employees" on such terms and conditions, as may be fixed or determined by the Board in accordance with the Scheme and applicable laws
- Pursuant to the provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013, the members passed a Special Resolution by way of postal ballot on 25 March 2019, to borrow from time to time any sums of money, which together with money already borrowed by the Company may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided however that the total amount borrowed and outstanding at any point of time (apart from temporary loans obtained/ to be obtained from the Company's Bankers in the ordinary course of business as defined under Explanation to Section 180(1)(c) of the Act) shall not, at any time exceed ₹1,500 crores (Rupees One thousand five hundred crores only).
- Pursuant to the provisions of Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013, the members passed a Special Resolution by way of postal ballot on 25 March 2019, to create such mortgages, hypothecations and/or charges in addition to the existing mortgages/charges/hypothecations created/to be created by the Company in such



## Annexure-G to Board's Report (Contd.)

form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties and/or intellectual properties and/or such other assets of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company for securing borrowings debts of the Company availed/to be availed by way of loan(s) (in foreign currency and/or in Indian rupee) and Securities, issued/to be issued by the Company, from time to time, provided that total amount secured at any point of time shall not exceed ₹1,500 Crores (Rupees One Thousand Five Hundred Crores Only).

- Pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, the members passed a Special Resolution by way of postal ballot on 25 March 2019 to (i) give any loans to any person or other body corporates or (ii) give any guarantees or to provide any securities in connection with any loan to any other body corporate or person, or (iii) to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, from time to time and in one or more tranches, upto an aggregate amount of ₹3,000 Crores (Rupees Three Thousand Crores Only).
- Pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other listing regulations, the members passed a Special Resolution by way of postal ballot on 2 July 2018, for capitalisation of such sums standing to the credit of Free Reserves/ Securities Premium/ Capital Redemption Reserve, as may be considered appropriate by Board, for the purpose of issue of Bonus Shares of the Company of ₹2 (Rupees Two) each as fully paid-up Bonus Shares to the shareholders who, on the Record Date, shall be holders of the existing Equity Shares of ₹2 (Rupees Two) each of the Company, in the proportion of 2 (Two) New Equity Share for every 1 (One) existing Equity Share held by such shareholders.
- Pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any modification, amendment, or re-enactment thereof) and other applicable laws, rules and regulations, and subject to applicable provisions of the Memorandum and Articles of Association of the Company, sanction of the National Company Law Tribunal ("Tribunal"), having jurisdiction over the respective companies, the Securities and Exchange Board of India ("SEBI"), requisite approvals of the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), approval of the members, creditors and other classes of persons, if any, of the Companies, and statutory/ regulatory authorities, as may be required, and based on the recommendation of the Audit Committee of the Company, the Board of directors in its meeting held on 14th February, 2019 has given their approval for the draft composite scheme of amalgamation of Harita Limited ("Transferor Company 1") and Harita Venu Private Limited ("Transferor Company 2") and Harita Cheema Private Limited ("Transferor Company 3") and Harita Financial Services Limited ("Transferor Company 4") and Harita Seating Systems Limited ("Transferor Company 5") with Minda Industries Limited ("Transferee Company") and their respective shareholders ("Scheme") on the terms and conditions as stated therein, as placed before the Board.

For **Sanjay Grover & Associates**

Company Secretaries

Firm Registration No.: P2001DE052900

**Sanjay Grover**

Managing Partner

CP No. 3850

Place : New Delhi

Date : 16 May 2019



## Annexure-H to Board's Report

### Extract of Annual Return

#### Form No. MGT-9

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L74899DL1992PLC050333
Registration Date	16 September 1992
Name of the Company	Minda Industries Limited
Category/Sub-Category of the Company	Public Company/ Limited by Shares
Address of the Registered Office and Contact details	B-64/1, Wazirpur Industrial Area, New Delhi-110052 Phones: 011-49373931, 0124-2290427/2290428, Fax : 0124-2290676/95
Whether listed company	Yes.
Name, Address and Contact details of Registrar and Transfer Agent, if any.	Link Intime India Private Ltd. Noble Heights, 1 <sup>st</sup> Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi-110058 Phones: 011- 41410592 - 49411000 Fax 011- 41410591

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated: -

S. No.	Name and Description of main products / service	NIC Code of the Product/ Service	% to Total turnover of the Company
1	Switches, Horns and Electronic Components for Automobiles	2930	70%
2	Lightings for Automobiles	2740	24%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Minda Auto Components Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U25209DL1996PLC083240	Subsidiary	100	2(87)
2	Minda Distribution & Services Ltd. 301/233, Mukundpur, New Delhi-110042	U34300DL2011PLC227272	Subsidiary	100	2(87)
3	Minda Storage Batteries Private Limited B-64/1, Wazirpur Industrial Area, Delhi-110052	U35900DL2011PTC228383	Subsidiary	100	2(87)
4	Minda Rinder Private Limited Gut No.148, Mahalunge Ingale Off Chakan Talegaon Road, Taluka Khed, Pune-410501	U31506PN1988PTC045915	Subsidiary	100	2(87)
5	MJ Casting Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U28900DL2010PLC211731	Subsidiary	100	2(87)
6	Global Mazinkert S.L. Calle Paradillo 5, Bajo Ext. DR Madrid, 28002, Spain	N.A.	Subsidiary	100	2(87)
7	Minda Kyoraku Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35122DL2011PLC223819	Subsidiary	67.60	2(87)
8	Minda Kosei Aluminium Wheel Private Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U29130DL2015PTC278233	Subsidiary	69.99	2(87)
9	MI Torica India Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U51909DL2011PTC223728	Subsidiary	60	2(87)
10	Minda TG Rubber Private Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U29253DL2015PTC275475	Subsidiary	51	2(87)
11	Mindarika Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U74899DL1995PTC073692	Subsidiary	51	2(87)

**Annexure-H to Board's Report (Contd.)**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
12	Minda D Ten India Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U50400DL2012PTC238724	Subsidiary	51	2(87)
13	Minda Katolec Electronics Services Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35999DL2017PTC315486	Subsidiary	51	2(87)
14	Sam Global Pte Ltd. 30, Cecil Street, # 19-08, Prudential Tower, Singapore-049712	N.A.	Subsidiary	100	2(87)
15	PT Minda Automotive Asean JL Permata Raya, LOT CA-7, Kawasan Industry, KIIC, Karawang Bharat, West Java, Indonesia	N.A.	Subsidiary	100	2(87)
16	iSYS RTS GmbH Moosacher Strasse 88, 80809, Munich, Germany	N.A.	Subsidiary	80	2(87)
17	Minda Onkyo India Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35999DL2017PTC313323	Joint Venture	50	2(6)
18	Minda TTE DAPS Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35990DL2015PTC279706	Joint Venture	50	2(6)
19	Roki Minda Co. Private Limited B-64/1, Wazirpur Industrial Area, Delhi-110052	U34300DL2010PTC211292	Joint Venture	49	2(6)
20	Kosei Minda Mould Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U27320DL2018PTC339551	Joint Venture	49	2(6)
21	Denso Ten Minda India Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35999DL2012FTC238701	Joint Venture	49	2(6)
22	Minda Emer Technologies Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U35999DL2010PLC200859	Joint Venture	48.90	2(6)
23	Toyoda Gosei Minda India Pvt. Ltd. Plot No. SP2-30 & 31, RIICO Industrial Area, Majrakath Area, Neemrana-301705, Rajasthan	U28111RJ2008PTC026385	Joint Venture	47.80	2(6)
24	Rinder Riduco S.A.S., Era32No.107-17LaEnea,Manizales-Caldas,Colombia	N.A.	Joint Venture	50	2(6)
25	Kosei Minda Aluminium Co. Private Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052	U28910TN2011PLC079581	Associate Company	30	2(6)
26	Minda NexGenTech Ltd. 37, Rajasthan Udyog Nagar, Delhi-110033	U31900DL2011PLC217478	Associate Company	26	2(6)
27	MITIL Polymer Private Limited B-64/1, Wazirpur Industrial Area, Delhi-110052	U51909DL2016PTC306953	Step Down Subsidiary	95	2(87)
28	Clarton Horn Spain Lot 102, Juan Carios, 1 s/n La Carolina, CP : 23200, Spain	N.A.	Step Down Subsidiary	100	2(87)
29	Clarton Horn Morocco SARL Lot 102 A-3, Zone Franche de exportation 90000 Tanger (Marruecos)	N.A.	Step Down Subsidiary	100	2(87)
30	CH Signalakustic GmbH Zehntwiesenstrasse 31 Q 76275 Ettlingen Germany	N.A.	Step Down Subsidiary	100	2(87)
31	Clarton Horn Mexico Avda, Hercules No.401-B Int. No. Bodega 14 Poligono empresarial Santa Rosa Jauregui, Queretaro (Mexico)	N.A.	Step Down Subsidiary	100	2(87)
32	PT Minda Trading JL Permata Raya, LOT CA-7, Kawasan Industry, KIIC, Karawang Bharat, West Java, Indonesia.	N.A.	Step Down Subsidiary	100	2(87)
33	Minda Industries Vietnam Company Limited Binh Xuyen Industrial Park, Dao Duc Village, Binh Xuyen District Vinh Phuc Province, Vietnam Zip - 280000	N.A.	Step Down Subsidiary	100	2(87)
34	Light & System Technical Centre S.L. Parque Tecnológico de Vizcaya Edificio 208 A y B – 2ª Planta 48170 Zamudio (Vizcaya) Spain	N.A.	Step Down Subsidiary	100	2(87)



## Annexure-H to Board's Report (Contd.)

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Shareholding

Category of Shareholders	No. of Shares of ₹2 each held at the beginning of the year				No. of Shares of ₹2 each held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the Year
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	36755130	-	36755130	42.23	110265390	-	110265390	42.05	(0.17)
b) Central Govt.									
c) State Govt.									
d) Bodies Corporate	25009845	-	25009845	28.73	75029535	-	75029535	28.61	(0.12)
e) Bank/ FI									
f) Any other									
(i) Trust	108230	-	108230	0.12	324690	-	324690	0.12	0.00
<b>Sub-Total (A) (1)</b>	<b>61873205</b>	<b>-</b>	<b>61873205</b>	<b>71.08</b>	<b>185619615</b>	<b>-</b>	<b>185619615</b>	<b>70.79</b>	<b>(0.29)</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals/ Foreign Individuals	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoters (A) = (A)-(1) + (A)-(2)</b>	<b>61873205</b>	<b>-</b>	<b>61873205</b>	<b>71.08</b>	<b>185619615</b>	<b>-</b>	<b>185619615</b>	<b>70.79</b>	<b>(0.29)</b>
<b>B. Public Shareholding</b>									
<b>(1) Institution</b>									
a) Mutual Fund/UTI	5218894	-	5218894	6.00	11661467	-	11661467	4.45	(1.55)
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	111151	-	111151	0.04	0.04
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	8255654	-	8255654	9.48	28720398	-	28720398	10.95	1.47
f) Financial Institutions/ Banks	24200	-	24200	0.03	130953	-	130953	0.05	0.02
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	<b>13498748</b>	<b>-</b>	<b>13498748</b>	<b>15.51</b>	<b>40623969</b>	<b>-</b>	<b>40623969</b>	<b>15.49</b>	<b>(0.02)</b>
<b>(2) Central Government / State Government / President of India</b>									
<b>Sub-Total (B) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Annexure-H to Board's Report (Contd.)

Category of Shareholders	No. of Shares of ₹2 each held at the beginning of the year				No. of Shares of ₹2 each held at the at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the Year
<b>(3) Non-Institutions</b>									
<b>a) Individuals</b>									
i) individual shareholders holding nominal share capital upto 2 lakh	5936192	591780	6527972	7.50	18973099	1415454	20388553	7.78	0.28
ii) individual shareholders holding nominal share capital in excess of 2 lakh	111197	-	111197	0.13	1881535	-	1881535	0.72	0.59
b) NBFCs registered with RBI	-	-	-	-	25596	-	25596	0.01	0.01
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs)	-	-	-	-	-	-	-	-	-
e) Others (Specify)									
i) IEPF	28000	-	28000	0.03	97870	-	97870	0.04	0.01
ii) Trust(s)	213301	-	213301	0.25	639713	-	639713	0.24	(0.01)
iii) ESOP	-	331000	331000	0.38	-	-	-	-	0.38
iv) Hindu Undivided Family	205179	9000	214179	0.25	537882	-	537882	0.21	(0.04)
v) Non-Resident Indians (Non Repat)	122887	-	122887	0.14	316840	400	317240	0.12	(0.02)
vi) Non-Resident Indians (Repat)	235541	-	235541	0.27	928450	-	928450	0.35	0.08
vii) Clearing Members	99758	-	99758	0.11	201001	-	201001	0.08	(0.03)
viii) Body Corporates	3758367	27000	3785367	4.35	10916541	35000	10951541	4.18	(0.17)
<b>Sub-Total (B) (3)</b>	<b>10710422</b>	<b>958780</b>	<b>11669202</b>	<b>13.41</b>	<b>34522527</b>	<b>1450854</b>	<b>35973381</b>	<b>13.72</b>	<b>0.31</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2) + (B)(3)</b>	<b>24209170</b>	<b>958780</b>	<b>25167950</b>	<b>28.92</b>	<b>75146496</b>	<b>1450854</b>	<b>76597350</b>	<b>29.21</b>	<b>0.29</b>
<b>TOTAL (A) + (B)</b>	<b>86082375</b>	<b>958780</b>	<b>87041155</b>	<b>100</b>	<b>260766111</b>	<b>1450854</b>	<b>262216965</b>	<b>100</b>	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>86082375</b>	<b>958780</b>	<b>87041155</b>	<b>100</b>	<b>260766111</b>	<b>1450854</b>	<b>262216965</b>	<b>100</b>	



## Annexure-H to Board's Report (Contd.)

### ii) Shareholding of Promoters

S. No.	Name & Type of Transaction	Shareholding at the beginning of the Year*		Transaction during the Year		Cumulative Shareholding At the end of the Year**	
		No. of Shares held	% of the Total shares	Date of Transaction	No. of shares	No. of shares held	% of the Total shares
1	Mr. Nirmal K Minda Inter-Se transfer (gift) Bonus At the end of the Year	19489055	22.39	15 Jun 2018 20 Jul 2018	2301455 43581020	21790510 65371530 65371530	24.93
2	Mrs. Savitri Minda InterSe transfer (gift) At the end of the Year	2301455	2.64	15 Jun 2018	(2301455)	(2301455) 0	0.00
3	Mrs. Suman Minda Bonus At the end of the Year	12857380	14.77	20 Jul 2018	25714760	38572140 38572140	14.71
4	Ms. Paridhi Minda Bonus At the end of the Year	570000	0.65	20 Jul 2018	1140000	1710000 1710000	0.65
5	Ms. Pallak Minda Bonus At the end of the Year	1088400	1.25	20 Jul 2018	2176800	3265200 3265200	1.25
6	Mr. Amit Minda Bonus At the end of the Year	430840	0.49	20 Jul 2018	861680	1292520 1292520	0.49
7	Mr. Anand Kumar Minda Bonus At the end of the Year	18000	0.02	20 Jul 2018	36000	54000 54000	0.02
8	Maa Vaishno Devi Endowment Bonus At the end of the Year	108230	0.12	20 Jul 2018	216460	324690 324690	0.12
9	Minda Investments Ltd. Bonus At the end of the Year	21283380	24.45	20 Jul 2018	42566760	63850140 63850140	24.35
10	Singhal Fincap Ltd. Bonus At the end of the Year	2483265	2.85	20 Jul 2018	4966530	7449795 7449795	2.84
11	Minda Finance Ltd. Bonus At the end of the Year	1243200	1.43	20 Jul 2018	2486400	3729600 3729600	1.42
<b>TOTAL</b>		<b>61873205</b>	<b>71.08</b>		123746410	<b>185619615</b>	<b>70.79</b>

\* the issued, subscribed and listed capital as at 01.04.2018 was 87041155 equity shares.

\*\* the issued, subscribed and listed capital as at 31.03.2019 was 262216965 equity shares.

The %age has been calculated accordingly.

### iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Shareholding at the beginning of the year (as on 01.04.2018)	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year*	61873205	71.08		
Date wise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.			(+)123746410	47.19
At the end of the year **	185619615	70.79	185619615	70.79

\*the listed equity share capital as at the beginning of the year was 8,70,41,155 equity shares.

\*\* the listed equity share capital as at the end of the financial year was 26,22,16,965 equity shares.



## Annexure-H to Board's Report (Contd.)

### iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs).

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding At the end of the Year	
		No. of Shares held	% of the Total shares	Date of Transaction	No. of shares	No. of shares held	% of the Total shares
1	<b>Matthews Asia Dividend Fund</b>	<b>3327962</b>	<b>1.2692</b>				
	Bonus			20 Jul 2018	6655924	9983886	3.8075
	Purchase			29 Sep 2018	729649	10713535	4.0858
	Purchase			05 Oct 2018	292258	11005793	4.1972
	Purchase			12 Oct 2018	792286	11798079	4.4994
	Purchase			19 Oct 2018	86284	11884363	4.5323
	Purchase			26 Oct 2018	283596	12167959	4.6404
	Purchase			02 Nov 2018	466971	12634930	4.8185
	Purchase			09 Nov 2018	72973	12707903	4.8463
	Purchase			16 Nov 2018	742435	13450338	5.1295
	Purchase			23 Nov 2018	512427	13962765	5.3249
	Purchase			01 Feb 2019	419718	14382483	5.4850
	Purchase			15 Feb 2019	119968	14502451	5.5307
	Purchase			22 Feb 2019	158286	14660737	5.5911
	Purchase			01 Mar 2019	45	14660782	5.5911
	<b>At the end of the year</b>					<b>14660782</b>	<b>5.5911</b>
2	<b>IDFC Multi Cap Fund</b>	<b>2227854</b>	<b>0.8496</b>				
	Purchase			06 Apr 2018	733	2228587	0.8499
	Purchase			04 May 2018	20000	2248587	0.8575
	Purchase			11 May 2018	22501	2271088	0.8661
	Purchase			18 May 2018	3934	2275022	0.8676
	Sale			25 May 2018	(87920)	2187102	0.8341
	Sale			01 Jun 2018	(50280)	2136822	0.8149
	Purchase			08 Jun 2018	84	2136906	0.8149
	Sale			15 Jun 2018	(14787)	2122119	0.8093
	Sale			22 Jun 2018	(7052)	2115067	0.8066
	Purchase			30 Jun 2018	5000	2120067	0.8085
	Sale			13 Jul 2018	(13116)	2106951	0.8035
	Bonus/Purchase			20 Jul 2018	4248250	6355201	2.4236
	Sale			27 Jul 2018	(25000)	6330201	2.4141
	Sale			10 Aug 2018	(10000)	6320201	2.4103
	Sale			24 Aug 2018	(3424)	6316777	2.4090
	Sale			31 Aug 2018	(4576)	6312201	2.4072
	Sale			07 Sep 2018	(14000)	6298201	2.4019
	Sale			14 Sep 2018	(10558)	6287643	2.3979
	Purchase			21 Sep 2018	10000	6297643	2.4017
	Purchase			29 Sep 2018	10000	6307643	2.4055
	Purchase			05 Oct 2018	28678	6336321	2.4164
	Purchase			12 Oct 2018	3800	6340121	2.4179
	Sale			19 Oct 2018	(100452)	6239669	2.3796
	Sale			26 Oct 2018	(200813)	6038856	2.3030
	Sale			02 Nov 2018	(287855)	5751001	2.1932
	Sale			09 Nov 2018	(39158)	5711843	2.1783
	Sale			16 Nov 2018	(676390)	5035453	1.9203
	Sale			21 Dec 2018	(249000)	4786453	1.8254



## Annexure-H to Board's Report (Contd.)

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding At the end of the Year	
		No. of Shares held	% of the Total shares	Date of Transaction	No. of shares	No. of shares held	% of the Total shares
	Sale			28 Dec 2018	(120000)	4666453	1.7796
	Sale			31 Dec 2018	(25000)	4641453	1.7701
	Sale			04 Jan 2019	(15111)	4626342	1.7643
	Sale			25 Jan 2019	(55927)	4570415	1.7430
	Purchase			01 Feb 2019	2665	4573080	1.7440
	Purchase			08 Feb 2019	418	4573498	1.7442
	Purchase			15 Feb 2019	36000	4609498	1.7579
	Purchase			22 Feb 2019	27214	4636712	1.7683
	Sale			01 Mar 2019	(2354)	4634358	1.7674
	Sale			15 Mar 2019	(29366)	4604992	1.7562
	Sale			22 Mar 2019	(166742)	4438250	1.6926
	Sale			29 Mar 2019	(842)	4437408	1.6923
<b>At the end of the year</b>						<b>4437408</b>	<b>1.6923</b>
3	<b>Zeal Impex and Traders Private Limited</b>	1335000	0.5091				
	Bonus			20 Jul 2018	2670000	40050000	1.5274
<b>At the end of the year</b>						<b>40050000</b>	<b>1.5274</b>
4	<b>Amity Infotech Private Limited</b>	1335000	0.5091				
	Bonus			20 Jul 2018	2670000	40050000	1.5274
<b>At the end of the year</b>						<b>40050000</b>	<b>1.5274</b>
5	<b>DSP Equity &amp; Bond Fund</b>	<b>2038806</b>	<b>0.7775</b>				
	Sale			27 Apr 2018	(259)	2038547	0.7774
	Purchase			11 May 2018	74489	2113036	0.8058
	Purchase			18 May 2018	339	2113375	0.8060
	Sale			25 May 2018	(332)	2113043	0.8058
	Sale			15 Jun 2018	(33487)	2079556	0.7931
	Sale			22 Jun 2018	(61215)	2018341	0.7697
	Sale			30 Jun 2018	(5720)	2012621	0.7675
	Sale			06 Jul 2018	(69059)	1943562	0.7412
	Sale			13 Jul 2018	(133952)	1809610	0.6901
	Bonus/Purchase			20 Jul 2018	3674858	5484468	2.0916
	Sale			27 Jul 2018	(501687)	4982781	1.9003
	Sale			03 Aug 2018	(165156)	4817625	1.8373
	Sale			10 Aug 2018	(62276)	4755349	1.8135
	Sale			17 Aug 2018	(129943)	4625406	1.7640
	Sale			24 Aug 2018	(150345)	4475061	1.7066
	Sale			31 Aug 2018	(55337)	4419724	1.6855
	Sale			14 Sep 2018	(61947)	4357777	1.6619
	Sale			21 Sep 2018	(23885)	4333892	1.6528
	Sale			29 Sep 2018	(516831)	3817061	1.4557
	Purchase			19 Oct 2018	31556	3848617	1.4677
	Sale			09 Nov 2018	(654483)	3194134	1.2181
	Purchase			30 Nov 2018	38843	3232977	1.2329
	Purchase			07 Dec 2018	111945	3344922	1.2756
	Purchase			14 Dec 2018	7500	3352422	1.2785
<b>At the end of the year</b>						<b>3352422</b>	<b>1.2785</b>



## Annexure-H to Board's Report (Contd.)

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding At the end of the Year	
		No. of Shares held	% of the Total shares	Date of Transaction	No. of shares	No. of shares held	% of the Total shares
6	<b>The Wellington Trust Company National Association Multiple Common Trust Funds Trust Emerging Market Local Equity Portfolio</b>	247416	0.0944				
	Purchase			25 May 2018	55081	302497	0.1154
	Purchase			01 Jun 2018	47537	350034	0.1335
	Bonus			20 Jul 2018	700068	1050102	0.4005
	Purchase			27 Jul 2018	315301	1365403	0.5207
	Purchase			10 Aug 2018	330356	1695759	0.6467
	Purchase			24 Aug 2018	54867	1750626	0.6676
	Purchase			16 Nov 2018	139267	1889893	0.7207
	Purchase			23 Nov 2018	108644	1998537	0.7622
	Purchase			01 Mar 2019	96348	2094885	0.7989
	Purchase			08 Mar 2019	60335	2155220	0.8219
	Purchase			15 Mar 2019	18069	2173289	0.8288
	<b>At the end of the year</b>			<b>31 Mar 2019</b>	<b>55081</b>	<b>2173289</b>	<b>0.8288</b>
7	<b>Canara Robeco Mutual Fund A/c Canara Robeco Emerging Equities</b>	653120	0.2491				
	Bonus			20 Jul 2018	1306240	1959360	0.7472
	Sale			05 Oct 2018	(48000)	1911360	0.7289
	Sale			12 Oct 2018	(500000)	1411360	0.5382
	Purchase			15 Mar 2019	100500	1511860	0.5766
	Purchase			22 Mar 2019	375164	1887024	0.7196
	<b>At the end of the year</b>					<b>1887024</b>	<b>0.7196</b>
8	<b>DSP Core Fund</b>	945600	0.3506				
	Bonus			20 Jul 2018	1891200	2836800	1.0819
	Sale			03 Aug 2018	(527)	2836273	1.0817
	Sale			10 Aug 2018	(487367)	2348906	0.8958
	Sale			24 Aug 2018	(40212)	2308694	0.8805
	Sale			31 Aug 2018	(273688)	2035006	0.7761
	Sale			07 Sep 2018	(464312)	1570694	0.5990
	Sale			14 Sep 2018	(2418)	1568276	0.5981
	Sale			21 Sep 2018	(364)	1567912	0.5979
	Sale			29 Sep 2018	(6632)	1561280	0.5954
	Sale			29 Mar 2019	(27886)	1533394	0.5848
	<b>At the end of the year</b>					<b>1533394</b>	<b>0.5848</b>
9	<b>Matthews Asia Funds - Asia Dividend Fund</b>	257875	0.0983				
	Bonus			20 Jul 2018	515750	773625	0.2950
	Purchase			29 Sep 2018	31311	804936	0.3070
	Purchase			05 Oct 2018	23528	828464	0.3159
	Purchase			12 Oct 2018	53343	881807	0.3363
	Purchase			19 Oct 2018	19214	901021	0.3436
	Purchase			26 Oct 2018	35544	936565	0.3572
	Purchase			02 Nov 2018	32116	968681	0.3694
	Purchase			09 Nov 2018	16960	985641	0.3759
	Purchase			16 Nov 2018	34965	1020606	0.3892
	Purchase			23 Nov 2018	995	1021601	0.3896
	Purchase			21 Dec 2018	53226	1074827	0.4099
	Purchase			15 Feb 2019	4980	1079807	0.4118
	Purchase			22 Feb 2019	20413	1100220	0.4196
	<b>At the end of the year</b>					<b>1100220</b>	<b>0.4196</b>



## Annexure-H to Board's Report (Contd.)

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding At the end of the Year	
		No. of Shares held	% of the Total shares	Date of Transaction	No. of shares	No. of shares held	% of the Total shares
10	<b>Wellington Management Fund (Ireland) Public Limited Company - Wellington Emerging Markets Local Fund</b>	115925	0.0442				
	Purchase			25 May 2018	25764	141689	0.0540
	Purchase			01 Jun 2018	22235	163924	0.0625
	Purchase			13 Jul 2018	37563	201487	0.0768
	Bonus/Purchase			20 Jul 2018	327848	529335	0.2019
	Purchase			27 Jul 2018	126625	655960	0.2502
	Purchase			10 Aug 2018	161827	817787	0.3119
	Purchase			16 Nov 2018	51980	869767	0.3317
	Purchase			23 Nov 2018	40794	910561	0.3473
	Purchase			01 Mar 2019	37428	947989	0.3615
	Purchase			08 Mar 2019	24620	972609	0.3709
	Purchase			15 Mar 2019	7439	980048	0.3738
<b>At the end of the year</b>						<b>980048</b>	<b>0.3738</b>

### v) Shareholding of Directors and Key Managerial Personnel

For each of the Directors*	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
	No. of Shares of ₹2 each	% of Total shares of the Company	No. of Shares of ₹2 each	% of Total shares of the Company
<b>Mr. Nirmal K Minda, Chairman &amp; M.D.</b>				
At the beginning of the year	19489055	22.39		
Date-wise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)			2301455 43581020	
<b>At the end of the year</b>			<b>65371530</b>	<b>24.93</b>
<b>Mr. Anand Kumar Minda, Director</b>				
At the beginning of the year	18000	0.02		
Date-wise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	-	-	36000	
<b>At the end of the year</b>			<b>54000</b>	<b>0.02</b>
<b>Mr. Satish Sekhri, Director</b>				
At the beginning of the year	700	0.00		
Date-wise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	-	-	1400	
<b>At the end of the year</b>			<b>2100</b>	<b>0.00</b>

**Annexure-H to Board's Report (Contd.)**

For each of the other KMP	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
	No. of Shares of ₹2 each	% of Total shares of the Company	No. of Shares of ₹2 each	% of Total shares of the Company
<b>Ms. Paridhi Minda, Director</b>				
At the beginning of the year	570000	0.65		
Date-wise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	-	-	1140000	
<b>At the end of the year</b>			<b>1710000</b>	<b>0.65</b>
<b>Mr. Sunil Bohra Group CFO</b>				
At the beginning of the year	-	-	-	-
Datewise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	-	-	-	-
<b>At the end of the year</b>	-	-	-	-

For each of the KMP	Shareholding at the beginning of the Year		Shareholding at the end of the Year	
	No. of Shares of ₹2 each	% of Total shares of the Company	No. of Shares of ₹2 each	% of Total shares of the Company
<b>Mr. Tarun Kumar Srivastava, Company Secretary &amp; Compliance Officer</b>				
At the beginning of the year	-	-	-	-
Datewise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	-	-	-	-
<b>At the end of the year</b>	-	-	-	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment: -

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year as on 1 April 2018				
1) Principal Amount	41.02	52.86	-	93.88
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	0.36	0.06	-	0.42
<b>Total</b>	<b>41.38</b>	<b>52.92</b>	<b>-</b>	<b>94.30</b>
Change in indebtedness during the financial year				
• Addition	323.95	12.05	-	336.00
• Reduction	(9.57)	(8.90)	-	18.47
<b>Net Change</b>	<b>314.38</b>	<b>3.15</b>		<b>317.53</b>
Indebtedness at the end of the Financial Year as on 31 March 2019				
1) Principal Amount	355.76	56.07	-	411.83
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	1.42	0.07	-	1.49
<b>Total</b>	<b>357.18</b>	<b>56.14</b>	<b>-</b>	<b>413.32</b>

The Company has not accepted any deposit under Section 73 to 76 of the Companies Act, 2013 (herein after called the Act) read with Companies (Acceptance of Deposits) Rules, 2014.



## Annexure-H to Board's Report (Contd.)

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Chairman & Managing Director and / or Key Managerial Personnel.

(₹ In Crores)

S. No.	Particulars of Remuneration	Mr. Nirmal K Minda, Chairman & M.D.	Ms. Paridhi Minda, Whole-time Director	Total
<b>Gross Salary</b>				
1	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	1.37	0.004	1.374
	(b) Value of perquisites under section 17(2) Income Tax Act, 1961	1.29	0.001	1.291
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2	Stock options	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	Upto 3%	N.A	-
	- Amount	5.60	-	5.60
5	Others - please specify (contribution to PF)	0.16	0.00	0.16
<b>TOTAL (A)</b>		<b>8.42</b>	<b>0.005</b>	<b>8.425</b>

#### B. Remuneration to Independent Directors

(Amt. in Crores)

Description	Mr. Alok Dutta	Mr. Satish Sekhri	Ms. Renu Challu*	Ms. Pravin Tripathi**	Total (Amount in ₹/Lacs)
Fees for attending Board/ Committee Meetings	0.11	0.11	0.06	0.02	0.30
- Commission	-	-	-	-	-
- Others, please specify	-	-	-	-	-
<b>TOTAL (B)</b>	<b>0.11</b>	<b>0.11</b>	<b>0.06</b>	<b>0.02</b>	<b>0.30</b>

\* upto 18 December 2018

\*\* w.e.f. 6 February 2019

Total Managerial Remuneration (A) + (B) ₹8.325 Crores

#### C. Remuneration to Key Managerial other than MD/WTD

(₹ In Crores)

S. No.	Particulars of Remuneration	Mr. Sudhir Jain, Group CFO*	Mr. Sunil Bohra, Group CFO**	Mr. Tarun Kumar Srivastava, Company Secretary & Compliance Officer <sup>§</sup>	Total
<b>Gross Salary</b>					
1	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	1.43	1.20	0.21	2.84
	(b) Value of perquisites under section 17(2) Income Tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock options	1.76	-	-	1.76
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- Others, specify.	-	-	-	-
5	Others - please specify <sup>#</sup>	0.08	0.10	0.01	0.19
<b>TOTAL (A)</b>		<b>3.27</b>	<b>1.30</b>	<b>0.22</b>	<b>4.79</b>

\* Mr. Sudhir Jain as a Group CFO upto 30 September 2018

\*\* Mr. Sunil Bohra as Group CFO w.e.f. 1 October 2019 onwards

<sup>§</sup> Mr. Tarun Kumar Srivastava as Company Secretary w.e.f. 22 May 2018.

<sup>#</sup> Contribution to PF



**VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

<b>TYPE</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/ Punishment/ Compounding fees imposed</b>	<b>Authority (RD/ NCLT/ COURT)</b>	<b>Appeal made, if any (give details)</b>
<b>A. COMPANY</b> Penalty Punishment Compounding					
<b>B. DIRECTOR</b> Penalty Punishment Compounding			NIL		
<b>C. OTHERS OFFICERS IN DEFAULT</b> Penalty Punishment Compounding					



# Annexure-I to Board's Report

## Management Discussion and Analysis

### Economic Review

#### Global Economy

The global economy experienced strong growth between 2016 and 2018, which was supported by advancements across all major nations. The CY18 recorded growth of 3.9%, with US outpacing all major economies. The growth is gradually slowing down with escalation of US-China trade tensions, macro-economic stress in China, Argentina and Turkey, volatility in oil prices and uncertainty over Brexit. The year 2019 is expected to record a GDP of 3.3%. However, the second half of CY19 is anticipated to witness optimism supported by accommodative monetary policy by major central banks, recovery in Turkey and Argentina and signs of positive momentum in China's economic growth.

The advanced economies saw a growth of 2.2% during CY18, compared to 2.4% in CY17. The strong growth in the US, led by pro-fiscal stimulus, was offset by disruption in the German auto market

Growth in emerging markets and developing economies continued to outpace developed nations during CY19. The growth rate for these economies was projected around 4.2% during CY18, owing to slowing external demand, rising borrowing cost and persistent policy uncertainties. However, the growth is expected to notch up the pace at 5.1% during CY19, led by a stronger growth in India and recovery in China.

(Source: World Economic Outlook, April 2019 update)

#### Indian Economy

India's GDP grew to 6.8% in FY19 with moderate growth of 5.8% in the quarter between January and March. The Indian economy started the fiscal year 2018-19 with a healthy 8.2% growth in the first two quarter, while easing down to 7.3% in the subsequent quarter (Source: economictimes.com). The robust growth in the 1st half can be accredited to a steady domestic resilience. On the other hand, the slowdown was a result of rising global volatility - largely financial - normalized monetary policy, externalities from trade disputes and investment rerouting. Slowdown in the fourth quarter was due to temporary factors like stress in nonbanking financial company (NBFC) sector affecting consumer finance. This sluggishness in growth is expected to remain in the 1st half of 2019 and the recovery is expected in 2nd half of the fiscal year.

The rise in domestic investments has been one of the biggest contributors of Indian growth story. Also, there was a rise in FDI, as India notched up 23 places to sit at rank 77 in

2018 from 100 in 2017 in the ease of doing business. Moving forward, a gradual pickup in price pressure in India was seen because of relatively strong demand conditions and a modest increase in food inflation from a low base. However, the growth in India is expected to remain moderate in the medium term, based on continued implementation of structural reforms and easing of infrastructure bottlenecks. Furthermore, India has already surpassed France to become the sixth-largest economy and has potential to become 5th largest by FY20.

(Source: deloitte.com)

#### Outlook

The Indian economy remains one of the fastest growing and is likely to sustain the rebound in the FY20. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development. The improving macroeconomic fundamentals have further supported implementation of reform measures like announcement of PSU bank consolidation and recapitalisation, push to infrastructure development by giving infrastructure status to affordable housing, higher allocation of funds for highway construction and greater focus on coastal connectivity (Source : indiabudget.gov.in). This has helped foster an environment to boost investments and ease banking sector concerns. Together, these augur well for a healthy growth path for the economy.

(Source : statisticstimes.com)

### Industry Structure and Developments

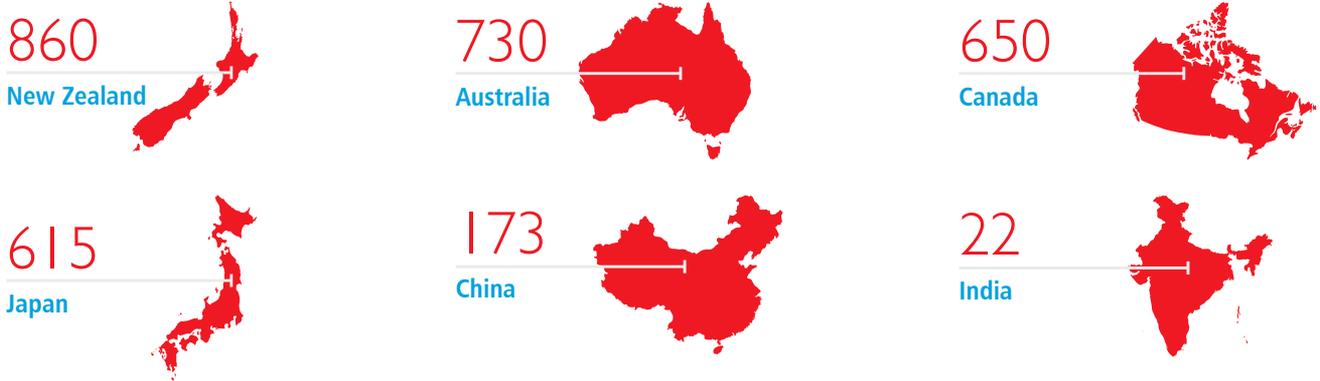
#### Global Automobile Industry

2018 marked a challenging year for the global car market, as sales fell for the first time since 2009. However, worldwide car sales remained near record levels. The global automotive market was affected by trade tensions between the world's biggest economies, political changes in key markets and new threats to the status quo of the industry. Overall, the strong results in India, Brazil, Russia and South East Asia offset stalling sales in Europe, China and the US. In 2018, around 86 million cars were sold in the top 54 world markets. SUVs were popular worldwide and electric car sales grew by 75%. Global car and light commercial vehicle sales in 2018 contracted by 0.5% to 86 million vehicles.

India became the world's 4th largest car market by displacing Germany to 5th position. India's growth is projected to continue over the next few years and is expected to become the third largest market by 2021.

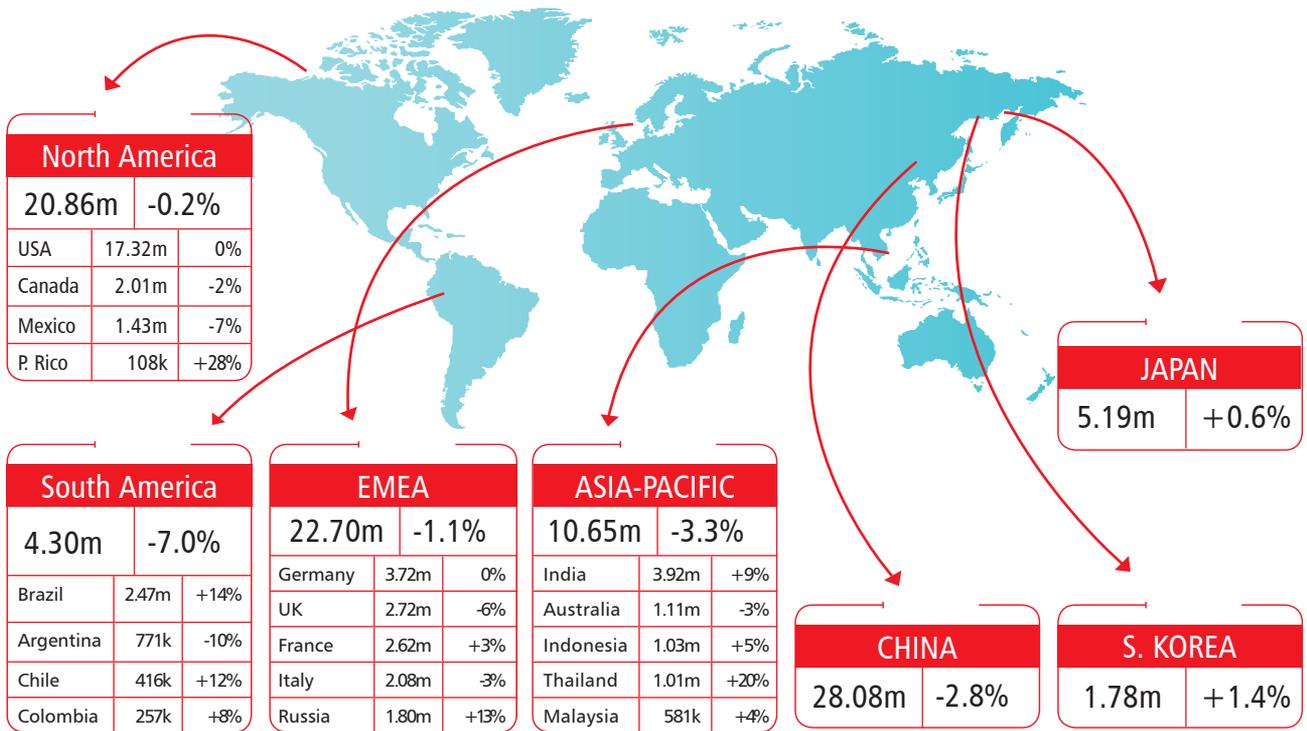


Car penetration per 1000 individuals Country

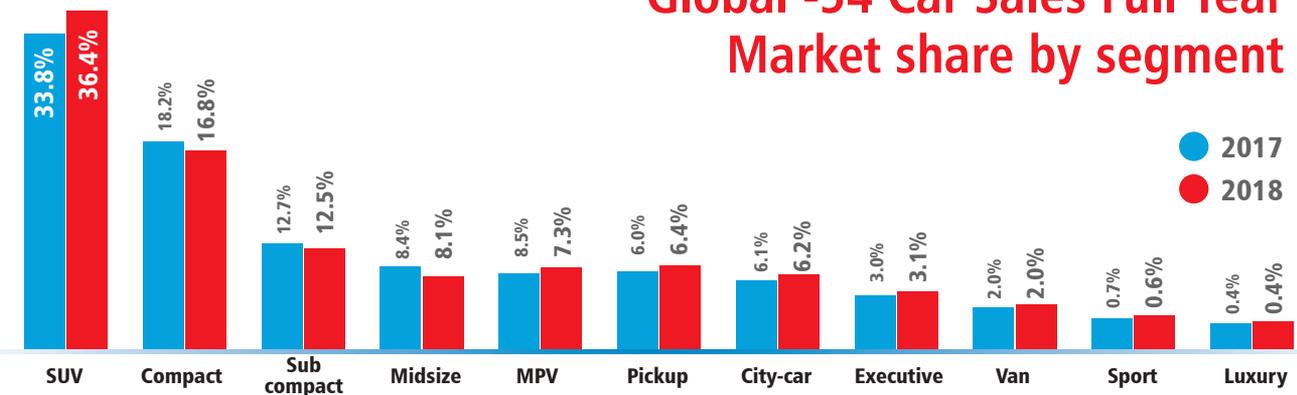


(Source: auto.economictimes.com)

Global Car & LCV Sales by Region 2018



Global -54 Car Sales Full Year Market share by segment



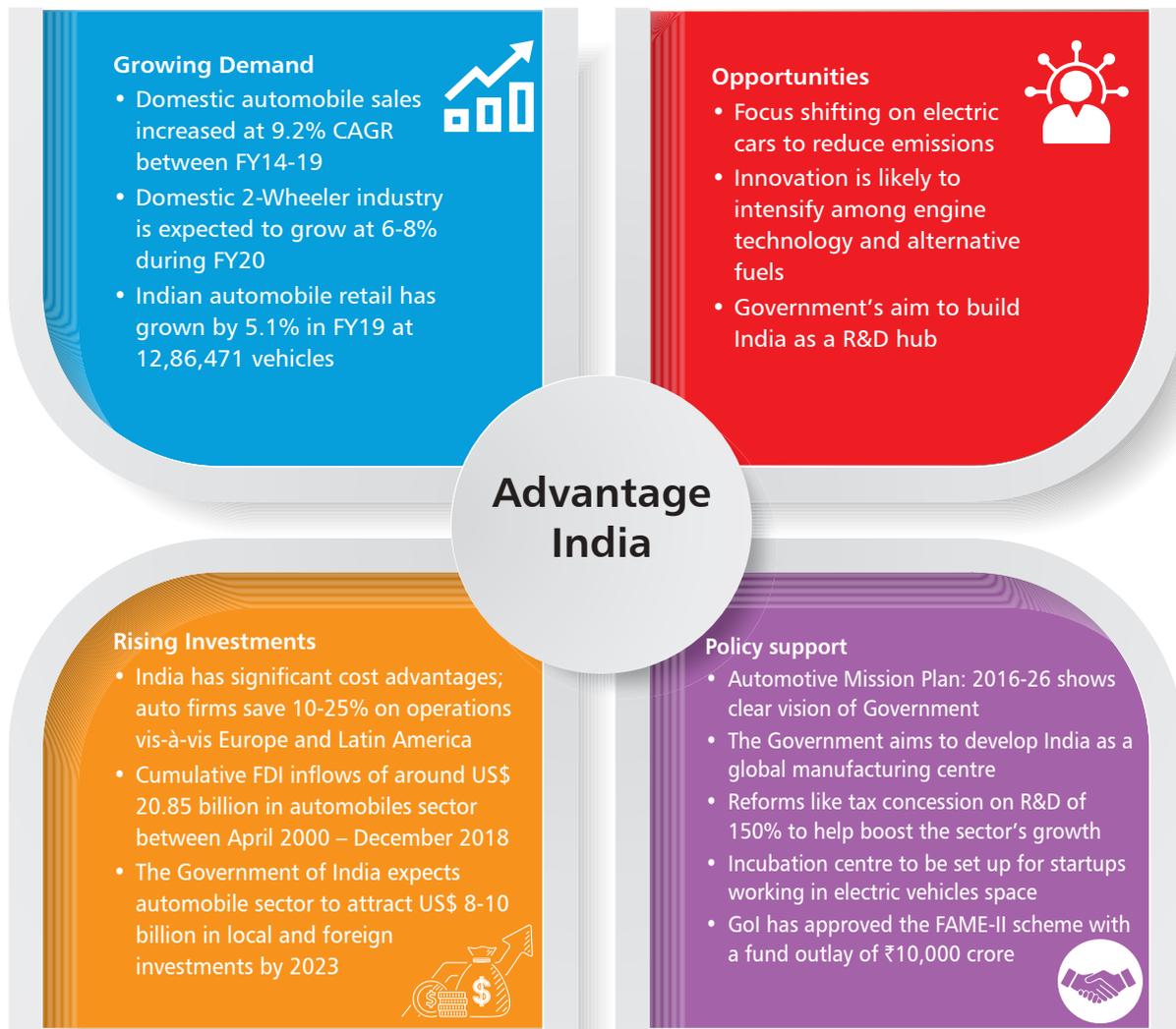


### Indian Automotive Industry

The Indian automotive industry expanded by 6.26% to reach 30,915,420 (units) p.a. Additionally, the Indian automotive industry (including component manufacturing) is expected to reach ₹16.16-18.18 trillion by 2026. However, a significant increase in insurance expenses, fuel costs and liquidity tightening after the IL&FS crisis, affected demand in the second half of the year. The growth is expected to revive in second half of FY20. The customers are expected to make deferred purchases in anticipation of BS VI vehicles. With the BS VI norms kicking in from April, 2020 the automakers are also planning to pre-launch vehicles which will lead to a spur in the automobile sales. Lastly it is anticipated that growth will be driven by attractive prices for vehicles certified with BS IV ahead of BS VI norms, as the sale of these cars will be restricted post April 2020.

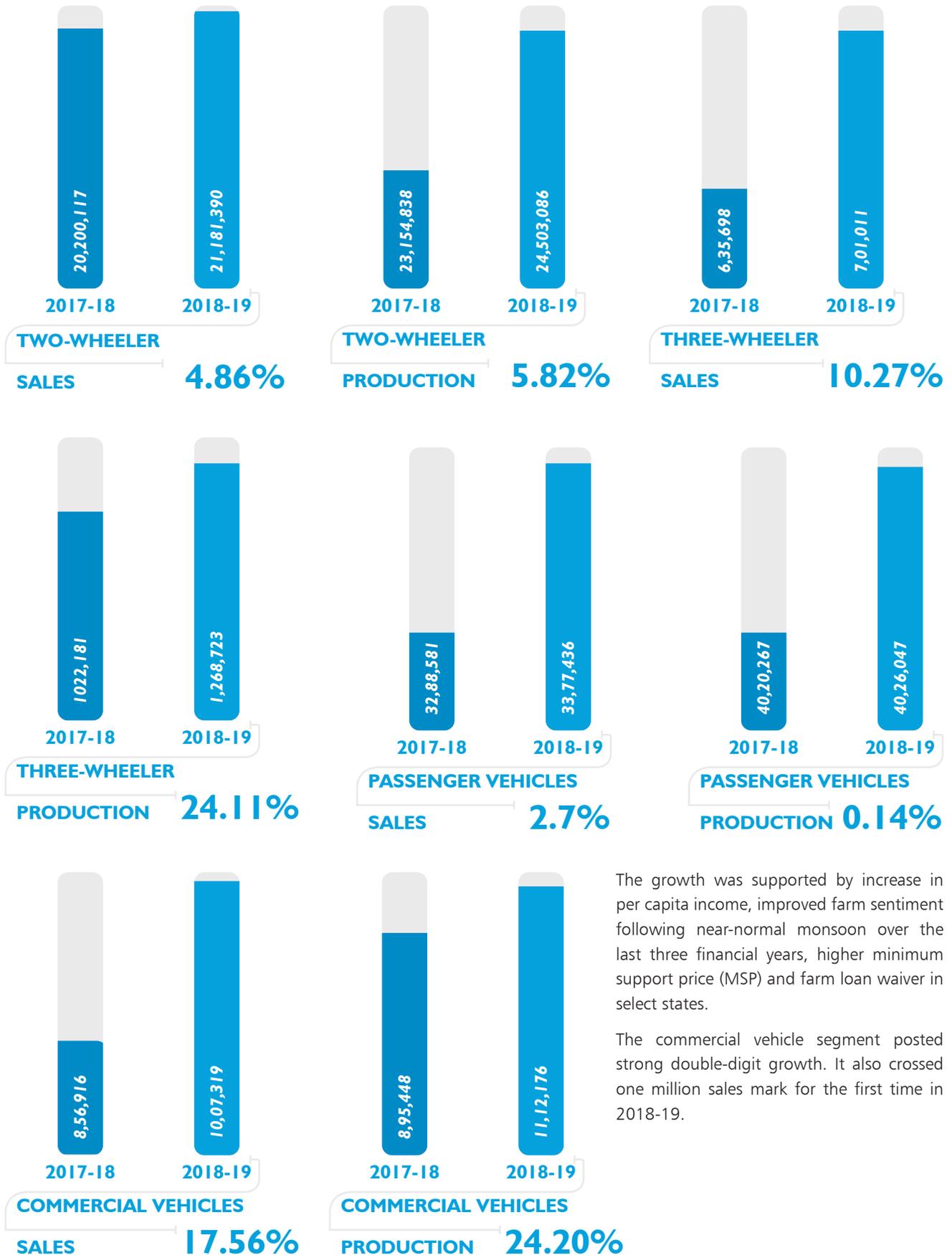
Overall vehicle sales reached a total of 2,62,67,783 units in FY19 and exports crossed the 46,29,054 units mark. In 2018-19, commercial vehicles recorded the fastest pace of growth in domestic sales at 17.56% year-on-year, followed by 3-Wheelers at 10.27% Y-O-Y.

India overtook Germany as the 4th largest global automotive market. The passenger and commercial vehicle sales crossed 4.02 million units, while total sales, including 2-Wheelers and 3-Wheelers, reached almost 25 million units.





## Domestic trends



The growth was supported by increase in per capita income, improved farm sentiment following near-normal monsoon over the last three financial years, higher minimum support price (MSP) and farm loan waiver in select states.

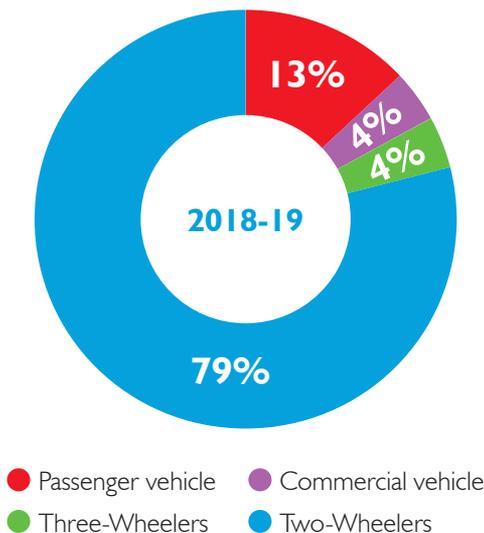
The commercial vehicle segment posted strong double-digit growth. It also crossed one million sales mark for the first time in 2018-19.



**Segment-wise automobile production trends in 2018-19**

Category	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Passenger vehicles	30,87,973	32,21,419	34,65,045	38,01,670	40,10,373	4,026,047
Commercial vehicles	6,99,035	6,98,298	7,86,692	8,10,253	8,94,551	1,112,176
Three-Wheelers	8,30,108	9,49,019	9,34,104	7,83,721	10,21,911	1,268,723
Two-Wheelers	1,68,83,049	1,84,89,311	1,88,30,227	1,99,33,739	2,31,47,057	24,503,086
<b>Grand total</b>	<b>2,15,00,165</b>	<b>2,33,58,047</b>	<b>2,40,16,068</b>	<b>2,53,29,383</b>	<b>2,90,73,892</b>	<b>30,915,420</b>

**Percent share of each segment in total production volume in 2018-19**



**Industry trends**

**Low-cost electrical vehicle**  
Government's vision of 100% electrical mobility by 2030

**Voluntary Vehicle Fleet Modernization Programme (V-VMP)**  
Offers tax benefits and discounts on replacing old vehicles with new ones

**Bharat Stage VI norms by 2020**  
India aims to reduce its carbon footprint by 33-35% by 2030. It is likely to adopt BS-VI from 1 April 2020, after which all vehicles manufactured will be required to comply with higher emission standards.

**Industry positives**

**Tight Liquidity Conditions to Ease Out:** The tight liquidity conditions among NBFCs, which triggered after difficulties at Infrastructure Leasing and Financial Services Ltd (IL&FS), led to a decline in the auto sales volume, particularly CV during October-December 2018, amid weak credit availability. The liquidity crisis is likely to prevail and impact FY20 sales volume as around 70% of 2-Wheeler sales and 60% of Commercial Vehicles sales are financed by NBFCs, according to Society of Indian Automobile Manufacturers (SIAM). The NBFCs liquidity is expected to improve by FY20, which will simultaneously improve the funding availability. As a result, sales volumes will enhance from current levels. However, growth rate is expected to remain moderate.

**Stabilizing Interest Rates:** FY19 saw a volatility in fuel cost, rising interest rates as well as increased upfront insurance cost. These factors dampened consumer sentiments, which resulted in subdued demand across all the vehicle segments. With stabilisation of fuel prices and interest cost, consumer sentiments are expected to improve moderately, especially in the Passenger Vehicle (PV) and 2-Wheeler (2W) segments.

**Regulatory Norms:** The evolving emissions and safety regulatory norms, along with a trend towards premiumization

and electronification, are likely to increase the content per vehicle, thus driving growth among auto ancillaries.

Regulatory norms to particularly impact the sector in FY20:

- 1) Emissions: The industry will continue equipping itself to adopt the BS-VI fuel emission norms. BS-VI compliant components will also drive exports growth.
- 2) Safety: Increased focus on road safety the Ministry of Road Transport and Highway has made it mandatory, for all new cars, to be equipped with airbags, seat-belt reminders, reverse parking sensors and a manual override for the central locking system for emergencies by July 1, 2019.

**Automobile Export Growth to Continue in 2W/3W:** With stabilising macro-economic conditions in African, ASEAN and LATAM countries, the exports in these segments are likely to grow in FY20. However, exports in PV segment are likely to remain sluggish due to trade restrictions from Indonesia and weaker demand from Sri Lanka – the two major PV export markets for India.

**Electric vehicles:** FY20 will be crucial in terms of rolling out policies such as faster adoption and manufacturing of Hybrid and Electric Vehicles (EV) and EV charging infrastructure



policy. This would provide the required impetus and clarity to OEMs to manufacture EVs. Although the majority of OEMs have announced capex to launch EVs and have also entered into technical collaborations, lack of a proper EV policy and other cleaner technologies such as hybrid, compressed natural gas, fuel cell and methanol, have shied OEMs away from making huge investments on the EV platform. The Government’s commitment towards EV is also visible from the reduction in import duty on EV parts and components from 15%-30% to 10%-15%.

EV penetration is likely to be faster in public transportation such as buses, 3-Wheelers (3W) than private vehicles. Also, it is likely to be faster in 2W (especially scooters) due higher economic viability and easier charging options.

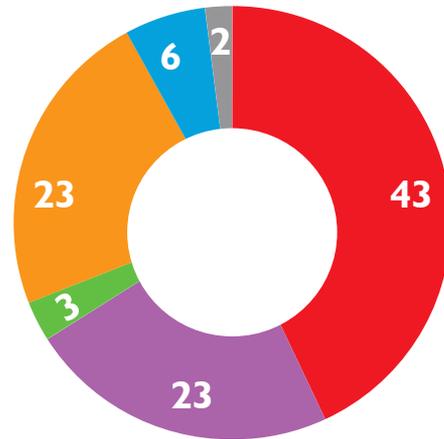
### Auto component industry

India’s automotive components industry forms the backbone of the robust automobile sector. It contributes 75% of the total sales generated in the country. The growing presence of global automobile Original Equipment Manufacturers (OEMs) in the Indian manufacturing landscape has significantly increased the localization of their components in the country. India has become the preferred designing and manufacturing base for most global auto OEMs for local sourcing and exports.

The Indian auto components industry, currently at \$ 51.2 billion, is expected to register robust growth in the coming years, backed by strong exports. The overall production is expected to expand by 5%-6% in FY20, supported by healthy demand from OEM and exports.. Auto components industry exports, currently valued at \$13.5 billion, are expected to grow at an annual rate of 23.9% to reach \$ 80 billion by 2026. USA, Germany, Turkey, UK and Italy remain the top destinations for exports. India is expected to be the fourth-largest automobile producer globally by 2020 after China, the US and Japan. Also, the auto components industry is expected to become the third-largest by 2025. (source: ibef.org)

As per the CII report, the domestic automotive aftermarket, which has advanced at 14% CAGR during the last five years, is expected to touch ₹75,000 crore by 2020. The growth is expected to come from healthy volume growth in 2Ws, CVs and tractor segment. MDSL, an aftermarket arm, will benefit substantially and enhance suitably to profitability.

Auto Component Usage by OEMs (%)



- Passenger Vehicle
- Commercial vehicle
- 3-Wheelers
- 2-Wheelers
- Tractors
- Others

### Outlook

The automotive industry, not only in India but also globally, is undergoing transformational changes. These changes are largely led by the central themes of electric vehicles, shared mobility and safety and the adjacent themes of light weighting, fuel efficiency, tighter emission norms and connected cars.

It is expected that the minimum base rate, improvement in trade norms and stable conditions of other macroeconomic factors, such as crude oil prices, will help in boosting the performance of auto sector in FY20. Demand for 2Ws and PV would continue to be driven by the increasing disposable income. Here, motorcycles are anticipated to outpace the growth rate in scooters, primarily due to a favorable monsoon, increase in rural income including ₹ 6,000 per family as announced by the Government.

### Opportunities

**Increasing disposable income:** Disposable personal income (DPI) increased \$31.3 billion in February 2019. When disposable income increases, households have more money to either save or spend, leading to a growth in consumption. As incomes rise, people may wish to buy more automobile (not necessarily more units, but more in terms of features). Also there has been a rising demand for high-end luxurious and premium cars in developed and developing countries. Along with this, increasing disposable income among consumers and technological advancement in automotive industries are key factors driving the global automotive market’s growth. (Source : bea.gov)



**Emerging markets:** With the momentum of growth continuing in emerging markets, the automotive industry's economic center of gravity will continue shifting in the same direction. This can be accredited to two prime factors: cost and demand. As compared to developed or developing countries, the labour cost in emerging markets is only about a fraction, making these markets extremely lucrative for manufacturers. They benefit from the expanding population in emerging markets. Ultimately bringing them closer to their new customers. With a rise in volumes of cars sold in these emerging markets, it will be increasingly necessary for OEMs to move closer to the demand centers.

**All-electric vehicles:** The world is gradually moving towards an 'all-electric vehicles' future. The automakers around the globe are developing more electric vehicles and improving the charging infrastructure to smoothen its mass adoption. Further, enhanced focus on safety and quality of transportation services and an increased environmental awareness to reduce fuel consumption and carbon footprints is also driving automotive players towards embracing this technology.

**Urbanization:** Urbanization is one of the biggest influencers of the automobile industry. As the population density of towns and cities increases so does the demand for vehicles. Increased economic prosperity, providing more purchasing power and improved developments in infrastructure, further paves way for the automobile sector in India.

**Shared mobility:** India is expected to be a leader in shared mobility by 2030, as rising share of electric and autonomous vehicles will improve shared mile economics. (Source: Morgan Stanley report) India's young demographic, rising real incomes and large population clusters are among the driving factors of shared mobility.

### Threats

**Regulations:** The Government of India (GoI) and the State Governments can majorly impact the Indian economy and our business in several ways. Even a small change in either existing or new policies, capable of affecting our operations and business, can impact the supply/demand balance, our cost structure and competition, negatively. Further, environment-related regulations like emission norms and safety norms can inhibit the Company's operations or demand modification to products and facilities. This can affect our returns and profitability. The Company ensures to compliance to requirement of the regulatory.

**Slowdown in automobile industry:** Development of economy and Automobile Sector's growth plays a determining role in the automotive component industry's demand. Any kind of slowdown experienced in the sector's growth, across regions, is likely to affect the industry's future.

### Government Initiatives

The Government aims to develop India as a global manufacturing center and hub for R&D. Recent initiatives and developments undertaken by the Government in favour of the automotive industry's potential growth:

- Under NATRIP, the Government of India is planning to set up R&D centers at a total cost of US\$ 388.5 million – enabling the industry to be at par with global standards.
- The Ministry of Heavy Industries and GoI, have shortlisted 11 cities in the country for introducing electric vehicles (EVs) in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation center for start-ups working in electric vehicles space.
- In FY19, the Government of India approved the FAME-II scheme with a fund outlay of ₹10,000 crore (US\$ 1.39 billion) up to FY22.

### Business overview

#### Switch & Handle-Bar Systems Division:

Over the years, MIL has emerged as one of the world's largest manufacturer of switching systems and handle-bar solutions for 2Ws and 3Ws. The Company has consistently maintained its leadership position in India. The Company's experience has helped it gain trust amongst customers. The Company serves almost all major OEMs and also develops switching solutions for off-road vehicle segments. This division has 5 plants spread across the country and 100% subsidiaries in Indonesia (PTMA) and Vietnam (MIVCL). The Company also owns a state-of-the-art office in Japan that focuses on designing and developing latest switching solutions.

The Company's rich clientele speaks of the trust it has earned with its service over the years. It includes Bajaj, Honda Motorcycles, Hero Motocorp, Royal Enfield, Yamaha Motors and Piaggio, among others. The Company envisions sustaining its global leadership position and continuing as the most preferred supplier of switch systems to 2Ws and off-road vehicles across the globe. With this aim in mind, the division clearly works towards and focuses on developing cost-effective, innovative and quality solutions.

The 4W switching business is under a subsidiary named Mindarika Pvt. Ltd. It has 4 manufacturing locations at Manesar, Pune, Gujarat and Chennai and has its own dedicated R&D centre. Tokai Rika is the joint venture partner for this business for last 27 years. The Company supplies to major OEM's including Toyota, MSIL, Tata, M&M, Hyundai among others.



The business registered a revenue of ₹2,237 Crs for FY19 as against ₹1,475 Crs for FY18, contributing to about 37.9% of the total consolidated turnover. The EBITDA margin stood at around 12.6% in FY19 up from 11.9 % in FY18 .

#### Sensors and Controllers Division:

The Sensors Actuators and Controllers (SAC) division has come a long way from its inception in 2005 to being a leading supplier of electronic components to major Indian OEMs. The state-of-the-art production facility at Pune, manufactures products that meet customers' requirements and expectations. The division deals in Start Stop Sensors, Contact and Non – Contact type Speed Sensors, HID Ballast, TPMS (Tyre Pressure Monitoring System), EAPM (Electronic Accelerator Pedal Module), DC-DC Converter and Head lamp levelling motors, among others.

The Company, over the years, has built a loyal customer base which boasts of names such as General Motors, Mahindra, Volvo Eicher, Royal Enfield, Tata and Bajaj.

Last year MIL entered into a distribution agreement with Sensata Technologies, USA. A new plant is under construction, which will cater to BSVI high end sensors using advanced MSP technology. The Company has also acquired knowledge of AIS 140 for this technology from the KPIT Engineering for design of IVTS and OBITS. These transactions will help ensure that the Company responds to the rising demand of the evolving technology in sensor space and controller space.

#### Important acquisitions

In the month of September 2018 MIL acquired iSYS RTS GmbH which develops embedded systems as well as hardware and software components for Global vehicle makers. The company offers Engineering Services and also manufactures Automotive Electronic Control Units ('ECU's).

#### Lighting Division

As one of the country's leading manufacturers of the automobile lamps and signaling devices, MIL is known for its lighting solutions. Designing, R&D, manufacturing and delivering end-to-end solutions to the country's leading OEMs is what the Company specialises in. The division has manufacturing locations at Manesar, Pune and Chennai. The Company produces premium lights for 2-Wheelers, 3-Wheelers and 4-Wheelers, as well as off-road vehicles. MIL enjoys a considerable hold in the aftermarket and replacement market as well. MIL's lighting business is also present in Indonesia through its subsidiary PTMA where it serves some key Japanese OEM's in PV segment. In 2016, the Company acquired the global lighting business of the Rinder Group, based in Spain which was renamed as Minda Rinder.

Minda Rinder is spread across its facilities at Bahadurgarh, Pune, Hosur and Sonipat. This acquisition has strengthened expansion of the Company's presence in 2W segment, well supported by Rinder's extensive R&D centre in Spain. The clientele includes the world's renowned OEM brands like Maruti, Renault Nissan, M&M, Royal Enfield, Yamaha, Tata, Suzuki, Swaraj Mazda and New Holland, Bajaj, Triumph, KTM and ISUZU among others

Lighting division achieved revenue of ₹1,293 Crs for FY19 as compared to ₹1,159 Crs in FY18, contributing 21.9 % to our total turnover. The EBITDA margin in this segment was around 10.2 % in FY19 as against 9.8 % in FY18.

#### Acoustic Division

Over the years, MIL has emerged as the market leader in automotive horn manufacturing segment catering 2Ws, 4Ws, off-road and CVs. The division, with its manufacturing units at Manesar and Pantnagar, is well supported by a dedicated R&D team in the design, development and production. Together, these help deliver extremely durable and high quality automotive horns with optimum performance. The marque clientele include Maruti Suzuki, Renault, Nissan, Tata Motors, Bajaj Auto Limited, Honda Motorcycles and Scooters, Hyundai and Royal Enfield. The Company acquired Spain-based Clarton Horns S.A.U. It is a leading manufacturer of electronic automotive horns, trumpet horns and disc horns. With Clarton's manufacturing facilities situated at Spain, Mexico and Morocco; this acquisition has catapulted Minda into a global player, becoming no. 2 player. It is amongst the top two global players in automotive acoustics, giving the Company an access to leading European and American OEMs.

Acoustic Division recorded revenue of ₹717 Crs for FY19, contributing 12.1 % to our total turnover as against ₹671 Crs in FY18. The EBITDA margin in this segment was around 9.4% in FY19 as compared to 8.1 % in FY18.

#### Light Metal Technology (LMT) Domain

Minda Kosei is a leading and the largest Indian manufacturer of alloy wheels. With its manufacturing facility at Bawal, Haryana and Gujarat, it has a current installed capacity of approximately 1,80,000 wheels per month. The Greenfield project was completed at the Gujarat plant with planned capacity of 60,000 per month of which 30,000 WPM is operational.

MIL has announced to set up of 2W alloy wheels plant with proposed capacity of 3.6 Mn wheels per annum. It will be established as division of MIL. The plant is expected to commence operations by April 2020.



In addition the Company recorded sale of ₹908 Cr. in FY 2018-19 as compared to ₹585 Cr. in FY2017-18. This business also does general Aluminum die-casting products with a capacity of 12,000 tonnes p.a. and has manufacturing facilities at Hosur & Bawal.

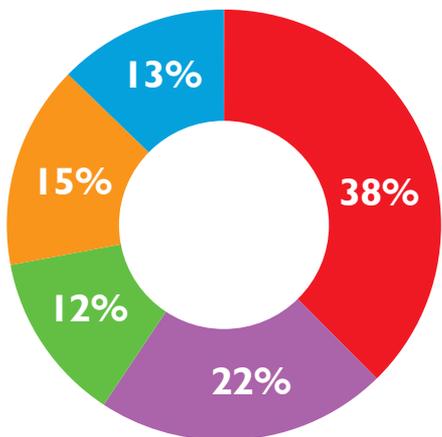
**Other Business**

The Company through its subsidiaries and associates is also engaged in manufacturing of blow moulding, hoses (breaks and fuel), fuel caps, air filters, air bags, CNG and LPG kits and infotainment among others.

**Important acquisitions**

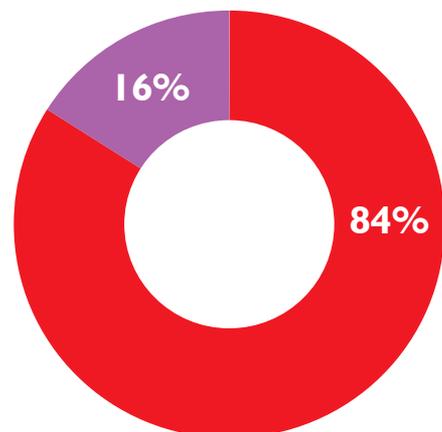
MIL Board has in its meeting held in February 14, 2019 approved to acquire Harita Seating Systems Limited (HSSL) by way of amalgamation. The amalgamation is subject to approval of SEBI, NCLT and other applicable authorities. HSSL provides complete seating solutions for driver and cabin seating for CVs , Tractors and OR , as well as passenger seats for buses across all segments through its 12 manufacturing facilities. This acquisition will help MIL in broadening its product portfolio thereby improving realisation per vehicle (Kit Value) across all segments and also improve revenue mix in CV segment.

**Product-wise revenue**



- Switches
- Lighting
- Acoustics
- Others
- LMT

**Market-wise revenue contribution**



- Domestic
- International Business



## Financial Performance

At a consolidated level, during FY19, the Company registered a revenue of ₹5908 Cr, with a growth of 32% Y-O-Y from ₹4471 Cr in FY18.

EBITDA was at ₹725 Crs, growing by 36% y-o-y from ₹534 Crs in FY18. EBITDA margin was at 12.3% in FY19; as compared to 11.9% in FY18; i.e., an expansion of 33 bps. These margins have been achieved on the back of Lower RMC on consolidated basis & higher capacity utilization in new businesses like MKA, MRPL, Minda Rinder and recovery at Clarton Horn.

PBT before exceptional item for FY19 was at ₹455 Crs, growing by 24% Y-o-Y from ₹367 Crs in FY18. PAT attributable to MIL grew by 12% to ₹286 Crs in FY19 as against ₹256 Cr in FY18. These numbers are Normalized/ adjusted for exceptional items.

MIL Consolidated	2017-18	2018-19	% change
Debtors Turnover (days)	52	52	(1%)

MIL Consolidated	2017-18	2018-19	% change
Inventory Turnover (days)	51	58	13%

MIL Consolidated	2017-18	2018-19	% change
Current Ratio	1.12	1.17	5

MIL Consolidated	2017-18	2018-19	% change
Net Debt Equity Ratio	0.30	0.50	67

MIL Consolidated	2017-18	2018-19	change
EBITDA Margin (%)	11.9	12.3	33 bps

MIL Consolidated	2017-18	2018-19	change
Net Profit Margin (%)	5.7	4.8	90 bps

MIL Consolidated	2017-18	2018-19	% change
Cash flow from operations (₹ cr)	362.06	413.97	14.34%

MIL Consolidated	2017-18	2018-19	change
Interest as a % of sale	0.77	1.07	30 bps

MIL Consolidated	2017-18	2018-19	change
Depreciation as a % of sale	3.69	3.97	28 bps

## Risks and mitigation

Effective risk management is a crucial part of our Company's success. Our ability to identify opportunities and strengths helps leverage them efficiently. We have an elaborate risk management procedure in place that helps us identify, evaluate and mitigate major risks to our businesses. It helps us address these issues in an organised and systematic manner by planning our mitigating actions on a continuous basis. The Management monitors potential risks and works towards their mitigating actions as well.

**Competition risk:** The highly competitive Indian automotive industry poses India as a potential automotive hub and attracts more and more automotive leaders around the world. This can result in these global automotive leaders setting up facilities here to make India their manufacturing base.

**Mitigation:** The Company enjoys a rich lineage of over six decades. Its experience in the Indian auto space and years-long relationship with OEMs suppliers helps keep the Company firmly rooted building world class manufacturing facilities, distribution, marketing and focused R&D initiatives. The Company strives to maintain continuing it's position as a market leader in switches, automotive lamps, horns and other light metal parts for several years now. Entrenched relationship with automobile makers' pulse gives the Company an advantage over competition.

**Cheaper imports:** Importing helps find low-cost supplies while enabling a Company's ability to be more competitive. Availability of automotive components at cost-effective prices can drive away our customers while adversely affecting margins. The market has various other competitors who provide quality products with cost benefit to the customers due to their lower operating costs.

**Mitigation:** The Company enjoys long-standing relations with the leading OEMs in India. This has helped gain confidence by constantly exceeding customer's expectations. The Company's focused investment in technology, defect free manufacturing capability, on-time product delivery and further the proximate location of our plants to our customers. However, the Government bodies and forums like ACMA and SIAM must put efforts and continue supporting the industry by providing adequate support through incentives and protection of subsidised imports. Through this, localization of components can be given an impetus.

**Quality risk:** Quality is one of the major reasons behind gaining or losing customers. Good quality standards must be maintained at all times. Failure to do so may pave way for a significant risk. The Company is constantly required to upgrade its quality and follow changing norms diligently.

**Mitigation :** We have robust standardisation techniques to ensure quality improvements. The Company supplies to leading OEMs and is required to strictly follow and adhere to stringent norms. This helps the Company to strictly control and maintain its quality processes.

## Internal Control Systems

MIL is a system-driven company. Our effective internal control system plays a crucial role in our efficient daily operations. The Company follows a systematic method of financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable



statute and regulations. Our structured audit system is an on-going process. It forms a basis for reviewing the adequacy of internal control systems. Our internal control is aptly-designed, ensuring reliability of financial and other records necessary for the preparation of financial information and other related data.

Our exhaustive budgetary monitoring control system helps evaluate the performance. This evaluation is done with reference to budgeted performance by the management review committee on a regular basis. The discrepancies, if any, with actual performance and the budgets are thoroughly analysed regularly. The Management Review Committee, in consultation with the Audit Review Committee, then suggests possible remedial actions.

The internal audit is carried by the M/s Grant Thornton, Internal Auditors of the Company. The reports, thereby prepared, are reviewed in the Audit Committee meetings. Corrective measures to strengthen the internal controls are suggested and also taken in consideration. Further, the suggestions by Internal Auditors are reviewed and considered by Audit Committees. This is done on a quarterly basis. The motto here is improvement of internal controls and systems within the Group.

#### Human Resources

As the Company moves closer to realising its Vision and achieving the Group Goals, the HR is focussed on developing a Leadership pipeline and an Eco-System to support the Company's ambitious journey. HR has made an impactful beginning in the year 2018-19 for the Leadership Development Programs, i.e. Transfor-M & M-LEAP. Talent and capability building has been made more robust by effective job-rotations both inter and intra domains/businesses. The highest number of job-rotations of key talent was recorded in the year 2018-19, thus creating an eco-system of learning and experiential capability enhancement.

The Leadership Development programs are a yearlong activity and these programmes are curated for the Middle to Senior Leadership level. Through these initiatives the Company is taking strides to realize the goal of the organisation which is to minimise lateral hiring and give more & more opportunities to internal talent pool. The TRANSFOR-M & M-LEAP enter their second phase in 2019-20.

In order to fulfil this goal, the Company is focussed to create a strong talent pool & pipeline by inducting trainees (GETs & MTs) from campuses across India and preparing them for future roles. Last year HR has re-mapped the career growth path for trainees to them with the right opportunities at the right time in the organization. The Company has revised its focus on taking operators to staff levels and is ensuring,

through relevant L&D initiatives, to help them make this transition easy and successful.

With a view to create an Eco-system for sustaining success, HR recently conducted WOW (Ways of Working) workshop. Apart from many other takeaways, a list of 10 demonstrable behaviours was prepared and later announced to the entire Organization. The Leadership Team has committed to adopt these behaviours and lead by example to foster a positive cascade across Organization.

#### Outlook

The Indian Auto Component industry enjoys being amongst the few sectors with distinct global competitive advantage of cost and quality. The focus of UNO MINDA is on providing end-to-end product solutions for the OEMs, right from product development to manufacturing. The Company promises reliability and works towards development and advancement of technology. UNO MINDA also offers aftermarket services at competitive prices in India and abroad. The Company's clear position as a technology leader across product lines is aptly supported by its strong R&D and strategic JVs with leading technology partners across segments. The Company's constant upgradation of products with enhancement of features and innovation on a continuous basis forms its core business strategy. The demand environment for auto-component is currently subdued,. However, the sector is expected to continue its growth momentum in medium to long term. This especially holds true for the PV sector which has significantly lower per capita penetration in India as compared to the developing and developed countries.

The Indian Automotive market is experiencing an increased participation of global players currently. However, the shortened product life cycles are opening up newer avenues with bigger opportunities for Indian OEMs to become global players in the true sense. This presents itself as an opportunity for India to become a global hub for automotive components.

A host of regulatory changes are likely to be seen in the Indian Auto Component market. The emphasis here would be on mandatory vehicular safety features such as air bags and reverse parking sensor systems. This will result in the current premium features becoming a part of the standard kit, in the years to come. At MIL, we work hard towards evaluating our product portfolio on a regular basis. The Company evaluates its products to assess its future readiness in terms of technology to face the challenges thrown up by the emerging and disruptive technologies. We have always put our customers first and built long standing relationships with them. MIL has demonstrated remarkable responsiveness to its clients' for their evolving needs and has earned their valued trust & is a partner of choice.



## Annexure-J to Board's Report

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### Compliance with Code of Business Conduct and Ethics

To  
The Board of Directors  
**Minda Industries Limited**

This is to certify that, as provided under Regulation 34 (3) Schedule - V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior management for the year ended 31 March 2019.

Place : Gurugram  
Date : 16.05.2019

**Nirmal K Minda**  
Chairman and Managing Director  
DIN: 00014942



## Annexure-K to Board's Report

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Board of Directors  
**Minda Industries Limited**  
B-64/1, Wazirpur Industrial Area,  
New Delhi- 110052

That Minda Industries Limited (CIN: L74899DL1992PLC050333) is having its registered office at B-64/1, Wazirpur Industrial Area, New Delhi- 110052 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

- We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- As on 31 March 2019 the Board of Directors of the Company comprised of:

Sr. No.	Name of Director	Director Identification Number (DIN)
1.	Mr. Anand Kumar Minda	00007964
2.	Mr. Nirmal Kumar Minda	00014942
3.	Ms. Paridhi Minda	00227250
4.	Mr. Satish Sekhri	00211478
5.	Mr. Alok Dutta	02792147
6.	Ms. Pravin Tripathi	06913463

- Based on verification and examination of the disclosures/ register under section 184/ 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal ([www.mca.gov.in](http://www.mca.gov.in)), we certify as under:
  - None of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority for the Financial Year ending 31 March 2019.
- Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No.: P2001DE052900

New Delhi  
16.05.2019

**Sanjay Grover**  
Managing Partner  
CP No.:3850



## Annexure-L to Board's Report

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### Certificate by Chief Executive Officer and Group Chief Financial Officer

To  
The Board of Directors  
**Minda Industries Limited**

This to certify that we, the undersigned, have reviewed the financial statements (Standalone & Consolidated) and the cash flow statement of Minda Industries Limited ("the Company") for the year ended 31 March 2019 and that to the best of our knowledge and belief:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year 2018-19, which are fraudulent, illegal or violate the Company's Code of Conduct;

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of deficiencies, if any, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.

We further certify that: -

- a) there have been no significant changes in internal control over financial reporting during this year.
- b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and.
- c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sunil Bohra**  
Group CFO

**Nirmal K Minda**  
Chairman and Managing Director  
DIN: 00014942

Place : Gurugram  
Date : 16.05.2019



# Business Responsibility Report

## Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L74899DL1992PLC050333
2	Name of the Company	Minda Industries Limited
3	Registered Address	B-64/1, Wazirpur Industrial Area, Delhi-110052
4	Website	www.unominda.com
5	E-mail id	investor@mindagroup.com
6	Financial Year Reported	2018-19
7	Sector(s) that the Company is engaged in (Industrial Activity code- wise)	
	Name and Description of main product/ services	NIC Code of the Product/Service
	(i) Switches, Horns and Electronic Components for Automobiles	2930
	(i) Lighting Components for Automobiles	2740
8	List three key products/ services that the Company manufactures / Provides	Switches, Horns and Lighting
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Plants)	7 (Through Subsidiaries)
	ii. Number of National Locations (Plants)	12
10	Markets served by the Company-Local/ State/ National/ International	All over India, Asia, Europe, North America and South America, Africa

## Section B: Financial of Details of the Company (Standalone)

Financial Details of the Company	FY 2018-19 (₹ in Crores)	FY 2017-18 (₹ in Crores)
<b>1 Equity Share Paid up Capital</b>	52.44	17.41
<b>2 Total Turnover</b>		
(a) Revenue from Operations (net of excise duty)	2099.70	1903.80
(b) Other Income	47.02	38.39
<b>3 Total Profit After Taxes</b>	145.30	135.83
<b>4 Total spending on Corporate Social Responsibility (CSR) as a Profit after Tax (%):</b> ₹2.60 Crores has been spent during financial year 2018-19 which is 2% of average profits of previous three years of the Company.		
<b>5 List of activities in which expenditure in 4 above has been incurred:-</b> Education and Vocational Trainings		

## Section C: Other Details

Other details	Details
1 Does the Company have any Subsidiary Company/ Companies	Yes
2 Do the Subsidiary Company/ Companies participate in the Business Responsibility initiatives of the Parent Company? if Yes, then indicate the number of such subsidiary company(s)	No, BR initiatives of the Company are limited to its own operations
3 Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the Business Responsibility initiatives of the Company? If yes, then indicate the % of such entity/ entities? (Less than 30%, 30-60%, more than 60%)	No, BR initiatives of the Company are limited to its own operations

## Section D: Business Responsibility Information

### 1. Details of Director/Directors Responsible for Business Responsibility

#### a) Details of the Director/ Directors responsible for implementation of the Business Responsibility Policy/ Policies

DIN	00014942
Name	Mr. Nirmal K Minda
Designation	Chairman & Managing Director



## Business Responsibility Report (Contd.)

### b) Details of the Business Responsibility Head

Name	Mr. Sunil Bohra
Designation	Group CFO
Telephone Number	0124-2290427/28
E-mail id	investor@mindagroup.com

#### List of Principles

<b>Principle 1</b> Business should conduct and govern themselves with Ethics, Transparency and Accountability.	<b>Principle 2</b> Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	<b>Principle 3</b> Businesses should promote the well-being of all employees.
<b>Principle 4</b> Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	<b>Principle 5</b> Businesses should respect and promote human rights	<b>Principle 6</b> Business should respect, protect, and make efforts to restore the environment.
<b>Principle 7</b> Businesses when engaged in influencing public and regulatory policy should do so in a responsible manner.	<b>Principle 8</b> Businesses should support inclusive growth and equitable development.	<b>Principle 9</b> Businesses should engage with and provide value to their customers and consumers in a responsible manner.

### 2. Principle-wise (as per National Voluntary Guidelines) Business Responsibility Policy/ Policies (Reply in Y/N)

Sl. No.	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have a Policy for					Yes				
2	Has the Policy been formulated in Consultation with the relevant stakeholders.					Yes				
3	Does the policy conform to any national/ international standards? If yes, specify?					Yes				
4	Has the Policy been approved by the Board? If yes, has it been signed by MD/ Owner/ CEO / appropriate Board Director?					Yes				
5	Does the Company have a specified committee of the Board / Director/ Official to oversee the implementation of the Policy					Yes				
6	Indicate the link for the Policy to be reviewed online?									<a href="http://www.unominda.com">http://www.unominda.com</a>
7	Has the Policy been formally communicated to all relevant Internal and external stakeholders?					Yes				
8	Does the Company have in-house structure to implement the Policy/ Policies?					Yes				
9	Does the Company have a grievance redressal mechanism related to the Policy/ Policies to address stakeholders' grievances related to the policy/ policies					Yes				
10	Has the Company carried out independent audit/ evaluation of the working of this policy by internal or external agencies?					No				



## Business Responsibility Report (Contd.)

2A If Answer to S.No.1 against any Principle is "NO", please explain why:

Not Applicable

### 3 Governance Related to Business Responsibility

1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the Business Responsibility performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

Annually and from time to time.

2. Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?

Company has published business responsibility report as part of Annual Report and is available on Company's website: [www.unominda.com](http://www.unominda.com)

### Section E: Principle-wise Performance

#### PRINCIPLE 1: BUSINESS SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1 Does the policy relating to ethics, bribery and corruption cover only the Company?

No.

Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company has articulated a comprehensive Code of Conduct and a Whistle Blower Policy which are applicable to its subsidiaries.

2 How many stakeholders' complaints have been received in the past financial years and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Six Whistle-blower complaints (including relating to its subsidiaries) have been received in the last Financial Year. The said complaints were addressed satisfactorily as per the accepted timelines and resolved

#### PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE.

1 List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company manufactures Auto electrical parts including switches, horns and lighting. These products have insignificant social or environmental concern or risk.

2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product optional):

The products mentioned above requires minimum energy. The Company always take efforts for optimum utilisation of natural resources.

3 Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Our sourcing strategy takes into consideration the environmental, social and ethical factors besides economic factors. The Company has an environment policy and safety policy. We encourage our vendors to ensure compliance with these policies. It covers various issues like health of workers and safety measures.

4 Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company undertakes initiatives to build capacities of the suppliers. The Company keeps on strengthening quality across the value chain. The Company keeps on developing local vendors; visit their facilities, analyze quality related aspects, and create action plans jointly with the suppliers, customers and monitored performance. The Company imparts training and supports the suppliers with knowledge in specific areas that have a major impact on quality.

5 Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof in about 50 words or so.

The nature of the Company's business is such that there are no significant emissions or process wastes. The Company recycle materials wherever it is usable within the Company, which cannot be reused is disposed off in a manner in compliance with applicable statutory provisions.

#### PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1 Please indicate the total number of employees

The number of permanent employees was 3894 as on 31 March 2019 in the Company.

2 Please indicate the total number of employees hired on temporary/ contractual / casual basis.

The total contractual/ temporarily manpower employed was 5495 as on 31 March 2019 in the Company.

3 Please indicate the number of permanent women employees

There were 1070 permanent female employees as on 31 March 2019 in the Company.



## Business Responsibility Report (Contd.)

**4 Please indicate the number of permanent employees with disabilities**

There were 4 permanent employees with disabilities as on 31 March 2019 in the Company.

**5 Do you have an employee association that is recognised by management?**

Yes, we have Employee Union in our Plants at MIL(Switch)-Hosur, which is recognized by management.

**6 What percentage of your permanent employees is members of this recognised employee association?**

It is around 8% as at 31 March 2019.

**7 Please indicate the number of complaints relating to child labour, forced labour, in voluntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

Sl. No.	Category	No. of complaints received during the financial year	No. of complaints pending as on 31 March 2019
a	Child labour/ forced labour/ involuntary labour	Nil	Nil
b	Sexual harassment	01	Nil
c	Discriminatory employment	Nil	Nil

**8 What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?**

Sl. No.	Particular	Comments
a	Permanent Employees	Yes, all categories of employees are given training on safety & skill up-gradation on periodic basis.
b	Permanent Women Employees	
c	Casual/Temporary/ Contractual Employees	
d	Employees with Disabilities	

**PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED.**

**1 Has the Company mapped its internal and external stakeholders? Yes/ No**

Yes

**2 Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?**

Yes

**3 Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**

There are different initiatives taken to engage and empower underprivileged people through Education, Vocational Trainings and Healthcare programs, as detailed at principle No. 8

**PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**1 Does the Policy of the Company on human rights cover only the Company or extend to the group/ joint venture/ suppliers/ contractors / NGOs/ others?**

All policies related to Human Resource Management including welfare, environment, health and safety are applicable to all stakeholders extending to all Joint Venture Plants of the group. The stakeholders includes suppliers, contractors, consultants and outsourced employees besides employees and directors of the Company. The awareness is augmented through measures where:

- a. The Company is an equal opportunity employer where gender equality is strongly advocated in employment.
- b. The group identifies with the statutes of citizen rights spelt in the Constitution of India. The primacy to all fundamental rights is respected.
- c. The Company has formulated a comprehensive policy on Prevention of Sexual Harassment at workplace. All complaints under this policy are promptly addressed and concluded.

The Company has formulated a code of conduct which applies universally to all stakeholders thereby addressing any infringement of rights.

**2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Six Whistle-blower complaints (including relating to its subsidiaries) and one Sexual Harassment.complaint have been received in the last Financial Year. The said complaints were addressed satisfactorily as per the accepted timelines and resolved

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Does the Policy related to Principle 6 covers only the Company or extends to the group/ joint ventures/ suppliers/ contractors / NGOs/ others?**

Environmental Policy is applicable to all the business units and also encourage our business partners including suppliers, vendors and contractors to follow this policy.



## Business Responsibility Report (Contd.)

**2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc. Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company has an Environmental Policy. The Company works continuously to reduce the waste.

**3. Does the Company identify and assess potential environmental risks?**

Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Most of the locations in India are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety System), Audits by independent auditors are carried out to check the level of compliance. Deviation management system ensures that the corrective actions are closed looped and issues are addressed within a reasonable time frame. Environment, Health and Safety (EHS) performance assessment is carried out annually to review the situation and identify the areas for improvement.

**5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewal energy etc. if yes, please give hyperlink for webpage etc.**

Covered under Board's Report which forms a part of the Annual Report.

**6. Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None.

**PRINCIPLE 7: BUSINESS WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY SHOULD DO SO IN A RESPONSIBLE MANNER.**

**1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

Minda Industries Limited regularly engages with industry bodies, expert agencies and contributes to the policy making process. An indicative list of the Company's major membership is:

- a) Automotive Component Manufacturers Association of India (ACMA)
- b) Confederation of Indian Industry (CII)

**2. Have you advocated /lobbied through above associations for the advancement or improvement of public good? Yes/ No, if yes specify the broad areas**

No

**PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**1. Does the Company have specified programmes/ initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Group is committed to supporting various social causes. Today, the Group is involved in spreading happiness through vocational training, skill development, education, promoting sports, medical facilities home to the needy. All our programs are designed and tailored as per the need of the community.

Core Programs -

- 1. Vocational Training Program - In line with the 'Skill India Scheme' by the Ministry of Skill Development and Entrepreneurship, our vocational training programme at Samarth-Jyoti, aims to build the capacity of rural people by developing their skills in various fields. The initiative also fulfills 'Goal for Reduced Inequalities' and 'Goal for Gender Equality' of Sustainable Development Goals as identified by the UN.
- 2. Pre-Primary and Primary Education - Our endeavor of providing education to the underprivileged children supplements Sarva Shiksha Abhiyan, a flagship scheme of the Ministry of Human Resource Development. The initiative also fulfills goal of quality education of Sustainable Development Goals as identified by UN. We have established schools and learning spaces for children in the rural areas, thus creating a life of dignity and opportunities for them.
- 3. Remedial Program - Remedial classes is a need-based program, designed to ensure better education, develop creative thinking abilities and self-learning in children. Lack of access to quality resources in education has made it unavailable to the deprived children. We conduct remedial classes for children with a focus on their overall development.
- 4. Environmental Sustainability - Our strategy for environmental sustainability focuses on embedding the elements of our sustainability program into our corporate culture. We have taken the necessary steps by investing in waste and effluent treatment



## Business Responsibility Report (Contd.)

plants to reduce toxic discharges and emissions, minimize waste and prevent pollution. In addition, we are also committed to focus on the areas where we can make a positive impact in our industry and drive the most significant improvements.

We celebrated the World Environment Day by initiating tree plantation drive at Samarth-Jyoti. This supplements the National Mission for Green India by the Ministry of Environment, Forest and Climate Change. As a part of our idea of creating a greener country, we planted more than 500 trees.

The Company celebrates World Environment Day by involving its employees, top Management and dignitaries in initiatives like tree plantation campaigns, reducing pollution and conservation of energy.

**2. Are the programmes / projects undertaken through in house team/ own foundation/ external NGO/ government structures/ any other organisation**

All the programs have been undertaken through its own trust Suman Nirmal Minda Charitable Trust and Moga Devi Minda Charitable Trust under the aegis of the Company.

**3. Have you done any impact assessment for your initiative?**

Every year at the end of the vocational training program, each center records the success stories of pass out students which shows that each students is doing well in their fields as some of them become self-employed and some of them are working as an employee.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Company spends amount on CSR activities through Trusts, amount of contribution during the year is given below:

Sl. No.	Name of Trust	Contribution (In Lacs)
1	SamarthJyoti-A CSR initiative running under Suman Nirmal Minda Charitable Trust (SNMCT)	88
2	The Suman Nirmal Minda School under SNMCT	172
<b>Total</b>		<b>260</b>

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

CSR Team involves local body and representatives of village at the core of programs of trust. They come and attend the entire program that are being organized on various occasion in the village. This clearly shows the gesture of acceptance.

**PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER (RG)**

**1) What percentages of customer complaints/ consumer cases are pending as on the end of the financial year?**

The Company has a robust system for addressing customer complaints, which are resolved promptly.

**2) Does the Company display product information on the product label, over and above what is mandated as per local laws. Yes/ No/ NA / Remarks (additional information)?**

No.

**3) Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, regular feedback are received from the customers and corrective actions are taken. The Company's endeavour is to achieve the highest level of satisfaction and perform their operation accordingly. The Company has received various awards from the customers, which are mentioned in the annual report.

**4) Is there any case filed by any stakeholder against the Company regarding unfair true practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial. If so, provide details thereof, in about 50 words or so.**

No.



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# Independent Auditor's Report

To the Members of Minda Industries Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Minda Industries Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Description of Key Audit Matter

#### 1. Revenue recognition

See note 26 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Customer acceptance is used to estimate the provision for price increase/decrease. Revenue is only recognised to the extent that is highly probable a significant reversal will not occur.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>- Assessing the appropriateness of the revenue recognition accounting policies, including those relating to price increase/decrease by comparing with applicable accounting standards.</li> <li>- Evaluating the integrity of the information and technology general control environment and testing the operating effectiveness of key IT application controls.</li> <li>- Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>- Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>- Testing by selecting samples of revenue transactions recorded during the year by verification of underlying documents.</li> <li>- Inspecting on a sample basis, key customer contracts/purchase order to identify terms and conditions relating to goods acceptance and price adjustments and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.</li> </ul>

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>- Testing on a sample basis, the supporting documents for sales transactions recorded during the period closer to the year end and subsequent to the year end to determine whether revenue was recognised in the correct period.</li> <li>- Performing analytical procedures on current year revenue based on trends and where appropriate, conducting further enquiries and testing.</li> </ul>

### 2. Evaluation of impairment indicators in investments in subsidiaries, associates and joint ventures

#### See note 4 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p><b>Investments in subsidiaries, associates and joint ventures</b></p> <p>The Company carries its investments in subsidiaries, associates and joint ventures at cost (net of provision) at an aggregate amount of ₹ 842.24 Crores as at 31 March 2019. The amount being significant to the standalone financial statements, the determination of impairment charge required the application of significant judgments by management, in particular with respect to determination of recoverable/fair value amount of these investments which in aggregate is significant to the standalone financial statements.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> <li>- Comparing the carrying amount of investments with audited financial statements of investee companies to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount.</li> <li>- Obtaining and reviewing recoverable amounts as determined by the management for each investment.</li> </ul>

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the

state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



## Independent Auditor's Report (Contd.)

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The standalone financial statements include the Company's share of net profit of ₹6.60 Crores for the year ended 31 March 2019 in respect of three partnership firms, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the standalone financial statements, in so far as it relates to the amounts, included in respect of these partnership firms, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



## Independent Auditor's Report (Contd.)

2. (A) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditor's Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Rajiv Goyal**

Partner

Place: Gurugram

Date: 16 May 2019

Membership number. 094549



## Annexure-A

### Annexure A referred to in our Independent Auditor's Report to the Members of Minda Industries Limited on the standalone financial statements for the year ended 31 March 2019

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and other intangible assets).
- (b) According to the information and explanations given to us, the Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the records, the Company holds title deeds of the immovable properties as on balance sheet date.
- (ii) According to the information and explanations given to us, the inventories, except goods-in-transit, has been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification. Goods in transit have been received/ delivered subsequent to year ended 31 March 2019.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, para 3(iii) of the Order is not applicable.
- (iv) The Company has not given any loans or provided security as specified under section 185 and 186 of the Act. In respect of investments made and guarantee provided, the Company has complied with the provisions of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits as

mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed there under.

- (vi) We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regular in depositing undisputed dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value added tax, Goods and Services Tax, Service tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable except for change of land use (CLU) charges amounting to ₹0.75 Crore to Town and Country Planning, Chandigarh.

- (b) According to the information and explanations given to us, other than the amounts reported below, there are no amounts in respect of Income-tax, Sales-tax, Goods and Services Tax and Service tax, Duty of custom, Value added tax and duty of excise that have not been deposited by the Company with the appropriate authorities on account of any dispute below:-

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates	Amount (₹ in Crores)
Income-tax Act, 1961	Income tax	Assessing officer	2002-03	0.07
Cenvat Credit Rules, 2004	Service tax	Commissioner (Appeals)	2008-2009 to 2009-2010	0.33
Cenvat Credit Rules, 2004	Service tax	CESTAT	2005-2006 to 2008-2009	0.04



- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any banks. The Company did not have any outstanding debentures or dues on account of loans or borrowings to any financial institutions or government during the year.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. Further, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with provisions of Section 197 read with Schedule V of the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records

of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Rajiv Goyal**

Partner

Place: Gurugram

Date: 16 May 2019

Membership number. 094549



## Annexure-B

### **Annexure B to the Independent Auditor's report on the standalone financial statements of Minda Industries Limited for the period ended 31 March 2019**

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Minda Industries Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards

and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override



of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk

that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

**Rajiv Goyal**  
Partner  
Place: Gurugram  
Date: 16 May 2019  
Membership number. 094549

**Standalone Balance Sheet** as at 31 March 2019

(All amounts in Indian ₹ crore, unless otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	418.54	267.83
Capital work-in-progress	3B	11.84	31.00
Intangible assets	3C	33.04	11.96
Intangible assets under development	3D	-	6.09
Financial assets			
(i) Investments	4	843.07	604.40
(ii) Loans	5	10.05	8.33
(iii) Other financial assets	6	4.42	4.12
Deferred tax assets (net)	7	6.80	6.14
Other tax assets	8	11.18	15.25
Other non-current assets	9	58.46	41.73
<b>Total non-current assets</b>		<b>1,397.40</b>	<b>996.85</b>
<b>Current assets</b>			
Inventories	10	144.30	111.15
Financial assets			
(i) Trade receivables	11	353.79	335.98
(ii) Cash and cash equivalents	12	15.04	14.58
(iii) Bank balances other than those included under cash and cash equivalents above	13	7.35	0.17
(iv) Loans	14	0.27	0.35
(v) Other financial assets	15	7.67	6.06
Other current assets	16	32.20	31.03
<b>Total current assets</b>		<b>560.62</b>	<b>499.32</b>
<b>Total assets</b>		<b>1,958.02</b>	<b>1,496.17</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17(a)	52.44	17.41
Other equity	17(b)	1,045.51	952.49
<b>Total equity</b>		<b>1,097.95</b>	<b>969.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	18	276.40	21.65
(ii) Other financial liabilities	19	11.86	12.68
Provisions	20	37.29	34.80
<b>Total non-current liabilities</b>		<b>325.55</b>	<b>69.13</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	21	88.52	58.73
(ii) Trade payables	22		
(a) total outstanding dues of micro and small enterprises		17.48	0.43
(b) total outstanding dues of creditors other than micro and small enterprises		319.54	324.94
(iii) Other financial liabilities	23	71.11	31.27
Other current liabilities	24	32.22	35.52
Provisions	25	5.65	6.25
<b>Total current liabilities</b>		<b>534.52</b>	<b>457.14</b>
<b>Total equity and liabilities</b>		<b>1,958.02</b>	<b>1,496.17</b>

Significant accounting policies

2 (b)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Minda Industries Limited**For **B S R & Co. LLP****Nirmal K Minda****Anand Kumar Minda**

Chartered Accountants

Chairman and Managing Director

Director

ICAI Firm Registration No: 101248W/W-100022

DIN No. 00014942

DIN No. 00007964

**Rajiv Goyal****Sunil Bohra****Tarun Kumar Srivastava**

Partner

Group CFO

Company Secretary

Membership No. 094549

Membership No. - A11994

Place : Gurugram

Date : 16 May 2019



## Standalone Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian ₹ crore, unless otherwise stated)

Particulars	Note	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Income</b>			
Revenue from operations	26	2,099.70	1,903.80
Other income	27	47.02	38.39
<b>Total income</b>		<b>2,146.72</b>	<b>1,942.19</b>
<b>Expenses</b>			
Cost of materials consumed	28	1,347.69	1,178.32
Changes in inventory of finished goods, work-in-progress and stock-in-trade	29	(7.23)	(9.06)
Excise duty		-	46.72
Employee benefits expense	30	284.67	254.23
Finance costs	31	15.05	6.82
Depreciation and amortization expense	32	59.75	52.52
Other expenses	33	259.46	242.54
<b>Total expenses</b>		<b>1,959.39</b>	<b>1,772.09</b>
Profit for the year from operations before exceptional items and tax		187.33	170.11
Add:- Exceptional items	34	-	5.49
<b>Profit after exceptional items but before tax</b>		<b>187.33</b>	<b>175.60</b>
<b>Profit from continuing operations after exceptional items but before tax (Refer Note 38)</b>		185.89	172.68
<b>Tax Expense</b>			
Current tax [Refer Note 8]		38.34	40.74
Deferred tax charge / (credit)		3.35	(0.99)
<b>Tax expense</b>		<b>41.69</b>	<b>39.75</b>
<b>Profit for the year from continuing operations</b>		144.20	132.92
<b>Profit from dis-continuing operations (net of taxes) (Refer Note 38)</b>		1.10	2.91
<b>Profit for the year after tax</b>		<b>145.30</b>	<b>135.83</b>
<b>Other comprehensive income</b>			
<b>a) Items that will not be reclassified subsequently to profit or loss</b>			
(i) Remeasurements of defined benefit (liability)/ asset		(0.14)	0.91
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.05	(0.31)
<b>b) Items that will be reclassified subsequently to profit or loss</b>			
		-	-
<b>Other comprehensive income for the year, net of income tax (a+b)</b>		(0.09)	0.60
<b>Total comprehensive income for the year</b>		<b>145.21</b>	<b>136.43</b>
<b>Earnings per equity share - continuing operations [nominal value of share ₹ 2 (Previous year ₹ 2)]</b>			
Basic		5.50	4.90
Diluted		5.50	4.88
<b>Earnings per equity share - discontinuing operations [nominal value of share ₹ 2 (Previous year ₹ 2)]</b>			
Basic		0.04	0.34
Diluted		0.04	0.34
<b>Earnings per equity share - continuing and discontinuing operations [nominal value of share ₹ 2 (Previous year ₹ 2)]</b>			
Basic	35	5.54	5.24
Diluted		5.54	5.22

Significant accounting policies

2 (b)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Minda Industries Limited**

For **B S R & Co. LLP**

**Nirmal K Minda**

**Anand Kumar Minda**

Chartered Accountants

Chairman and Managing Director

Director

ICAI Firm Registration No: 101248W/W-100022

DIN No. 00014942

DIN No. 00007964

**Rajiv Goyal**

**Sunil Bohra**

**Tarun Kumar Srivastava**

Partner

Group CFO

Company Secretary

Membership No. 094549

Membership No. - A11994

Place : Gurugram

Date : 16 May 2019

**Standalone Cash Flow Statement** for the year ended 31 March 2019

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>A. Cash flows from operating activities :</b>		
Profit before tax	187.33	175.60
<b>Adjustments for:</b>		
Depreciation and amortisation	59.75	52.52
Finance costs	15.05	6.82
Profit on hive off of Battery division	-	(5.49)
Interest income on fixed deposits	(1.00)	(8.20)
Dividend income from non-current investments	(27.63)	(22.40)
Share of profit from partnership firms	(6.60)	(5.95)
Liabilities / provisions no longer required written back	(0.11)	(0.27)
Unrealised gain/ (loss) on Foreign currency fluctuations (net)	(5.85)	(0.75)
Profit on sale of property, plant and equipment	(2.08)	(1.17)
MTM Gain on forward contract	(1.19)	-
Expenses incurred for share allotment under equity settled share based payments	(0.20)	4.26
Provision for warranty	1.78	-
Doubtful trade and other receivables provided for	0.56	0.63
	<b>32.48</b>	<b>19.99</b>
Operating profit before working capital changes	219.81	195.59
<b>Adjustments for working capital changes:</b>		
Decrease/ (increase) in inventories	(37.73)	(27.67)
Decrease/ (increase) in trade and other receivables	(58.18)	(98.61)
Decrease/ (increase) in other current financial assets	(1.32)	(0.35)
Decrease/ (increase) in other non-current financial assets	1.31	(2.09)
Decrease/ (increase) in other current assets	23.30	(4.13)
Increase/ (decrease) in trade payables	36.38	90.31
Increase/ (decrease) in other financial liabilities	(0.44)	0.38
Increase/(decrease) in other current liabilities	(3.26)	15.36
Increase/(decrease) in short-term provisions	(2.03)	2.10
Increase/(decrease) in other current financial liabilities	3.82	0.55
Increase in long-term provisions	5.69	6.64
	<b>(32.46)</b>	<b>(17.50)</b>
Cash generated from operations	187.35	178.09
Income tax paid (net)	(37.91)	(37.91)
<b>Net Cash flows from operating activities (A)</b>	<b>149.44</b>	<b>140.18</b>
<b>B. Cash flows from investing activities</b>		
Investment in non-current investments	-	(11.08)
Advance for allotment of equity shares	-	(24.88)
Acquisition of subsidiaries and jointly controlled entities	(238.68)	(206.04)
Purchase of Property, Plant and Equipment	(261.42)	(151.72)
Proceeds of Battery division hive off	-	26.50
Proceeds of lighting 2wheel division hive off	19.75	-
Proceeds from sale of property, plant and equipment	12.17	20.24
Interest received on fixed deposits	1.90	7.10
Share of profit from partnership firm	6.60	5.95
Dividend income on non-current investment	27.63	22.40
Decrease/ (Increase) in deposits (with original maturity more than three months)	(8.79)	4.53
<b>Net cash used in investing activities (B)</b>	<b>(440.84)</b>	<b>(307.00)</b>



## Standalone Cash Flow Statement for the year ended 31 March 2019 (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of equity share capital	0.17	0.12
Share premium on exercise of ESOP	7.97	11.68
Acquisition of non controlling interest	-	(30.53)
Proceeds from/ (repayment of) short term borrowings	29.79	(79.30)
Proceeds from/ (repayment of) Long term borrowings	293.73	(6.36)
Interest paid on borrowings	(13.98)	(6.56)
Dividend paid (including dividend distribution tax)	(25.78)	(22.18)
<b>Net cash used in financing activities (C)</b>	<b>291.90</b>	<b>(133.14)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>0.50</b>	<b>(299.97)</b>
Cash and cash equivalents as at beginning of the year	14.58	314.55
Pursuant to discontinuing operations	(0.04)	-
<b>Cash and cash equivalents as at closing of the year</b>	<b>15.04</b>	<b>14.58</b>
Cash on hand	0.27	0.20
Balances with banks:		
- on current accounts	13.09	6.26
- on deposit accounts	1.68	8.12
<b>Cash and cash equivalents at the end of the year (Refer Note 12)</b>	<b>15.04</b>	<b>14.58</b>

The notes referred to above form an integral part of the financial statements

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, as specified under the section 133 of the Companies Act, 2013.
- 2 The above cash flow statement includes cash flows from continuing and discontinuing operations. For cash flows relating to discontinuing operations (Refer note 38).
- 3 Purchase of Property, Plant and Equipment includes movement of Capital work-in-progress (including capital advances) during the year.
- 4 Changes in liabilities arising from financing activities

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Opening balance of secured loans</b>		
Indian currency term loan (including current maturities)	5.32	9.61
Foreign currency term loan (including current maturities)	29.83	31.90
Short term borrowings	58.73	139.33
<b>Cash flows</b>		
Repayment of long term secured loan (Net of foreign fluctuation)	(18.47)	(6.36)
Pursuant to hive off of battery division	-	1.30
Proceeds from long term secured loan (Net of foreign fluctuation)	305.12	-
(Decrease)/ increase in short term borrowings (net)	29.79	(80.60)
<b>Net cash flow changes</b>	<b>316.44</b>	<b>(85.66)</b>
<b>Closing balance of secured loans</b>		
Indian currency term loan (including current maturities)	180.74	5.32
Foreign currency term loan (including current maturities)	141.06	29.83
Short term borrowings	88.52	58.73

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



## Standalone Statement of changes in equity for the year ended 31 March 2019

**a) Equity share capital**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Amount
Balance as at 1 April 2017	15.87
Changes in equity share capital during 2017-18	1.54
<b>Balance as at the 31 March 2018</b>	<b>17.41</b>
Changes in equity share capital during 2018-19*	35.03
<b>Balance as at 31 March 2019</b>	<b>52.44</b>

\* Includes ₹34.86 crore towards issue of bonus shares (Refer Note 17).

**b) Other equity**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Other comprehensive income	Equity Component of Other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	General reserves	Employee stock options reserve	Retained earnings	Total
	Remeasurements of Defined Benefits obligations								
Balance as at 1 April 2018	(0.26)	0.91	369.11	6.50	2.28	64.03	3.61	506.31	952.49
Profit for the year	-	-	-	-	-	-	-	145.30	145.30
Other comprehensive income (net of tax)	(0.09)	-	-	-	-	-	-	-	(0.09)
Additional tax benefit on employee stock options exercised during the year	-	-	3.97	-	-	-	-	-	3.97
Reserve utilised on exercise of employee stock options	-	-	3.41	-	-	-	(3.41)	-	-
Final dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	(13.98)	(13.98)
Interim dividend for the year ended 31 March 2019	-	-	-	-	-	-	-	(11.80)	(11.80)
Dividend distribution tax*	-	-	-	-	-	-	-	(5.10)	(5.10)
Others	-	-	-	-	-	-	(0.20)	-	(0.20)
Utilization of Reserves for issue of bonus shares	-	-	(28.36)	(6.50)	-	-	-	-	(34.86)
Premium on issue of ESOP	-	-	7.97	-	-	-	-	-	7.97
Credit of dividend distribution tax paid by domestic subsidiaries availed during the year,	-	-	-	-	-	-	-	1.81	1.81
<b>Balance as at March 31, 2019</b>	<b>(0.35)</b>	<b>0.91</b>	<b>356.10</b>	<b>-</b>	<b>2.28</b>	<b>64.03</b>	<b>0.00</b>	<b>622.54</b>	<b>1,045.51</b>



## Standalone Statement of changes in Equity for the year ended 31 March 2019 (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

**b) Other equity**

Particulars	Other comprehensive income		Equity component of other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	General reserves	Employee stock options reserve	Retained earnings	Total
	Remeasurements of Defined Benefits obligations	Income								
Balance as at 1 April 2017	(0.86)		0.91	44.61	6.50	2.28	64.03	2.32	392.66	512.45
Profit for the year	-		-	-	-	-	-	-	135.83	135.83
Other comprehensive income (net of tax)	0.60		-	-	-	-	-	-	-	0.60
Additional tax benefit on employee stock options exercised during the year	-		-	13.42	-	-	-	-	-	13.42
Reserve utilised on exercise of employee stock options	-		-	6.10	-	-	-	(6.10)	-	-
Final dividend for the year ended 31 March 2017	-		-	-	-	-	-	-	(8.64)	(8.64)
Interim dividend for the year ended 31 March 2018	-		-	-	-	-	-	-	(10.37)	(10.37)
Dividend distribution tax*	-		-	-	-	-	-	-	(3.17)	(3.17)
Issuance of equity share capital to QIBs	-		-	298.53	-	-	-	-	-	298.53
Amount utilised towards expenses relating to QIP	-		-	(5.23)	-	-	-	-	-	(5.23)
Amount received on issue of shares against employee stock options	-		-	11.68	-	-	-	-	-	11.68
Cost of employee stock options	-		-	-	-	-	-	7.39	-	7.39
<b>Balance as at 31 March 2018</b>	<b>(0.26)</b>		<b>0.91</b>	<b>369.11</b>	<b>6.50</b>	<b>2.28</b>	<b>64.03</b>	<b>3.61</b>	<b>506.31</b>	<b>952.49</b>

\* Tax on dividend paid is net of credit of ₹5.10 Crores (₹3.17 Crores as on 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary companies.

Significant accounting policies 2 (b)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



## Notes forming part of the Financial Statements

### 1 Corporate information

Minda Industries Limited is a public company domiciled and headquartered in India. It was incorporated on 16 September 1992 under the Companies Act, 1956 and its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) having its registered office at B64/1 Wazirpur, Industrial Area, Delhi-110052, India.

The Company is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories and caters to both domestic and international markets.

### 2 (a) Basis of preparation

#### A. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 16 May 2019. Details of the Company's accounting policies are included in Note 2(b).

#### B. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

#### C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

(a) Certain financial assets and liabilities (including derivative financial instruments)	Fair value
(b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

#### D. Use of estimates and judgements

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Critical estimates and judgements

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 42
- Estimation of fair value of unlisted securities – Note 51
- Estimation of defined benefit obligation – Note 41
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 36
- Leases; whether as arrangement contains a lease.
- Lease classification.
- Impairment of Financial Assets

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### E. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



## Notes forming part of the Financial Statements

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 43 – share-based payment
- Note 51– fair value measurements

### 2 (b) Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

#### a. Foreign currency transactions:

Transactions in foreign currencies are initially recorded into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

#### b. Financial instruments:

##### i. Initial Recognition and Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### ii. Classification and subsequent measurement and gain and losses Financial assets

On initial recognition, a financial asset is classified as measured at:

Financial Assets at FVPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial Assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gains or loss or derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other income and net gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividend income are recognized in profit or loss unless dividend clearly represents a recovery of part of cost of investment. Other income and net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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



## Notes forming part of the Financial Statements

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

### Investments in Subsidiaries, Associates and Joint Ventures:

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

### Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised

cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii. Derecognition

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### v. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are



## Notes forming part of the Financial Statements

measured at fair value, and changes therein are generally recognised in profit or loss.

### vi. Financial guarantee contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

### vii. Compound financial instruments

Compound financial instruments issued by the Company comprise cumulative redeemable preference shares denominated in INR that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

### c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- (a) expected to be realised in, or is intended to be sold or consumed in Company's normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within twelve months after the reporting date; or

- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

#### A Liability is current when:

- (a) it is expected to be settled in Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

### d. Property, plant and equipment

#### i. Initial Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.



## Notes forming part of the Financial Statements

### iii. Depreciation

Depreciation on plant and equipment, tools and dies and on other tangible property, plant and equipment is provided on SLM/WDV basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools and dies, the useful life based on technical advice is 3 to 6 years.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

### e. Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. Intangible assets are amortised over the best estimate of the respective useful lives as under:-

- i) Technical know-how: Amortized over the period of agreement.
- ii) Computer software: Amortized over the period of 6 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

### Internally generated: Research and development

- a) Expenditure on research activities is recognised in profit or loss as incurred.
- b) Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

### f. Impairment

#### i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



## Notes forming part of the Financial Statements

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is 90 days or more past due.

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## g. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on *pro rata* basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortised or depreciated.

## h. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are



## Notes forming part of the Financial Statements

recognised as an expense in the period in which they are incurred.

### i. Leases

#### i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

#### ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

#### iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### j. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

### k. Revenue recognition

#### (i) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

#### Sale of goods (including moulds and scrap)

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated



## Notes forming part of the Financial Statements

(e.g., warranties, customer loyalty points). In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers except for sales till June 30, 2017 where excise duty is included in the revenue.

### Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customers. Where customers are provided with discounts, rebates, etc., such discounts and rebates will give rise to variable consideration. The Company follows the most likely amount method in estimating the amount of variable consideration.

- (ii) Management fees, designing fees and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.
- (iii) Interest income is recognised using the effective interest method.
- (iv) Dividend income is recognised when the right to receive dividend is established.
- (v) Royalty income is recognised based on the terms of the underlying agreement.
- (vi) Claims lodged with insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.
- (vii) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.
- (viii) Share of profit from partnership firms is recognized on accrual basis .

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to

a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (b) Financial instruments – initial recognition and subsequent measurement.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### I. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the assets and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by Governments related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as Government grant. The loan or assistance is initially recognized and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### m. Provisions (other than employee benefits)

#### (i) General

A provision is recognized if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and



## Notes forming part of the Financial Statements

it is probable that an outflow of economic benefits will be required to settle the legal or contractual obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### (ii) Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

### n. Retirement and other employee benefits

#### (i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### (ii) Share-based payment transactions (Equity settled)

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock option (ESO) reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

#### (iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund, employee's state insurance corporation and superannuation fund which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### (iv) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent period.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in



## Notes forming part of the Financial Statements

benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC").

### (v) Other long term employee benefits Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

### (vi) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

## o. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and

tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Tax benefits of deductions earned on exercise of employee stock options in excess of compensation charged to income are credited to other comprehensive income.

### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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



## Notes forming part of the Financial Statements

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### p. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split that have changed the numbers of equity share outstanding, without a corresponding changes in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

### q. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term

deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### r. Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### s. Application of new and revised standards

The Company has adopted Ind AS 115 Revenue from contracts with customers with effect from April 1, 2018 which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most of the current revenue recognition guidance. The core principle of the new standard is to recognise revenue when the control of the goods and services is transferred to the customer as against the transfer of risk and rewards. As per the Company's current revenue recognition practices, transfer of control happens at the same point as transfer of risk and rewards thus not effecting the revenue recognition. As per the result of evaluation of contracts of the relevant revenue streams, it is concluded that the impact of this change is immaterial to the Company and hence no accounting changes have been done.

The Company has adopted the modified transitional approach as permitted by the standard under which the comparative financial information is not restated. The accounting changes required by the standard are not having material effect on the Company's financial statements and no transitional adjustment is recognised in retained earnings at April 1, 2018.

### t. Recently issued accounting pronouncements

#### *Standards issued but not yet effective*

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.



## Notes forming part of the Financial Statements

### Ind AS 116, Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards from 1 April 2019. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

#### Transition to Ind AS 116

The Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The company is currently evaluating the implication of Ind AS 116 on Financial statement.

#### Other Recently issued accounting pronouncement

There are some amendments in other existing standards which are effective from April 1, 2019. The Company is evaluating impact of such amendments.

**Notes** forming part of the Financial Statements**3 A. Property, plant and equipment**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Land-Freehold	Land-Leasehold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross carrying amount</b>									
Balance as at 1 April 2017	12.10	12.99	69.67	196.78	3.08	5.14	2.58	8.04	310.38
Additions	2.36	0.65	13.86	51.08	0.47	3.80	1.70	3.50	77.42
Deductions/ Adjustments	-	2.24	8.85	6.73	-	0.75	0.07	0.07	18.71
<b>Balance as at 31 March 2018</b>	<b>14.46</b>	<b>11.41</b>	<b>74.68</b>	<b>241.14</b>	<b>3.55</b>	<b>8.19</b>	<b>4.21</b>	<b>11.47</b>	<b>369.10</b>
Additions	30.26	-	33.03	140.22	2.88	1.68	1.50	7.16	216.73
Deductions/ Adjustments	-	-	0.13	11.73	0.09	1.04	0.24	0.23	13.46
<b>Balance as at 31 March 2019</b>	<b>44.72</b>	<b>11.41</b>	<b>107.58</b>	<b>369.63</b>	<b>6.34</b>	<b>8.83</b>	<b>5.47</b>	<b>18.40</b>	<b>572.37</b>
<b>Accumulated depreciation and impairment losses</b>									
Balance as at 1 April 2017	-	0.11	3.11	43.93	0.49	0.91	0.62	0.92	50.09
Depreciation for the year	-	0.09	3.16	44.13	0.49	0.87	0.54	1.90	51.18
Disposals/Adjustment	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>0.21</b>	<b>6.28</b>	<b>88.06</b>	<b>0.98</b>	<b>1.78</b>	<b>1.16</b>	<b>2.82</b>	<b>101.27</b>
Depreciation for the year	-	0.09	3.92	45.98	0.55	1.24	0.78	3.41	55.97
Disposals/Adjustment	-	-	0.01	2.99	0.02	0.26	0.07	0.05	3.41
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>0.30</b>	<b>10.19</b>	<b>131.05</b>	<b>1.51</b>	<b>2.76</b>	<b>1.87</b>	<b>6.18</b>	<b>153.83</b>
<b>Carrying amounts (net)</b>									
<b>As at 31 March 2018</b>	<b>14.46</b>	<b>11.20</b>	<b>68.39</b>	<b>153.08</b>	<b>2.58</b>	<b>6.41</b>	<b>3.05</b>	<b>8.66</b>	<b>267.83</b>
<b>As at 31 March 2019</b>	<b>44.72</b>	<b>11.11</b>	<b>97.39</b>	<b>238.58</b>	<b>4.83</b>	<b>6.07</b>	<b>3.60</b>	<b>12.22</b>	<b>418.54</b>

**3 B. Capital work-in-progress:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Building	0.39	14.50
Plant and machinery	11.38	15.85
Office equipment	0.07	0.65
<b>Total</b>	<b>11.84</b>	<b>31.00</b>



## Notes forming part of the Financial Statements

### 3 C. Intangible assets

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Goodwill	Other intangible assets		Total
		Technical Knowhow	Computer Software	
<b>Balance as at April 1, 2017</b>	-	0.02	5.53	5.55
Additions	0.36	2.58	5.94	8.88
Deductions/ Adjustments	-	-	0.10	0.10
<b>Balance as at 31 March 2018</b>	<b>0.36</b>	<b>2.60</b>	<b>11.37</b>	<b>14.33</b>
Additions		15.79	9.10	24.89
Deductions/ Adjustments			0.09	0.09
<b>Balance as at 31 March 2019</b>	<b>0.36</b>	<b>18.39</b>	<b>20.38</b>	<b>39.13</b>
<b>Accumulated amortisation and impairment losses at 1 April 2017</b>	-	-	1.03	1.03
Amortisation for the year	0.05	0.05	1.24	1.34
<b>Balance as at 31 March 2018</b>	<b>0.05</b>	<b>0.05</b>	<b>2.27</b>	<b>2.37</b>
Amortisation for the year	0.06	0.96	2.76	3.78
Deductions/ Adjustments	-	-	0.06	0.06
<b>Balance as at 31 March 2019</b>	<b>0.11</b>	<b>1.01</b>	<b>4.97</b>	<b>6.09</b>
<b>Carrying amount (net)</b>				
<b>As at 31 March 2018</b>	<b>0.31</b>	<b>2.55</b>	<b>9.10</b>	<b>11.96</b>
<b>As at 31 March 2019</b>	<b>0.25</b>	<b>17.38</b>	<b>15.41</b>	<b>33.04</b>

### 3 D. Intangible Asset under development:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Design and Technical know how	-	6.09

- Carrying amount of assets (included in above) pledged as securities for borrowings (Refer Note 18 and Note 21).
- The amount of borrowing costs capitalised during the year ended 31 March 2019 was ₹2.95 Crore (31 March 2018: Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was 8%, which is the effective interest rate of the specific borrowing.

**Notes forming part of the Financial Statements****4 Investments**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Investments measured at cost</b>		
<b>Equity instruments</b>		
<b>(i) Subsidiaries</b>		
Minda Auto Components Limited - 210,200 equity shares (previous year- 210,200 equity shares) of ₹10/- each, fully paid up	0.21	0.21
Minda Kyoraku Limited - 41,918,600 equity shares (previous year- 29,550,000 equity shares) of ₹10/- each, fully paid up	47.81	31.74
Minda Distribution and Services Limited - 1,987,600 equity shares (previous year- 1,987,600 equity shares) of ₹10/- each, fully paid up	1.99	1.99
Minda Kosei Aluminum Wheel Private Limited - 131,861,100 equity shares (previous year- 131,861,100 equity shares) of ₹10/- each, fully paid up	131.86	131.86
SAM Global Pte. Ltd - 625,000 equity shares (previous year 625,000- equity shares) of \$ 1 each, fully paid up	32.92	32.92
Minda TG Rubber Private Limited - 25,766,730 equity shares (previous year 25,766,730- equity shares) of ₹10/- each, fully paid up	25.81	25.81
PT Minda Asean Automotive (Indonesia) - 67,500 equity shares (previous year 67,500- equity shares) of \$ 10/- each, fully paid up	22.87	22.87
Global Mazinkert, S.L. - 2,781,991 equity shares (previous year 2,253,600- equity shares) of €1 /-each, fully paid up	41.26	26.88
Minda Rinder Private Limited (Formerly known as Rinder India Private Limited) - 84,996 equity shares (previous year 84,996- equity shares) of ₹100/- each, fully paid up	39.68	39.68
Minda Storage Batteries Private Limited - 188,600,000 equity shares (previous year 188,600,000- equity shares) of ₹10/- each, fully paid up	9.05	9.05
Minda Katolec Electronics Services Private Limited - 7,685,700 equity shares (previous year 7,685,700- equity shares) of ₹10/- each, fully paid up	7.69	7.69
Mindarika Private Limited - 5,100,000 equity shares (previous year 5,100,000- equity shares) of ₹10/- each, fully paid up	101.89	101.89
M J Casting Limited - 58,500,000 equity shares (previous year 58,500,000- equity shares) of ₹10/- each, fully paid up	44.50	44.50
MI Torica India Private Limited - 5,400,000 equity shares (previous year- Nil equity shares) of ₹10/- each, fully paid up	8.44	-
iSYS RTS GmbH - 24,800 equity shares (previous year- Nil equity shares) of €1 each, fully paid up	51.28	-



## Notes forming part of the Financial Statements

### 4 Investments (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>(ii) Partnership firms**</b>		
- Auto Component	3.79	4.05
- YA Auto Industries	2.42	2.52
- Yogendra Engineering	0.08	0.09
<b>(iii) Associates</b>		
Minda NexGenTech Limited	3.12	3.12
- 3,120,000 equity shares (previous year- 3,120,000 equity shares) of ₹10/- each, fully paid up		
Kosei Minda Aluminum Company Private Limited	16.49	16.49
- 28,737,371 equity shares (previous year- 28,737,371 equity shares) of ₹10/- each, fully paid up		
<b>(iv) Joint ventures</b>		
Minda Emer Technologies Limited	2.73	2.73
- 2,725,000 equity shares (previous year- 2,725,000 equity shares) of ₹10/- each, fully paid up		
Roki Minda Co. Private Limited	43.08	43.08
- 40,924,800 equity shares (previous year- 40,924,800 equity shares) of ₹10/- each, fully paid up		
Minda TTE Daps Private Limited (formerly Minda Daps Private Limited)	4.99	2.99
- 4,990,513 equity shares (previous year- 2,990,513 equity shares) of ₹10/- each, fully paid up		
Minda Onkyo Private Limited	12.00	8.25
- 12,000,000 equity shares (previous year- 8,250,000 equity shares) of ₹10/- each, fully paid up		
Minda D-Ten India Private Limited (Formerly Minda F-Ten Private Limited)	3.81	3.81
- 2,544,900 equity shares (previous year- 2,544,900 equity shares) of ₹10/- each, fully paid up		
Denso Ten Minda India Private Limited (Formerly Fujitsu Ten Minda India Private Limited)	22.29	22.29
- 35,525,000 equity shares (previous year- 35,525,000 equity shares) of ₹ 10/- each, fully paid up		
Kosei Minda Mould Private Limited	6.34	-
- 6,341,645 equity shares (previous year- NIL equity shares) of ₹ 10/- each, fully paid up		
Toyota Gosei Minda India Private Limited	156.96	-
- 210,320,000 equity shares (previous year- 26,984,930 equity shares) of ₹ 10/- each, fully paid up		
<b>Investments measured at Fair value through profit and loss:</b>		
<b>Equity instruments</b>		
Minda Industria E Comerico De Autopeca Ltd	0.07	0.07
- 25,000 equity shares (previous year - 25,000 equity shares) of Brazilian \$ 1 each, fully paid up		
Toyota Gosei Minda India Private Limited (Joint venture w.e.f 28 September 2018)	-	20.18
- 210,320,000 equity shares (previous year- 26,984,930 equity shares) of ₹10/- each, fully paid up		
OPG Power Generation Private Limited	0.01	0.01
- 11,400 equity shares (previous year - 11,400 equity shares) of ₹10/- each, fully paid up		

**Notes forming part of the Financial Statements****4 Investments (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Preference shares:</b>		
M J Casting Limited	0.75	0.75
- 750,000, 8% non cumulative redeemable preference shares (previous year 750,000) of ₹10/- each, fully paid up		
Less: Other than temporary diminution in value of investment*	(3.12)	(3.12)
	<b>843.07</b>	<b>604.40</b>
Aggregate amount of unquoted investments	843.07	604.40

\* Aggregate provision for diminution of non current investment in Minda NexGenTech Limited ₹3.12 Crores (previous year 31 March, 2018 ₹3.12 Crores).

\*\*Investment in Partnership Firms:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Partnership Firm	Name of the Partners	Share in Profit (%)	Share in Profit (%)
		As at 31 March 2019	As at 31 March 2018
Auto Component	Minda Industries Limited	48.90%	48.90%
	Mr. Nirmal K Minda	25.55%	25.55%
	Ms. Pallak Minda	25.55%	25.55%
YA Auto Industries	Mrs. Suman Minda	36.50%	36.50%
	Mr. Sanjeev Garg	12.50%	12.50%
	Minda Industries Limited	51.00%	51.00%
Yogendra Engineering	Minda Industries Limited	48.90%	48.90%
	Mr. Sanjeev Garg	12.50%	12.50%
	Mrs. Suman Minda	38.60%	38.60%
<b>Total Capital of the firm</b>		<b>Amount</b>	<b>Amount</b>
Auto Component		7.75	6.48
YA Auto Industries		4.75	4.93
Yogendra Engineering		0.16	0.18

**5 Loans (non-current)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured and considered good unless otherwise stated)		
Security deposits	10.05	8.33
	<b>10.05</b>	<b>8.33</b>

**6 Other financial assets (non-current)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured and considered good unless otherwise stated)		
Bank deposits (due to mature after 12 months from the reporting date)	2.77	1.16
Retention money with customers	1.65	1.65
Forward contract receivable	-	1.31
	<b>4.42</b>	<b>4.12</b>



## Notes forming part of the Financial Statements

### 7 Deferred tax assets (net)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Deferred tax liabilities</b>		
Excess of depreciation/amortisation on property, plant and equipment under Income tax laws over depreciation/amortisation provided in accounts	24.32	12.60
	<b>24.32</b>	<b>12.60</b>
<b>Deferred tax assets</b>		
Provision for employee benefits	18.83	17.67
Others	1.80	0.84
	<b>20.63</b>	<b>18.51</b>
<b>Total (A)</b>	<b>(3.69)</b>	<b>5.92</b>
- MAT credit entitlement (B)	10.49	0.22
<b>Deferred tax assets (net) (A+B)</b>	<b>6.80</b>	<b>6.14</b>

#### Movement in deferred tax assets

Particulars	Property, plant & equipments and intangible assets	Provision for employee benefits	Provision for doubtful debts and advances	MAT credit entitlement	Total
<b>As at April 01, 2017</b>	<b>(10.08)</b>	<b>14.56</b>	<b>0.76</b>	<b>0.69</b>	<b>5.93</b>
<b>(Charged)/credited:</b>					
to profit or loss	(2.52)	3.42	0.08	-	0.99
to other comprehensive income	-	(0.31)	-	-	(0.31)
to others	-	-	-	(0.47)	(0.47)
<b>As at March 31, 2018</b>	<b>(12.60)</b>	<b>17.67</b>	<b>0.84</b>	<b>0.22</b>	<b>6.14</b>
<b>(Charged)/credited:</b>					
to profit or loss	(11.72)	1.11	0.96	6.30	(3.35)
to other comprehensive income	-	0.05	-	-	0.05
to others	(0.01)	-	-	3.97	3.96
<b>As at March 31, 2019</b>	<b>(24.32)</b>	<b>18.83</b>	<b>1.80</b>	<b>10.49</b>	<b>6.80</b>

In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate sufficient future taxable income to fully recover the deferred tax assets

### 8 Other tax assets (net)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance income tax	11.18	15.25
	<b>11.18</b>	<b>15.25</b>
<b>Movement</b>		
Opening balance	15.25	4.53
Less: Current tax payable for the year*	(41.98)	(40.74)
Add: Advance tax paid (net of tax refund)	28.87	35.50
Add: Additional tax benefit on employee stock options exercised during the year	-	13.42
Add: TDS Receivable	9.04	2.53
	<b>11.18</b>	<b>15.25</b>

\* Includes ₹0.34 crore towards discontinued operations and tax on dividend of ₹3.29 crores received from foreign subsidiaries

**Notes forming part of the Financial Statements****9 Other non-current assets**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured considered good unless otherwise stated)		
Capital advances	58.46	16.85
Advance for investment in equity shares*	-	24.88
	<b>58.46</b>	<b>41.73</b>

\* Paid to related parties

**10 Inventories**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(At lower of cost and net realisable value, unless otherwise stated)		
Raw materials [Goods in transit ₹1.67 Crores (₹0.05 Crores as on 31 March 2018)]	85.92	65.27
Work-in-progress	20.42	13.55
Finished goods [Goods in transit ₹11.61 Crores (₹3.92 Crores as on 31 March 2018)]	21.35	21.00
Stock-in-trade	0.54	0.54
Stores and spares	11.36	8.38
Loose tools	4.71	2.41
	<b>144.30</b>	<b>111.15</b>
Carrying amount of inventories (included in above) pledged as securities for borrowings and sanctioned limits	144.30	111.15

**11 Trade receivables**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured, considered good unless otherwise stated)		
Unsecured considered good *	353.79	335.98
Unsecured considered doubtful	2.45	2.39
	<b>356.24</b>	<b>338.37</b>
Less: Provision for doubtful receivables	(2.45)	(2.39)
	<b>353.79</b>	<b>335.98</b>

\*Trade receivables (unsecured, considered good) includes ₹23.90 Crores (₹21.98 Crores as at 31 March 2018) due from private companies in which director is a director.

The companies exposure to currency and liquidity risks related to the above financial Assets is disclosed in Note 49.



## Notes forming part of the Financial Statements

### 12 Cash and cash equivalents

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
- Balances with banks		
On current accounts	13.09	6.26
On deposit accounts (with original maturity of 3 months or less)	1.68	8.12
	<b>14.77</b>	<b>14.38</b>
- Cash on hand	0.27	0.20
	<b>15.04</b>	<b>14.58</b>

### 13 Bank balances other than those included under cash and cash equivalents above

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Bank deposits (due for realisation within 12 months of the reporting date)	7.16	-
Unpaid dividend accounts*	0.19	0.17
	<b>7.35</b>	<b>0.17</b>

\* Does not include any amount payable to Investor Education and Protection Fund

### 14 Loans (current)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Security deposits	0.27	0.35
	<b>0.27</b>	<b>0.35</b>

### 15 Other financial assets (current)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured and considered good unless otherwise stated)		
Interest accrued on fixed deposits	0.90	1.80
Advances to employees	2.46	1.96
Incentive receivable	2.60	2.30
Forward contract receivable	1.71	-
	<b>7.67</b>	<b>6.06</b>

**Notes** forming part of the Financial Statements**16 Other current assets**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	
	31 March 2019	31 March 2018
(Unsecured and considered good unless otherwise stated)		
Prepaid expenses	4.53	3.61
Advance to suppliers	15.54	20.54
Balances with government authorities		
- Considered good	12.07	6.81
- Considered doubtful	0.02	0.02
Less: Provision for loss allowance	(0.02)	(0.02)
Others	0.06	0.07
	<b>32.20</b>	<b>31.03</b>

**17 (a) Equity share capital****(i) Authorised**

(All amounts in Indian ₹ Crore, unless otherwise stated)

	As at		As at	
	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares of ₹2/- each with voting rights	317,500,000	63.50	317,500,000	63.50
Preference share capital				
9% Cumulative redeemable preference shares of ₹10/- each (Class 'A')	3,000,000	3.00	3,000,000	3.00
3% Cumulative compulsorily convertible preference shares of ₹2,187/- each (Class 'B')	183,500	40.13	183,500	40.13
3% Cumulative redeemable preference shares of ₹10/- each (Class 'C')	3,500,000	3.50	3,500,000	3.50
1% Non-cumulative fully convertible preference shares of ₹10/- each (Class 'D')	10,000,000	10.00	10,000,000	10.00
	<b>334,183,500</b>	<b>120.13</b>	<b>334,183,500</b>	<b>120.13</b>

**(ii) Issued, subscribed and fully paid up**

(All amounts in Indian ₹ Crore, unless otherwise stated)

	As at		As at	
	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
<b>Equity share capital</b>				
Equity shares of ₹2/- each with voting rights [Refer footnote (vii)]	262,216,965	52.44	87,041,155	17.41
	<b>262,216,965</b>	<b>52.44</b>	<b>87,041,155</b>	<b>17.41</b>



## Notes forming part of the Financial Statements

### 17 Equity share capital (Contd.)

#### (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Equity shares				
Opening balance	87,041,155	17.41	79,326,780	15.87
Add: Increase in number of shares on account of shares issued to QIBs	-	-	7,092,125	1.42
Add: Increase in number of shares on account of ESOP exercised (Refer note no 43)	833,500	0.17	622,250	0.12
Add: Increase in number of shares on account of issue of Bonus shares (Refer footnote vii)	174,342,310	34.86	-	-
<b>Closing balance</b>	<b>262,216,965</b>	<b>52.44</b>	<b>87,041,155</b>	<b>17.41</b>

#### (iv) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹2/- per share (31 March 2018 ₹2/- per share). Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

During the year, the Board, in its meeting held on 06 February, 2019, declared an interim dividend of ₹0.45/- per equity share i.e. 22.50% (previous year ₹1.2/- per equity share).

Further, the Board, in its meeting on 16 May 2019, has recommended a final dividend of ₹0.65/- per equity share i.e. 32.50% for the financial year ended 31 March 2019 (previous year ₹1.60/- per equity share). The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 06 August 2019 and, if approved, would result in a cash outflow of approximately ₹20.54 Crores including corporate dividend distribution tax.

#### (v) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Mr. Nirmal K Minda	65,371,530	24.93%	19,489,055	22.39%
Mrs. Suman Minda	38,572,140	14.71%	12,857,380	14.77%
Minda Investments Limited	63,850,140	24.35%	21,283,380	24.45%
Matthews Asia Dividend Fund	14,660,782	5.59%	-	-

(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the balance sheet date is Nil.

(vii) The Company has issued bonus shares in the ratio of two equity shares of ₹2 each for every one equity share of the Company held by the shareholders as on a record date pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot. Consequently earnings per share of comparative previous periods have been restated for such bonus shares issued.



## Notes forming part of the Financial Statements

(All amounts in Indian ₹ Crore, unless otherwise stated)

### 17 (b) Other equity:

Particulars	Other comprehensive income		Equity Component of Other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	General reserves	Employee stock options reserve	Retained earnings	Total
	Remeasurements of Defined Benefits obligations									
<b>Balance as at 1 April 2018</b>	<b>(0.26)</b>	<b>0.91</b>	<b>369.11</b>	<b>6.50</b>	<b>2.28</b>	<b>64.03</b>	<b>3.61</b>	<b>506.31</b>	<b>952.49</b>	
Profit for the year	-	-	-	-	-	-	-	145.30	145.30	
Other comprehensive income (net of tax)	(0.09)	-	-	-	-	-	-	-	(0.09)	
Additional tax benefit on employee stock options exercised during the year	-	-	3.97	-	-	-	-	-	3.97	
Reserve utilised on exercise of employee stock options	-	-	3.41	-	-	-	(3.41)	-	-	
Final dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	(13.98)	(13.98)	
Interim dividend for the year ended 31 March 2019	-	-	-	-	-	-	-	(11.80)	(11.80)	
Dividend distribution tax*	-	-	-	-	-	-	-	(5.10)	(5.10)	
Others	-	-	-	-	-	-	-	(0.20)	(0.20)	
Utilisation of Reserves for issue of bonus shares	-	-	(28.36)	(6.50)	-	-	-	-	(34.86)	
Premium on issue of ESOP	-	-	7.97	-	-	-	-	-	7.97	
Credit of dividend distribution tax paid by domestic subsidiaries availed during the year,	-	-	-	-	-	-	-	-	-	
<b>Balance as at March 31, 2019</b>	<b>(0.35)</b>	<b>0.91</b>	<b>356.10</b>	<b>6.50</b>	<b>2.28</b>	<b>64.03</b>	<b>0.00</b>	<b>622.54</b>	<b>1,045.51</b>	
<b>Balance as at 1 April 2017</b>	<b>(0.86)</b>	<b>0.91</b>	<b>44.61</b>	<b>6.50</b>	<b>2.28</b>	<b>64.03</b>	<b>2.32</b>	<b>392.66</b>	<b>512.45</b>	
Profit for the year	-	-	-	-	-	-	-	135.83	135.83	
Other comprehensive income (net of tax)	0.60	-	-	-	-	-	-	-	0.60	
Additional tax benefit on employee stock options exercised during the year	-	-	13.42	-	-	-	-	-	13.42	
Reserve utilised on exercise of employee stock options	-	-	6.10	-	-	-	(6.10)	-	-	
Final dividend for the year ended 31 March 2017	-	-	-	-	-	-	-	(8.64)	(8.64)	
Interim dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	(10.37)	(10.37)	
Dividend distribution tax*	-	-	-	-	-	-	-	(3.17)	(3.17)	
Issuance of equity share capital to QIBs	-	-	298.53	-	-	-	-	-	298.53	
Amount utilised towards expenses relating to QIP	-	-	(5.23)	-	-	-	-	-	(5.23)	
Amount received on issue of shares against employee stock options	-	-	11.68	-	-	-	-	-	11.68	
Cost of employee stock options	-	-	-	-	-	-	7.39	-	7.39	
<b>Balance as at 31 March 2018</b>	<b>(0.26)</b>	<b>0.91</b>	<b>369.11</b>	<b>6.50</b>	<b>2.28</b>	<b>64.03</b>	<b>3.61</b>	<b>506.31</b>	<b>952.49</b>	

\*Tax on dividend paid is net of credit of ₹5.10 Crores (₹3.17 Crores as on 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary companies.



## Notes forming part of the Financial Statements

### 17 (b) Other equity (Contd.)

The description of the nature and purpose of each reserve within other equity is as follows:

- a) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Companies Act 2013, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- b) **Capital redemption reserve:** The capital redemption reserve is a non-distributable reserve and represents preference shares redeemed.
- c) **General reserve:** The parent company appropriates apportion to general reserve out of profits voluntarily and the said reserve is available for payment of dividend to shareholders.
- d) **Employee stock options reserve:** The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The reserve is used to recognise the value of equity settled stock options provided to employees, including key management personnel, as part of their remuneration. Refer to Note 45 for further details of these plans.
- e) **Equity component of Other financial instruments:**  
Equity component of Other financial instruments is credited to other equity.
- f) Other comprehensive Income (OCI) amount pertaining to remeasurements of defined benefit liabilities (Asset) - comprises actuarial gain & losses.

### 17 (c) Distribution made

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on 31 March, 2018 ₹1.60/- per share (31 March, 2017 ₹1 per Share)	13.98	8.64
Interim dividend for the year ended on 31 March, 2019 ₹0.45 per share (31 March, 2018 ₹1.20 per Share)	11.80	10.37
Dividend distribution tax on above (DDT)	5.10	3.17
	<b>30.88</b>	<b>22.18</b>
<b>Proposed dividends on equity shares:</b>		
Final dividend for the year ended on 31 March, 2019 @ ₹0.65 per share (31 March, 2018 ₹1.60/- per Share)	17.04	13.98
Dividend distribution tax on above (DDT)	3.50	2.88
	<b>20.54</b>	<b>16.86</b>

Proposed Dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as on 31 March 2019.

### 18 Non-Current borrowings

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Term loans</b>		
<b>Secured</b>		
From banks	301.95	5.32
Less: Current maturities of long term borrowings (Refer Note 23)	35.49	4.27
	<b>266.46</b>	<b>1.05</b>
<b>Term loans</b>		
<b>Unsecured</b>		
From banks	19.85	29.83
Less: Current maturities of long term borrowings (Refer Note 23)	9.91	9.23
	<b>9.94</b>	<b>20.60</b>
	<b>276.40</b>	<b>21.65</b>



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>- Rupee term loan from HDFC Bank is secured by:</p> <p>Movable Fixed assets ~First Pari passu charge on all movable fixed assets of the company</p> <p>Immovable Fixed assets~ First Pari passu charge on Immovable fixed assets of the company. Collateral Details -</p> <p>(I) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon</p> <p>(II) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana</p> <p>(III) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p> <p>(IV) Land &amp; Bldg at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur</p> <p>(V) Plot No 5, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand and (VI) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>Also, Negative Lien of</p> <p>(I) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt</p> <p>(II) Property No. B-1/5 MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 18022 sq mt.</p>	<p>Total loan sanctioned amounting to ₹100 Crores having Tenor of 60 Months including moratorium of 18 months and repayment in 7 equal semi-annual installments post moratorium</p> <p>Rate of interest- HDFC 1Y MCLR</p>	100.00	-
<p>- Rupee term loan from Axis Bank is secured by:</p> <p>First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentioned below::</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.</p> <p>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar</p> <p>iv) Plot No 5(A), , Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p> <p>Negative Lien on :</p> <p>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune</p> <p>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune.</p> <p>Second pari passu charge on the entire current assets of the Company both present and future.</p>	<p>Total loan sanctioned amounting to ₹ 85 Crores having Tenor of 5 years including moratorium of 6 months and repayment in 20 equal quarterly installments post moratorium</p> <p>Rate of interest- 3M MCLR + 10bps</p>	80.75	-



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>- External Commercial Borrowing from HSBC Bank is secured by:</p> <p>First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentinoed below::</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.</p> <p>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar</p> <p>iv) Plot No 5(A), , Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p> <p>Negative Lien on :</p> <p>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune</p> <p>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune.</p>	<p>Total loan sanctioned amounting to USD 1 Crores having Tenor of 60 month including moratorium of 12 months and repayment in 16 equal quarterly installments post moratorium</p> <p>Rate of interest- 3 M LIBOR + 105 bps</p>	69.17	-
<p>- External Commercial Borrowing from Citi Bank N.A. is secured by:</p> <p>First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentioned below::</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.</p> <p>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar</p> <p>iv) Plot No 5(A), , Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p>	<p>Total loan sanctioned amounting to USD 0.8 Crores having Tenor of 5 Years including moratorium of 12 months and repayment in 17 equal quarterly installments post moratorium</p> <p>Rate of interest- 3 M LIBOR + 90 bps</p>	52.03	-
<p>- Rupee term loan from HDFC Bank is secured by:</p> <p>Exclusive charge on current assets of the Company arising out of the Chennai Plant.</p> <p>Exclusive charge on movable and immovable property, plant and equipments of the company arising out of the Chennai Plant.</p> <p>Exclusive charge on land and building (Chennai) standing in the name of the Company.</p>	<p>Total loan sanctioned amounting to ₹6 Crores which was availed in earlier years repayable in 15 equal quarterly instalments of ₹ 0.40 Crores each. Repayment started from October 2015.</p> <p>Rate of interest- varies between HDFC base rate + 1.70% p.a. and 9.5% p.a.</p>	-	2.00



## Notes forming part of the Financial Statements

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>- Rupee term loan from HDFC Bank is secured by:</p> <p>First pari passu charge on all movable property, plant and equipments of the Company.</p> <p>First pari passu charge on all immovable property, plant and equipments of the Company as below;</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.</p> <p>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal</p> <p>iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.</p> <p>v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.</p> <p>Second pari passu charge on all present and future current assets of the Company</p>	<p>Total loan sanctioned amounting to ₹15 Crores of which loan of ₹ 10 Crores was availed in earlier years repayable in 15 equal quarterly instalments of ₹ 0.67 Crores each. Repayment started from October 2015.</p> <p>Rate of interest- varies between HDFC base rate + 1.70% p.a. and 9.5% p.a.</p>	-	3.32
<p>- External commercial borrowings from Banco Balbao Vijcaya Argentaria S.A. (unsecured)</p>	<p>Total loan sanctioned amounting to EUR 0.45 Crores , repayable in 20 quarterly instalments from July, 2016.</p> <p>Rate of interest- 1.79% p.a.</p>	19.85	29.83
<b>Total</b>		<b>321.80</b>	<b>35.15</b>

### 19 Other financial liabilities (non-current)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred Government grant	11.84	11.31
Deferred payment liabilities		
Deferred sales tax liability (unsecured)	1.37	3.73
Less: Current maturities of deferred sales tax liability (Refer note 23)	1.37	2.36
	-	<b>1.37</b>
Others	0.02	-
	<b>11.86</b>	<b>12.68</b>

Nature of security (including current portion of term loan)	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>- Sales tax incentive from the State Government of Maharashtra, received in 2003-04 (Disclosed under deferred payment liabilities - unsecured)</p>	<p>Sales tax payable amounting to ₹14.27 Crores repayable in 8 annual instalments starting from 2011-12.</p> <p>Rate of interest- Interest free</p>	1.37	3.73



## Notes forming part of the Financial Statements

### 20 Long-term provisions

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits</b>		
Gratuity (Refer note 41)	24.73	23.24
Compensated absences	11.67	10.95
	<b>36.40</b>	<b>34.19</b>
<b>Others</b>		
Warranties (Refer note 45)	0.89	0.61
	<b>37.29</b>	<b>34.80</b>

The Company has made a warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilised provision is reversed on expiry of the warranty period. Also refer Note 45

### 21 Short-term borrowings

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Loans repayable on demand from banks (secured)*	53.44	35.70
Other loans and advances from a related party (unsecured)**	-	3.58
from others (unsecured)***	35.08	19.45
	<b>88.52</b>	<b>58.73</b>

S. No.	*Bank Name	Term of repayment	As at 31 March 2019	As at 31 March 2018
1	HDFC Bank (Cash Credit)	Repayable on demand	17.13	2.29
2	Axis Bank (Cash Credit)	Repayable on demand	-	1.19
3	Citibank (Cash Credit)	Repayable on demand	4.00	-
4	State Bank of India (Cash Credit)	Repayable on demand	24.68	21.33
5	Canara Bank (Cash Credit)	Repayable on demand	7.56	10.89
6	Standard Chartered Bank (Cash Credit)	Repayable on demand	0.07	-
	<b>Total</b>		<b>53.44</b>	<b>35.70</b>

#### Nature of security:

First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future

Second pari passu charge on property, plant and equipments of the Company as per detailed below:

- 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat
- Immovable property at village Navada Fatehpur, Manesar, Gurugram
- Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.
- Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.
- Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram.

Negative lien on the following properties:

- Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.
- Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.

\*\* Unsecured loan from Minda Storage Batteries Private Limited and is repayable on demand.

\*\*\*Working capital loan from Bajaj Finance Limited, is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan, respectively.

**Notes forming part of the Financial Statements****22 Trade payables**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payables		
(a) Total outstanding dues of micro and small enterprises (Refer Note 44)	17.48	0.43
(b) Total outstanding dues of creditors other than micro and small enterprises	319.54	324.94
	<b>337.02</b>	<b>325.37</b>

The company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 49.

**23 Other financial liabilities (current)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of non-current borrowings (refer note 18)	45.40	13.50
Current maturities of deferred payment liabilities (refer note 19)	1.37	2.36
Interest accrued but not due on long term borrowings	1.49	0.42
Unpaid dividend	0.28	0.28
Capital creditors	3.07	0.02
Others		
- Payable to employees	19.50	14.69
	<b>71.11</b>	<b>31.27</b>

**24 Other current liabilities**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance from customers (Contract liability)	13.86	13.42
Others		
- Mark to market loss derivative contract	-	0.16
- Statutory dues	18.36	21.94
	<b>32.22</b>	<b>35.52</b>

**25 Short-term provisions**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits</b>		
Gratuity (Refer note 41)	2.06	2.05
Compensated absences	1.80	1.56
	<b>3.86</b>	<b>3.61</b>
<b>Others</b>		
Provision for warranty (Refer note 45)	1.79	2.64
	<b>5.65</b>	<b>6.25</b>



## Notes forming part of the Financial Statements

### 26 Revenue from operations

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Sale of finished goods (including excise duty)	1,987.43	1,822.24
Sale of services	76.30	59.61
Other operating revenues	35.97	21.95
	<b>2,099.70</b>	<b>1,903.80</b>

### 27 Other income

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Interest income on fixed deposits	1.00	8.20
Dividend income from non-current investments	27.63	22.40
Share in profit from partnership firms	6.60	5.95
Net gain on foreign currency fluctuations	7.86	-
Profit on sale of property, plant and equipment (net)	2.34	1.44
MTM gain on forward contract	1.19	-
Other non-operating income		
- Liabilities / provisions no longer required written back	0.11	0.27
- Miscellaneous income	0.29	0.13
	<b>47.02</b>	<b>38.39</b>

### 28 Cost of materials consumed

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Raw materials (including purchased components and packing material consumed)		
Opening inventories	65.27	52.13
Add:- Purchases	1,368.34	1,191.46
Less:- Closing inventories	85.92	65.27
	<b>1,347.69</b>	<b>1,178.32</b>

### 29 Changes in inventories of finished goods, work in progress and stock in trade

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Inventories at the end of the year:		
Work-in-progress	20.42	13.55
Finished goods (other than those acquired for trading)	21.36	21.00
Stock-in-trade (acquired for trading)	0.54	0.54
	<b>42.32</b>	<b>35.09</b>
Inventories at the beginning of the year:		
Work-in-progress	13.55	11.27
Finished goods (other than those acquired for trading)	21.00	14.22
Stock-in-trade (acquired for trading)	0.54	0.54
	<b>35.09</b>	<b>26.03</b>
<b>Net (increase) / decrease in stocks</b>	<b>(7.23)</b>	<b>(9.06)</b>



## Notes forming part of the Financial Statements

### 30 Employee benefits expense

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Salaries and wages	238.57	214.08
Compensated absence	3.96	4.48
Share based payments (refer note 43)	-	4.26
Contribution to provident and other funds	20.20	13.07
Staff welfare expense	21.94	18.34
	<b>284.67</b>	<b>254.23</b>

### 31 Finance costs

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Interest expense on borrowings	12.85	5.56
Other finance costs	2.20	1.26
	<b>15.05</b>	<b>6.82</b>

### 32 Depreciation and amortization expense

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Depreciation of property, plant and equipment	55.97	51.18
Amortisation of intangible assets	3.78	1.34
	<b>59.75</b>	<b>52.52</b>



## Notes forming part of the Financial Statements

### 33 Other expenses

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Consumption of stores and spare parts	32.77	35.53
Job work charges	42.80	43.27
Power and fuel	36.95	35.97
Rent (Refer Note 46)	18.44	16.08
Repairs and maintenance:		
Buildings	5.79	5.55
Machinery	13.73	11.35
Others	1.83	1.62
Insurance	1.35	0.76
Rates and taxes	1.16	1.05
Travelling and conveyance	27.54	23.04
Director's sitting fee	0.30	0.27
Legal and professional charges *	21.37	16.40
Fixed assets scrapped/ written off	0.26	0.27
Provision for doubtful debts and other receivables, loans and advances (net)	0.56	0.23
Doubtful debts and other receivables, loans and advances written off	-	0.20
Royalty expenses	0.63	0.68
Freight and other distribution overheads	28.19	27.62
Warranty (Refer note 45)	1.78	3.13
Printing and stationery	1.45	1.26
CSR contribution and donations**	2.67	2.06
Miscellaneous expenses	19.89	16.19
	<b>259.46</b>	<b>242.54</b>
<b>Note:</b>		
* Includes Payments to the Auditors (excluding taxes)		
Statutory audit	0.84	0.93
Limited review	0.33	0.28
Certification	0.29	0.10
Reimbursement of expenses	0.15	0.11
	<b>1.61</b>	<b>1.42</b>

\*\*As per section 135 of the Companies Act, 2013, CSR committee was formed by the Company. The area for CSR activities is promoting education and self employment enhancement. A sum of ₹2.60 Crores (previous year ₹1.99 Crores) (which is at par with the provision @ 2% of average net profit of preceding 3 years of ₹2.60 Crores (previous year ₹1.91 )) was contributed to Corpus Fund of Suman Nirmal Minda Charitable Trust and Moga Devi Minda Charitable Trust.

#### 33.1 Details of Research & Development Expenses booked in the respective heads

The Company has incurred expenses on its in- house R & D centres located at Manesar, Sonapat and Pune approved and recognised by the Ministry of Science & Technology , Government of India. Above expenses are included in under respective account heads.

**Notes forming part of the Financial Statements****33 Other expenses (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>(i) Revenue expenditure</b>		
Salaries, allowances and bonus	42.80	23.35
Finance costs	0.84	0.05
Depreciation & amortization	12.42	5.66
Consumption of stores and spare parts	10.21	3.57
Power and fuel	2.62	2.27
Rent	2.50	0.82
Repairs and maintenance	4.92	1.33
Insurance	-	0.03
Rates and taxes	0.21	0.21
Travel and conveyance	7.14	3.74
Legal and professional charges	3.17	1.66
Job Work Charges	0.62	-
Printing and stationery	0.19	0.04
Miscellaneous expenses	8.66	11.45
	<b>96.30</b>	<b>54.18</b>
<b>(ii) Capital expenditure</b>	<b>26.62</b>	<b>13.20</b>

**34 Exceptional Item**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Profit on hive off of Battery division	-	5.49
	-	<b>5.49</b>

**35 Earnings per share**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Net profit after tax as per statement of profit and loss	145.30	135.83
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	261,971,018	259,255,363
for Diluted EPS	261,971,018	260,072,166
Basic earnings per share in rupees (Face value ₹2 per share) (In rupees)	5.54	5.24
Diluted earnings per share in rupees (Face value ₹2 per share) (In rupees)	5.54	5.22
Calculation of weighted average number of shares for basic/diluted earnings per share*		
For basic earnings per share		
Opening balance of Equity Shares	261,123,465	237,980,340
Closing balance of equity shares	262,216,965	261,123,465
Weighted average number of basic earnings per share	261,971,018	259,255,363
	<b>261,971,018</b>	<b>259,255,363</b>



## Notes forming part of the Financial Statements

### 35 Earnings per share (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
For diluted earnings per share		
Add: Weighted average number of potential shares on account of employee stock options/ performance shares scheme	-	816,803
For diluted earnings per share	261,971,018	260,072,166

\*Earnings per share of comparative period is restated for bonus share issued during the year ended March 2019

### 36 Contingent liabilities

(a) Claims made against the Company not acknowledged as debts (including interest, wherever applicable):

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Income tax	0.07	0.07
Excise duty	-	0.81
Bonus	2.18	-
<b>Total</b>	<b>2.25</b>	<b>0.88</b>

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

(b) The Company have made sales to various customers against C-form issued under Central Sales Tax Act on account of which the Company have paid 2% sales tax in place of respective higher rates. Total outstanding forms amounting to ₹0.56 crore (₹27 crores as on 31 March 2018). If the Company do not collect the forms in prescribed time, then the Company may have to pay differential tax, including interest and penalty thereon which is not quantifiable.

(c) Corporate guarantees given by the Company and outstanding as at 31 March 2019 amounting to ₹10.40 crores (₹10 crores as on 31 March 2018) in respect of loans borrowed by related parties. Further, the Company has also provided 'letter of comfort' amounting to ₹46.36 crores (₹177.70 crores as on 31 March 2018) in respect of loans taken by related parties from banks.

(d) Liability of customs duty towards export obligation undertaken by the Company under "Export Promotion Capital Goods Scheme (EPCG)" amounting to ₹4.05 crores (₹4.86 crores as on 31 March 2018).

The Company had imported Capital goods under EPCG and saved duty to the tune of ₹4.05 crores (₹4.86 crores as on 31 March 2018).

As per the EPCG terms and conditions, Company needs to export ₹24.30 crores (₹29.16 crores as on 31 March 2018) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. If the Company does not export goods in prescribed time, then the Company may have to pay interest and penalty thereon.

(e) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements.

### 37 Capital and other commitments (net of advances)

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2019 aggregates to ₹86.24 crores (₹26.37 crores as at 31 March 2018).

(b) Estimated amount of investment to be made as per government incentive scheme is ₹488.58 crores (Nil as at 31 March 2018).



## Notes forming part of the Financial Statements

### 38 Discontinuing operations

- (i) During the previous year, the Board of Directors of the Company, subject to the consent of the shareholders, had approved the plan to hive off, to sell, transfer, assign or otherwise dispose off the Company's manufacturing unit at Sonapat related to manufacturing of two wheeler lights to its wholly owned subsidiary viz. Minda Rinder Private Limited in the following year. The shareholders of the Company accorded their consent to the aforesaid resolution on 30 March 2018. Accordingly, the hive-off took place on 30 June 2018. The required relevant information for the discontinuing operations for all the periods presented is as below:

(All amounts in Indian ₹ Crore, unless otherwise stated)

S No.	Particulars	30 June 2018	31 March 2018
1	Assets	48.90	42.51
2	Liabilities	29.15	38.74
3	Revenue	30.00	91.80
4	Expenses	28.57	88.04
5	Profit/ (loss) for the year (net of taxes)	1.10	2.91

The net cash flows attributable to the lighting two wheeler division are as follows

(All amounts in Indian ₹ Crore, unless otherwise stated)

S No.	Particulars	30 June 2018	31 March 2018
1	Net cash inflow / (outflow) from operating activities	6.87	3.20
2	Net cash inflow / (outflow) from investing activities	(0.33)	(2.73)
3	Net cash inflow / (outflow) from financing activities	(10.51)	(0.51)

Category wise details of assets and liabilities for discontinuing operations are as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Nature	Particulars	As at 30 June 2018	As at 31 March 2018
<b>Assets</b>	Trade receivables	36.85	24.03
	Property, plant and equipment	6.48	6.54
	Inventories	4.58	5.78
	Cash and bank	0.03	4.00
	others	0.96	2.16
	<b>Total</b>	<b>48.90</b>	<b>42.51</b>
<b>Liability</b>	Trade payable	25.04	24.19
	Short term borrowing	-	10.30
	Provisions	3.69	3.56
	Others	0.42	0.69
	<b>Total</b>	<b>29.15</b>	<b>38.74</b>

- (ii) During the previous year, the Company hived off its business related to manufacturing and trading of batteries to its wholly owned subsidiary viz. Minda Storage Batteries Private Limited which was effected on 1 April 2017. The net asset of business aggregating to ₹21.66 crore as at 31 March 2017 as follow:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Nature	Particulars	As at 31 March 2017
<b>Assets</b>	Trade receivables	3.67
	Property, plant and equipment	19.11
	Inventories	4.12
	Cash and bank	0.04
	Others	0.51
	<b>Total</b>	<b>27.45</b>
<b>Liability</b>	Trade payable	1.89
	Short term borrowing	1.30
	Provisions	1.74
	Others	0.86
	<b>Total</b>	<b>5.79</b>



## Notes forming part of the Financial Statements

### 38 Discontinuing operations (Contd.)

(iii) Reconciliation of profit from discontinuing operation net of taxes

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Profit after exceptional items but before tax	187.33	175.60
Less: Profit from discontinuing operations before taxes	1.44	2.92
Profit from continuing operations before taxes	185.89	172.68

39 During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the Company amounting to ₹0.39 crore towards revised CLU (change of land use) charges for the land situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, and Haryana. The Company paid ₹0.02 crore and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further, the Company had deposited ₹0.09 crore as under protest with the authorities. During the previous years, the Company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the Company had withdrawn the petition and accordingly had asked Town and Country Planning, Chandigarh to review and waive of the liability of remaining balance of ₹0.28 crore and the interest thereon amounting to ₹0.47 crore (previous year ₹0.44 crore) towards revised CLU charges after adjusting the amount of ₹0.11 crore paid earlier. During the previous year, the Company had applied for grant of license under 'Affordable Housing Policy- 2013' on the land measuring 5 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurugram and paid scrutiny fee (non-refundable) amounting to ₹0.03 crore in this respect, which was received during the year. The Company has paid ₹0.43 crore towards CLU charges during the year. The Company has further applied for grant of similar license on additional land measuring 5 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurugram.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable Housing Policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

### 40 Segment Information

As per Ind AS 108 - "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

### 41 Disclosure pursuant to Ind AS 19 on "Employee Benefits"

#### A. Defined benefit plans (Gratuity)

##### Gratuity

Gratuity is payable to all eligible employees of the Company on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

#### (i) Risk exposure

##### Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks

##### Salary inflation risk

Higher than expected increase in salary will increase the defined benefit obligation.

##### Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**Notes forming part of the Financial Statements****41 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (Contd.)****(ii) Changes in defined benefit obligation:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Present value of obligation as at the beginning of the year	29.40	23.98
Current service cost	3.74	3.09
Interest cost	2.29	1.75
Past service cost	-	3.63
Remeasurement/ actuarial (gain) or loss		
-Change in financial assumption	0.20	(1.36)
-Experience variance	(0.06)	0.46
Benefits paid	(1.39)	(1.65)
Transfer out liability	(2.96)	(0.50)
Present value of obligation as at the end of year	<b>31.22</b>	<b>29.40</b>
- Long term	29.16	27.35
- Short term	2.06	2.05

\*The Company is maintaining its gratuity fund with L.I.C. through Minda Industries Limited Gratuity Trust. Accumulated contribution by the Company as on 31 March 2019 is Crores ₹4.43 (previous year ₹4.11 Crores). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹0.32 Crores (previous year ₹0.28 Crores). Contribution by the Company during the current year is ₹Nil (previous year ₹Nil)

**(iii) Changes in the fair value of plan assets:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Fair value of plan assets at the beginning of the year	4.11	3.82
Return on plan assets	0.32	0.28
Actuarial gain/ (loss) on plan assets	-	0.01
Fair value of plan assets at the end of the year	4.43	4.11

**(iv) The amounts recognized in the Balance Sheet are as follows:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
Present value of obligation as at the end of the year	31.22	29.40
Fair value of plan assets as at the end of the year	4.43	4.11
Unfunded status	(26.79)	(25.29)
<b>Net asset/(liability) recognized in balance sheet</b>	<b>(26.79)</b>	<b>(25.29)</b>

**(v) Expenses recognized in the statement of profit and loss:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	As at 31 March 2019	As at 31 March 2018
Current service cost	3.74	3.09
Past service cost	-	3.63
Interest cost	2.29	1.75
Return on plan assets	(0.32)	(0.28)
<b>Expenses recognized in the statement of profit and loss</b>	<b>5.71</b>	<b>8.19</b>



## Notes forming part of the Financial Statements

### 41 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (Contd.)

#### (vi) Re-measurements recognised in other comprehensive income (OCI):

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	As at 31 March 2019	As at 31 March 2018
Changes in financial assumption	0.20	(1.36)
Changes in demographic assumption	(0.06)	0.46
Actuarial gain/ (loss) on plan assets	-	(0.01)
<b>Amount recognized in other comprehensive income (OCI)</b>	<b>0.14</b>	<b>(0.91)</b>

#### (vii) Maturity profile of defined benefit obligation:

Weighted Average duration (based on discounted cash flows): 13 Years

(All amounts in Indian ₹ Crore, unless otherwise stated)

Expected cash flows over the next (valued on undiscounted basis)	For the year ended	
	As at 31 March 2019	As at 31 March 2018
1 Year	2.06	2.05
2 to 5 Year	5.34	5.46
6 to 10 Year	12.07	10.18
More than 10 Year	91.21	86.11

#### (viii) Principal actuarial assumptions at the balance sheet date are as follows:

##### a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate per annum	7.75%	7.80%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	8.00%	8.00%

##### b) Demographic assumptions:

Particulars	As at 31 March 2019	As at 31 March 2018
i) Retirement Age (Years)	58 and 60 years as per company policy	58 and 60 years as per company policy
ii) Mortality rate %(IALM (2006-08))	100.0	100.0
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

**Notes forming part of the Financial Statements****41 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (Contd.)****(ix) Sensitivity analysis for significant assumptions:**

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
1% increase in discount rate	(27.56)	(25.98)
1% decrease in discount rate	35.66	33.53
1% increase in salary escalation rate	35.11	33.08
1% decrease in salary escalation rate	(27.90)	(26.25)
50% increase in attrition rate	(31.15)	(29.35)
50% decrease in attrition rate	31.30	29.46
10% increase in mortality rate	(31.23)	(29.41)
10% decrease in mortality rate	31.22	29.40

**(x) Enterprise best estimate of contribution during the next year is**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Amount
Gratuity	31.15

**B. Defined contribution plan**

An amount of ₹12.08 Crores (previous year ₹10.73 Crores) for the year, has been recognized as an expense in respect of the Company's contribution towards Provident Fund, deposited with the Government authorities and has been included under employee benefits expense in the Statement of Profit and Loss. An amount of ₹0.49 Crores (previous year ₹0.52 Crores) for the year, has been recognized as an expense in respect of the Company's contribution towards Superannuation Fund, and has been included under employee benefits expense in the Statement of Profit and Loss. Further an amount of ₹1.92 Crores (previous year ₹1.82 Crores) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI Fund, and has been included under employee benefits expense in the Statement of Profit and Loss.

**42 Income taxes****Reconciliation of effective tax rate:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Profit before income tax expense (inclusive of other comprehensive income)	187.19	176.51
Tax at India's tax rate of 34.944% (previous year 34.608%)	65.41	61.09
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	(11.48)	(3.02)
Other tax allowances	3.58	(3.35)
Tax on foreign dividend	(3.29)	(6.35)
Weighted deduction for expenditure incurred on research and development	(12.24)	(8.29)
Other adjustments (including deferred tax rate change)	-	(0.02)
<b>Income tax expense (inclusive of other comprehensive income tax component)</b>	<b>41.98</b>	<b>40.06</b>



## Notes forming part of the Financial Statements

### 43 Share based payments

#### (a) Minda Employee Stock Option Scheme 2016

The members of the Company had approved 'Minda Employee Stock Option Scheme 2016' at the Annual General Meeting held on 11 August 2016. The plan envisaged grant of stock options to eligible employees at market price in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

This scheme provided for conditional grant of Performance Shares at nominal value to eligible management employees as determined by the Compensation Committee of the Board of Directors from time to time. The performance measures under this scheme include group achieving the target market capitalisation.

The maximum number of equity shares to be allotted under the scheme are 1,500,000. The number of options granted under the 2016 Performance Share Schemes are 888,000 equity shares at an exercise price of ₹180/- each and 98,750 equity shares at an exercise price of ₹392/- each. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereof from time to time.

During the year, the Company has issued bonus shares in the proportion of equity shares for every one existing equity shares of ₹2 per share. Accordingly, the number of options granted to eligible employees is adjusted in the same proportion for the unexercised options as on the date of issue of bonus shares.

Particulars	Scheme Name	
	Minda Employee Stock Option Scheme 2016	Minda Employee Stock Option Scheme 2016
<b>Scheme</b>		
Year	2016-17	2016-17
Date of Grant	23-Nov-16	21-Mar-17
No. of options granted	888,000	98,750
Vesting conditions	Achieving target of market capitalization of the Company on or before 31 March 2018	Achieving target of market capitalization of the Company on or before 31 March 2018
Exercise period	1 Year from the date of vesting	1 Year from the date of vesting
Exercise price (₹) per share	180/-	392/-
Fair value of the option on the date of grant (₹) per share	99.11/-	71.75/-

#### No. of Share outstanding at year end for Minda Employee Stock Option Scheme 2016

Particulars	For Year ended 31 March 2019	For Year ended 31 March 2018
Outstanding at the beginning of the year*	364,500	986,750
Granted during the year	-	-
Forfeited/ Expired during the year	-	-
Exercised during the year*	364,500	622,250
Exercisable at the end of the year	-	364,500
Outstanding at the end of the year	-	-
Weighted average exercise price during the year (₹) per share	222/-	189/-

The Employee Stock Option Plan includes employees of Minda Industries Limited and its subsidiaries. The cost reimbursed by subsidiaries for the year is Nil (Previous year ₹2.29 Crores).

	Pre Bonus	Post Bonus
* The number of shares issued	130,000	703,500
Amount charged to the statement of profit and loss account	-	4.26

#### Fair valuation

The fair valuation of options has been done by an independent merchant banker on the date of grant using the black-scholes model.

**Notes forming part of the Financial Statements****43 Share based payments (Contd.)**

The following assumptions were used for calculation of fair value of grants:

Particulars	As at 31 March 2019	As at 31 March 2018
Risk-free interest rate (%)	6.13% - 6.51%	6.13% - 6.51%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	1.53 years - 1.85 years	1.53 years - 1.85 years
Expected volatility (%)	27.92% - 43.62%	27.92% - 43.62%
Dividend yield	4.61% - 6.90%	4.61% - 6.90%

The risk free interest rates are determined based on the zero-coupon yield curve for Government Securities or Government bonds with maturity equal to the expected term of the option. Volatility calculation is based on annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. The historical period taken into account to match the expected life of the option. Dividend yield has been arrived by dividing the dividend for the period with the current market price.

**(b) UNO Minda Employee Stock Option Scheme – 2019**

During the current financial year, the shareholders have approved the UNO Minda Employee Stock Option Scheme – 2019 (herein referred as UNOMINDA ESOS-2019) through postal ballot resolution dated March 25, 2019. According to UNOMINDA ESOS-2019, the Nomination and Remuneration Committee ('NRC') decides upon the employees who qualify under the Plan and the number of Options to be issued to such employees.

Subsequent to the year end, the NRC has approved and granted 1,012,259 number of options to Eligible Employees of the Company and its Subsidiaries at a price of ₹325 per option. Relevant accounting treatment and disclosure of the UNOMINDA ESOS-2019 will be done in the year 2019-20.

- 44 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year-end has been made based on information received and available with the Company.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	17.48	0.43
- Interest	0.08	0.01
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	150.70	143.93
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	0.55	1.24
The amount of interest accrued and remaining unpaid at the end of the year	0.63	1.30
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-



## Notes forming part of the Financial Statements

- 45 The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilized provision is reversed on expiry of the warranty period. The movement of the provision is as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Balance as at beginning of the year	3.25	3.83
Add: Provision made during the year	1.78	3.13
Less: Utilized/ reversed during the year	(2.35)	(3.71)
Balance as at the end of the year [included in long term provisions ₹0.89 crores (previous year ₹0.61 crores) and short term provisions ₹1.79 crores (previous year ₹2.64 crores)]	<b>2.68</b>	<b>3.25</b>
Non-current	0.89	0.61
Current	1.79	2.64

### 46 Operating lease

The Company has taken certain premises and machineries on cancellable operating leases. Future minimum rental payables under non-cancellable operating lease are as follows :-

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Payable within one year	5.28	2.82
Payable between one to five years	8.78	2.99
<b>Total</b>	<b>14.06</b>	<b>5.81</b>

Amounts recognised in statement of profit or loss

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Lease expense (Refer note 33)	18.44	16.08

- 47 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 48 On February 14, 2019, the board of directors of the Company approved composite scheme of amalgamation (the Scheme) of Harita Limited ("Transferor Company 1") and Harita Venu Private Limited ("Transferor Company 2") and Harita Cheema Private Limited ("Transferor Company 3") and Harita Financial Services Limited ("Transferor Company 4") and Harita Seating Systems Limited ("Transferor Company 5") and Minda Industries Limited ("Transferee Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, the Reserve Bank of India, other governmental authorities and third parties as may be required.

The scheme provides for

- (i) Amalgamation of the Transferor Company 1, the Transferor Company 2, the Transferor Company 3 and the Transferor Company 4 with the Transferee Company, and the consequent issue of equity shares or non-convertible redeemable preference shares by the Transferee Company in the manner set out in the Scheme; and
- (ii) Amalgamation of Transferor Company 5 with the Transferee Company, and the consequent issue of equity shares or non-convertible redeemable preference shares by the Transferee Company in the manner set out in this scheme.



## Notes forming part of the Financial Statements

### 48 (Contd.)

On the Scheme of amalgamation becoming effective, the Company may issue

(i) 125,27,570 equity shares having face value of ₹2 each (after considering cancellation of shares on account of cross holding) if all the shareholders of Transferor Companies (1 to 4) and Transferor Company 5 opt for equity shares of Transferee Company

Or

(ii) 336,81,738 preference shares having face value of ₹100/- each (after considering cancellation of shares on account of cross holding) if all the shareholders of Transferor Companies (1 to 4) and Transferor Company 5 opt for preference shares of Transferee Company.

The appointed date of the amalgamation as per scheme is 1 April 2019. Appropriate accounting treatment of the Scheme will be done in the financial statements once the requisite approvals as aforementioned are obtained.

### 49 Financial Risk Management objectives

The Company, as an active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Company's decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency risk, interest rate risk and price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at 31 March 2019. The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

#### (i) Foreign currency risk

The Company's risk management policy is to hedge a part of its estimated foreign currency exposure in respect of forecast sales and loans. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Nature of contracts	Currency Hedged	As at 31 March 2019		
		Number of contracts	Foreign currency amount*	Rupees in Crores
Forward exchange contracts ( Debtors)	USD	3	300,000	2.08
Currency options (to hedge the ECB loan)	EURO	1	1,277,500	9.93
Forward exchange contracts ( Debtors)	EURO	-	-	-

Nature of contracts	Currency Hedged	As at 31 March 2018		
		Number of contracts	Foreign currency amount	Rupees in Crores
Forward exchange contracts ( Debtors)	USD	10	500,000	3.25
Currency options (to hedge the ECB loan)	EURO	1	1,850,000	14.91
Forward exchange contracts ( Debtors)	EURO	21	1,050,000	8.47

\* Foreign currency figures in absolute



## Notes forming part of the Financial Statements

### 49 Financial Risk Management objectives (Contd.)

#### Particulars of un-hedged foreign currency exposure

Currency	As at 31 March 2019			As at 31 March 2018		
	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores
<b>Trader receivables</b>						
USD	0.31	69.17	21.50	0.33	65.04	21.15
EUR	0.18	77.70	14.19	0.19	80.62	15.01
JPY	6.26	0.63	3.91	5.59	0.62	3.44
GBP	0.00	90.48	0.03	0.00	92.28	0.11
<b>Trade payables</b>						
USD	0.27	69.17	18.69	0.15	65.04	9.45
JPY	0.69	0.63	0.43	1.41	0.62	0.87
EUR	0.03	77.70	2.48	0.04	80.62	3.21
TWD	0.03	2.24	0.07	0.04	2.23	0.08
GBP	-	90.48	-	0.00	92.28	0.02
SGD	-	-	-	0.00	49.82	0.03
<b>Advance to vendors</b>						
EUR	0.00	77.70	0.27	0.01	80.62	0.82
GBP	0.00	90.48	0.01	0.00	49.82	0.01
USD	0.12	69.17	8.60	0.01	65.04	0.36
TWD	-	2.24	-	0.01	2.23	0.03
JPY	0.02	0.63	0.01	0.31	0.62	0.19
SGD	0.00	51.08	0.01	-	-	-
<b>Advance from customers</b>						
USD	0.00	69.17	0.15	0.00	65.04	0.19
EURO	0.00	77.70	0.00	-	-	-
<b>Bank balance</b>						
TWD	0.07	2.24	0.16	-	-	-
USD	0.04	69.17	2.77	0.02	65.04	1.04
EUR	0.02	77.70	1.82	-	-	-
<b>Borrowing</b>						
USD	1.75	69.17	121.20	-	-	-
EUR	0.13	77.70	9.93	0.19	80.62	14.92

**Notes** forming part of the Financial Statements**49 Financial Risk Management objectives (Contd.)****Foreign currency risk sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in currency exchange rates, with all other variables held constant. The impact on the company profit before tax is due to changes in the fair value of monetary assets and liabilities.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Exposure gain/(loss) Particulars	31 March 2019		31 March 2018	
	Change +1%	Change -1%	Change +1%	Change -1%
<b>Trader receivables</b>				
USD	0.21	(0.21)	0.21	(0.21)
EUR	0.14	(0.14)	0.15	(0.15)
JPY	0.04	(0.04)	0.03	(0.03)
GBP	0.00	(0.00)	0.00	
<b>Trade payables</b>				
USD	(0.19)	0.19	(0.09)	0.09
JPY	(0.00)	0.00	(0.01)	0.01
EUR	(0.02)	0.02	(0.03)	0.03
TWD	(0.00)	0.00	(0.00)	0.00
GBP	-	-	(0.00)	0.00
SGD	-	-	-	-
<b>Advance to vendors</b>				
EUR	0.00	(0.00)	(0.00)	0.00
GBP	0.00	(0.00)	0.00	(0.00)
USD	0.09	(0.09)	0.00	(0.00)
TWD	-	-	0.00	(0.00)
JPY	0.00	(0.00)	0.00	(0.00)
SGD	0.00	(0.00)	-	-
<b>Advance from customers</b>				
USD	(0.00)	0.00	(0.00)	0.00
EURO	(0.00)	0.00	-	-
<b>Bank balance</b>				
TWD	0.00	(0.00)	-	-
USD	0.03	(0.03)	0.01	(0.01)
EUR	0.02	(0.02)	-	-
<b>Borrowing</b>				
USD	(1.21)	1.21	-	-
EUR	(0.10)	0.10	(0.15)	0.15

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During 31 March 2019 and 31 March 2018, the Company's borrowings at variable rate were mainly denominated in INR, EURO and USD.

The Company's fixed rate borrowings are carried at amortised cost.

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

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Variable rate borrowings	410.32	93.88
Fixed rate borrowings	-	-
<b>Total</b>	<b>410.32</b>	<b>93.88</b>



## Notes forming part of the Financial Statements

### 49 Financial Risk Management objectives (Contd.)

#### Sensitivity analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Impact on profit after tax	
	31 March 2019	31 March 2018
Increase by 0.5%	(2.05)	(0.47)
Decrease by 0.5%	2.05	0.47

#### (iii) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

#### b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

#### (i) The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(All amounts in Indian ₹ Crore, unless otherwise stated)

As at 31 March 2019	0-1 Years	1-5 Years	More than 5 Years	Total
Borrowings	133.92	276.40	-	410.32
Trade payable	337.02	-	-	337.02
Other financial liabilities	25.71	11.86	-	37.57
<b>As at 31 March 2018</b>				
Borrowings	72.23	21.65	-	93.88
Trade payable	325.37	-	-	325.37
Other financial liabilities	17.77	12.68	-	30.45

#### (ii) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Floating rate	As per Note 21	As per Note 21
- Expiring within one year (cash credit and other facilities)	54.98	102.80

#### c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major automobile manufacturers (OEMs) with good credit ratings. All clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. No impairment loss is considered necessary in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.



## Notes forming part of the Financial Statements

### 50 Related Party Disclosures

#### (i)(a) Related parties where control exists:

<b>Subsidiaries (including step down subsidiaries)</b>	
	Minda Auto Components Limited
	Minda Kosei Aluminum Wheel Private Limited
	Minda TG Rubber Private Limited
	Minda Kyoraku Limited
	M J Casting Limited
	Minda Distribution and Services Limited
	PT Minda Asean Automotive
	PT Minda Trading (Stepdown subsidiary)
	SAM Global Pte. Ltd
	Minda Industries Vietnam Company Limited (Stepdown subsidiary)
	Global Mazinkert S.L.
	Clarton Horn, Spain (Stepdown subsidiary)
	Clarton Horn Maroc SARL (Stepdown subsidiary)
	Clarton Horn, Signalakustic GmbH (Stepdown subsidiary)
	Clarton Horn, Mexico S. De R. L. De C.V. (Stepdown subsidiary)
	Minda Rinder Private Limited (w.e.f 3 June 2016) (Formerly known as Rinder India Private Limited)
	Minda Storage Batteries Private Limited (w.e.f 23 September 2016)
	Light & Systems Technical Centre S.L. Spain (Stepdown subsidiary) (w.e.f 26 June 2016)
	Mindarika Private Limited (w.e.f 1 January, 2018)
	Minda Katolec Electronics Services Private Limited (w.e.f. 3 April 2017)
	MI Torica India Private Limited (w.e.f. 01 Apr 2018)
	MITIL Polymer Pvt Limited (Stepdown subsidiary w.e.f. 01 April 2018)
	iSYS RTS, GmbH (w.e.f. 12 Sep 2018)
<b>Partnership firm</b>	
	YA Auto Industries (w.e.f. 8 August 2016)
<b>(i)(b) Other related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:</b>	
<b>Associates</b>	
	Minda NexGenTech Limited
	Kosei Minda Aluminum Company Private Limited
<b>Partnership firms</b>	
	Auto Component (Firm)
	Yogendra Engineering (Firm)
<b>Joint ventures (jointly controlled entities)</b>	
	Minda Emer Technologies Limited
	Roki Minda Co. Private Limited (w.e.f 1 October 2016)
	Rinder Riduco, S.A.S. Columbia (Stepdown Joint Venture w.e.f 10 June 2016)
	Minda TTE Daps Private Limited (formerly Minda Daps Private Limited) (w.e.f. 19 June 2017)
	Minda Onkyo India Private Limited (w.e.f. 22 Feb 2017)
	Minda D-Ten India Private Limited (Formerly Minda F-Ten Private Limited) (w.e.f 1 January, 2018)
	Denso Ten Minda India Private Limited (Formerly Fujitsu Ten Minda India Private Limited) (w.e.f 1 January, 2018)
	Toyota Gosei Minda India Private Limited (w.e.f. 28 Sep 2018)



## Notes forming part of the Financial Statements

### 50 Related Party Disclosures (Contd.)

#### Key management personnel

Mr. Nirmal K Minda  
 {Chairman and Managing Director('CMD')}  
 Mr. Anand Kumar Minda (Director)  
 Mr. Alok Dutta (Independent Director)  
 Mr. Satish Sekhri (Independent Director)  
 Ms. Renu Challu (Independent Director) (Upto 19 December 2018)  
 Ms. Praveen Tripathi (Independent Director) (w.e.f 6 February 2019)  
 Ms. Paridhi Minda (Whole-time Director ) (w.e.f 29 March 2019)  
 Mr. Sudhir Jain (CFO) (Upto 30 September 2018)  
 Mr. Sunil Bohra (CFO) (w.e.f 1 October 2018)  
 Mr. Tarun Kumar Srivastava (Company Secretary) (w.e.f 22 May 2018)

#### Relatives of key management personnel

Mrs. Suman Minda (wife of CMD)  
 Ms. Paridhi Minda (Director of MIL and daughter of CMD )  
 Ms. Pallak Minda (daughter of CMD)  
 Mr. Vivek Jindal (son-in-law of CMD)  
 Mr. Amit Minda (Son of KMP)

#### Other entities over which key management personnel and their relatives are able to exercise significant influence

Minda Investments Limited  
 Minda International Limited  
 Minda Corporation Limited (Upto 31 March 2018)  
 Minda Industries Firm  
 Minda Finance Limited  
 Singhal Fincap Ltd  
 Pioneer Finest Ltd  
 Samaira Engineering (Firm)  
 MITIL Polymer Pvt Limited (Upto 31 March 2018)  
 S.M.Auto Industries (Firm)  
 Shankar Moulding Ltd.  
 Minda Nabtesco Automotive Private Limited  
 Minda I Connect Private Limited  
 Minda Projects Limited  
 SN Castings Limited  
 Jindal Mectec Private Limited  
 Minda Industries Ltd Gratuity Scheme Trust  
 Minda Industries Ltd Managerial Superannuation Scheme Trust  
 Minda Spectrum Advisory Limited  
 Minda Mindpro Limited  
 Moga Devi Charitable Trust  
 Suman Nirmal Minda Charitable Trust



## Notes forming part of the Financial Statements

### 50 Related Party Disclosures (Contd.)

#### (ii) Transactions with related parties

(All amounts in Indian ₹ Crore, unless otherwise stated)

Summary of transactions / balances with related parties	Entities where control exists		Associates (including partnership firms where Company has significant influence)		Joint venture companies		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Transactions during the year</b>										
Sale of products	316.24	261.21	0.21	4.42	18.73	9.68	20.65	34.00	-	-
Purchase of products	105.34	16.32	0.02	1.88	0.03	0.02	56.42	148.97	-	-
Sale of Property, plant & equipment	0.74	2.04	-	0.02	-	-	-	-	-	-
Profit on hive of battery division	-	5.49	-	-	-	-	-	-	-	-
Hive of a division to subsidiary	19.75	-	-	-	-	-	-	-	-	-
Purchase of property, plant & equipment	-	0.03	-	-	-	-	34.57	23.59	-	-
Services rendered	53.79	28.94	1.95	8.83	9.09	3.44	1.60	1.30	-	-
Services received	2.63	3.00	-	12.82	-	-	9.70	5.59	1.39	1.43
Remuneration	-	-	-	-	-	-	-	-	13.51	14.60
Interest paid	0.19	0.54	-	-	-	-	3.12	-	-	-
Dividend income from non-current investments	27.63	19.83	-	2.57	-	-	-	-	-	-
Share in profit from partnership firms	3.93	3.40	2.67	2.55	-	-	-	-	-	-
Royalty received	7.35	6.95	0.34	0.27	-	-	-	0.57	-	-
Dividend paid on equity share capital	-	-	-	-	-	-	7.38	4.68	10.84	7.48
Purchase of shares / Investment in (Drawing from) partnership firm	19.71	66.79	(2.93)	(2.09)	5.75	11.24	-	83.61	-	86.89
Preacquisition dividend	0.36	-	-	-	-	-	-	-	-	-
Share application money pending allotment	-	16.08	-	-	-	-	-	8.80	-	-
Proceeds from Unsecured loan	-	-	-	-	-	-	66.00	-	-	-
Repayment of Unsecured loan	3.58	33.42	-	-	-	-	66.00	-	-	-
Guarantee / Letter of comfort given during the year	31.76	-	-	-	-	-	-	-	-	-
Reduction in guarantees given	(162.70)	(55.43)	-	-	-	-	-	-	-	-
Donation	-	-	-	-	-	-	2.60	1.99	-	-
ESOP recovered	-	3.24	-	-	-	-	-	-	-	-

Note:- The gratuity trust transactions are as per note 41 A and contribution to Superannuation fund are as per note 41 B .



## Notes forming part of the Financial Statements

### 50 Related Party Disclosures (Contd.)

#### (iii) Balances with related parties

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Entities where control exists		Associates (including partnership firms where Company has significant influence)		Joint venture companies		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Balance as at year end</b>										
Balance outstanding- Receivable	45.09	53.06	2.23	2.04	9.96	5.86	5.67	2.59	-	-
Balance outstanding- payable	29.80	1.99	-	1.22	-	-	9.47	38.33	3.29	5.32
Unsecured loan payable	-	3.58	-	-	-	-	-	-	-	-
Guarantee / Letter of comfort given during the year	56.76	187.70	-	-	-	-	-	-	-	-

**Notes forming part of the Financial Statements****50 Related Party Disclosures (Contd.)****(iv) Material transactions with related parties for the year ended 31 March 2019**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
<b>Transactions during the year</b>		
Minda Auto Components Limited	Sale of goods	152.30
Minda Distribution and Services Limited	Sale of goods	92.76
SN Casting Limited	Purchase of goods	40.11
MI Torica India Private Limited	Purchase of goods	2.66
MITIL Polymer Private Limited	Purchase of goods	81.91
Shankar Moulding Limited	Purchase of goods	16.18
PT Minda Asean Automotive	Sale of property, plant and equipment	0.26
Minda Industries Vietnam Company Limited	Sale of property, plant and equipment	0.11
Minda Auto Components Limited	Services rendered	6.72
PT Minda Asean Automotive	Services rendered	1.82
Minda Kosei Aluminum Wheel Private Limited	Services rendered	11.54
Minda Rinder Private Limited	Services rendered	6.22
Minda Investments Limited	Services received	7.46
Minda Auto Components Limited	Services received	2.04
Minda Projects Limited	Services received	4.96
Mindarika Private Limited	Services rendered	15.86
Minda Kyoraku Limited	Services rendered	2.77
Sam Global Pte Limited	Dividend received	12.66
PT Minda Asean Automotive	Dividend received	6.19
Mindarika Private Limited	Dividend received	7.27
Auto Component (Firm)	Share of profits	2.67
YA Auto Industries	Share of profits	3.93
Minda Rinder Private Limited	Guarantee/ letter of comfort given	5.00
PT Minda Asean Automotive	Guarantee given	16.36
PT Minda Asean Automotive	Royalty received	6.80
Minda Onkyo Private Limited	Investment in shares	3.75
Global Mazinkert S.L.	Investment in shares	14.38
iSYS RTGS	Investment in shares	9.37
Minda Investments Limited	Dividend paid	6.28
Mr. Nirmal K Minda	Dividend paid	6.43
Mrs. Suman Minda	Dividend paid	3.79
Ms. Pallak Minda	Remuneration	0.54
Ms. Paridhi Minda	Remuneration	0.52
Suman Nirmal Minda Charitable Trust	Donation	2.60
Pioneer Finest Ltd	Unsecured loan paid	66.00
Pioneer Finest Ltd	Unsecured loan received	66.00
Minda Storage Batteries Private Limited	Interest Paid	0.19
Pioneer Finest Ltd	Interest Paid	3.12
<b>Balance as at year end</b>		
Minda Rinder Private Limited	Guarantee at year end	10.40
Minda Rinder Private Limited	Letter of comfort year end	30.00
PT Minda Asean Automotive	Letter of comfort year end	16.36
Minda Kosei Aluminum Wheel Private Limited	Receivables	4.86



## Notes forming part of the Financial Statements

### 50 Related Party Disclosures (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
Minda Distribution and Services Limited	Receivable	10.57
Minda Investments Limited	Payable	0.94
Minda Kyoraku Limited	Receivable	1.41
Minda Auto Components Limited	Receivable	3.51
Mindarika Private Limited	Receivable	3.18
Global Mazinkert S.L.	Receivable	6.84
Minda Emer Technologies Limited	Receivable	0.60
PT Minda Asean Automotive	Receivable	2.26
PT Minda Asean Automotive	Payable	4.75
MITIL Polymer Private Limited	Payable	22.78
Shankar Moulding Limited	Payable	2.34

### Material transactions with related parties for the year ended 31 March 2018

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
<b>Transactions during the year</b>		
Minda Auto Components Limited	Sale of goods	124.30
Minda Distribution and Services Limited	Sale of goods	80.68
SN Casting Limited	Purchase of goods	24.60
MI Torica India Private Limited	Purchase of goods	66.47
Minda Corporation Limited	Purchase of goods	39.82
Shankar Moulding Limited	Purchase of goods	17.48
Minda Storage Batteries Private Limited	Sale of Battery Division	5.49
PT Minda Asean Automotive	Sale of property, plant and equipment	2.03
Minda I Connect Private Limited	Purchase of property, plant and equipment	2.55
Minda Projects Limited	Purchase of property, plant and equipment	21.04
Minda Auto Components Limited	Services rendered	4.98
PT Minda Asean Automotive	Services rendered	3.57
Minda Kosei Aluminum Wheel Private Limited	Services rendered	8.40
Minda Rinder Private Limited	Services rendered	2.24
Minda NexGenTech Limited	Services received	12.81
Minda Investments Limited	Services received	4.71
Minda Auto Components Limited	Services received	2.36
Mindarika Private Limited	Services rendered	8.97
Minda Kyoraku Limited	Services rendered	2.14
Sam Global Pte Limited	Dividend received	11.64
PT Minda Asean Automotive	Dividend received	6.71
Mindarika Private Limited	Dividend received	2.57
Auto Component (Firm)	Share of profits	2.61
YA Auto Industries	Share of profits	3.40
Yogendra engineering (firm)	Share of profits	(0.06)
Minda Rinder Private Limited	Guarantee/ letter of comfort given	14.60
PT Minda Asean Automotive	Royalty received	6.45
Minda Investments Limited	Purchase of shares of Toyoda Gosei Minda Private Limited	20.18
Minda Kosei Aluminum Wheel Private Limited	Investment in shares	57.13
Mr Nirmal K Minda	Purchase of shares of Mindarika Private Limited	82.78



## 50 Related Party Disclosures (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
Minda Investments Limited		12.10
Minda Investments Limited	Dividend paid	4.68
Mr. Nirmal K Minda	Dividend paid	4.29
Mrs. Suman Minda	Dividend paid	2.83
Ms. Pallak Minda	Remuneration	0.48
Ms. Paridhi Minda	Remuneration	0.47
Moga Devi Charitable Trust	Donation	1.13
Suman Nirmal Minda Charitable Trust	Donation	0.86
Minda Storage Batteries Private Limited	Unsecured loan received	3.58
Minda Storage Batteries Private Limited	Interest Paid	0.54
<b>Balance as at year end</b>		
Minda Kosei Aluminum Wheel Private Limited	Letter of comfort year end	160.00
Global Mazinkert S.L.	Guarantee at year end	2.70
Minda Rinder Private Limited	Letter of comfort year end	25.00
Minda Kosei Aluminum Wheel Private Limited	Receivable	8.89
MI Torica India Private Limited	Payable	18.29
Minda Corporation Limited	Payable	8.04
Minda Distribution and Services Limited	Receivable	12.57
Minda Investments Limited	Payable	0.74
Minda Kyoraku Limited	Receivable	1.14
Minda Auto Components Limited	Receivable	9.43
Minda Storage Batteries Private Limited	Payable	0.49
Mindarika Private Limited	Receivable	3.01
Global Mazinkert S.L.	Receivable	6.01
Minda Emer Technologies Limited	Receivable	1.11
PT Minda Asean Automotive	Receivable	4.42
Shankar Moulding Limited	Payable	3.69

## (v) Key managerial personnel compensation

## Remuneration to Chairman &amp; Managing Director (i.e. Mr. Nirmal K Minda)\*

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31-Mar-19	31-Mar-18
Short Term Benefit	2.49	2.16
Commission	5.60	5.31
Others - Allowances	0.33	0.26
<b>Total</b>	<b>8.42</b>	<b>7.73</b>

## Remuneration to Independent Directors

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31-Mar-19	31-Mar-18
Sitting Fees		
Mr. Alok Dutta	0.11	0.09
Mr. Satish Sekhri	0.11	0.09
Ms. Renu Challu	0.06	0.08
Ms. Praveen Tripathi	0.03	-
<b>Total</b>	<b>0.31</b>	<b>0.25</b>



## Notes forming part of the Financial Statements

### Remuneration to Key Managerial other than MD/WTD\*

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
<b>Short Term Benefit</b>		
Mr. Sudhir Jain (Chief Financial Officer)	1.43	2.37
Mr. Sunil Bohra (Chief Financial Officer)	1.20	-
Mr. H C Dhamija (Company Secretary)	-	0.53
Mr. Tarun Kumar Srivastava (Company Secretary)	0.21	-
Ms. Paridhi Minda	0.00	-
<b>Stock Option</b>		
Mr. Sudhir Jain (Chief Financial Officer)	1.76	3.51
<b>Others - Allowances</b>		
Mr. Sudhir Jain (Chief Financial Officer)	0.08	0.17
Mr. Sunil Bohra (Chief Financial Officer)	0.10	-
Mr. H C Dhamija (Company Secretary)	-	0.05
Mr. Tarun Kumar Srivastava (Company Secretary)	0.01	-
Ms. Paridhi Minda	-	-
<b>Total</b>	<b>4.79</b>	<b>6.63</b>

\*The above remuneration excludes provision for gratuity and leave benefits as separate actuarial valuation is not available.

### 51 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Category	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>1) Financial assets at amortized cost</b>				
Trade receivables (current / non current)	353.79	353.79	335.98	335.98
Cash and cash equivalents	15.04	15.04	14.58	14.58
Other bank balances (current / non current)	7.35	7.35	0.17	0.17
Loans (current / non current)	10.32	10.32	8.68	8.68
Investments in subsidiaries, associates and joint ventures	842.24	842.24	603.57	603.57
Other financial asset (current / non current)	12.09	12.09	10.19	10.19
<b>Total</b>	<b>1,240.83</b>	<b>1,240.83</b>	<b>973.17</b>	<b>973.17</b>
<b>2) Financial Liabilities at amortized cost</b>				
Borrowings (current / non current) (including current maturities)	410.32	410.32	80.38	80.38
Trade payables	337.02	337.02	325.37	325.37
Other financial liabilities (current / non current)	37.57	37.57	43.95	43.95
<b>Total</b>	<b>784.91</b>	<b>784.91</b>	<b>449.70</b>	<b>449.70</b>

- (i) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, investments, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose.



## Notes forming part of the Financial Statements

### 51 Fair value measurements (Contd.)

#### (iii) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Investment in unquoted equity shares amount to ₹0.08 Crores (₹20.21 Crores 31 March 2018) is valued at fair value (level 3). There is no movement in valuation of such investment during the year and previous year.

### 52 Capital management

The Company's objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA from continuing operations (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios are as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

	31 March 2019	31 March 2018
Net Debt	395.28	77.97
EBITDA	215.12	193.62
<b>Net Debt to EBITDA</b>	<b>1.84</b>	<b>0.40</b>

### 53 Recently issued accounting pronouncements

#### Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.

#### Ind AS 116, Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.



## Notes forming part of the Financial Statements

### 53 Recently issued accounting pronouncements (Contd.)

The Company intends to adopt these standards from 1 April 2019. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

#### **Transition to Ind AS 116**

The Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The company is currently evaluating the implication of Ind AS 116 on Financial statement.

#### **Other Recently issued accounting pronouncement**

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes- Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes- Accounting for Dividend Distribution Taxes
3. Ind AS 19, Employee benefits
4. Ind AS 23, Borrowing costs
5. Ind AS 28, Investment in associates and joint ventures
6. Ind AS 103 and Ind AS 111, Business combinations and joint arrangements
7. Ind AS 109, Financial instruments

The Company is in the process of evaluating the impact of such amendments.

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



# Independent Auditor's Report

## To the Members of Minda Industries Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Minda Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally

accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Description of Key Audit Matter

##### 1. Revenue recognition

See note 27 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Customer acceptance is used to estimate the provision for price increase/decrease. Revenue is only recognised to the extent that is highly probable a significant reversal will not occur.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>- Assessing the appropriateness of the revenue recognition accounting policies, including those relating to price increase/decrease by comparing with applicable accounting standards.</li> <li>- Evaluating the integrity of the information and technology general control environment and testing the operating effectiveness of key IT application controls.</li> <li>- Evaluating the design and implementation of Group's controls in respect of revenue recognition.</li> <li>- Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>- Testing by selecting samples of revenue transactions recorded during the year by verification of underlying documents.</li> <li>- Inspecting on a sample basis, key customer contracts/ purchase order to identify terms and conditions relating to goods acceptance and price adjustments and assessing the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards.</li> </ul>



## Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>- Testing on a sample basis, the supporting documents for sales transactions recorded during the period closer to the year end and subsequent to the year end to determine whether revenue was recognised in the correct period.</li> <li>- Performing analytical procedures on current year revenue based on trends and where appropriate, conducting further enquiries and testing.</li> </ul>

### 2. Evaluation of impairment indicators in investments in associates and joint ventures

#### See note 4 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p><b>Investments in associates and joint ventures</b></p> <p>The Group carries its investments in associates and joint ventures at cost (net of provision) at an aggregate amount of ₹ 355.48 Crores as at 31 March 2019.</p> <p>The amount being significant to the consolidated financial statements, the determination of impairment charge required the application of significant judgments by management, in particular with respect to determination of recoverable/fair value amount of these investments which in aggregate is significant to the consolidated financial statements.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> <li>- Comparing the carrying amount of investments with audited financial statements of investee companies to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount.</li> <li>- Obtaining and reviewing recoverable amounts as determined by the management for each investment.</li> </ul>

### 3. Impairment of goodwill

#### See note 56 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Group has goodwill on consolidation of ₹ 164.92 crores as at 31 March 2019.</p> <p>The majority of goodwill has been allocated to Mindarika Private Limited cash-generating unit (CGU) and the iSYS RTS GmbH (CGU).</p> <p>The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions used to estimate the recoverable amount. The recoverable amount of the CGUs has been derived from discounted forecast cash flow model. This model use several key assumptions, including estimates of future sales volumes, and prices, operating margin, growth rates and the weighted-average cost of capital (discount rate).</p>	<p>Besides obtaining an understanding of the information included in the impairment model through our knowledge of the business gained through reviewing the plans, strategic initiative and meeting with key stakeholders our procedures included the following:</p> <ul style="list-style-type: none"> <li>- We understood the methodology applied by management in performing its impairment test for the CGU, underlying assumptions for sales growth, margins and discounting rate and walked through the procedure followed by the management.</li> <li>- We discussed with key stakeholders future forecasts and key parameters including growth rate and discount rate.</li> <li>- We performed our own sensitivity analysis, which includes assessing the effect of reasonably possible reductions in key parameters to evaluate the impact on the currently estimated headroom for both the CGUs; and</li> <li>- Based on above evidence and discussions with management, we found management's assumptions in relation to the calculation of the value in use of the cash generating unit to be reasonable. However, value in use arrived solely depends upon the achievement of the CGUs projections.</li> </ul>



## Independent Auditor's Report (Contd.)

### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



## Independent Auditor's Report (Contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the

planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of eighteen subsidiaries, whose financial statements reflect total assets of ₹956.22 crores as at 31 March 2019, total revenues of ₹2,453 crores and net cash flows amounting to ₹8.48 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹18.84 crores for the year ended 31 March 2019, in respect of ten associates/joint ventures, whose financial statements have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures/associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the audit reports of the other auditors.

Certain of these subsidiaries and a joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and a joint venture located outside India from



## Independent Auditor's Report (Contd.)

accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and a joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its

subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies, and joint venture companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 38 to the consolidated financial statements;
  - ii. The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019;
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India during the year ended 31 March 2019; and
  - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies,



## Independent Auditor's Report (Contd.)

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associate companies and joint venture companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint venture companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint venture companies is not in excess of the limit laid down under Section 197 of the Act.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

Place: Gurugram  
Date: 16 May 2019

**Rajiv Goyal**  
Partner  
Membership number. 094549



## Annexure-A

### **Annexure A to the Independent Auditor's report on the consolidated financial statements of Minda Industries Limited for the year ended 31 March 2019**

#### **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of Minda Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as



necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to six subsidiary companies and six associate / joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

Place: Gurugram  
Date: 16 May 2019

**Rajiv Goyal**  
Partner  
Membership number. 094549

**Consolidated Balance Sheet** as at 31 March 2019

(All amounts in Indian ₹ crore, unless otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	1,629.40	1,199.39
Capital work-in-progress	3B	131.52	192.11
Intangible assets	3C	66.84	39.32
Intangible assets under development	3D	18.61	18.68
Goodwill on Consolidation		164.92	111.79
<b>Financial assets</b>			
(i) Investments	4	355.58	155.23
(ii) Loans	5	21.21	14.49
(iii) Other non-current financial assets	6	9.66	16.79
Deferred tax assets (net)	7	-	18.61
Other tax assets	8	33.05	31.18
Other non-current assets	9	67.10	40.43
<b>Total non-current assets</b>		<b>2,497.89</b>	<b>1,838.02</b>
<b>Current assets</b>			
Inventories	10	560.97	417.52
<b>Financial assets</b>			
(i) Trade receivables	11	899.22	789.73
(ii) Cash and cash equivalents	12	92.77	125.56
(iii) Bank balances other than those included under cash and cash equivalents above	13	17.29	33.91
(iv) Loans	14	2.01	1.59
(v) Other current financial assets	15	22.00	18.04
Other current assets	16	138.48	140.74
<b>Total current assets</b>		<b>1,732.74</b>	<b>1,527.09</b>
<b>Total assets</b>		<b>4,230.63</b>	<b>3,365.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17 (a)	52.44	17.41
Other equity	17 (b)	1,651.72	1,374.28
<b>Equity attributable to owners of the Company</b>		<b>1,704.16</b>	<b>1,391.69</b>
Non-Controlling Interest	17 (c)	266.71	211.01
<b>Total equity</b>		<b>1,970.87</b>	<b>1,602.70</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	18	606.34	240.04
(ii) Other financial liabilities	19	75.58	51.46
Provisions	20	99.64	103.78
Deferred tax liabilities (net)	7	0.62	-
<b>Total non-current liabilities</b>		<b>782.18</b>	<b>395.28</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	21	349.15	302.81
(ii) Trade payables	22		
(a) total outstanding dues of micro and small enterprises		64.61	6.08
(b) total outstanding dues of creditors other than micro and small enterprises		733.21	792.33
(iii) Other financial liabilities	23	231.15	155.41
Other current liabilities	24	77.90	91.84
Provisions	25	21.56	14.83
Current tax liabilities (net)	26	-	3.83
<b>Total current liabilities</b>		<b>1,477.58</b>	<b>1,367.13</b>
<b>Total Equity and Liabilities</b>		<b>4,230.63</b>	<b>3,365.11</b>

Significant accounting policies

2 (b)

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Minda Industries Limited**For **B S R & Co. LLP****Nirmal K Minda****Anand Kumar Minda**

Chartered Accountants

Chairman and Managing Director

Director

ICAI Firm Registration No: 101248W/W-100022

DIN No. 00014942

DIN No. 00007964

**Rajiv Goyal****Sunil Bohra****Tarun Kumar Srivastava**

Partner

Group CFO

Company Secretary

Membership No. 094549

Membership No. - A11994

Place : Gurugram

Date : 16 May 2019



## Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in Indian ₹ crore, unless otherwise stated)

Particulars	Note	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Income</b>			
Revenue from operations	27	5,908.09	4,548.29
Other income	28	27.03	33.35
<b>Total income</b>		<b>5,935.12</b>	<b>4,581.64</b>
<b>Expenses</b>			
Cost of materials consumed	29	3,100.03	2,342.02
Purchase of stock in trade	30	558.72	454.21
Changes in inventory of finished goods, stock in trade and work-in-progress	31	(36.27)	(33.05)
Excise duty		-	77.73
Employee benefit expenses	32	791.29	586.80
Finance costs	33	63.15	35.09
Depreciation and amortization expense	34	234.38	164.85
Other expenses	35	769.14	586.76
<b>Total expenses</b>		<b>5,480.44</b>	<b>4,214.41</b>
<b>Profit for the year before exceptional items and tax</b>		<b>454.68</b>	<b>367.23</b>
Exceptional items	36	-	38.24
<b>Profit for the year before tax</b>		<b>454.68</b>	<b>405.47</b>
<b>Tax expense</b>			
Current tax	8	115.47	84.58
Deferred tax charge	7	18.60	13.11
<b>Tax expense</b>		<b>134.07</b>	<b>97.69</b>
<b>Profit for the year after tax</b>		<b>320.61</b>	<b>307.78</b>
<b>Add:- Share of profit of associates and joint ventures</b>		<b>18.87</b>	<b>23.08</b>
<b>Total profit after share of profit of associates and joint ventures (A)</b>		<b>339.48</b>	<b>330.86</b>
Other comprehensive income			
<b>Items that will not be reclassified subsequently to profit or loss (B)</b>			
Remeasurements of defined benefit liability		0.60	2.92
Income tax relating to items that will not be reclassified to profit or loss		(0.22)	(0.93)
		<b>0.38</b>	<b>1.99</b>
<b>Items that will be reclassified to profit or loss (C)</b>			
Foreign currency translation reserve		(1.06)	3.32
Income tax relating to items that will be reclassified to profit or loss		-	-
		<b>(1.06)</b>	<b>3.32</b>
<b>Other comprehensive income for the year, net of tax (D=B+C)</b>		<b>(0.68)</b>	<b>5.31</b>
<b>Total comprehensive income for the year (A+D)</b>		<b>338.80</b>	<b>336.17</b>
<b>Profit for the year attributable to:</b>			
Owners of Minda Industries Limited		285.62	310.19
Non-controlling interest		53.86	20.67
		<b>339.48</b>	<b>330.86</b>
<b>Other comprehensive income attributable to:</b>			
Owners of Minda Industries Limited		(0.71)	4.80
Non-controlling interest		0.03	0.51
		<b>(0.68)</b>	<b>5.31</b>
<b>Total comprehensive income attributable to:</b>			
Owners of Minda Industries Limited		284.91	314.99
Non-controlling interest		53.89	21.18
		<b>338.80</b>	<b>336.17</b>
<b>Earnings per equity share [nominal value of share ₹2 (Previous year ₹2)]</b>	37		
Basic		10.90	11.96
Diluted		10.90	11.93

Significant accounting policies

2 (b)

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

As per our report of even date attached

For and on behalf of the Board of Directors of **Minda Industries Limited**

For **B S R & Co. LLP**

**Nirmal K Minda**

**Anand Kumar Minda**

Chartered Accountants

Chairman and Managing Director

Director

ICAI Firm Registration No: 101248W/W-100022

DIN No. 00014942

DIN No. 00007964

**Rajiv Goyal**

**Sunil Bohra**

**Tarun Kumar Srivastava**

Partner

Group CFO

Company Secretary

Membership No. 094549

Membership No. - A11994

Place : Gurugram

Date : 16 May 2019

**Consolidated Cash Flow Statement** for the year ended 31 March 2019

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>A. Cash flows from operating activities :</b>		
Profit before tax	454.68	405.47
<b>Adjustments for:</b>		
Depreciation and amortisation	234.38	164.85
Finance costs	63.15	35.09
Interest income on fixed deposits	(5.35)	(12.85)
Liabilities / provisions no longer required written back	(1.45)	(12.96)
Exceptional items	-	(38.24)
Expenses incurred for share allotment under equity settled share based payments	-	6.38
Unrealised (gain)/ loss on Foreign currency fluctuations (net)	(6.35)	-
Doubtful trade and other receivables provided for	1.71	1.29
Doubtful trade and other receivables, loans and advances written off	0.06	1.02
MTM gain on forward contract	(1.19)	-
Provision for warranty	14.23	-
Profit on sale of property, plant and equipments	(1.08)	(0.32)
	<b>298.11</b>	<b>144.26</b>
Operating profit before working capital changes	752.79	549.72
Adjustments for working capital changes:		
Decrease/ (increase) in inventories	(113.98)	(104.41)
Decrease/ (increase) in trade and other receivables	(47.22)	(199.87)
Decrease/ (increase) in other current financial assets	(6.67)	(12.59)
Decrease/ (increase) in other non-current financial assets	5.03	(8.47)
Decrease/ (increase) in other non-current assets	(1.17)	18.80
Decrease/ (increase) in other current assets	3.85	(55.25)
Increase/ (decrease) in trade payables	(69.96)	197.58
Increase/ (decrease) in other financial liabilities	9.83	32.57
Increase/(decrease) in other current liabilities	(14.95)	23.44
Increase/(decrease) in short-term provisions	(8.24)	(2.51)
Increase/(decrease) in other non current financial liabilities	24.12	(6.80)
Increase in long-term provisions	(4.05)	14.43
	<b>(223.41)</b>	<b>(103.08)</b>
Cash generated from operations	529.38	446.64
Income tax paid	(115.41)	(84.58)
<b>Net Cash flows from operating activities (A)</b>	<b>413.97</b>	<b>362.06</b>
<b>B. Cash flows from investing activities</b>		
Payment for acquisition of subsidiaries and jointly controlled entities	(191.68)	(137.64)
Purchase of Property, Plant and Equipment	(670.06)	(516.53)
Proceeds from sale of property, plant and equipments	8.30	21.51
Interest received on fixed deposits	7.57	15.27
Decrease in deposits (with original maturity more than three months)	20.40	(23.21)
<b>Net cash used in investing activities (B)</b>	<b>(825.47)</b>	<b>(640.50)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of equity share capital	0.17	0.12
Share premium on exercise of ESOP	7.97	11.58
Proceeds from issue of equity shares to non-controlling interest	-	38.69
Acquisition of non-controlling interest	-	(30.53)
Proceeds from/ (repayment of) short term borrowings	20.16	18.26
Proceeds from/ (repayment of) long term borrowings	437.29	65.91
Interest paid on borrowings	(61.75)	(35.00)
Dividend paid (including corporate dividend tax)	(35.36)	(22.89)
<b>Net cash used in financing activities (C)</b>	<b>368.48</b>	<b>46.15</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(43.02)</b>	<b>(232.27)</b>



## Consolidated Cash Flow Statement for the year ended 31 March 2019 (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Foreign currency translation adjustment	0.80	0.07
Cash and cash equivalents pursuant to acquisition	9.43	-
Cash and cash equivalents as at beginning	125.56	357.76
<b>Cash and cash equivalents as at closing</b>	<b>92.77</b>	<b>125.56</b>
Cash on hand	1.69	0.74
Balances with banks:		
- on current accounts	81.83	58.61
- on deposit accounts	9.25	66.21
<b>Cash and cash equivalents at the end of the year</b>	<b>92.77</b>	<b>125.56</b>

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

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, as specified under the section 133 of the Companies Act, 2013.
- 2 Purchase of Property, Plant and Equipment includes movement of Capital work-in-progress (including capital advances) during the year.
- 3 Changes in liabilities arising from financing activities

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Opening balance of secured loans</b>		
Indian currency term loan (including current maturities)	178.59	117.71
Local currency term loan (including current maturities)	31.86	32.13
Foreign currency term loan (including current maturities)	75.94	72.11
Short term borrowings	302.81	261.20
<b>Cash flows</b>		
Repayment of long term secured loan (Net of foreign fluctuation)	(69.57)	(29.49)
Proceeds from long term secured loan (Net of foreign fluctuation)	512.26	93.92
Increase in short term borrowings (Net)	20.16	18.26
Pursuant to acquisition	26.18	23.35
<b>Closing balance of secured loans</b>		
Indian currency term loan (including current maturities)	442.93	178.59
Local currency term loan (including current maturities)	31.00	31.86
Foreign currency term loan (including current maturities)	255.15	75.94
Short term borrowings	349.15	302.81

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants  
ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner  
Membership No. 094549

Place : Gurugram  
Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director  
DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director  
DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary  
Membership No. - A11994



## Consolidated Statement of changes in equity for the year ended 31 March 2019

**a) Equity share capital**  
(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Amount
Balance as at 1 April 2017	15.87
Changes in equity share capital during 2017-18	1.54
<b>Balance as at the 31 March 2018</b>	<b>17.41</b>
Changes in equity share capital during 2018-19*	35.03
<b>Balance as at 31 March 2019</b>	<b>52.44</b>

\* Includes ₹34.86 crore towards issue of bonus shares (Refer Note 17)

**b) Other equity attributable to owners of Minda Industries Limited**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Other comprehensive income		Equity component of other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	Capital reserves arising on consolidation	General reserves	Employee stock options reserve	Retained earnings	Total other equity
	Remeasurements of Defined Benefits obligations	Foreign currency translation reserve									
<b>Balance as at 1 April 2018</b>	<b>1.21</b>	<b>3.78</b>	<b>6.55</b>	<b>371.59</b>	<b>6.50</b>	<b>3.41</b>	<b>139.11</b>	<b>70.64</b>	<b>3.61</b>	<b>767.88</b>	<b>1,374.28</b>
Profit for the year	-	-	-	-	-	-	-	-	-	285.62	285.62
Other comprehensive income (net of tax)	0.27	(0.98)	-	-	-	-	-	-	-	-	(0.71)
Additional tax benefit on employee stock options exercised during the year	-	-	-	5.90	-	-	-	-	-	-	5.90
Reserve utilised on exercise of employee stock options	-	-	-	3.41	-	-	-	-	(3.41)	-	-
Utilised During the Year	-	-	-	(0.09)	-	-	-	-	-	-	(0.09)
Utilization of Reserves for issue of bonus shares	-	-	(6.50)	(28.36)	-	-	-	-	-	-	(34.86)
Addition on redemption of preference shares	-	-	18.29	-	-	-	-	-	-	(18.29)	-
Addition during the year (including pursuant to acquisition)	-	-	-	-	-	-	36.92	-	-	-	36.92
Final dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	-	-	(13.98)	(13.98)
Interim dividend for the year ended 31 March 2019	-	-	-	-	-	-	-	-	-	(11.80)	(11.80)
Dividend distribution tax*	-	-	-	-	-	-	-	-	-	(5.10)	(5.10)
Disposal/ Adjustment	-	-	-	-	-	-	0.98	-	(0.20)	6.79	7.57
Premium on ESOP	-	-	-	7.97	-	-	-	-	-	-	7.97
<b>Balance as at 31 March 2019</b>	<b>1.48</b>	<b>2.80</b>	<b>6.55</b>	<b>360.51</b>	<b>18.29</b>	<b>3.32</b>	<b>177.01</b>	<b>70.64</b>	<b>-</b>	<b>1,011.12</b>	<b>1,651.72</b>



## Consolidated Statement of changes in Equity for the year ended 31 March 2019 (Contd.)

b) Other equity attributable to owners of Minda Industries Limited (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Other comprehensive income		Equity component of other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	Capital reserves arising on consolidation	General reserves	Employee stock options reserve	Retained earnings	Total other equity
	Remeasurements of Defined Benefits obligations	Foreign currency translation reserve									
<b>Balance as at 1 April 2017</b>	(0.27)	0.46	6.55	44.61	6.50	3.41	134.50	70.64	2.32	474.86	743.58
Profit for the year	-	-	-	-	-	-	-	-	-	310.19	310.19
Other comprehensive income (net of tax)	1.48	3.32	-	-	-	-	-	-	-	-	4.80
Addition during the year (including pursuant to acquisition)	-	-	-	-	-	-	4.61	-	-	-	4.61
Additional tax benefit on employee stock options exercised during the year	-	-	-	15.90	-	-	-	-	-	-	15.90
Reserve utilised on exercise of employee stock options	-	-	-	6.10	-	-	-	-	(6.10)	-	-
Final dividend for the year ended 31 March 2017	-	-	-	-	-	-	-	-	-	(8.64)	(8.64)
Interim dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	-	-	(10.37)	(10.37)
Dividend distribution tax*	-	-	-	-	-	-	-	-	-	(3.17)	(3.17)
Issuance of equity share capital to QIBs	-	-	-	298.53	-	-	-	-	-	-	298.53
Amount utilised towards expenses relating to QIP	-	-	-	(5.23)	-	-	-	-	-	-	(5.23)
Amount received on issue of shares against employee stock options	-	-	-	11.68	-	-	-	-	-	-	11.68
Increase in reserves due to reduction in non-controlling interest on purchase of further shares in subsidiaries	-	-	-	-	-	-	-	-	-	5.01	5.01
Cost of employee stock options	-	-	-	-	-	-	-	-	7.39	-	7.39
<b>Balance as at 31 March 2018</b>	<b>1.21</b>	<b>3.78</b>	<b>6.55</b>	<b>371.59</b>	<b>6.50</b>	<b>3.41</b>	<b>139.11</b>	<b>70.64</b>	<b>3.61</b>	<b>767.88</b>	<b>1,374.28</b>

\* Tax on dividend paid is net of credit of ₹5.10 Crores (₹3.17 Crores for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary companies.

**Consolidated Statement of changes in Equity** for the year ended 31 March 2019 (Contd.)**c) Non Controlling Interest**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Amount
<b>Balance as at 1 April 2017</b>	<b>117.01</b>
Profit for the year	20.67
Pursuant to acquisition/additional investment (Net) during the year	117.82
Reduction in non-controlling interest on purchase of further shares in subsidiaries	(44.29)
Dividend paid during the year	(0.71)
Other comprehensive income (net of tax)	0.51
<b>Balance as at 31 March 2018</b>	<b>211.01</b>
Profit for the year	53.86
Pursuant to acquisition/additional investment (net) during the year	6.98
Addition in non-controlling interest due to renouncing of right issue	2.51
Dividend paid/ Drawings during the year	(13.71)
Other comprehensive income (net of tax)	0.03
Adjustment	6.03
<b>Balance as at 31 March 2019</b>	<b>266.71</b>

Significant accounting policies

2 (b)

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

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited****Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



## Notes forming part of the consolidated financial statements for the year ended 31 March 2019

### 1 Corporate information

Minda Industries Limited is a public company domiciled and headquartered in India. It was incorporated on 16 September 1992 under the Companies Act, 1956 and its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures. The Group is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories and ancillary services and caters to both domestic and international markets.

### 2 (a) Basis of preparation

#### A. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Parent Company's Board of Directors on 16 May 2019.

Details of the Group's accounting policies are included in Note 2 (b).

#### B. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee, which is Minda Industries Limited's functional and presentation currency. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

#### C. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

(a) Certain financial assets and liabilities (including derivative financial instruments)	Fair value
(b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

#### D. Use of estimates and judgements

In preparing the consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

##### Critical estimates and judgements

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 43
- Estimation of fair value of unlisted securities – Note 54
- Estimation of defined benefit obligation – Note 42
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 38 and 45
- Leases; whether as arrangement contains a lease.
- Lease classification. - Note 46
- Consolidation: whether the Group has de facto control over an investee
- Business combinations: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis – Note 55
- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used – Note 7
- Impairment of financial assets

#### E. Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.



## Notes forming part of the Financial Statements

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable -inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 47 - share-based payment
- Note 54 - fair value measurements
- Note 55 - acquisition of subsidiaries, associates and jointly controlled entities

### F. Principles of consolidation

The consolidated financial statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

#### i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

#### ii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

#### iv. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

#### v. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### vi. Business combination

*Business combination (other than common control business combinations)*

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business



## Notes forming part of the Financial Statements

combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

The consolidated financial statements are comprised of the financial statements of the members of the Group as under:

Name of subsidiaries / Joint ventures / Associates	Country of incorporation	% of Interest	
		As at 31 March 2019	As at 31 March 2018
<b>Subsidiaries</b>			
Minda Auto Components Limited	India	100	100
Minda Kyoraku Limited	India	67.60	71.66
Minda Distribution and Services Limited	India	100	100
MI Torica India Pvt Ltd	India	60	-
<b>Downstream subsidiaries of MI Torica India Pvt Ltd</b>			
MI Torica Polymer Pvt Ltd	India	57	-
ISYS RTS, GmbH, Germany	Germany	80	-
Global Mazinkert S.L.	Spain	100	100
<b>Downstream subsidiaries of Global Mazinkert, S.L.</b>			
Clarton Horn, Spain	Spain	100	100
Clarton Horn, Morocco	Morocco	100	100
Clarton Horn, Signalkoustic	Germany	100	100
Clarton Horn, Mexico	Mexico	100	100
Light & Systems Technical Centre, S.L. Spain	Spain	100	100
Minda TG Rubber Private Ltd.	India	51	51
Minda Kosei Aluminum Wheel Private Limited	India	69.99	69.99
MJ Casting Limited	India	100	100
PT Minda Asean Automotive	Indonesia	100	100
<b>Downstream subsidiaries of PT Minda Asean Automotive</b>			
PT Minda Trading	Indonesia	100	100
Sam Global Pte Ltd.	Singapore	100	100
<b>Downstream subsidiaries of Sam Global Pte Ltd.</b>			
Minda Industries Vietnam Company Limited	Vietnam	100	100
Minda Rinder Private Limited	India	100	100
Minda Storage Batteries Private Limited	India	100	100
YA Auto Industries (partnership firm)	India	51	51
Mindarika Private Limited	India	51	51
Minda Katolec Electronics Services Private Limited	India	51	51
<b>Joint ventures</b>			
Minda Emer Technologies Limited	India	49.10	49.10
Rinder Riduco, S.A.S. Columbia	Columbia (USA)	50	50
ROKI Minda Co. Private Limited	India	49	49
Minda TTE DAPS Private Limited	India	50	50
Minda Onkyo Private Limited	India	50	50
Densoten Minda Private Limited	India	49	49
Minda D Ten Private Limited	India	51	51
Toyoda Gosei Minda India Private Limited	India	47.80	-
Kosei Minda Mould India Private Limited	India	49.90	-
<b>Associates</b>			
Minda NexGenTech Limited	India	26	26
Yogendra Engineering (partnership firm)	India	48.90	48.90
Auto Components (partnership firm)	India	48.90	48.90
Kosei Minda Aluminum Company Pvt. Ltd.	India	30	30



## Notes forming part of the Financial Statements

### 2 (b) Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these consolidated financial statements.

#### a. Foreign currency transactions

Transactions in foreign currencies are initially recorded into the respective functional currencies of the Group's entities at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);

#### Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint ventures) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

#### b. Financial instruments

##### i. Initial Recognition and Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### ii. Classification and subsequent measurement Financial assets

On initial recognition, a financial asset is classified as measured at

Financial Assets at FVPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial Assets at amortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gains or loss or derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other income and net gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividend income are recognized in profit or loss unless dividend clearly represents a recovery of part of cost of investment. Other income and net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and



## Notes forming part of the Financial Statements

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

*Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL : These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost : These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI : These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in

profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI : These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

*Financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii. Derecognition

*Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

*Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.



## Notes forming part of the Financial Statements

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### v. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

### vi. Financial guarantee contracts

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

### vii. Compound Financial Instruments

Compound financial instruments issued by the Group comprise cumulative redeemable preference shares denominated in INR that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary.

The liability component of a compound financial instrument is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognized in profit or loss (unless it qualifies for inclusion in the cost of an asset).

### c. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- expected to be realised in, or is intended to be sold or consumed in Group's normal operating cycle;
- held primarily for the purpose of being traded;
- expected to be realised within twelve months after the reporting date; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

*A Liability is current when:*

- it is expected to be settled in Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

*Operating cycle*

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

### d. Property, plant and equipment

#### i. Initial Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.



## Notes forming part of the Financial Statements

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

### iii. Depreciation

Depreciation on plant and machinery, tools and dies and on other tangible property, plant and equipment is provided on SLM/WDV basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools and dies, the useful life based on technical advice is 3 to 6 years.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

### e. Goodwill

For measurement of goodwill that arises on a business combination see note 2(a)(F)(vi). Subsequent measurement is at cost less any accumulated impairment losses. Goodwill is not amortised and is tested for impairment annually.

### f. Other intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. Intangible assets are amortised over the best estimate of their respective useful lives as under:

- i) Technical know-how: Amortized over the period of agreement.
- ii) Computer software: Amortized over the period of 6 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

### Internally generated: Research and development

- a) Expenditure on research activities is recognised in profit or loss as incurred.
- b) Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.



## Notes forming part of the Financial Statements

### g. Impairment

#### i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowances at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when the financial asset is 90 days or more past due.

#### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

#### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### ii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.



## Notes forming part of the Financial Statements

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### h. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### i. Leases

#### i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

#### ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's consolidated Balance Sheet.

#### iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

### j. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Inventories in transit are valued at cost.

### k. Revenue recognition

#### (i) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods



## Notes forming part of the Financial Statements

or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

### Sale of goods (including moulds and scrap)

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers except for sales till June 30, 2017 where excise duty is included in the revenue

### Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customers. Where customers are provided with discounts, rebates, etc., such discounts and rebates will give rise to variable consideration. The Group follows the most likely amount method in estimating the amount of variable consideration.

- (ii) Management fees, designing fees and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.
- (iii) Interest income is recognised using the effective interest method.
- (iv) Dividend income is recognized when the right to receive dividend is established.
- (v) Royalty income is recognized based on the terms of the underlying agreement.
- (vi) Claims lodged with insurance companies are accounted for on an accrual basis, to the extent

these are measurable and the ultimate collection is reasonably certain.

- (vii) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.

### **Contract balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (b) Financial instruments – initial recognition and subsequent measurement.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### **I. Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the assets and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as Government grant. The loan or



## Notes forming part of the Financial Statements

assistance is initially recognized and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### m. Provisions (other than employee benefits)

#### (i) General

A provision is recognized if, as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### (ii) Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

### n. Retirement and other employee benefits

#### (i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### (ii) Share-based payment transactions (Equity settled)

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock option (ESO) reserves in other equity, over the period in

which the performance and/or service conditions are fulfilled in employee benefits expense.

The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

#### (iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund, employee state insurance corporation and superannuation funds which is a defined contribution plan. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### (iv) Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent period.



## Notes forming part of the Financial Statements

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### (v) Other long term employee benefits

#### Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

### (vi) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

### o. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Tax benefits of deductions earned on exercise of employee stock options in excess of compensation charged to income are credited to securities premium.

### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary



## Notes forming part of the Financial Statements

differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted

average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split that have changed the numbers of equity share outstanding, without a corresponding changes in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

### q. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### r. Cash dividend to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

### s. Application of new and revised standards

The Group has adopted Ind AS 115 Revenue from contracts with customers with effect from April 1, 2018 which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most of the current revenue recognition guidance. The core principle of the new standard is to recognise revenue when the control of the goods and services is transferred to the customer as against the transfer of risk and rewards. As per the Group's current revenue recognition practices, transfer of control happens at the same point as transfer



## Notes forming part of the Financial Statements

of risk and rewards thus not effecting the revenue recognition. As per the result of evaluation of contracts of the relevant revenue streams, it is concluded that the impact of this change is immaterial to the Group and hence no accounting changes have been done.

The Group has adopted the modified transitional approach as permitted by the standard under which the comparative financial information is not restated. The accounting changes required by the standard are not having material effect on the Group's consolidated financial statements and no transitional adjustment is recognised in retained earnings at April 1, 2018.

### t. Recently issued accounting pronouncements

#### Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.

#### Ind AS 116, Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will lease payments recognise a liability to make (i.e.,

the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group intends to adopt these standards from 1 April 2019. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

#### Transition to Ind AS 116

The Group is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Group has elected certain available practical expedients on transition.

The Group is currently evaluating the implication of Ind AS 116 on Financial statement.

#### Other Recently issued accounting pronouncement

There are some amendments in other existing standards which are effective from April 1, 2019. The Group is evaluating impact of such amendments.



## Notes forming part of the Financial Statements

### 3 A. Property, plant and equipment

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Land-Freehold	Land-Leasehold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross carrying amount</b>									
Balance as at 1 April 2017	103.07	21.63	178.86	631.68	15.94	9.18	6.19	11.89	978.44
Additions (pursuant to acquisition)	24.13	3.08	36.19	59.97	0.74	1.53	0.38	0.84	126.86
Additions during the year	5.97	2.22	88.43	280.40	9.33	5.52	3.65	4.89	400.42
Foreign currency translation impact	0.02	-	0.12	0.50	1.33	(0.06)	(0.01)	0.05	1.95
Deductions/ Adjustments	-	2.24	11.35	6.69	0.00	0.81	0.21	0.11	21.41
<b>Balance as at 31 March 2018</b>	<b>133.19</b>	<b>24.68</b>	<b>292.26</b>	<b>965.86</b>	<b>27.34</b>	<b>15.36</b>	<b>10.01</b>	<b>17.55</b>	<b>1,486.26</b>
Additions (pursuant to acquisition)	-	-	-	0.14	1.47	0.14	0.79	0.39	2.93
Additions during the year	70.30	-	75.32	467.20	17.62	3.53	5.42	12.60	651.99
Foreign currency translation impact	-	-	0.01	0.96	0.14	-	-	0.03	1.14
Deductions/ Adjustments	-	-	0.02	15.01	1.48	1.67	0.48	0.93	19.59
<b>Balance as at 31 March 2019</b>	<b>203.49</b>	<b>24.68</b>	<b>367.57</b>	<b>1,419.15</b>	<b>45.09</b>	<b>17.36</b>	<b>15.74</b>	<b>29.64</b>	<b>2,122.73</b>
<b>Accumulated depreciation and impairment losses</b>									
Balance as at 1 April 2017	(0.01)	0.11	7.50	108.31	9.35	2.28	1.48	1.95	130.99
Foreign currency translation impact	-	-	(0.05)	0.05	0.26	0.03	-	0.02	0.32
Depreciation for the year	0.05	0.16	9.84	128.21	8.86	3.05	1.49	3.91	155.58
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>0.04</b>	<b>0.27</b>	<b>17.30</b>	<b>236.57</b>	<b>18.47</b>	<b>5.37</b>	<b>2.97</b>	<b>5.89</b>	<b>286.87</b>
Foreign currency translation impact	-	-	0.01	0.13	(0.04)	-	-	0.02	0.12
Depreciation for the year	-	0.13	14.66	180.35	11.78	2.88	2.67	6.92	219.39
Disposals/Adjustment	-	-	0.01	11.18	0.30	0.64	0.20	0.73	13.05
<b>Balance as at 31 March 2019</b>	<b>0.04</b>	<b>0.40</b>	<b>31.96</b>	<b>405.87</b>	<b>29.91</b>	<b>7.61</b>	<b>5.44</b>	<b>12.10</b>	<b>493.33</b>
<b>Carrying amounts (net)</b>									
<b>As at 31 March 2018</b>	<b>133.15</b>	<b>24.41</b>	<b>274.96</b>	<b>729.30</b>	<b>8.88</b>	<b>9.99</b>	<b>7.04</b>	<b>11.67</b>	<b>1,199.39</b>
<b>As at 31 March 2019</b>	<b>203.45</b>	<b>24.28</b>	<b>335.61</b>	<b>1,013.28</b>	<b>15.18</b>	<b>9.75</b>	<b>10.31</b>	<b>17.54</b>	<b>1,629.40</b>

### 3 B. Capital work-in-progress:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Furniture and fixtures	0.11	0.13
Building	34.19	3.70
Office equipment	0.61	0.19
Plant and equipment	96.61	188.09
<b>Total</b>	<b>131.52</b>	<b>192.11</b>

**Notes** forming part of the Financial Statements**3 C. Intangible assets**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Goodwill	Other intangible assets				Total
		Trade Mark	Design Fees	Technical Knowhow	Computer Software	
<b>Cost or deemed cost (gross carrying amount)</b>						
Balance as at 1 April 2017	0.20	3.07	19.31	1.15	9.99	33.73
Additions (pursuant to acquisition)	-	-	-	0.16	3.27	3.43
Additions during the year	0.36	-	-	21.97	11.39	33.71
Foreign currency translation impact	-	-	-	0.74	-	0.74
Disposal	-	-	16.82	-	0.10	16.92
<b>Balance as at 31 March 2018</b>	<b>0.56</b>	<b>3.07</b>	<b>2.49</b>	<b>24.02</b>	<b>24.56</b>	<b>54.70</b>
Additions (pursuant to acquisition)	-	-	-	-	0.44	0.44
Additions during the year	-	0.02	-	25.49	17.20	42.71
Foreign currency translation impact	-	-	-	-	0.07	0.07
Disposal	-	-	-	1.17	0.20	1.37
<b>Balance as at 31 March 2019</b>	<b>0.56</b>	<b>3.09</b>	<b>2.49</b>	<b>48.34</b>	<b>42.07</b>	<b>96.55</b>
<b>Accumulated amortisation and impairment losses at 1 April 2017</b>	<b>0.05</b>	<b>0.66</b>	<b>2.49</b>	<b>0.32</b>	<b>1.85</b>	<b>5.37</b>
Amortisation for the year	0.09	0.61	-	5.74	2.83	9.27
Foreign currency translation impact	-	-	-	0.74	-	0.74
Disposal	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>0.14</b>	<b>1.27</b>	<b>2.49</b>	<b>6.80</b>	<b>4.68</b>	<b>15.38</b>
Amortisation for the year	0.09	0.46	-	7.42	7.02	14.99
Foreign currency translation impact	-	-	-	-	0.02	0.02
Disposal	-	-	-	0.60	0.08	0.68
<b>Balance as at 31 March 2019</b>	<b>0.23</b>	<b>1.73</b>	<b>2.49</b>	<b>13.62</b>	<b>11.64</b>	<b>29.71</b>
<b>Carrying amount (net)</b>						
<b>As at 31 March 2018</b>	<b>0.42</b>	<b>1.80</b>	<b>-</b>	<b>17.22</b>	<b>19.88</b>	<b>39.32</b>
<b>As at 31 March 2019</b>	<b>0.33</b>	<b>1.36</b>	<b>-</b>	<b>34.72</b>	<b>30.43</b>	<b>66.84</b>

**3 D. Intangible asset under development:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Design and Technical know how	18.61	18.68

1. Carrying amount of assets (included in above) pledged as securities for borrowings Refer Note 18 and Note 21
2. The amount of borrowing costs capitalised during the year ended 31 March 2019 was ₹ 4.24 crore (31 March 2018: Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was 8%, which is the effective interest rate of the specific borrowing.



## Notes forming part of the Financial Statements

### 4 Investments

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Investments measured at cost</b>		
<b>Equity instruments</b>		
<b>(i) Investments in partnership firms**</b>		
- Auto Component	3.42	3.17
- Yogendra Engineering	0.01	0.02
<b>(ii) Associates</b>		
Minda NexGenTech Limited	3.95	3.61
- 3,120,000 equity shares (previous year 3,120,000 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Kosei Minda Aluminum Company Private Limited	15.96	19.03
- 28,737,371 equity shares (previous year 28,737,371 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
<b>(iii) Joint ventures</b>		
Minda Emer Technologies Limited	3.26	2.39
- 2,725,000 equity shares (previous year 2,725,000 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Roki Minda Co. Private Limited	73.54	61.19
- 40,924,800 equity shares (previous year 40,924,800 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Minda TTE Daps Private Limited (formerly Minda Daps Private Limited)	3.47	2.23
- 4,990,513 equity shares (previous year 2,990,513 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Minda Onkyo Private Limited	0.72	3.81
- 12,000,000 equity shares (previous year 8,250,000 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Minda D-Ten India Private Limited (Formerly Minda F-Ten Private Limited)	6.55	4.74
- 2,544,900 equity shares (previous year 2,544,900 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Denso Ten Minda India Private Limited (Formerly Fujitsu Ten Minda India Private Limited)	41.07	31.98
- 35,525,000 equity shares (previous year 35,525,000 equity shares as on 31 March 2018) of ₹10/- each, fully paid up		
Rinder Riduco S.A.S.	7.17	5.91
- 850,000 equity shares (previous year 850,000 equity shares as on 31 March 2018) of COP1/- each, fully paid up		
Kosei Minda Mould Private Limited	6.26	-
- 6,341,645 equity shares (previous year- NIL equity shares ) of ₹10/- each, fully paid up		
Toyoda Gosei Minda India Private Limited	193.22	-
- 210,320,000 equity shares (previous year- 26,984,930 equity shares ) of ₹10/- each, fully paid up		
<b>(iv) Investments measured at Fair value through profit and loss:</b>		
<b>Equity instruments</b>		
Minda Industria E Comerico De Autopecsa Ltd	0.07	0.07
- 25,000 equity shares (previous year 25,000 equity shares as on 31 March 2018) of Brazilian \$ 1 each, fully paid up		
Toyoda Gosei Minda India Private Limited (Joint venture w.e.f 28 September 2018)	-	20.18
- 210,320,000 equity shares (previous year- 26,984,930 equity shares ) of ₹10/- each, fully paid up		

**Notes forming part of the Financial Statements****4 Investments (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
OPG Power Generation Private Limited - 37,700 equity shares (previous year 33,700 equity shares as on 31 March 2018) of ₹10/- each, fully paid up	0.03	0.03
Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited*	(3.12)	(3.12)
	<b>355.58</b>	<b>155.23</b>
Aggregate amount of unquoted investments	355.58	155.23

\* Aggregate provision for diminution of non current investment is ₹3.12 Crores (31 March, 2018 ₹3.12 Crores).

\*\*Investment in Partnership Firms:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Partnership Firm	Name of the Partners	Share in Profit (%)	Share in Profit (%)
		As at 31 March 2019	As at 31 March 2018
Auto Component	Minda Industries Limited	48.90%	48.90%
	Mr. Nirmal K Minda	25.55%	25.55%
	Ms. Pallak Minda	25.55%	25.55%
Yogendra Engineering	Minda Industries Limited	48.90%	48.90%
	Mr. Sanjeev Garg	12.50%	12.50%
	Mrs. Suman Minda	38.60%	38.60%
<b>Total Capital of the firm</b>		<b>Amount</b>	<b>Amount</b>
Auto Component		7.75	6.48
Yogendra Engineering		0.11	0.18

**5 Loans (non-current)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
(Unsecured and considered good unless otherwise stated)		
Security deposits #	20.91	14.49
Loan to Employees	0.30	-
	<b>21.21</b>	<b>14.49</b>

# Includes an amount of ₹0.83 Crore (Previous year ₹0.75 Crore) given to a related party.

**6 Other non-current financial assets**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
(Unsecured and considered good unless otherwise stated)		
Bank deposits (due to mature after 12 months from the reporting date)	4.85	8.63
Loan to related parties and others	-	5.05
Interest accrued on fixed deposits	0.64	0.15
Retention money with customers	1.65	1.65
Forward contract receivable	0.47	1.31
Other receivable	2.05	-
	<b>9.66</b>	<b>16.79</b>



## Notes forming part of the Financial Statements

### 7 Deferred tax assets/ (liabilities)-Net

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Deferred tax liabilities</b>		
Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/amortisation provided in accounts	77.91	45.20
	<b>77.91</b>	<b>45.20</b>
<b>Deferred tax assets</b>		
Provision for employee benefits	28.83	25.07
Others	14.83	13.99
Unabsorbed tax losses	11.80	14.60
	<b>55.46</b>	<b>53.66</b>
<b>Total (A)</b>	<b>(22.45)</b>	<b>8.46</b>
- MAT credit entitlement (B)	21.83	10.15
<b>Deferred tax assets/ (liabilities)- Net (A+B)</b>	<b>(0.62)</b>	<b>18.61</b>

#### Movement in deferred tax assets/ liabilities

Particulars	Property, plant & equipments and intangible assets	Provision for employee benefits	Others	Unabsorbed Losses	Mat credit entitlement	Total
<b>As at April 01, 2017</b>	<b>(23.54)</b>	<b>17.34</b>	<b>0.20</b>	<b>27.97</b>	<b>7.67</b>	<b>29.64</b>
<b>(Charged)/credited:</b>						
to profit or loss	(20.80)	4.79	13.79	(13.37)	2.48	(13.11)
to other comprehensive income	-	(0.93)	-	-	-	(0.93)
Pursuant to acquisition	(0.86)	3.87	-	-	-	3.01
<b>As at March 31, 2018</b>	<b>(45.20)</b>	<b>25.07</b>	<b>13.99</b>	<b>14.60</b>	<b>10.15</b>	<b>18.61</b>
<b>(Charged)/credited:</b>						
to profit or loss	(32.73)	3.96	0.84	(2.80)	12.13	(18.60)
to other comprehensive income	-	(0.22)	-	-	-	(0.22)
Pursuant to acquisition	0.02	0.02	-	-	-	0.04
Utilisation	-	-	-	-	(4.42)	(4.42)
Other Equity	-	-	-	-	3.97	3.97
<b>As at March 31, 2019</b>	<b>(77.91)</b>	<b>28.83</b>	<b>14.83</b>	<b>11.80</b>	<b>21.83</b>	<b>(0.62)</b>

### 8 Other tax assets (net)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance income tax	33.05	31.18
	<b>33.05</b>	<b>31.18</b>
<b>Movement</b>		
Opening balance	31.18	15.28
Less: Current tax payable for the year	(115.47)	(84.58)
Add: Additional tax benefit on employee stock options exercised	1.93	15.90
Add: Advance tax paid (Including tax deducted at source)	115.41	84.58
	<b>33.05</b>	<b>31.18</b>



## Notes forming part of the Financial Statements

### 9 Other non-current assets

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured considered good unless otherwise reinstated)		
Capital advances	65.62	31.32
Advance for investment in equity shares*	-	8.80
Prepaid Expense	1.39	-
Others	0.09	0.31
	<b>67.10</b>	<b>40.43</b>

\*Paid to related party

### 10 Inventories

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(At lower of cost and net realisable value, unless otherwise stated)		
Raw materials	274.94	212.83
[Goods in transit ₹44.62 Crores (₹16.91 Crores as on 31 March 2018)]		
Work-in-progress	61.34	38.76
Finished goods	103.89	78.38
[Goods in transit ₹24.10 Crores (₹15.88 Crores as on 31 March 2018)]		
Stock-in-trade	65.77	33.67
[Goods in transit ₹0.21 Crores (₹0.18 Crores as on 31 March 2018)]		
Stores and spares	36.47	29.55
Loose tools	18.56	24.33
	<b>560.97</b>	<b>417.52</b>
Carrying amount of inventories (included in above) pledged as securities for borrowings and sanctioned limits	560.97	417.52

### 11 Trade receivables \*

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured, considered good unless otherwise stated)		
Unsecured considered good	899.22	789.73
Doubtful	4.77	4.91
	<b>903.99</b>	<b>794.64</b>
Less: Provision for doubtful receivables	(4.77)	(4.91)
	<b>899.22</b>	<b>789.73</b>

\*The companies' exposure to currency and liquidity risks related to the above financial assets is disclosed in Note 50.



## Notes forming part of the Financial Statements

### 12 Cash and cash equivalents

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
- Balances with banks		
On current accounts	81.83	58.61
On deposit accounts (with original maturity of 3 months or less)	9.25	66.21
	<b>91.08</b>	<b>124.82</b>
- Cash on hand	1.69	0.74
	<b>92.77</b>	<b>125.56</b>

### 13 Bank balances other than those included under cash and cash equivalents above

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Bank deposits (due for realisation within 12 months of the reporting date)*	17.10	33.74
Unpaid dividend accounts**	0.19	0.17
	<b>17.29</b>	<b>33.91</b>

\* Includes fixed deposit amounting to ₹0.90 crores pledged against cash credit facilities

\*\* Does not include any amount payable to Investor Education and Protection Fund

### 14 Loans (current)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured and considered good unless otherwise stated)		
Security deposits	1.04	1.59
Loan to related party	0.97	-
	<b>2.01</b>	<b>1.59</b>

### 15 Other current financial assets

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
(Unsecured and considered good unless otherwise stated)		
Forward contract receivable	1.71	-
Interest accrued on fixed deposits	1.97	4.68
Loans and advances to related party and others	1.50	2.82
Advances to employees	4.22	5.23
Incentive Receivable	10.49	4.44
Insurance claims receivable	1.61	0.71
Others	0.50	0.16
	<b>22.00</b>	<b>18.04</b>

**Notes** forming part of the Financial Statements**16 Other current assets**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	
	31 March 2019	31 March 2018
(Unsecured and considered good unless otherwise stated)		
Prepaid expenses	11.71	10.15
Advance to suppliers	35.16	46.83
Balances with government authorities		
- Considered good	91.53	83.68
- Considered doubtful	0.02	0.18
Less: Provision for loss allowance	(0.02)	(0.18)
Others	0.08	0.08
	<b>138.48</b>	<b>140.74</b>

**17 (a) Equity share capital****(i) Authorised**

(All amounts in Indian ₹ Crore, unless otherwise stated)

	As at		As at	
	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares of ₹2/- each with voting rights (previous year ₹2/- each)	317,500,000	63.50	317,500,000	63.50
Preference share capital				
9% Cumulative redeemable preference shares of ₹10/- each (Class 'A')	3,000,000	3.00	3,000,000	3.00
3% Cumulative compulsorily convertible preference shares of ₹2,187/- each (Class 'B')	183,500	40.13	183,500	40.13
3% Cumulative redeemable preference shares of ₹10/- each (Class 'C')	3,500,000	3.50	3,500,000	3.50
1% Non-cumulative fully convertible preference shares of ₹10/- each (Class 'D')	10,000,000	10.00	10,000,000	10.00
	<b>334,183,500</b>	<b>120.13</b>	<b>334,183,500</b>	<b>120.13</b>

**(ii) Issued, subscribed and fully paid up**

(All amounts in Indian ₹ Crore, unless otherwise stated)

	As at		As at	
	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
<b>Equity share capital</b>				
Equity shares of ₹2/- each with voting rights (previous year ₹2/- each) [Refer footnote (vii)]	262,216,965	52.44	87,041,155	17.41
	<b>262,216,965</b>	<b>52.44</b>	<b>87,041,155</b>	<b>17.41</b>



## Notes forming part of the Financial Statements

### 17 Equity share capital (Contd.)

#### (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Equity shares				
Opening balance	87,041,155	17.41	79,326,780	15.87
Add: Increase in number of shares on account of shares issued to QIBs		-	7,092,125	1.42
Add: Increase in number of shares on account of ESOP exercised	833,500	0.17	622,250	0.12
Add: Increase in number of shares on account of issue of Bonus shares (Refer footnote vii)	174,342,310	34.86	-	-
<b>Closing balance</b>	<b>262,216,965</b>	<b>52.44</b>	<b>87,041,155</b>	<b>17.41</b>

#### (iv) Rights, preferences and restrictions attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹2/- per share (31 March 2018 ₹2/- per share). Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

During the year, the Board, in its meeting held on 06 February, 2019, declared an interim dividend of ₹0.45/- per equity share i.e. 22.50% (previous year ₹1.2/- per equity share).

Further, the Board, in its meeting on 16 May 2019, has recommended a final dividend of ₹0.65/- per equity share i.e. 32.50% for the financial year ended 31 March 2019 (previous year ₹1.60/- per equity share). The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 06 August 2019 and, if approved, would result in a cash outflow of approximately ₹20.54 Crores including corporate dividend distribution tax.

#### (v) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Mr. Nirmal K Minda	65,371,530	24.93%	19,489,055	22.39%
Mrs. Suman Minda	38,572,140	14.71%	12,857,380	14.77%
Minda Investments Limited	63,850,140	24.35%	21,283,380	24.45%
Matthews Asia Dividend Fund	14,660,782	5.59%	-	-

(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the balance sheet date is Nil.

(vii) The parent company has issued bonus shares in the ratio of two equity shares of ₹2 each for every one equity share of the Company held by the shareholders as on a record date pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot. Consequently earnings per share of previous year have been restated for such bonus shares issued.



## Notes forming part of the Financial Statements

### 17 (b) Other Equity attributable to owners of Minda Industries Limited

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Other comprehensive income		Equity component of other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	Capital reserves arising on consolidation	General reserves	Employee stock options reserve	Retained earnings	Total other equity
	Remeasurements of Defined Benefits obligations	Foreign currency translation reserve									
<b>Balance as at 1 April 2018</b>	1.21	3.78	6.55	371.59	6.50	3.41	139.11	70.64	3.61	767.88	1,374.28
Profit for the year	-	-	-	-	-	-	-	-	-	285.62	285.62
Other comprehensive income (net of tax)	0.27	(0.98)	-	-	-	(0.09)	-	-	-	-	(0.71)
Additional tax benefit on employee stock options exercised during the year	-	-	-	5.90	-	-	-	-	-	-	5.90
Reserve utilised on exercise of employee stock options	-	-	-	3.41	-	-	-	-	(3.41)	-	-
Utilised During the Year	-	-	-	(28.36)	(6.50)	-	-	-	-	-	(0.09)
Utilization of Reserves for issue of bonus shares	-	-	-	-	18.29	-	-	-	-	-	(34.86)
Addition on redemption of preference shares	-	-	-	-	-	-	36.92	-	-	(18.29)	-
Addition during the year (including pursuant to acquisition)	-	-	-	-	-	-	-	-	-	-	36.92
Final dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	-	-	(13.98)	(13.98)
Interim dividend for the year ended 31 March 2019	-	-	-	-	-	-	-	-	-	(11.80)	(11.80)
Dividend distribution tax*	-	-	-	-	-	-	-	-	-	(5.10)	(5.10)
Transferred to Others reserves	-	-	-	-	-	-	-	-	-	-	-
Disposal/ Adjustment	-	-	-	-	-	-	0.98	-	(0.20)	6.79	7.57
Premium on ESOP	-	-	-	7.97	-	-	-	-	-	-	7.97
<b>Balance as at 31 March 2019</b>	<b>1.48</b>	<b>2.80</b>	<b>6.55</b>	<b>360.51</b>	<b>18.29</b>	<b>3.32</b>	<b>177.01</b>	<b>70.64</b>	<b>-</b>	<b>1,011.12</b>	<b>1,651.72</b>



## Notes forming part of the Financial Statements

### 17 (b) Other Equity attributable to owners of Minda Industries Limited (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Other comprehensive income		Equity component of other financial instruments	Securities premium	Capital redemption reserve	Capital reserves	Capital reserves arising on consolidation	General reserves	Employee stock options reserve	Retained earnings	Total other equity
	Remeasurements of Defined Benefits obligations	Foreign currency translation reserve									
<b>Balance as at 1 April 2017</b>	(0.27)	0.46	6.55	44.61	6.50	3.41	134.50	70.64	2.32	474.86	743.58
Profit for the year	-	-	-	-	-	-	-	-	-	310.19	310.19
Other comprehensive income (net of tax)	1.48	3.32	-	-	-	-	-	-	-	-	4.80
Addition during the year (including pursuant to acquisition)	-	-	-	-	-	-	4.61	-	-	-	4.61
Additional tax benefit on employee stock options exercised during the year	-	-	-	15.90	-	-	-	-	-	-	15.90
Reserve utilised on exercise of employee stock options	-	-	-	6.10	-	-	-	-	(6.10)	-	-
Final dividend for the year ended 31 March 2017	-	-	-	-	-	-	-	-	-	(8.64)	(8.64)
Interim dividend for the year ended 31 March 2018	-	-	-	-	-	-	-	-	-	(10.37)	(10.37)
Dividend distribution tax*	-	-	-	-	-	-	-	-	-	(3.17)	(3.17)
Issuance of equity share capital to QIBs	-	-	-	298.53	-	-	-	-	-	-	298.53
Amount utilised towards expenses relating to QIP	-	-	-	(5.23)	-	-	-	-	-	-	(5.23)
Amount received on issue of shares against employee stock options	-	-	-	11.68	-	-	-	-	-	-	11.68
Increase in reserves due to reduction in non-controlling interest on purchase of further shares in subsidiaries	-	-	-	-	-	-	-	-	-	5.01	5.01
Cost of employee stock options	-	-	-	-	-	-	-	-	7.39	-	7.39
<b>Balance as at 31 March 2018</b>	<b>1.21</b>	<b>3.78</b>	<b>6.55</b>	<b>371.59</b>	<b>6.50</b>	<b>3.41</b>	<b>139.11</b>	<b>70.64</b>	<b>3.61</b>	<b>767.88</b>	<b>1,374.28</b>

\* Tax on dividend paid is net of credit of ₹ 5.10 Crores (₹3.17 Crores for the year ended 31 March 2018). Credit is on account of dividend distribution tax on dividend received from subsidiary companies.



## Notes forming part of the Financial Statements

### 17 (b) Other Equity (Contd.)

#### The Description of the nature and purpose of each reserve within other equity is as follows:

- a) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Companies Act 2013, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- b) **Capital redemption reserve:** The capital redemption reserve is a non-distributable reserve and represents preference shares redeemed.
- c) **General reserve:** The parent company appropriates apportion to general reserve out of profits voluntarily and the said reserve is available for payment of dividend to shareholders.
- d) **Employee stock options reserve:** The Parent Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The reserve is used to recognise the value of equity settled stock options provided to employees, including key management personnel, as part of their remuneration. Refer to Note 47 for further details of these plans.
- e) **Equity component of other financial instruments:**  
Equity component of the compound financial instruments is credited to other equity.
- f) **Capital reserve arising on consolidation:**  
Capital Reserve arising on consolidation is the reserve created on acquisition of subsidiaries, joint ventures and associates.
- g) **Foreign currency translation reserve:**  
This reserve is created due to changes in historic rates and closing rates of assets and liabilities of foreign subsidiary entities.
- h) Other comprehensive Income (OCI) amount pertaining to remeasurements of defined benefit liabilities (Asset) - comprises actuarial gain & losses.

#### Distribution made

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on 31 March, 2018 ₹1.60/- per share (31 March, 2017 ₹1 per Share)	13.98	8.64
Interim dividend for the year ended on 31 March, 2019 ₹0.45 per share (31 March, 2018 ₹1.20 per share)	11.80	10.37
Dividend distribution tax on above (DDT)	5.10	3.17
	<b>30.88</b>	<b>22.18</b>
<b>Proposed Dividends on equity shares:*</b>		
Final dividend for the year ended on 31 March, 2019 @ ₹0.65 per share (31 March, 2018 @ ₹1.60 per share)	17.04	13.98
Dividend distribution tax on above (DDT)	3.50	2.88
	<b>20.54</b>	<b>16.86</b>

\* Proposed Dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as on 31 March 2019.



## Notes forming part of the Financial Statements

### 17 c) Non Controlling Interest:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Amount
Balance as at 1 April 2017	117.01
Profit for the year	20.67
Pursuant to acquisition/additional investment during the year	117.82
Reduction in non-controlling interest on purchase of further shares in subsidiaries	(44.29)
Dividend paid during the year	(0.71)
Other comprehensive income (net of tax)	0.51
<b>Balance as at 31 March 2018</b>	<b>211.01</b>
Profit for the year	53.86
Pursuant to acquisition/additional investment (net) during the year	6.98
Addition in non-controlling interest due to non exercising right issue	2.51
Dividend paid/ Drawings during the year	(13.71)
Other comprehensive income (net of tax)	0.03
Adjustment	6.03
<b>Balance as at 31 March 2019</b>	<b>266.71</b>

### 18 Non-Current borrowings

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Term loans</b>		
<b>Secured</b>		
From banks	639.66	249.87
From Others	1.30	-
Less: Current maturities of long term borrowings (Refer note 23)	96.25	54.46
	<b>544.71</b>	<b>195.41</b>
<b>Term loans</b>		
<b>Unsecured</b>		
From banks	76.15	36.52
From others	11.97	-
Less: Current maturities of long term borrowings (Refer note 23)	29.49	11.61
	<b>58.63</b>	<b>24.91</b>
Debt portion of compound financial instruments (preference shares)*	3.00	19.72
	<b>606.34</b>	<b>240.04</b>



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>- Rupee term loan from HDFC Bank by the parent company is secured by:</p> <p>Movable Fixed assets ~First Pari passu charge on all movable fixed assets of the company</p> <p>Immovable Fixed assets~ First Pari passu charge on Immovable fixed assets of the company.</p> <p>Collateral Details -</p> <p>(I) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon</p> <p>(II) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana</p> <p>(III) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p> <p>(IV) Land &amp; Bldg at Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur</p> <p>(V) Plot No 5, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand and</p> <p>(VI) Plot No 5(A),, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>Also,</p> <p>Negative Lien of</p> <p>(I) Property No. B-6, MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 9300 sq mt and 11970 sq mt</p> <p>(II) Property No. B-1/5 MIDC, Chakan Industrial Area, Mahalunge, Taluka Khed, measuring 18022 sq mt.</p>	<p>Total loan sanctioned amounting to ₹100 Crore having Tenor of 60 Months including moratorium of 18 months and repayment in 7 equal semi-annual installments post moratorium</p> <p>Rate of interest- HDFC 1Y MCLR</p>	100.00	-
<p>- Rupee term loan from Axis Bank by the parent company is secured by: :</p> <p>First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentioned below:</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram.</p> <p>ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar</p> <p>iv) Plot No 5(A),, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand.</p> <p>v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p> <p>Negative Lien on :</p> <p>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune</p>	<p>Total loan sanctioned amounting to ₹85 Crore having Tenor of 5 years including moratorium of 6 months and repayment in 20 equal quarterly installments post moratorium</p> <p>Rate of interest- 3M MCLR + 10bps</p>	80.75	-



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. Second pari passu charge on the entire current assets of the Company both present and future.</p>			
<p>- External Commercial Borrowing from HSBC Bank by the parent company is secured by : First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentinoed below:</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A),, Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand. v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar vi) Plot no. B-3, SIPCOT Industrial Park at Pillaipakkam, Vengadu Taluk, Sriperumpudur</p> <p>Negative Lien on :</p> <p>i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune ii) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune.</p>	<p>Total loan sanctioned amounting to USD 1 crore having Tenor of 60 month including moratorium of 12 months and repayment in 16 equal quarterly installments post moratorium Rate of interest- 3 M LIBOR + 105 bps</p>	69.17	-
<p>- External Commercial Borrowing from Citi Bank N.A. by the parent company is secured by: First pari passu charge on the fixed Assets of the Company i.e. plant and machinery including land &amp; building as mentioned below:</p> <p>i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. iii) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar iv) Plot No 5(A), Sector 10, Industrial Area, IIE Pantnagar, Udham Singh Nagar, Uttrakhand. v) Plot No ME-I and ME-II, Sector- 2A, IMT Manesar</p>	<p>Total loan sanctioned amounting to USD 0.8 crore having Tenor of 5 Years including moratorium of 12 months and repayment in 17 equal quarterly installments post moratorium Rate of interest- 3 M LIBOR + 90 bps</p>	52.03	-
<p>- Rupee term loan from HDFC Bank by the parent company is secured by : Exclusive charge on current Assets of the Company arising out of the Chennai Plant. Exclusive charge on movable and immovable property, plant and equipments of the Company arising out of the Chennai Plant.</p>	<p>Total loan sanctioned amounting to ₹6 crore which was availed in earlier years repayable in 15 equal quarterly instalments of ₹0.40 crore each. Repayment started from October 2015.</p>	-	2.00



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
Exclusive charge on land and building (Chennai) standing in the name of the Company.	Rate of interest- varies between HDFC base rate +1.70% p.a. and 9.5% p.a.		
- Rupee term loan from HDFC Bank by the parent company is secured by : First pari passu charge on all movable property, plant and equipments of the Company. First pari passu charge on all immovable property, plant and equipments of the Company as below; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurugram. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Second pari passu charge on all present and future current assets of the Company	Total loan sanctioned amounting to ₹15 crore of which loan of ₹10 crore was availed in earlier years repayable in 15 equal quarterly instalments of ₹0.67 crore each. Repayment started from October 2015. Rate of interest- varies between HDFC base rate +1.70% p.a. and 9.5% p.a.	-	3.32
- From ICICI Bank by MJ Casting Limited is primary secured by: i) Equitable mortgage over land and building both present and future of Hosur plant situated at Upparapalli, Mathagondapalli, Hosur, Tamil Nadu ii) Equitable mortgage over land and building both present and future of Bawal plant situated at 323, Phase II/IV, Sector 3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana iii) Hypothecation on all movable fixed assets (except vehicles) of the MJ Casting Limited, both present and future iv) Further secured by way of hypothecation on MJ Casting Limited's entire stock and other such movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future.	Loan from ICICI Bank Ltd is repayable in 18 quarterly installments of ₹1.73 Cr each. Rate of interest- ICICI Base rate + 0.95%	13.85	20.78
- Term loan from Yes Bank are secured by exclusive charge on all movable and immovable property, plant and equipment of M/s Minda Kyoraku Limited (both present and future) and second charge on all current assets (both present and future).	a) Rate of interest - 6 months MCLR + 1.15% spread currently at 10.20% on 31st March 2019 Term loan sanction amounting to ₹1200 Lakhs. The Principle	0.45	3.55



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
	<p>amount of ₹97,574,004 is repayable in 18 equal quarterly installments of ₹5,420,778 commencing from 16 Aug 2014. Loan maturity date is 16 November 2018.</p> <p>b) Rate of interest - 6 months MCLR + 1.15% spread currently at 10.55% on 31st March 2019 Term loan sanction amounting to ₹650 Lakhs. The principle amount of ₹44,700,000 is repayable in 20 equal quarterly installments of ₹2,235,000 commencing from 2 Dec 2014. Loan maturity date is 2 September 2019.</p> <p>c) Rate of interest - 6 months MCLR + 1.15% spread currently at 10.20% on 31st March 2019 Term loan sanction amounting to ₹175 lakhs. The principle amount of ₹175 lakhs is repayable in 12 equal quarterly installments of ₹14.58 lakhs commencing from 4 June 2016. Loan maturity date is 4 March 2019.</p>		
<p>FCNR loan from CITI Bank by M/s Minda Kyoraku Limited is secured by:</p> <ul style="list-style-type: none"> <li>- First charge on fixed assets of the company situated at proposed Gujarat Unit (Both movable and immovable fixed assets)</li> </ul>	<p>Rate of interest - 3 months MCLR + 2% spread, Company has taken a interest rate swap contract to fixed interest liabilities @ 5.20% P.A. on outstanding principal amount</p> <p>The principal amount of USD 2,128,263.34 is repayable in 20 equal quarterly installments of USD 106,413.17 commencing from 09 April 2020, company has entered in to partial hedge contract for principal repayment</p>	14.72	-
<p>FCNR Loan from ICICI Bank by M/s Minda Kyoraku Limited is secured by:</p> <ul style="list-style-type: none"> <li>- First Pari Passu charge by way of mortgage over all the immovable fixed assets related Gujarat Project both present and future (Immovable Fixed Assets)</li> <li>- First Pari Passu charge on all the movable fixed assets of the company's Gujarat Project both present and future (Movable Fixed Assets)</li> </ul>	<p>a) Rate of interest - 3 months MCLR + 2% spread, company has taken a interest rate swap contract to fixed interest liabilities @ 6.68% P.A. on outstanding USD principal amount.</p> <p>The principal amount of USD. 1,362,862.01 is repayable in 14 equal quarterly installments</p>	19.21	

**Notes forming part of the Financial Statements****18 Non-Current borrowings (Contd.)**

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<ul style="list-style-type: none"> <li>- Second Pari Passu charge by way of hypothecation over current assets both present and future of the borrower (Current Assests)</li> </ul>	<p>of USD 97,347.29 commencing from 31 December 2019, company has entered in to partial hedge contract for principal repayment.</p> <p>b) Rate of interest - 3 months MCLR + 2% spread, company has taken a interest rate swap contract to fixed interest liabilities @ 6.61% P.A. on outstanding USD principal amount.</p> <p>The principal amount of USD1,413,627.37.00 is repayable in 9 equal quarterly installments of USD 100,973.38 commencing from 31 December 2019 and last payment for USD 504866.95 will be paid on 28th Feb 2022. company has entered in to partial hedge contract for principal repayment.</p>		
<p>Rupee loan from yes Bank by M/s Minda Kosei Aluminum Wheel Private Limited is secured by:</p> <ul style="list-style-type: none"> <li>- First pari passu charge on all movable property, plant and equipment (PPE) (both present and future) and immovable PPE of Bawal plant.</li> <li>- Second pari passu charge on all current assets.</li> </ul>	<p>a) Rate of interest - 11% for first year and thereafter floating @ Yes Bank base rate plus 0.50% per annum. Currently 9.80% at 31 March 2019. (31 March 2018: 8.75%)</p> <p>Maximum tenor of loan is for 96 months from the date of first disbursement.</p> <p>Principal amount is repayable in 24 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in year 2015-16.</p> <p>b) Rate of interest - floating @ Yes Bank base rate 6 month MCLR plus 0.25% per annum. Currently 9.95% at 31 March 2019. (31 March 2018: not applicable)</p> <p>Maximum tenor of loan is for 72 months including moratorium period of 12 months from date of first disbursement.</p>	41.75	22.73



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
	Principal amount is repayable in 20 quarterly instalments after a moratorium period of 12 months from the date of first disbursement. First disbursement of the loan was in year 2018-19.		
Rupee loan from IndusInd banks by M/s Minda Kosei Aluminum Wheel Private Limited is secured by: <ul style="list-style-type: none"> <li>- First pari passu charge by way of equitable mortgage on immovable property (land and building) located at Bawal, Haryana and by way of hypothecation on all present and future moveable PPE.</li> <li>- Second pari passu charge by way of hypothecation on all the present and future current assets.</li> </ul>	<p>a) Rate of interest - floating @ IndusInd Bank base rate 6 month MCLR. Currently 9.75% at 31 March 2019. (31 March 2018: not applicable)</p> <p>Maximum tenor of loan is for 96 months from the date of first disbursement.</p> <p>Principal amount is repayable in 24 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in year 2018-19.</p> <p>b) Rate of interest - floating @ IndusInd Bank base rate 6 month MCLR. Currently 10.00% at 31 March 2019. (31 March 2018: 9.4%)</p> <p>Maximum tenor of loan is for 96 months from the date of first disbursement.</p> <p>Principal amount is repayable in 24 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in year 2015-16.</p>	49.81	25.31
Foreign currency loan from SCB bank by M/s Minda Kosei Aluminum Wheel Private Limited is secured by: <ul style="list-style-type: none"> <li>- First pari passu charge on all movable PPE (both present and future) of Gujarat plant.</li> <li>- Second pari passu charge on current assets.</li> </ul>	<p>Cost of funds + Bank's margin of 1.50%. Currently 8.55% at 31 March 2019. (31 March 2018: 8.55%)</p> <p>Maximum tenor of loan shall not exceed 7 years from the date of first disbursement. Principal amount is repayable in 20 equal quarterly installments after a moratorium period of 24 months from the date of first disbursement, with first repayment date to not go beyond 31 December 2019.</p>	41.50	13.01

**Notes forming part of the Financial Statements****18 Non-Current borrowings (Contd.)**

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
<p>Rupee loan from HDFC banks by M/s Minda Kosei Aluminum Wheel Private Limited is secured by:</p> <ul style="list-style-type: none"> <li>- First pari passu charge on equitable mortgage over immovable PPE (land and building of Gujarat Plant) and movable PPE (plant and equipment of Gujarat plant and Bawal Phase 1 plant)</li> <li>- Second pari passu charge on stock and book debts</li> </ul>	<p>a) Rate of interest - floating @ HDFC Bank base rate 6 month MCLR. Currently 9.3 % as at 31 March 2019</p> <p>Maximum tenor of loan is for 84 months from the date of first disbursement. Principal amount is repayable in 20 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in year 2017-18.</p> <p>b) Rate of interest - floating @ HDFC Bank base rate 6 month MCLR. Currently 9.05 % as at 31 March 2019</p> <p>Maximum tenor of loan is for 84 months from the date of first disbursement. Principal amount is repayable in 20 quarterly instalments after a moratorium period of 24 months from the date of first disbursement. First disbursement of the loan was in year 2018-19.</p>	72.76	23.70
<p>From Axis Bank is secured by way of first paripassu charge on present and future movable assets of the Minda Rinder Private Limited.</p> <p>(Primary Security) and equitable mortgage of land and building situated at Chakan. (Pune), Second charge by way of hypothecation of entire current assets of subsidiary Minda Rinder Private Limited (Collateral Security)</p>	<p>Loan 1- Total loan sanctioned amounting to ₹30 Crores of which loan of ₹15 Crores was availed in current year repayable in 24 quarterly instalments of ₹1.25 Crores each starting after 12 months from the date of first disbursement (from December 2017).</p> <p>Rate of interest : MCLR +1%, currently 8.8% p.a.</p> <p>Loan 2- Total loan sanctioned amounting to ₹22 Crores repayable in 20 quarterly instalment of ₹1.10 Crores each starting after 6 months from the date of first disbursement (from March 2019)</p> <p>Rate of interest : MCLR +1%, currently 8.8% p.a.</p>	43.40	27.50



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
External Commercial borrowing from Standard Chartered Bank is secured by first exclusive charge by way of equitable mortgage of immovable property and all present and future movable property, plant and equipment located at Pimpri plant of subsidiary Minda Rinder Private Limited.	Secured external commercial borrowings from Standard Chartered Bank is repayable in 4 half yearly instalments of Euro 100,000 each starting from 20 Nov 2016 upto 20 March 2018 and 1 Half yearly instalment of Euro 50000 as at 20 May 2019.  Rate of interest : SOFR + 2.30 % ( 31 March 2019 SOFR+ 2.30% )	0.39	2.02
ECB loan of Mindarika Private limited from Standard Chartered Bank a) Sanctioned amount \$ 4,000,000 b) Secured by: - First exclusive mortgage of the Land/Building situated at Chennai. - First exclusive charge on assets financed out of external commercial borrowing (ECB).	Rate of interest - 2.25%+ Libor  Repayable in 17 equal quarterly instalments Starting from Mar'16 and Apr'16 (i.e. 12 months after first instalment of the loan)  Last instalment due in Mar'20 and April '20	7.32	13.20
Term loan from HSBC bank by Mindarika Private limited  Sanctioned amount ₹32.50 Crore  Secured by: First charge on the movable property, plant and equipment of Gujarat plant with minimum asset cover of 1.25x	Rate of interest - 3 month MCLR +0.05%  Repayable in 16 quarterly equal instalments starting from Apr'19 (i.e. 12 months from the date of first disbursement). Last instalment due in Apr'23.	32.50	32.50
Term loan from Bajaj Finance Limited is secured by exclusive charge by way of equitable mortgage of land and building located at Bahadurgarh (Haryana) of subsidiary Minda Rinder Private Limited and it carries interest @ 10.00% p.a.		1.30	3.67
Vehicle loans from banks are secured against hypothecation of respective vehicles financed by them		0.05	0.52
- External commercial borrowings from Banco Balbao Vijcaya Argentaria S.A. by the parent company (unsecured)	Total loan sanctioned amounting to EUR 0.45 crore , repayable in 20 quarterly instalments from July, 2016.  Rate of interest- 1.79% p.a.	19.85	29.83

**Notes** forming part of the Financial Statements**18 Non-Current borrowings (Contd.)**

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
External Commercial Borrowings from Bank of Tokyo Mitsubishi (Unsecured) of Minda TG Rubber Private Limited	<p>Total loan sanctioned amounting to USD 7.01 lacs equivalent to ₹485.29 lacs (March 31, 2018 : USD 10.13 lacs equivalent to ₹659.16 lacs)</p> <p>20 Quarterly instalments of ₹50 lacs each starting from September 2016 upto June, 2021.</p> <p>Total loan sanctioned amounting to USD 7.22 lacs equivalent to ₹499.63 lacs (March 31, 2018 : USD 10.43 lacs equivalent to ₹678.62 lacs)</p> <p>20 Quarterly instalments of ₹50 lacs each starting from September 2016 upto June, 2021.</p> <p>Total loan sanctioned amounting to USD 10.65 lacs equivalent to ₹736.91 lacs (March 31, 2018 : USD 15.38 lacs equivalent to ₹1000.91 lacs)</p> <p>20 Quarterly instalments of ₹75 lacs each starting from September 2016 upto June, 2021.</p> <p>Total loan sanctioned amounting to USD 3.88 lacs equivalent to ₹268.43 lacs (March 31, 2018 : USD 5.8 lacs equivalent to ₹344.02 lacs) 16 Quarterly instalments of ₹23.25 lacs each and 1 installment of ₹23.50 Lacs starting from December 2017 upto September 2021 and 1 quarterly installment of ₹24 Lacs in December 2021</p> <p>Total loan sanctioned amounting to USD 5.69 lacs equivalent to ₹394.18 lacs (March 31, 2018 : USD 6.24 lacs equivalent to ₹406.20 lacs)</p> <p>4 Quarterly instalments of ₹17.5 Lacs from December 2018 to September 2019, 4 Quarterly instalments of ₹22.5 Lacs from December 2019 to September 2020 4 Quarterly instalments of ₹32.5 Lacs from December 2020 to September 2021 &amp; 4 Quarterly instalments of ₹27.5 Lacs from December 2021 to September 2022</p>	30.96	30.89



## Notes forming part of the Financial Statements

### 18 Non-Current borrowings (Contd.)

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
	Total loan sanctioned amounting to USD 10.29 lacs equivalent to ₹711.77 lacs (March 31, 2018: Nil) 5 Quarterly instalments of ₹16,05,240 from December 2019 to December 2020, 5 Quarterly instalments of ₹50,83,260 from March 2021 to March 2022 & 5 Quarterly instalments of ₹82,93,740 from June 2022 to June 2023		
Loan from La Caixa Bank is secured by the corporate guarantee given by Clarton, Spain (Unsecured)	Total loan sanctioned amounting to ₹37.02 crores (31 March 2018 ₹24.40 crores) repayable in 20 equal quarterly instalments. Rate of Interest 2.10%	25.34	22.59
From Citi Bank of M/s Clarton Horn, S.A. secured by stand by letter of credit by Parent Company. (Unsecured)	Total loan sanctioned amounting to 44.12 crores (31 March 2018 44.12 crores) repayable in 17 equal quarterly instalments. Rate of interest - 2.75% p.a.	-	2.98
Deferred payment credit from HSIIDC (Haryana State Industrial and Infrastructure Development Corporation Ltd.) by MJCL (Unsecured)	Repayable in 10 half yearly of ₹15.56 lacs instalments starting from June 17. Rate of interest- 12% p.a.	6.31	-
Subsidised loan received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A. (Unsecured)	Total loan sanctioned amounting to ₹4.69 crores (31 March 2018 ₹4.69 crores) repayable in 7 equal annual instalments of Euro 0.08 million from year 2016-17. Rate of interest - 3.95% p.a.	3.11	3.16
Subsidised loan received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A. (Unsecured)	Total loan sanctioned amounting to 3.99 crores (31 March 2018 3.99 crores) repayable in 10 equal annual instalments of Euro 0.05 million from year 2017-18. Rate of interest - 0% p.a.	2.55	3.13
<b>Total</b>		<b>729.08</b>	<b>286.39</b>

\*Debt portion of compound financial instruments

A subsidiary company issued 22,004,000 8% Non-cumulative Redeemable Preference Shares of ₹10 each for ₹22.04 Crores during the year ended March 31, 2015. These shares are redeemable at par at the expiry of 20 years from the date of allotment. However, the Company shall have an option to redeem the same on or before this period of 20 years in view of the availability of the profits/surplus funds. These preference shares are presented in the balance sheet as follows:

**Notes forming part of the Financial Statements**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Face value of preference shares issued	21.29	21.29
Equity component of preference shares #	5.64	5.64
Liability component	15.65	15.65
Interest expense*	1.57	1.47
Interest paid	-	-
Redemption of preference shares	(18.29)	-
<b>Closing balance</b>	<b>3.00</b>	<b>19.72</b>

\*Interest expense is calculated by applying the effective interest rate of 8% to the liability component considering the redemption is expected to happen in the fifth year from the year of allotment.

# The equity component of these preference shares has been presented in other equity.

**19 Other financial liabilities (non-current)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred Government Grant	66.26	42.22
Deferred payment liabilities		
Deferred sales tax liability (unsecured)	1.37	4.82
Less: Current maturities of deferred payment liability (Refer note 23)	1.37	2.67
	-	2.15
Others	9.32	7.09
	<b>75.58</b>	<b>51.46</b>

Nature of security (including current portion of term loan)	Terms of repayment and rate of interest	As at 31 March 2019	As at 31 March 2018
- Sales tax incentive from the State Government of Maharashtra, received in 2003-04	Sales tax payable amounting to ₹14.27 Crores repayable in 8 annual instalments starting from 2011-12. Rate of interest- Interest free	1.37	3.73
- Deferred payment credit from HSIIDC (Haryana State Industrial and Infrastructure Development Corporation Ltd) received in Feb 2016	Repayable in 10 half yearly of ₹ 0.16 crore instalments starting from June 17. Rate of interest- 12% p.a.	-	1.09
<b>Total</b>		<b>1.37</b>	<b>4.82</b>



## Notes forming part of the Financial Statements

### 20 Long-term provisions

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits</b>		
Gratuity (Refer note 42)	45.17	35.73
Compensated absences	21.40	20.32
	<b>66.57</b>	<b>56.05</b>
<b>Others</b>		
Warranties (Refer note 45)	3.27	3.11
Others* (Refer movement below)	29.80	44.62
	<b>99.64</b>	<b>103.78</b>
<b>Movement</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Opening balance	44.62	17.95
Add: provision made / (reversed) during the year	(14.82)	26.67
<b>Closing balance</b>	<b>29.80</b>	<b>44.62</b>

\*Amount represents provision for non-export of goods under EPCG scheme, including interest payable on the same.

### 21 Short-term borrowings

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Loans repayable on demand		
from banks (secured)*	172.14	179.92
from banks (unsecured)**	91.43	65.87
from a related party (unsecured)***	38.00	28.00
from others (unsecured)****	47.58	29.02
	<b>349.15</b>	<b>302.81</b>

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
<b>Secured loan from Banks:*</b>			
1.	HDFC Bank (Cash Credit) by the Parent Company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipments of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka Khed, Distt. Pune.	17.13	2.29

**Notes forming part of the Financial Statements****21 Short-term borrowings (Contd.)**

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
2.	Axis Bank (Cash Credit) First pari passu charge by way of hypothecation of entire current assets of the Parent Company, both present and future. Second pari passu charge on entire property, plant and equipments of the Parent Company, both present and future	-	1.19
3.	Citibank (Cash Credit) by the Parent Company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipments of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.	4.00	-
4.	State Bank of India (Cash Credit) by the Parent Company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipments of the Company as per detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.	24.68	21.33



## Notes forming part of the Financial Statements

### 21 Short-term borrowings (Contd.)

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
5.	<p>Canara Bank (Cash Credit) by the Parent Company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipments of the Company as per detailed below:</p> <p>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.</p>	7.56	10.89
6.	<p>Standard Chartered Bank (Cash Credit) by the Parent Company is secured by: First pari passu charge by way of hypothecation of entire current assets of the Company, both present and future. Second pari passu charge on property, plant and equipments of the Company as per detailed below:</p> <p>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Nawada Fatehpur, Manesar, Gurugram c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. e) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurugram. Negative lien on the following properties: f) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. g) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.</p>	0.07	-
7.	<p>Axis Bank rate of interest : MCLR (3M) + 100 bps i.e. 9.50% pa.- by MJ Casting Ltd by secured by:</p> <ul style="list-style-type: none"> <li>* First charge by the way of hypothecation on the entire current assets of the company (Bawal &amp; Hosur) both present ' &amp; future.</li> <li>* First charge by the way of hypothecation on the entire moveable fixed assets of the company (Bawal &amp; Hosur) both 'present &amp; future.</li> <li>* Equitable mortgage on land and building both present &amp; future of Hosur Plant situated at Upparapalli, Mathagondapalli, thally Road, Hosur, Tamilnadu,India.</li> <li>* Equitable mortgage on land and building both present &amp; future of Bawal Plant situated at 323, Phase II/IV, Sector-3, 'Industrial Growth Centre, Bawal Distt. Rewari, Haryana, India.</li> <li>* Hypothecation on all movable fixed assets (except vehicles) of the borrower both present &amp; future. Further secured by way of hypothecation on borrower's entire stocks of raw materials, semi-finished and finished goods, consumable, stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables both present and future.</li> </ul>	1.37	0.42



## Notes forming part of the Financial Statements

### 21 Short-term borrowings (Contd.)

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
8.	<p>'ICICI Bank rate of interest : MCLR (6M) + 100 bps i.e. 9.50% pa.) by MJ Casting Ltd secured by:</p> <ul style="list-style-type: none"> <li>* First charge by the way of hypothecation on the entire current assets of the company (Bawal &amp; Hosur) both present ' &amp; future.</li> <li>* First charge by the way of hypothecation on the entire moveable fixed assets of the company (Bawal &amp; Hosur) both 'present &amp; future.</li> <li>* Equitable mortgage on land and building both present &amp; future of Hosur Plant situated at Upparapalli, Mathagondapalli, thally Road, Hosur, Tamilnadu,India.</li> <li>* Equitable mortgage on land and building both present &amp; future of Bawal Plant situated at 323, Phase II/IV, Sector-3, 'Industrial Growth Centre, Bawal Distt. Rewari, Haryana, India.</li> <li>* Hypothecation on all movable fixed assets (except vehicles) of the borrower both present &amp; future. Further secured by way of hypothecation on borrower's entire stocks of raw materials, semi-finished and finished goods, consumable, stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables both present and future.</li> </ul>	12.53	-
9.	<p>Working capital loan from Kotak Mahindra Bank amounting to ₹264.16 Lakhs (31 March 2018: Nil ) is by Minda Kyoraku Limited secured by:</p> <ul style="list-style-type: none"> <li>- 1<sup>st</sup> PP hypothecation charge on all existing and future current assets</li> <li>- 2<sup>nd</sup> PP hypothecation charge on all existing and future movable fixed assets</li> <li>- 2<sup>nd</sup> PP mortgage charge on immovable properties being land and building situated at Industrial Plot No.327, sector-3, Phase-II, IMT Bawal, Haryana owned by borrower</li> <li>- 2<sup>nd</sup> PP mortgage charge on immovable properties being land and building situated at Industrial Plot No.28F, Bidadi Industrial Area, Comprised in Survey No 7,8,and 12 within the village limits of -Abbanakuppe Hobli, Bidadi Talik, Ramanagaram District, Bangalore, Karnataka owned by borrower</li> <li>- Release of charge/ security interest on property at Bangalore is allowed subject to no other bank having a charge on the said property</li> </ul> <p>Rate of interest - 3 months MCLR + 1.10% spread currently at 10.20% on 31st March 2019</p>	2.64	-
10.	<p>Outstanding buyer's credit from Yes Bank is as below: Buyer's credit is secured by:</p> <ul style="list-style-type: none"> <li>- First pari passu charge on all movable and immovable fixed assets (both present and future) of Minda Kosei Aluminum Wheel Private Limited</li> <li>- Second pari passu charge on all current assets (both present and future) of Minda Kosei Aluminum Wheel Private Limited</li> </ul>	-	66.18
11.	<p>Outstanding buyer's credit from Indusind Bank is as below: Buyer's credit is secured by:</p> <ul style="list-style-type: none"> <li>- First pari passu charge on all movable fixed assets (both present and future) including all the underlying assets acquired from the proceeds of the term loan facility and charge by way of equitable mortgage on immovable property (Land and Building) located at Bawal, Haryana of Minda Kosei Aluminum Wheel Private Limited</li> <li>- Second pari passu charge by way of hypothecation on all the present and future current assets of Minda Kosei Aluminum Wheel Private Limited.</li> </ul>	15.25	25.98



## Notes forming part of the Financial Statements

### 21 Short-term borrowings (Contd.)

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
12.	Outstanding buyer's credit from HDFC Bank is as below: Buyer's credit is secured by: <ul style="list-style-type: none"> <li>- First pari passu charge on all movable fixed assets (both present and future) including all the underlying assets acquired from the proceeds of the term loan facility and charge by way of equitable mortgage on immovable property (Land and Building) located at Bawal, Haryana of Minda Kosei Aluminum Wheel Private Limited</li> <li>- Second pari passu charge by way of hypothecation on all the present and future current assets of Minda Kosei Aluminum Wheel Private Limited.</li> </ul>	-	8.22
13.	Axis Bank Rupee cash credit from banks amounting to ₹290.5 Lakhs (31 March 2018: ₹375.6 Lakhs) is secured by: <ul style="list-style-type: none"> <li>- First pari passu charge on all movable and immovable fixed assets (both present and future).</li> </ul> Floating @ MCLR rate plus 75 bps. Currently 9.30% as at 31 March 2019. Maximum tenor of loan is for 1 Year from the date of first disbursement. Principal amount is repayable on demand.	2.91	3.76
14.	HDFC Bank Rupee cash credit from banks amounting to ₹994.0 Lakhs is secured by: Primary <ul style="list-style-type: none"> <li>- First pari passu charge on entire current assets of the Company, both present and future.</li> <li>- Second Pari Passu charge on entire movable fixed assets of the Company, both present and future.</li> </ul> As mutually agreed. Currently 9.20% as at 31 March 2019. Principal amount is repayable on demand.	9.94	-
15.	Working capital and PCFC credit from Citi Bank N.A. Minda Rinder Private Limited. is secured by Exclusive charge on all present and future stock and book debts of the Company.( PCFC Loan in foreign currency ₹17.44 crores., Working capital loan ₹3.75 crores., Buyers credit ₹. 0.50 crores.) (31 March 2018- PCFC Loan in foreign currency ₹15.68 crores., Working capital loan ₹4.84 crores.)	21.89	20.52
16.	Borrowings from Standard Chartered Bank are secured by first Pari passu charge over current assets of the Minda Rinder Private Limited.	28.00	7.46
17.	Short term loan from Bank of Tokyo by Mindarika Private Limited: Secured by first pari passu charge on inventories & book debts. Second charge on movable property, plant and equipment of Mindarika Private Limited, both present & future Rate of interest 9.35% as on 31 March 2019 (31 March 2018 : 8.75%)	4.00	4.70
18.	Short term loan from Mizuho Bank by Mindarika Private Limited: Secured by first pari passu charge on current assets of Mindarika Private Limited. Second charge on movable property, plant and equipment of the Company, both present & future. Rate of interest 8.89% on 31 March 2019 (31 March 2018 : 7.95%)	5.52	3.50

**Notes forming part of the Financial Statements****21 Short-term borrowings (Contd.)**

S. No.	Bank Name (facility) Nature of security	As at 31 March 2019	As at 31 March 2018
19.	Short term loan from HDFC Bank by Mindarika Private Limited: Secured by first pari passu charge on current assets of Mindarika Private Limited. Second charge on movable property, plant and equipment of the Company, both Present & future. Rate of interest 12.20% on 31 March 2018	-	0.78
20.	Short term loan from Standard Chartered Bank by Mindarika Private Limited: Secured by first pari passu charge on inventories, book debts of Mindarika Private Limited. Second charge on movable fixed assets of the Company, both present & future. Rate of interest 11.25% on 31 March 2019 (31 March 2018 : 10.50%)	0.37	2.71
21.	Short term loan from HSBC Bank by Mindarika Private Limited: Secured by first pari passu charge on current assets of Mindarika Private Limited. Second charge on movable property, plant and equipment of the Company, both Present & future. Rate of interest 8.30% on 31 March 2019	5.00	-
22.	Working Capital Loan from ICICI Bank by MI Torica India Private Limited is secured by Hypothecation of Stock, Trade Receivable and exclusive charge on the entire movable and immovable fixed assets both present and future of the company. It is further guaranteed by Minda Investments Ltd, India and Tokai Rika Create Corporation , Japan to the extent of sixty and forty percent respectively.	4.83	-
23.	Working capital demand loan from HDFC Bank carries interest rate of MCLR+0.7% by Minda Katolec Electronics Services Private Limited secured against all stock in trade, movable asset, both present and future, plant and machinery, book debts and receivables and fixed deposits of ₹0.90 crores	4.45	-
<b>**Unsecured Loan from banks:</b>			
1	Working capital demand loan availed by Minda TG Rubber Private Limited of ₹13.40 crores (Interest rate 8.90%) {March 31, 2018: ₹9.60 crores (Interest rate 8.40%) and ₹4.50 crores (Interest rate 11.80%)}	13.40	14.10
2	Short term Loan from-Tokyo -Mitsubishi UFJ,Ltd by MI Torica India Private Limited.	19.41	-
3	From BBVA Bank to Global Mazinkert, S.L	19.38	14.06
4	From La Caixa Bank to Global Mazinkert, S.L	29.37	23.16
5	From Santander Bank to Global Mazinkert, S.L	9.87	14.55
<b>***Unsecured Loan from related party:</b>			
1	From Singhal Fin Cap Limited to Minda Rinder Private Limited which is repayable on demand carries interest rate of 8.50%p.a. ( 31 March 2018, 8.50%)	28.00	28.00
2	From Singhal Fin Cap Limited to Minda Katolec Electronics Services Private Limited which is repayable on demand carries interest rate of 8.50%p.a.	10.00	-
<b>****Unsecured Loan from Others:</b>			
1	Bajaj Finance Ltd, Loan taken by M/s M.J Casting Limited	6.50	-
2	Suppliers credit is from Bajaj Finance Limited and Minda Rinder Private Limited has entered into tripartite agreement with Bajaj Auto Ltd.	6.00	6.00
3	Working capital loan from Bajaj Finance Limited by the Parent Company, is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan, respectively.	35.08	23.02
<b>Total</b>		<b>349.15</b>	<b>302.81</b>



## Notes forming part of the Financial Statements

### 22 Trade payables

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payables		
(a) Total outstanding dues of micro and small enterprises (Refer note 44)	64.61	6.08
(b) Total outstanding dues of creditors other than micro and small enterprises	733.21	792.33
	<b>797.82</b>	<b>798.41</b>

The group's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 50.

### 23 Other financial liabilities (current)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of non-current borrowings	125.74	66.07
Current portion of deferred payment liabilities	1.37	2.67
Interest accrued but not due on non-current borrowings	2.37	0.97
Unpaid dividend	0.28	0.28
Capital creditors	51.86	37.09
Others		
- Payable to employees	46.27	41.18
- Current portion of deferred Government grants	1.31	6.82
- Forward contract payable	1.95	0.33
	<b>231.15</b>	<b>155.41</b>

### 24 Other current liabilities

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Advance from customers	30.64	37.93
Others		
- Mark to market loss derivative contract	0.03	0.30
- Statutory dues	47.23	53.61
	<b>77.90</b>	<b>91.84</b>

### 25 Short-term provisions

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits</b>		
Gratuity (Refer note 42)	3.00	2.95
Compensated absences	3.75	2.66
	<b>6.75</b>	<b>5.61</b>
<b>Others</b>		
Provision for warranty (Refer note 45)	14.28	8.74
Provison for Others	0.53	0.48
	<b>14.81</b>	<b>9.22</b>
	<b>21.56</b>	<b>14.83</b>

**Notes forming part of the Financial Statements****26 Current tax liabilities (net)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for Income tax (net)	-	3.83
	-	<b>3.83</b>

**27 Revenue from operations**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Sale of products (including excise duty)	5,774.83	4,464.49
Sale of services	78.46	50.74
Other operating revenues	54.80	33.05
	<b>5,908.09</b>	<b>4,548.29</b>

**28 Other income**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Interest income on fixed deposits	5.35	12.85
Net gain on foreign currency fluctuations	12.17	-
Profit on sale of property, plant and equipment (net)	1.95	1.61
Income under Package Scheme of Incentives	0.49	3.96
Other non-operating income		
- Liabilities / provisions no longer required written back	1.45	12.96
- Insurance Claim	1.04	-
- MTM gain on forward contract	1.19	-
- Miscellaneous income	3.39	1.97
	<b>27.03</b>	<b>33.35</b>

**29 Cost of materials consumed**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Raw materials (including purchased components and packing material consumed)		
Opening inventories	212.83	124.72
Inventories acquired as part of acquisition of subsidiaries	0.53	37.47
Purchases	3,163.07	2,388.51
Closing inventories	274.94	212.83
Foreign currency translation adjustment	(1.46)	4.16
	<b>3,100.03</b>	<b>2,342.02</b>



## Notes forming part of the Financial Statements

### 30 Purchase of stock in trade

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Purchase of stock in trade	558.72	454.21
	<b>558.72</b>	<b>454.21</b>

### 31 Changes in inventories of finished goods, work in progress and stock in trade

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
<b>Inventories at the end of the year:</b>		
Work-in-progress	61.34	38.76
Finished goods (other than those acquired for trading)	103.89	78.38
Stock-in-trade (acquired for trading)	65.77	33.67
	<b>231.00</b>	<b>150.81</b>
<b>Inventories at the beginning of the year:*</b>		
Work-in-progress	46.82	31.19
Finished goods (other than those acquired for trading)	93.67	59.38
Stock-in-trade (acquired for trading)	54.24	27.19
	<b>194.73</b>	<b>117.76</b>
<b>Net (increase) / decrease in stocks</b>	<b>(36.27)</b>	<b>(33.05)</b>

\* Includes inventory on account of acquisition made during 2018-19 is ₹43.92 ( Previous year ₹26.13)

### 32 Employee benefits expense

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Salaries and wages	672.97	497.50
Compensated absence	7.87	5.29
Expense on employee stock option schemes (refer note 47)	-	6.38
Contribution to provident and other funds	67.09	43.43
Staff welfare expense	43.36	34.20
	<b>791.29</b>	<b>586.80</b>

### 33 Finance costs

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Interest expense on borrowings	56.92	31.73
Other finance costs	6.23	3.36
	<b>63.15</b>	<b>35.09</b>

**Notes** forming part of the Financial Statements**34 Depreciation and amortisation expense**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Depreciation on property, plant and equipment	219.39	155.58
Amortisation on intangible fixed assets	14.99	9.27
	<b>234.38</b>	<b>164.85</b>

**35 Other expenses**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Consumption of stores and spare parts	116.46	89.87
Job work charges	76.76	70.91
Power and fuel	149.09	111.45
Rent (Refer note 46)	39.38	24.37
Repairs and maintenance:		
Buildings	11.89	10.77
Machinery	34.80	24.98
Others	14.07	9.35
Insurance	5.99	3.56
Rates and taxes	3.42	4.13
Travelling and conveyance	62.32	47.96
Directors' sitting fee	0.54	0.30
Legal and professional charges *	35.79	26.68
Fixed assets scrapped/ written off	0.87	1.29
Advertisement and sales promotion	11.62	12.90
Provision for doubtful trade and other receivables, loans and advances (net)	1.71	1.29
Doubtful trade and other receivables, loans and advances written off	0.06	1.02
Royalty expenses	10.14	4.73
Freight and other distribution overheads	94.15	76.85
Warranty (Refer Note 45)	14.23	9.57
Printing and stationery	4.07	3.80
CSR contribution and donations	4.43	2.73
Net loss on foreign currency fluctuations (other than considered as finance cost)	12.78	-
Miscellaneous expenses	64.57	48.24
	<b>769.14</b>	<b>586.76</b>
<b>Note:</b>		
*Includes payments to the Auditors (excluding taxes)		
Statutory audit	1.79	1.91
Limited review	0.60	0.54
Certification	0.38	0.12
Reimbursement of expenses	0.25	0.19
	<b>3.02</b>	<b>2.76</b>



## Notes forming part of the Financial Statements

### 36 Exceptional Item

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Gain on fair valuation of pre-existing shareholding of an associate on conversion into subsidiary pursuant to Ind AS 103	-	70.12
Provision for contingencies relating to export obligations in respect of a subsidiary company*	-	(31.88)
	-	<b>38.24</b>

\* Deferred tax asset of ₹8.46 Crores has been netted off from deferred tax liability for the year ended 31 March 2018.

### 37 Earnings per share

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Net profit after tax as per Statement of Profit and loss	285.62	310.19
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	261,971,018	259,255,363
for Diluted EPS	261,971,018	260,072,166
Basic earnings per share in rupees (Face value ₹2 per share) (In rupees)	10.90	11.96
Diluted earnings per share in rupees (Face value ₹2 per share) (In rupees)	10.90	11.93
Calculation of weighted average number of shares for basic/diluted earnings per share*		
For basic earnings per share		
Opening balance of Equity Shares	261,123,465	237,980,340
Closing balance of equity shares	262,216,965	261,123,465
Weighted average number of basic earnings per share	261,971,018	259,255,363
	<b>261,971,018</b>	<b>259,255,363</b>
For diluted earnings per share		
Add: Weighted average number of potential shares on account of employee stock options/ performance shares scheme	-	816,803
Weighted average number of diluted earnings per share	261,971,018	260,072,166

\*Earnings per share of comparative period is restated for bonus share issued during the year ended March 2019

### 38 Contingent liabilities

(a) Claims made against the Group not acknowledged as debts (including interest, wherever applicable):

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Income tax matter	4.57	4.67
Service tax matter	0.71	0.51
Excise / Sales tax matter	-	0.81
Others	2.86	0.04
Bank guarantee given to custom authorities and others	0.87	1.11

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

(b) Group Companies have made sales to various customers against C-form issued under Central Sales Tax Act on account of which the Group Companies have paid 2% sales tax in place of respective higher rates. Total outstanding forms amounting to ₹2.49 crore (₹204.38 crores as on 31 March 2018). If the Group Companies do not collect the forms in prescribed time, then the Group Companies may have to pay differential tax, including interest and penalty thereon which is not quantifiable.



## Notes forming part of the Financial Statements

### 38 Contingent liabilities (Contd.)

- (c) As per the EPCG terms and conditions, the respective companies within the Group needs to export ₹49.17 crores (₹418 crores as on 31 March 2018) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. If the respective companies do not export goods in prescribed time, they may have to pay interest and penalty thereon.
- (d) An entity in group has availed MSIP incentive from the Ministry of Electronics amounting of ₹3.42 crore ( 31 March 2018 Nil). In accordance with the MSIP guidelines, the amount may be refundable to the government if the specified conditions are not fulfilled within prescribed time.
- (e) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the consolidated financial statements.

### 39 Capital and other commitments (net of advance)

- a) Estimated amount of contracts remaining to be executed on account of capital and other commitments and not provided for as at 31 March 2019 aggregates to ₹148.98 crores (31 March 2018: ₹106.27 crores).
- b) Estimated amount of investment to be made as per government incentive scheme is ₹488.58 crores (Nil as at 31 March 2018).

- 40 During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the Parent Company amounting to ₹0.39 crore towards revised CLU (change of land use) charges for the land situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurugram, and Haryana. The Parent Company paid ₹0.02 crore and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further, the Parent Company had deposited ₹0.09 crore as under protest with the authorities. During the previous years, the Parent Company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the Parent Company had withdrawn the petition and accordingly had asked Town and Country Planning, Chandigarh to review and waive of the liability of remaining balance of ₹0.28 crore and the interest thereon amounting to ₹0.47 crore (previous year ₹0.44 crore) towards revised CLU charges after adjusting the amount of ₹0.11 crore paid earlier.

During the previous year, the Parent Company had applied for grant of license under 'Affordable Housing Policy- 2013' on the land measuring 5 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurugram and paid scrutiny fee (non-refundable) amounting to ₹0.03 crore in this respect, which was received during the year. The Parent Company has paid ₹0.43 crore towards CLU charges during the year. The Parent Company has further applied for grant of similar license on additional land measuring 5 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurugram.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable Housing Policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

**41 Segment information**

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

As the Group's business activity primarily falls within a single business segment i.e. auto components including electrical parts and its accessories and ancillary services as primary segment, thus there are no additional disclosures to be provided under Ind AS 108 – 'Operating Segments'. The management considers that the various goods and services provided by the Group constitutes single business segment, since the risk and rewards from these services are not different from one another.

**Information about geographical areas**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars		As at 31 March 2019	As at 31 March 2018
Revenue from operations*	Within India	4,885.54	3,680.89
	Outside India	1,022.55	867.40
Non-current assets**	Within India	2,005.75	1,495.42
	Outside India	105.69	97.06

\* on the basis of location of customers.

\*\* on the basis of location of the assets.

Assets used in the Group's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above geographies as the assets and liabilities contracted are used interchangeably between the geographies.

**42 Disclosure pursuant to Ind AS 19 on "Employee Benefits"****Defined benefit plan (Gratuity)**

Gratuity is payable to all eligible employees of the Group on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

**Inherent risk**

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Group to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

**Salary inflation risk**

Higher than expected increase in salary will increase the defined benefit obligation.

**Demographic risk**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**Notes forming part of the Financial Statements****42 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (Contd.)****(i) Changes in present value of obligation:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Present value of obligation as at the beginning of the year	44.84	33.51
Current service cost	8.20	6.06
Interest cost	3.88	2.81
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions (gain) / loss	(0.16)	(0.10)
- change in financial assumptions	(0.12)	(2.60)
- experience variance	(0.32)	(0.24)
Past service cost	-	8.02
Benefits paid	(3.18)	(2.68)
Others	5.71	0.06
<b>Present value of obligation as at the end of year</b>	<b>58.85</b>	<b>44.84</b>
- Long term	55.85	41.89
- Short term	3.00	2.95

The Parent Company and its subsidiary is maintaining its gratuity fund with L.I.C. through Gratuity Trust.

**(ii) Changes in the fair value of plan assets:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	
	31 March 2019	31 March 2018
Fair value of plan assets at the beginning of the year	6.16	5.53
Expected return on plan assets	0.25	0.02
Return on plan assets	0.73	0.67
Actuarial gain/loss for the year	-	(0.02)
Employer contributions	-	0.04
Benefits paid	(0.18)	(0.08)
Others	3.72	-
Fair value of plan assets at the end of the year	10.68	6.16

**(iii) The amounts recognized in the balance sheet are as follows:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
Present value of obligation as at the end of the year	(58.85)	(44.84)
Fair value of plan assets as at the end of the year	10.68	6.16
Unfunded status	(48.17)	(38.68)
Net asset/(liability) recognized in balance sheet	(48.17)	(38.68)

**(iv) Expenses recognized in the statement of profit and loss:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended	For the year ended
	31 March 2019	31 March 2018
Current service cost	8.20	6.06
Past service cost	-	8.02
Interest cost	3.88	2.81
Return on plan assets	(0.98)	(0.69)
Expenses recognized in the consolidated statement of profit and loss	11.10	16.20



## Notes forming part of the Financial Statements

### 42 Disclosure pursuant to Ind AS 19 on "Employee Benefits" (Contd.)

#### (v) Re-measurements recognised in other comprehensive income (OCI):

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gains) / losses		
- change in demographic assumptions	(0.16)	(0.10)
- change in financial assumptions	(0.12)	(2.60)
- experience variance (i.e. Actual experience vs assumptions)	(0.32)	(0.24)
Return on plan assets, excluding amount recognised in net interest expense	-	0.02
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.60)</b>	<b>(2.92)</b>

#### (vi) Maturity profile of defined benefit obligation:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Expected cash flows over the next (valued on undiscounted basis)	For the year ended 31 March 2019	For the year ended 31 March 2018
Within next 12 Months	4.13	3.71
Between 1 and 5 years	12.65	10.62
Between 5 and 10 years	21.89	17.69
More than 10 years	138.35	120.56

#### (vii) Principal actuarial assumptions at the balance sheet date are as follows:

##### a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.35% - 7.85%	7.60% - 7.80%
Future salary increase	6.00% - 9.00%	6.5% - 9.00%
Expected return on plant assets	8.00%	8.00%

##### b) Demographic assumptions:

Particulars	As at 31 March 2019	As at 31 March 2018
i) Retirement Age (Years)	55-60	58.00
ii) Mortality Table	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00

#### (viii) Sensitivity analysis for significant assumptions:

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
1% increase in discount rate	46.75	43.09
1% decrease in discount rate	59.26	54.71
1% increase in salary escalation rate	58.46	53.95
1% decrease in salary escalation rate	47.24	43.54
50% increase in attrition rate	52.18	48.04
50% decrease in attrition rate	52.72	48.75
10% increase in mortality rate	52.44	48.31
10% decrease in mortality rate	52.42	48.30



## Notes forming part of the Financial Statements

### 43 Income taxes

#### Reconciliation of effective tax rate:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before income tax expense (inclusive of other comprehensive income excluding share of profit in associates and joint ventures)	454.22	411.71
Tax at India's tax rate of 34.944% (previous year 34.608%)	158.72	142.48
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	1.37	(2.53)
Other tax allowances	(2.91)	(3.78)
Tax on foreign dividend	(3.29)	(6.35)
Weighted deduction for expenditure incurred on research and development	(13.53)	(8.29)
Difference of tax rate due to foreign subsidiaries	(6.39)	(5.86)
Deferred tax created on account of reasonable certainty of income in future years	0.07	(7.82)
Change in tax rates	(3.54)	2.43
Adjustment on account of EPCG	0.02	(2.30)
Other adjustments	3.76	(9.37)
<b>Income tax expense (inclusive of other comprehensive income tax component)</b>	<b>134.29</b>	<b>98.62</b>

- 44 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year-end has been made based on information received and available with the Group.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	64.61	6.08
- Interest	0.31	0.01
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	251.81	154.31
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	1.06	1.25
The amount of interest accrued and remaining unpaid at the end of the year	1.37	1.31
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-



## Notes forming part of the Financial Statements

### 45 Provision for contingencies

#### Warranty

The Group has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilized provision is reversed on expiry of the warranty period. The movement of the provision is as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018
Balance as at beginning of the year	11.85	6.72
Add: Provision made during the year	14.23	9.57
Less: Utilized during the year	(8.53)	(4.44)
Balance as at the end of the year	17.55	11.85
Non-current	3.27	3.11
Current	14.28	8.74

### 46 Operating lease

The Group has taken certain premises and machineries on cancellable operating leases.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Payable within one year	12.18	5.45
Payable between one to five years	38.62	10.93
Payable after five years	23.39	59.77
<b>Total</b>	<b>74.19</b>	<b>76.15</b>

Amounts recognised in profit or loss (All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Lease expense (Refer note 35)	39.38	24.37

### 47 Share based payments

#### (a) Minda Employee Stock Option Scheme 2016

The members of the Parent Company had approved 'Minda Employee Stock Option Scheme 2016' at the Annual General Meeting held on 11 August 2016. The plan envisaged grant of stock options to eligible employees at market price in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

This scheme provided for conditional grant of Performance Shares at nominal value to eligible management employees as determined by the Compensation Committee of the Board of Directors from time to time. The performance measures under this scheme include Group achieving the target market capitalisation. The maximum number of equity shares to be allotted under the scheme are 1,500,000. The number of options granted under the 2016 Performance Share Schemes are 888,000 equity shares at an exercise price of ₹ 180/- each and 98,750 equity shares at an exercise price of ₹392/- each. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereof from time to time.

During the year, the Parent Company has issued bonus shares in the proportion of two equity shares for every one existing equity shares of ₹2 per share. Accordingly, the number of options granted to eligible employees is adjusted in the same proportion for the unexercised options as on the date of issue of bonus shares.

Particulars	Scheme Name	Scheme Name
Scheme	Minda Employee Stock Option Scheme 2016	Minda Employee Stock Option Scheme 2016
Year	2016-17	2016-17
Date of Grant	23-Nov-16	21-Mar-17
No. of options granted	888,000	98,750
Vesting conditions	Achieving target of market capitalization of the Company on or before 31 March 2018	Achieving target of market capitalization of the Company on or before 31 March 2018
Exercise period	1 Year from the date of vesting	1 Year from the date of vesting
Exercise price (₹) per share	180/-	392/-
Fair value of the option on the date of grant (₹) per share	99.11/-	71.75/-



## Notes forming part of the Financial Statements

### 47 Share based payments (Contd.)

#### No. of Share outstanding at year end for Minda Employee Stock Option Scheme 2016

Particulars	For Year ended 31 March 2019	For Year ended 31 March 2018
Outstanding at the beginning of the year	364,500	986,750
Granted during the year	-	986,750
Forfeited/ Expired during the year	-	-
Exercised during the year*	364,500	622,250
Exercisable at the end of the year	-	364,500
Outstanding at the end of the year	-	-
Weighted average exercise price during the year (₹) per share	222/-	189/-

The Employee Stock Option Plan includes employees of Minda Industries Limited and its subsidiaries.

	Pre Bonus	Post Bonus
* The number of shares issued during the year ended 31 March 2019.	130,000	703,500
Amount charged to the statement of profit and loss account	-	6.38

#### Fair valuation

The fair value of options has been done by an independent merchant banker on the date of grant using the Black-Scholes Model.

#### The following assumptions were used for calculation of fair value of grants:

Particulars	As at 31 March 2019	As at 31st March 2018
Risk-free interest rate (%)	6.13% - 6.51%	6.13% - 6.51%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	1.53 years - 1.85 years	1.53 years - 1.85 years
Expected volatility (%)	27.92% - 43.62%	27.92% - 43.62%
Dividend yield	4.61% - 6.90%	4.61% - 6.90%

The risk free interest rates are determined based on the zero-coupon yield curve for Government Securities or Government bonds with maturity equal to the expected term of the option. Volatility calculation is based on annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. The historical period taken into account to match the expected life of the option. Dividend yield has been arrived by dividing the dividend for the period with the current market price.

#### (b) UNO Minda Employee Stock Option Scheme – 2019

During the current financial year, the shareholders of the Parent Company have approved the UNO Minda Employee Stock Option Scheme – 2019 (herein referred as UNOMINDA ESOS-2019) through postal ballot resolution dated March 25, 2019. According to UNOMINDA ESOS-2019, the Nomination and Remuneration Committee of the Parent Company ('NRC') decides upon the employees who qualify under the Plan and the number of Options to be issued to such employees.

Subsequent to the year end, the NRC has approved and granted 1,012,259 number of options to Eligible Employees of the Parent Company and its Subsidiaries at a price of ₹325 per option. Relevant accounting treatment and disclosure of the UNOMINDA ESOS-2019 scheme will be done in the year 2019-20.



48 The Group Companies have established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group Companies are in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

49 On February 14, 2019, the board of directors of the Company approved composite scheme of amalgamation (the Scheme) of Harita Limited ("Transferor Company 1") and Harita Venu Private Limited ("Transferor Company 2") and Harita Cheema Private Limited ("Transferor Company 3") and Harita Financial Services Limited ("Transferor Company 4") and Harita Seating Systems Limited ("Transferor Company 5") and Minda Industries Limited ("Transferee Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, the Reserve Bank of India, other governmental authorities and third parties as may be required.

The scheme provides for

- (i) Amalgamation of the Transferor Company 1, the Transferor Company 2, the Transferor Company 3 and the Transferor Company 4 with the Transferee Company, and the consequent issue of equity shares or non-convertible redeemable preference shares by the Transferee Company in the manner set out in the Scheme; and
- (ii) Amalgamation of Transferor Company 5 with the Transferee Company, and the consequent issue of equity shares or non-convertible redeemable preference shares by the Transferee Company in the manner set out in this scheme.

On the Scheme of amalgamation becoming effective, the Company may issue

- (i) 125,27,570 equity shares having face value of ₹2 each (after considering cancellation of shares on account of cross holding) if all the shareholders of Transferor Companies (1 to 4) and Transferor Company 5 opt for equity shares of Transferee Company

Or

- (ii) 336,81,738 preference shares having face value of ₹100/- each (after considering cancellation of shares on account of cross holding) if all the shareholders of Transferor Companies (1 to 4) and Transferor Company 5 opt for preference shares of Transferee Company.

The appointed date of the amalgamation as per scheme is 1 April 2019. Appropriate accounting treatment of the Scheme will be done in the financial statements once the requisite approvals as aforementioned are obtained.



## Notes forming part of the Financial Statements

### 50 Financial risk management

The Group, as an active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Group's decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Group is exposed to and how it manages the risks:

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and price risks, such as equity price risk and commodity price risk. The sensitivity analyses in the following sections relate to the position as at March 31 2019. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

#### (i) Foreign currency risk

The Group's risk management policy is to hedge a part of its estimated foreign currency exposure in respect of forecast sales and purchases. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Nature of Contracts	Currency Hedged	Outstanding Foreign Currency amount as at 31 March 2019*	Rupees in Crores	Outstanding Foreign Currency amount as at 31 March 2018*	Rupees in Crores
Forward exchange contracts ( Debtors)	USD	300,000	2.08	500,000	3.25
Forward exchange contracts (Debtors)	EURO	-	-	1,050,000	8.47
Cross currency and interest rate swaps (to hedge the foreign currency loan)	USD	6,500,000	44.96	5,739,177	37.33
Forward exchange contracts (Creditors)	JPY	-	-	65,944,973	4.06
Currency options (to hedge the ECB loan)	EURO	1,890,275	14.69	1,850,000	14.92

\* Foreign currency figures in absolute

#### Particulars of un-hedged foreign currency exposure

Currency	As at 31 March 2019			As at 31 March 2018		
	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores
<b>Trade receivables</b>						
USD	1.10	69.17	76.31	0.91	65.04	59.00
EUR	0.22	77.70	17.25	0.51	80.62	41.26
JPY	13.47	0.63	8.42	8.27	0.62	5.09
GBP	0.00	90.48	0.03	0.00	92.28	0.11
<b>Trade payable &amp; Capital creditors</b>						
USD	1.23	69.17	85.38	1.18	65.04	76.69
JPY	62.84	0.63	39.29	57.57	0.62	35.43
EUR	0.10	77.70	7.75	0.18	80.62	14.16
GBP	-	90.48	-	0.04	92.28	3.43
TWD	0.03	2.24	0.07	0.00	2.23	0.00
SGD	0.01	51.08	0.41	0.00	49.82	0.03
THB	0.34	2.24	0.77	-	-	-
CNY	0.05	10.35	0.55	-	-	-



## Notes forming part of the Financial Statements

### 50 Financial Risk Management (Contd.)

Currency	As at 31 March 2019			As at 31 March 2018		
	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores	Foreign currency Amount in Crores	Exchange rate (in ₹)	Rupees in Crores
<b>Advance to vendors</b>						
CHF	0.00	68.52	0.07	0.01	68.50	0.70
EUR	0.00	77.70	0.27	0.00	80.62	0.02
USD	0.14	69.17	9.61	0.03	65.04	1.77
GBP	0.00	90.48	0.01	0.01	92.28	1.08
JPY	1.12	0.63	0.70	8.80	0.62	5.45
SGD	0.02	51.08	1.03	-	-	-
<b>Advance from customers</b>						
USD	0.00	69.17	0.20	0.00	65.04	0.27
EUR	0.00	77.70	0.00	-	80.62	-
<b>Bank balances</b>						
TWD	0.07	2.24	0.16	-	2.23	-
USD	0.15	69.17	10.35	0.07	65.04	4.72
JPY	3.79	0.63	2.37	1.28	0.62	0.79
EUR	0.04	77.70	3.16	0.01	80.62	1.17
<b>Borrowings</b>						
USD	2.16	69.17	149.75	0.48	65.04	31.42
JPY	-	0.63	-	142.50	0.62	88.35
EUR	0.14	77.70	10.81	0.67	80.62	54.20
<b>Other current liabilities</b>						
USD	-	69.17	-	0.02	65.04	1.44

#### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in currency exchange rates, with all other variables held constant. The impact on the Group profit before tax is due to changes in the fair value of monetary assets and liabilities.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Exposure gain/(loss)	31 March 2019		31 March 2018	
	Change +1%	Change -1%	Change +1%	Change -1%
<b>Particulars</b>				
<b>Trade receivables</b>				
USD	0.76	(0.76)	0.59	(0.59)
EUR	0.17	(0.17)	0.41	(0.41)
JPY	0.08	(0.08)	0.05	(0.05)
GBP	0.00	(0.00)	0.00	(0.00)
<b>Trade payables</b>				
USD	(0.85)	0.85	(0.77)	0.77
JPY	(0.39)	0.39	(0.35)	0.35
EUR	(0.08)	0.08	(0.14)	0.14
GBP	-	-	(0.03)	0.03
TWD	(0.00)	0.00	(0.00)	0.00
SGD	(0.00)	0.00	(0.00)	0.00
THB	(0.01)	0.01	-	-
CNY	(0.01)	0.01	-	-

**Notes** forming part of the Financial Statements**50 Financial Risk Management (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Exposure gain/(loss) Particulars	31 March 2019		31 March 2018	
	Change +1%	Change -1%	Change +1%	Change -1%
<b>Advance to vendors</b>				
CHF	0.00	(0.00)	0.01	(0.01)
EUR	0.00	(0.00)	0.00	(0.00)
USD	0.10	(0.10)	0.02	(0.02)
GBP	0.00	(0.00)	0.01	(0.01)
JPY	0.01	(0.01)	0.05	(0.05)
SGD	0.01	(0.01)	-	-
<b>Advance from customers</b>				
USD	(0.00)	0.00	(0.00)	0.00
EUR	(0.00)	0.00	-	-
<b>Bank balances</b>				
TWD	0.00	(0.00)	-	-
USD	0.10	(0.10)	0.05	(0.05)
JPY	0.02	(0.02)	0.01	(0.01)
EUR	0.03	(0.03)	0.01	(0.01)
<b>Borrowings</b>				
USD	(1.50)	1.50	(0.31)	0.31
JPY	-	-	(0.88)	0.88
EUR	(0.11)	0.11	(0.54)	0.54
<b>Other Current Liabilities</b>				
USD	-	-	(0.00)	0.00

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Group to cash flow interest rate risk. During 31 March 2019 and 31 March 2018, the Group's borrowings at variable rate were mainly denominated in INR, EURO, JPY and USD.

The Group's fixed rate borrowings are carried at amortised cost.

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

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
	Variable rate borrowings	929.29
Fixed rate borrowings	151.93	157.85
<b>Total</b>	<b>1,081.23</b>	<b>608.92</b>

**Sensitivity analysis**

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Impact on profit after tax	
	31 March 2019	31 March 2018
Increase by 0.5%	(4.65)	(2.26)
Decrease by 0.5%	4.65	2.26



## Notes forming part of the Financial Statements

### 50 Financial Risk Management (Contd.)

#### (iii) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Group. The Group sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

#### b) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

#### (i) The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(All amounts in Indian ₹ Crore, unless otherwise stated)

As at 31 March 2019	0-1 Years	1-5 Years	More than 5 Years	Total
Borrowings	474.89	581.94	24.40	1,081.23
Trade payable	797.82	-	-	797.82
Other financial liabilities	105.41	75.58	-	180.99
<b>As at March 31, 2018</b>				
Borrowings	368.89	230.22	9.82	608.92
Trade payable	798.41	-	-	798.41
Other financial liabilities	89.34	51.46	-	140.80

#### (ii) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Floating rate	As per Note 21	As per Note 21
- Expiring within one year (cash credit and other facilities)	54.98	102.80

#### c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. All clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Group has deposited liquid funds at various banking institutions. No impairment loss is considered necessary in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.

**Notes** forming part of the Financial Statements

51 (i) The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations

(All amounts in Indian ₹ Crore, unless otherwise stated)

As at 31 March 2019	Minda Kyoraku Limited	Minda Kosei Aluminum Wheel Private Limited	Mindarika Private Limited
<b>NCI percentage</b>	<b>32.40%</b>	<b>30.01%</b>	<b>49.00%</b>
Non-current assets	115.36	515.33	212.86
Current assets	51.82	187.41	194.37
Non-current liabilities	34.33	264.36	46.32
Current liabilities	33.90	137.33	146.96
Net assets	98.95	301.05	213.95
<b>Net assets attributable to NCI</b>	<b>32.06</b>	<b>90.35</b>	<b>104.84</b>
Revenue	157.76	599.74	801.36
Profit/(Loss)	11.91	56.33	48.75
OCI	0.10	(0.07)	0.25
Total comprehensive income	12.01	56.26	49.00
<b>Profit/(Loss) allocated to NCI</b>	<b>3.86</b>	<b>16.90</b>	<b>23.89</b>
<b>OCI allocated to NCI</b>	<b>0.03</b>	<b>(0.02)</b>	<b>0.12</b>
<b>Total comprehensive income allocated to NCI</b>	<b>3.89</b>	<b>16.88</b>	<b>24.01</b>
Cash flows from (used in) operating activities	9.31	97.42	59.13
Cash flows from (used in) investing activities	(62.81)	(125.92)	(57.55)
Cash flows from (used in) financing activities	28.22	15.19	(24.08)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(25.28)</b>	<b>(13.31)</b>	<b>(22.50)</b>

(All amounts in Indian ₹ Crore, unless otherwise stated)

As at 31 March 2018	Minda Kyoraku Limited	Minda Kosei Aluminum Wheel Private Limited	Mindarika Private Limited
<b>NCI percentage</b>	<b>28.34%</b>	<b>30.01%</b>	<b>49.00%</b>
Non-current assets	52.28	446.73	144.44
Current assets	67.77	174.56	208.26
Non-current liabilities	2.20	138.02	47.87
Current liabilities	29.02	239.35	146.08
Shares application money	27.00	-	-
Net assets	88.83	243.92	158.75
<b>Net assets attributable to NCI</b>	<b>36.10</b>	<b>73.23</b>	<b>77.79</b>
Revenue	139.87	458.26	205.52
Profit/(Loss)	11.00	31.65	14.22
OCI	0.15	0.04	0.80
Total comprehensive income	11.15	31.69	15.02
<b>Profit/(Loss) allocated to NCI</b>	<b>3.12</b>	<b>9.50</b>	<b>6.97</b>
<b>OCI allocated to NCI</b>	<b>0.04</b>	<b>0.01</b>	<b>0.39</b>
<b>Total comprehensive income allocated to NCI</b>	<b>3.17</b>	<b>9.51</b>	<b>7.36</b>
Cash flows from (used in) operating activities	4.05	19.07	32.73
Cash flows from (used in) investing activities	(3.06)	(60.64)	(26.49)
Cash flows from (used in) financing activities	5.86	43.32	5.57
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>6.84</b>	<b>1.75</b>	<b>11.81</b>



## Notes forming part of the Financial Statements

(ii) Details of subsidiaries which have been consolidated are as follows:

Name of Company	Country of Incorporation	Ownership interest held by Group		Non Controlling Interest As at 31 March 2019	Non Controlling Interest As at 31 March 2018	Reporting date used for consolidation
		As at 31 March 2019	As at 31 March 2018			
<b>Subsidiaries</b>						
Minda Auto Components Limited	India	100%	100%	-	-	31 March 2019
Minda Distribution and Services Limited	India	100%	100%	-	-	31 March 2019
MJ Casting Limited	India	100%	100%	-	-	31 March 2019
Minda Kyoraku Limited	India	67.60%	71.66%	32.40%	28.34%	31 March 2019
Minda Kosei Aluminum Wheel Private Limited	India	69.99%	69.99%	30.01%	30.01%	31 March 2019
Minda TG Rubber Private Ltd.	India	51%	51%	49.00%	49.00%	31 March 2019
Minda Storage Batteries Private Limited	India	100%	100%	-	-	31 March 2019
Minda Rinder Private Limited	India	100%	100%	-	-	31 March 2019
YA Auto Industries (partnership firm)	India	51%	51%	49.00%	49.00%	31 March 2019
Minda Katolec Electronics Services Private Limited	India	51%	51%	49.00%	49.00%	31 March 2019
Mindarika Private Limited	India	51%	51%	49.00%	49.00%	31 March 2019
MI Torica India Private Limited	India	60%	-	40.00%	-	31 March 2019
<u>Downstream subsidiaries of MI Torica India Private Limited</u>						
MITIL Polymer Private Limited	India	57%	-	43.00%	-	31 March 2019
Global Mazinkert S.L.	Spain	100%	100%	-	-	31 March 2019
<u>Downstream subsidiaries of Global Mazinkert, S.L.</u>						
Clarton Horn, Spain	Spain	100%	100%	-	-	31 March 2019
Clarton Horn, Morocco	Morocco	100%	100%	-	-	31 March 2019
Clarton Horn, Signalkoustic	Germany	100%	100%	-	-	31 March 2019
Clarton Horn, Mexico	Mexico	100%	100%	-	-	31 March 2019
Light & Systems Technical Centre, S.L. Spain	Spain	100%	100%	-	-	31 March 2019
PT Minda Asean Automotive	Indonesia	100%	100%	-	-	31 March 2019
<u>Downstream subsidiaries of PT Minda Asean Automotive</u>						
PT Minda Trading	Indonesia	100%	100%	-	-	31 March 2019
Sam Global Pte Ltd.	Singapore	100%	100%	-	-	31 March 2019
<u>Downstream subsidiaries of Sam Global Pte Ltd.</u>						
Minda Industries Vietnam Company Limited	Vietnam	100%	100%	-	-	31 March 2019
iSYS RTS GmbH	Germany	80%	-	20.00%	-	31 March 2019



## Notes forming part of the Financial Statements

**(iii) Details of joint ventures and associates which have been accounted as per equity method are as follows:**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Name of Company	Country of incorporation	% of Ownership interest at 31.03.2019	Quoted fair value as at #		Carrying amount as at	
			31 March 2019	31 March 2018	31 March 2019	31 March 2018
<b>Interest in joint ventures consolidating using equity method of accounting</b>						
Minda Emer Technologies Limited	India	49.10%	-	-	3.26	2.39
Rinder Riduco, S.A.S. Columbia	Columbia (USA)	50%	-	-	7.17	5.91
ROKI Minda Co. Pvt. Ltd.	India	49%	-	-	73.54	61.19
Minda TTE DAPS Private Limited	India	50%	-	-	3.47	2.23
Minda Onkyo Private Limited	India	50%	-	-	0.72	3.81
Densoten Minda India Private Limited	India	49%	-	-	41.07	31.98
Minda D-ten India Private Limited	India	51%	-	-	6.55	4.74
Toyoda Gosei Minda India Pvt. Ltd.	India	47.80%	-	-	193.23	-
Kosei Minda Mould Private Limited	India	49.90%	-	-	6.26	-
<b>Interest in associates consolidating using equity method of accounting</b>						
Minda NexGenTech Limited	India	26%	-	-	0.83	0.49
Yogendra Engineering (partnership firm)	India	48.90%	-	-	0.01	0.09
Auto Components (partnership firm)	India	48.90%	-	-	3.42	3.17
Kosei Minda Aluminum Company Pvt. Ltd.	India	30%	-	-	15.96	19.03

# As all entities are unlisted therefore there is no quoted price.



## Notes forming part of the Financial Statements

(iv) Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

For the year ended 31 March 2019

Particulars	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in ₹ crore	As % of consolidated profit or loss	Amount in ₹ crore	As % of consolidated other comprehensive income	Amount in ₹ crore	As % consolidated dated of total comprehensive income	Amount in ₹ crore
<b>Holding Company</b>								
Minda Industries Limited	64.43%	1,097.95	50.86%	145.28	12.70%	(0.09)	50.96%	145.19
<b>Subsidiary Companies</b>								
<b>Indian</b>								
Minda Auto Components Limited	1.41%	24.08	1.42%	4.06	26.81%	(0.19)	1.36%	3.87
Minda Distribution and Services Limited	1.38%	23.55	2.94%	8.40	-2.82%	0.02	2.96%	8.42
MJ Casting Limited	4.78%	81.43	6.38%	18.23	2.82%	(0.02)	6.39%	18.21
Minda Kyoraku Limited	5.81%	98.95	4.17%	11.91	-14.15%	0.10	4.21%	12.01
Minda Kosei Aluminum Wheel Private Limited	17.67%	301.05	19.72%	56.33	9.31%	(0.07)	19.75%	56.26
Minda TG Rubber Private Ltd.	2.60%	44.28	4.34%	12.39	12.70%	(0.09)	4.32%	12.30
Minda Storage Batteries Private Limited	7.58%	129.11	-5.79%	(16.53)	1.89%	(0.01)	-5.81%	(16.55)
Minda Rinder Private Limited	4.90%	83.54	5.27%	15.04	-36.69%	0.26	5.37%	15.30
YA Auto Industries (partnership firm)	0.25%	4.20	2.70%	7.71	0.00%	-	2.71%	7.71
Minda Katolec Electronics Services Private Limited	0.50%	8.57	-2.11%	(6.03)	0.00%	-	-2.12%	(6.03)
Mindarika Private Limited	12.55%	213.95	17.07%	48.75	-35.15%	0.25	17.20%	49.00
MI Torica India Private Limited	1.20%	20.47	1.54%	4.40	-4.23%	0.03	1.55%	4.43
<b>Foreign</b>								
Global Mazinkert S.L.	3.67%	62.57	4.00%	11.43	567.27%	(4.02)	2.60%	7.41
PT Minda Asean Automotive	4.42%	75.33	7.28%	20.78	-324.56%	2.30	8.10%	23.08
Sam Global Pte Ltd.	2.19%	37.31	5.32%	15.19	-172.16%	1.22	5.76%	16.41
iSYS RTS GmbH	0.89%	15.18	0.64%	1.84	52.21%	(0.37)	0.52%	1.47
<b>Minority interest in all subsidiaries</b>								
<b>Indian</b>								
Minda Kyoraku Limited	-1.88%	(32.06)	-1.35%	(3.86)	4.59%	(0.03)	-1.37%	(3.89)
Minda Kosei Aluminum Wheel Private Limited	-5.30%	(90.35)	-5.92%	(16.90)	-2.79%	0.02	-5.93%	(16.88)
Minda TG Rubber Private Ltd.	-1.27%	(21.70)	-2.13%	(6.07)	-6.22%	0.04	-2.12%	(6.03)
YA Auto (partnership firm)	-0.12%	(2.06)	-1.39%	(3.97)	0.00%	-	-1.39%	(3.97)



**Notes** forming part of the Financial Statements

(iv) Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III (Contd.)

Particulars	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in ₹ crore	As % of consolidated profit or loss	Amount in ₹ crore	As % of consolidated other comprehensive income	Amount in ₹ crore	As % consolidated of total comprehensive income	Amount in ₹ crore
Minda Katolec Electronics Services Private Limited	-0.25%	(4.20)	1.03%	2.95	0.00%	-	1.04%	2.95
Mindarika Private Limited	-6.15%	(104.84)	-8.36%	(23.89)	17.22%	(0.12)	-8.43%	(24.01)
MI Torica India Private Limited	-0.50%	(8.48)	-0.62%	(1.76)	1.69%	(0.01)	-0.62%	(1.77)
<b>Foreign</b>								
iSYS RTS GmbH	-0.18%	(3.04)	-0.13%	(0.37)	-10.44%	0.07	-0.10%	(0.29)
<b>Associate Companies (Investment as per Equity method)</b>								
<b>Indian</b>								
Minda NexGenTech Limited	-	-	0.12%	0.34	-	-	0.12%	0.34
Yogendra Engineering (partnership firm)	-	-	0.00%	(0.00)	-	-	0.00%	(0.00)
Auto Components (partnership firm)	-	-	0.93%	2.67	-	-	0.94%	2.67
Kosei Minda Aluminum Company Private Limited	-	-	-1.07%	(3.07)	-	-	-1.08%	(3.07)
<b>Joint venture companies (As per equity method)</b>								
<b>Indian</b>								
Minda Emer Technologies Limited	-	-	0.30%	0.87	-	-	0.31%	0.87
Rinder Riduco S.A.S.	-	-	0.42%	1.19	-	-	0.42%	1.19
ROKI Minda Co. Pvt. Ltd.	-	-	4.32%	12.35	-	-	4.33%	12.35
Minda TTE DAPS Private Limited	-	-	-0.27%	(0.76)	-	-	-0.27%	(0.76)
Minda Onkyo Private Limited	-	-	-2.21%	(6.32)	-	-	-2.22%	(6.32)
Denso Ten Minda India Private Limited	-	-	3.18%	9.08	-	-	3.19%	9.08
(Formerly Fujitsu Ten Minda India Private Limited)	-	-	0.63%	1.80	-	-	0.63%	1.80
Minda D-Ten India Private Limited	-	-	0.28%	0.80	-	-	0.28%	0.80
(Formerly Minda F-Ten Private Limited)	-	-	-0.03%	(0.08)	-	-	-0.03%	(0.08)
Toyoda Gosei Minda India Private Limited	-	-	-13.50%	(38.55)	0.00%	-	-13.53%	(38.55)
Kosei Minda Mould Private Limited	-	-	100.00%	285.62	100.00%	(0.71)	100.00%	284.91
<b>Total eliminations</b>	<b>-20.58%</b>	<b>(350.65)</b>	<b>-13.50%</b>	<b>(38.55)</b>	<b>0.00%</b>	<b>(0.71)</b>	<b>-13.53%</b>	<b>(38.55)</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>1,704.16</b>	<b>100.00%</b>	<b>285.62</b>	<b>100.00%</b>	<b>(0.71)</b>	<b>100.00%</b>	<b>284.91</b>



## Notes forming part of the Financial Statements

(iv) Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III (Contd.)

For the year ended 31 March 2018

Particulars	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in ₹ crore	As % of consolidated profit or loss	Amount in ₹ crore	As % of consolidated other comprehensive income	Amount in ₹ crore	As % consolidated of total comprehensive income	Amount in ₹ crore
<b>Holding Company</b>								
Minda Industries Limited	69.69%	969.90	43.79%	135.83	12.50%	0.60	43.31%	136.43
<b>Subsidiary Companies</b>								
<b>Indian</b>								
Minda Auto Components Limited	1.45%	20.20	1.57%	4.88	0.83%	0.04	1.56%	4.92
Minda Kyoraku Limited	6.38%	88.83	3.55%	11.00	3.13%	0.15	3.54%	11.15
Minda Distribution and Services Limited	1.09%	15.13	1.67%	5.18	-2.29%	(0.11)	1.61%	5.07
Minda TG Rubber Private Ltd.	2.30%	31.98	-1.29%	(4.00)	2.71%	0.13	-1.23%	(3.87)
Minda Kosei Aluminum Wheel Private Limited	17.53%	243.92	10.20%	31.65	0.83%	0.04	10.06%	31.69
MJ Casting Limited	4.53%	63.11	4.46%	13.82	1.88%	0.09	4.42%	13.91
Minda Rinder Private Limited	4.82%	67.11	4.55%	14.12	-0.42%	(0.02)	4.48%	14.10
Minda Storage Batteries Private Limited	10.07%	140.16	-1.91%	(5.93)	0.21%	0.01	-1.88%	(5.92)
YA Auto Industries (partnership firm)	0.35%	4.93	2.15%	6.67	0.00%	-	2.12%	6.67
Mindarika Private Limited	11.41%	158.75	4.58%	14.22	16.67%	0.80	4.77%	15.02
Minda Katolec Electronics Services Private Limited	1.05%	14.60	-0.15%	(0.47)	0.00%	-	-0.15%	(0.47)
<b>Foreign</b>								
Global Mazinkert S.L.	2.85%	39.63	3.57%	11.07	123.75%	5.94	5.40%	17.01
PT Minda Asean Automotive	4.31%	59.93	5.67%	17.58	-31.67%	(1.52)	5.10%	16.06
Sam Global Pte Ltd.	2.66%	37.01	4.24%	13.15	-0.63%	(0.03)	4.17%	13.12
<b>Minority interest in all subsidiaries</b>								
<b>Indian</b>								
Minda Kyoraku Limited	-2.59%	(36.10)	-1.01%	(3.12)	-1.04%	(0.05)	-1.01%	(3.17)
Minda TG Rubber Private Ltd.	-1.13%	(15.67)	0.63%	1.96	-1.25%	(0.06)	0.60%	1.90
Minda Kosei Aluminum Wheel Private Limited	-5.26%	(73.23)	-3.06%	(9.50)	-0.21%	(0.01)	-3.02%	(9.51)
MJ Casting Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
YA Auto (partnership firm)	-0.17%	(2.42)	-1.05%	(3.27)	0.00%	-	-1.04%	(3.27)
Mindarika Private Limited	-5.59%	(77.79)	-2.25%	(6.97)	-8.13%	(0.39)	-2.34%	(7.36)
Minda Katolec Electronics Services Private Limited	-0.42%	(5.82)	0.07%	0.23	0.00%	-	0.07%	0.23



**Notes** forming part of the Financial Statements

(iv) Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III (Contd.)

Particulars	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in ₹ crore	As % of consolidated profit or loss	Amount in ₹ crore	As % of consolidated other comprehensive income	Amount in ₹ crore	As % consolidated of total comprehensive income	Amount in ₹ crore
<b>Associate companies (Investment as per equity method)</b>								
<b>Indian</b>								
Mindarika Private Limited	-	-	2.72%	8.43	-	-	2.68%	8.43
Minda NexGenTech Limited	-	-	0.01%	0.04	-	-	0.01%	0.04
Yogendra Engineering (partnership firm)	-	-	-0.02%	(0.06)	-	-	-0.02%	(0.06)
Auto Components (partnership firm)	-	-	0.68%	2.11	-	-	0.67%	2.11
Kosei Minda Aluminum Company Private Limited	-	-	0.58%	1.79	-	-	0.57%	1.79
<b>Joint venture companies (As per equity method)</b>								
<b>Indian</b>								
Minda Emer Technologies Limited	-	-	-0.17%	(0.52)	-	-	-0.17%	(0.52)
Rinder Riduco S.A.S.	-	-	0.27%	0.84	-	-	0.27%	0.84
ROKI Minda Co. Pvt. Ltd.	-	-	3.77%	11.70	-	-	3.71%	11.70
Minda TTE DAPS Private Limited	-	-	-0.25%	(0.76)	-	-	-0.24%	(0.76)
Minda Onkyo Private Limited	-	-	-1.43%	(4.44)	-	-	-1.41%	(4.44)
Denso Ten Minda India Private Limited	-	-	1.03%	3.21	-	-	1.02%	3.21
(Formerly Fujitsu Ten Minda India Private Limited)	-	-	0.24%	0.74	-	-	0.23%	0.74
Minda D-Ten India Private Limited	-	-	-	-	-	-	-	-
(Formerly Minda F-Ten Private Limited)	-	-	-	-	-	-	-	-
<b>Total eliminations</b>	<b>-25.33%</b>	<b>(352.50)</b>	<b>12.58%</b>	<b>39.01</b>	<b>-16.88%</b>	<b>(0.81)</b>	<b>12.13%</b>	<b>38.20</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>1,391.69</b>	<b>100.00%</b>	<b>310.19</b>	<b>100.00%</b>	<b>4.80</b>	<b>100.00%</b>	<b>314.99</b>



## Notes forming part of the Financial Statements

### (v) Summarised Balance Sheet and Statement of profit and loss of Material joint ventures and associates

(All amounts in Indian ₹ Crore, unless otherwise stated)

31 March 2019	Joint Venture			Associates
Particulars	ROKI Minda Co. Pvt. Ltd.	Densoten Minda India Private Limited	Toyoda Gosei Minda India Pvt. Ltd.	Kosei Minda Aluminum Company Pvt. Ltd.
Total non-current assets	206.62	89.63	415.64	156.87
Total current assets	95.88	122.83	136.99	70.02
Total non-current liabilities	54.78	44.64	47.51	40.42
Total current liabilities	97.64	84.00	100.89	133.27
<b>Net assets</b>	<b>150.08</b>	<b>83.82</b>	<b>404.23</b>	<b>53.20</b>
<b>Proportion of Group's ownership</b>	<b>49.00%</b>	<b>49.00%</b>	<b>47.80%</b>	<b>30.00%</b>
<b>Carrying amount of investment</b>	<b>73.54</b>	<b>41.07</b>	<b>193.22</b>	<b>15.96</b>
Revenue	394.19	418.59	495.85	202.77
Interest income	0.82	0.72	3.64	0.11
Finance costs	8.37	0.99	3.58	8.30
Depreciation and amortisation	26.89	9.57	20.13	12.77
Income tax expense	14.53	9.35	2.62	-
<b>Total comprehensive income</b>	<b>25.21</b>	<b>18.54</b>	<b>1.67</b>	<b>(10.23)</b>
<b>Groups share of total comprehensive income</b>	<b>12.35</b>	<b>9.08</b>	<b>0.80</b>	<b>(3.07)</b>

(All amounts in Indian ₹ Crore, unless otherwise stated)

31 March 2018	Joint Venture		Associates
Particulars	ROKI Minda Co. Pvt. Ltd.	Densoten Minda India Private Limited	Kosei Minda Aluminum Company Pvt. Ltd.
Total non-current assets	218.64	83.49	160.99
Total current assets	85.60	107.47	52.13
Total non-current liabilities	82.64	43.55	49.76
Total current liabilities	96.72	82.12	99.92
<b>Net assets</b>	<b>124.88</b>	<b>65.28</b>	<b>63.45</b>
<b>Proportion of Group's ownership</b>	<b>49.00%</b>	<b>49.00%</b>	<b>30.00%</b>
<b>Carrying amount of investment</b>	<b>61.19</b>	<b>31.99</b>	<b>19.03</b>
Revenue	367.93	90.41	220.69
Interest income	0.41	-	0.25
Finance costs	7.01	2.38	8.31
Depreciation and amortisation	22.57	2.21	13.01
Income tax expense	14.21	(0.30)	0.04
Total comprehensive income	23.97	6.55	5.98
<b>Groups share of total comprehensive income</b>	<b>11.70</b>	<b>3.21</b>	<b>1.79</b>



## Notes forming part of the Financial Statements

### (vi) Commitment and contingent Liabilities in respect of associates and Joint ventures

(All amounts in Indian ₹ Crore, unless otherwise stated)

Share of Joint Venture's contingent liabilities in respect of following	31 March 2019	31 March 2018
Income tax matter	0.12	0.19
Liabilities of customs duty towards export obligation undertaken by the Group under EPCG schemes	1.23	0.46
Claim against the company not acknowledged as debt	0.72	-
Bank guarantee given to custom authorities and others	0.07	-
Indirect Tax	0.54	-
<b>Commitments-joint ventures</b>		
Estimated amount of contracts remaining to be executed on capital and other account (Net of advances)	31.41	18.12
Share of Associate's contingent liabilities in respect of following	31 March 2019	31 March 2018
Bank guarantee given to custom authorities and others	0.71	0.71
Indirect Tax	1.61	-
Liabilities of customs duty towards export obligation undertaken by the Group under EPCG schemes	2.09	-
<b>Commitments-associate</b>		
Estimated amount of contracts remaining to be executed on capital and other account (Net of advances)	0.08	0.16

As per the EPCG terms and conditions, Associates/ Joint Venture needs to export ₹56.78 crores (₹18.44 crores as on 31 March 2018) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6-8 years. If the Associates/ Joint Venture does not export goods in prescribed time, then the Associates/ Joint Venture may have to pay interest and penalty thereon.

### 52 Related Party Disclosures

#### (i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Nature of related party transaction	Name of related party
<b>Associates</b>	Mindarika Private Limited (Upto December 2017) Minda NexGenTech Limited Kosei Minda Aluminum Company Private Limited
<b>Partnership firms</b>	Auto Component (Firm) Yogendra Engineering (Firm)
<b>Joint ventures (jointly controlled entities)</b>	Minda Emer Techonologies Limited Roki Minda Co. Private Limited Rinder Riduco, S.A.S. Columbia Minda TTE Daps Private Limited (Formerly as Minda Daps Private Limited) Minda Onkyo India Private Limited Minda D-Ten India Private Limited (Formerly Minda F-Ten Private Limited) Denso Ten Minda India Private Limited (Formerly Fujitsu Ten Minda India Private Limited) Toyota Gosei Minda India Pvt. Ltd. (w.e.f 28 September 2018)
<b>Key management personnel</b>	Mr. Nirmal K Minda {Chairman and Managing Director('CMD')} Mr. Anand K. Minda (Director) Mr. Alok Dutta (Independent Director) Mr. Satish Sekhri (Independent Director) Ms. Renu Challu (Independent Director) (Upto 19 December 2018) Ms. Praveen Tripathi (Independent Director) (w.e.f 6 February 2019)



## Notes forming part of the Financial Statements

### 52 Related Party Disclosures (Contd.)

	Ms. Paridhi Minda (Whole-time Director ) (w.e.f 29 March 2019) Mr. Sudhir Jain (CFO) (Upto 30 September 2018) Mr. Sunil Bohra (CFO) (w.e.f 1 October 2018) Mr. Tarun Kumar Srivastava ( Company Secretary) (w.e.f 22 May 2018)
<b>Relatives of key management personnel</b>	Ms. Suman Minda (wife of CMD) Ms. Paridhi Minda (daughter of CMD) Ms. Pallak Minda (daughter of CMD) Mr. Vivek Jindal (son-in-law of CMD) Mr. Amit Minda (Son of KMP)
<b>Other entities over which key management personnel and their relatives are able to exercise significant influence</b>	Minda Investments Limited Minda International Limited Minda Industries Firm Minda Finance Limited Singhal Fincap Ltd Pioneer Finest Ltd Samaira Engineering (Firm) MITIL Polymer Pvt Limited (Upto 31 March 2018) S.M.Auto Industries (Firm) Shankar Moulding Ltd. Minda Nabtesco Automotive Private Limited Minda I Connect Private Limited Minda Projects Limited SN Castings Limited Jindal Mectec Private Limited Minda Industries Ltd Gratuity Scheme Trust Minda Industries Ltd Managerial Superannuation Scheme Trust Minda Corporation Limited (upto 31 March 2018) Minda Spectrum Advisory Limited Minda Mindpro Limited Moga Devi Charitable Trust Suman Nirmal Minda Charitable Trust

### (ii) Transactions / balances with related parties

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Associates (including partnership firms where Group has significant influence)		Joint venture companies		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018
Sale of products	2.53	4.43	39.09	11.42	22.05	34.03	-	-
Purchase of products	67.36	91.92	0.91	0.02	208.65	365.37	-	-
Sale of Property, plant & equipment	-	0.02	-	0.38	-	62.08	-	-
Purchase of Property, plant & equipment	2.16	12.82	0.08	-	137.25	89.94	-	-
Expenses recovered	-	2.02	0.43	-	-	-	-	-
Services rendered	1.95	8.83	9.09	3.79	1.63	1.30	-	-
Services received	-	-	-	0.25	15.89	6.56	1.66	1.78
Remuneration	-	-	-	-	-	-	13.50	14.60
Dividend received	-	2.57	-	-	-	-	-	-

**Notes** forming part of the Financial Statements**52 Related Party Disclosures (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Associates (including partnership firms where Group has significant influence)		Joint venture companies		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018
Interest paid	-	-	0.03	-	5.90	-	-	-
Interest received	-	-	-	-	-	0.05	-	-
Unsecured Loan Given/ Repayment	-	-	-	-	66.00	1.90	-	-
Unsecured Loan received	-	-	0.98	-	76.00	-	-	-
Share of profits	2.67	2.55	-	-	-	-	-	-
Royalty received	0.34	0.27	-	-	-	0.57	-	-
Dividend paid on equity share capital	-	-	-	-	7.38	4.68	10.84	7.48
Donation	-	-	-	-	2.60	1.99	-	-
Investment in shares / partnership firm	(2.93)	(4.39)	5.75	11.24	-	63.41	-	86.93

**Note:** The gratuity trust transactions are as per note 42 and contribution to Superannuation fund transaction for the year 31 March 2019 is ₹0.59

**(iii) Balances with related parties**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Summary of balances with related parties	Associates		Joint venture companies		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives	
	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018	31March 2019	31March 2018
Balance outstanding-Receivable	2.46	2.04	13.84	6.74	10.49	2.59	-	-
Balance outstanding-Payable	6.52	16.42	0.54	0.02	40.20	78.42	3.29	5.34
Loan outstanding	-	-	-	-	38.00	-	-	-

**(iv) Material transactions with related parties during the year ended 31 March 2019**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
<b>Transactions during the year</b>		
Samaira Engineering	Purchase of goods	113.95
Auto Components	Purchase of goods	67.36
Shankar Moulding Limited	Purchase of goods	32.84
SN Castings Limited	Purchase of goods	40.11
SN Castings Limited	Sale of goods	17.21
Toyoda Gosei Minda India Private Limited	Sale of goods	28.49
Minda Projects Limited	Purchase of fixed assets	137.17
Kosei Minda Aluminum Company Private Limited	Services rendered	1.95
Minda Emer Technologies Limited	Services rendered	2.04
Roki Minda Co. Private Limited	Services rendered	1.79



## Notes forming part of the Financial Statements

### 52 Related Party Disclosures (Contd.)

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
Minda D-Ten India Private Limited	Services rendered	1.29
Denso Ten Minda India Private Limited	Services rendered	1.54
Toyoda Gosei Minda India Private Limited	Services rendered	2.00
Minda Investments Limited	Services received	12.64
Minda Projects Limited	Services received	2.97
Pioneer Finest Limited	Interest Paid	3.12
Singhal Fincap Limited	Interest Paid	2.78
Auto Components	Royalty Received	0.34
Ms. Pallak Minda	Remuneration	0.54
Ms. Paridhi Minda	Remuneration	0.52
Mr. Nirmal K Minda	Dividend paid	6.43
Mrs. Suman Minda	Dividend paid	3.79
Minda Investments Limited	Dividend paid	6.28
Pioneer Finest Ltd	Unsecured loan repaid	66.00
Pioneer Finest Ltd	Unsecured loan received	66.00
Singhal Fincap Limited	Unsecured loan received	10.00
Suman Nirmal Minda Charitable Trust	Donation	2.60
<b>Balance as at year end</b>		
Samaira Engineering	Payable	15.67
Minda Projects Limited	Payable	15.55
Auto Components	Payable	6.52
Roki Minda Co. Private Limited	Receivable	3.40
Rinder Riduco, S.A.S. Columbia	Receivable	2.71
Toyoda Gosei Minda India Private Limited	Receivable	4.28
Minda I Connect Private Limited	Receivable	4.06
SN Castings Limited	Receivable	3.33
Singhal Fincap Ltd	Loan payable	38.00

### Material transactions with related parties during the year ended 31 March 2018

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
<b>Transactions during the year</b>		
SM Auto	Purchase of goods	22.52
Samaira Engineering	Purchase of goods	99.10
Auto Components	Purchase of goods	59.76
MI Torica India Private Limited	Purchase of goods	14.66
MITIL Polymer Pvt. Ltd	Purchase of goods	62.08
Shankar Moulding Limited	Purchase of goods	17.48
Kosei Minda Aluminum Company Private Limited	Purchase of goods	26.20
SN Castings Limited	Purchase of goods	24.60
Minda Corporation Limited	Purchase of goods	39.82
SN Castings Limited	Sale of goods	13.71
Minda TTE Daps Private Limited	Sale of goods	9.68
Minda Projects Limited	Purchase of fixed assets	87.39

**Notes forming part of the Financial Statements****52 Related Party Disclosures (Contd.)**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Related party	Nature of transaction	Amount
Minda NexGenTech Limited	Purchase of fixed assets	12.80
Kosei Minda Aluminum Company Private Limited	Services received	2.35
Minda Investments Limited	Services received	4.71
Mindarika Private Limited	Services rendered	8.97
Mindarika Private Limited	Dividend received	2.57
Minda Investments Limited	Interest Paid	0.05
Minda Investments Limited	Purchase of shares	20.18
Ms. Pallak Minda	Remuneration	0.48
Ms. Paridhi Minda	Remuneration	0.47
Mr. Nirmal K Minda	Dividend paid	4.29
Mrs. Suman Minda	Dividend paid	2.83
Minda Investments Limited	Dividend paid	4.68
Moga Devi Charitable Trust	Donation	1.13
Suman Nirmal Minda Charitable Trust	Donation	0.86
<b>Balance as at year end</b>		
Samaira Engineering	Payable	19.16
MI Torica India Private Limited	Payable	0.06
MITIL Polymer Pvt. Ltd	Payable	35.53
Minda Projects Limited	Payable	7.84
Auto Components	Payable	8.65
Kosei Minda Aluminum Company Private Limited	Payable	6.55
Shankar Moulding Limited	Payable	3.69
Minda Corporation Limited	Payable	8.04
Mindarika Private Limited	Receivable	3.01
Minda Emer Technologies Limited	Receivable	0.02
Minda TTE Daps Private Limited	Receivable	0.97

**Note:** Remuneration to key managerial personnel given in note (v) below**(v) Key managerial personnel remuneration****Remuneration to Chairman & Managing Director (i.e. Mr. Nirmal K Minda)\***

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Short Term Benefit	2.49	2.16
Commission	5.60	5.31
Others - Allowances	0.33	0.26
<b>Total</b>	<b>8.42</b>	<b>7.73</b>

**Remuneration to Independent Directors**

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Sitting Fees		
Mr. Alok Dutta	0.11	0.09
Mr. Satish Sekhri	0.11	0.09
Ms. Renu Challu	0.06	0.08
Ms. Praveen Tripathi	0.03	-
<b>Total</b>	<b>0.31</b>	<b>0.25</b>



## Notes forming part of the Financial Statements

### 52 Related Party Disclosures (Contd.)

#### Remuneration to Key Managerial Personnel other than Managing Director and Independent Directors

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
<b>Short Term Benefit</b>		
Mr. Sudhir Jain (Chief Financial Officer)	1.43	2.37
Mr. Sunil Bohra (Chief Financial Officer)	1.20	-
Mr. H C Dhamija (Company Secretary)	-	0.53
Mr. Tarun Kumar Srivastava (Company Secretary)	0.21	-
Ms. Paridhi Minda (Whole-time Director)	-	-
<b>Stock Option</b>		
Mr. Sudhir Jain (Chief Financial Officer)	1.76	3.51
<b>Others - Allowances</b>		
Mr. Sudhir Jain (Chief Financial Officer)	0.08	0.17
Mr. Sunil Bohra (Chief Financial Officer)	0.10	-
Mr. H C Dhamija (Company Secretary)	-	0.05
Mr. Tarun Kumar Srivastava (Company Secretary)	0.01	-
Ms. Paridhi Minda (Whole-time Director)	-	-
<b>Total</b>	<b>4.79</b>	<b>6.63</b>

\*The above remuneration excludes provision for gratuity and leave benefits as separate actuarial valuation is not available.

### 53 Capital management

The Group's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors Net Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax and exceptional items plus depreciation and amortization expense excluding share of profit/ loss of associates/ joint venture plus finance costs minus other income). The Group's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

	31 March 2019	31 March 2018
Net Debt	988.46	483.35
EBITDA	725.18	533.82
<b>Net Debt to EBITDA</b>	<b>1.36</b>	<b>0.91</b>



## Notes forming part of the Financial Statements

### 54 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments.

(All amounts in Indian ₹ Crore, unless otherwise stated)

Category	As at 31 March 2019		As at 31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>1) Financial assets at amortized cost</b>				
Investments in associates and joint ventures	355.48	355.48	134.92	134.92
Loans (current / non current)	23.22	23.22	16.08	16.08
Trade receivables (current / non current)	899.22	899.22	789.73	789.73
Cash and cash equivalents	92.77	92.77	125.56	125.56
Other bank balances (current / non current)	17.29	17.29	33.91	33.91
Other financial assets (current / non current)	31.66	31.66	34.83	34.83
<b>Total</b>	<b>1,419.64</b>	<b>1,419.64</b>	<b>1,135.03</b>	<b>1,135.03</b>
<b>2) Financial liabilities at amortized cost</b>				
Borrowings (current / non current) (including current maturity)	1,081.23	1,081.23	608.92	608.92
Trade payables	797.82	797.82	798.41	798.41
Other financial liabilities (current / non current)	180.99	180.99	140.80	140.80
<b>Total</b>	<b>2,060.04</b>	<b>2,060.04</b>	<b>1,548.13</b>	<b>1,548.13</b>

\* Management has assessed that investments, loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Group and in case of financial asset is the average market rate of similar credit rated instrument. The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Investment in unquoted equity shares amount to ₹0.10 crores ( ₹20.21 crores 31 March 2018) is valued at fair value (level 3). There is no movement in valuation of such investment during the year and previous year.



## Notes forming part of the Financial Statements

### 55 Business Combination

#### Acquisitions during the year ended March 31, 2019

- A. The Group has acquired the control / joint control in the following entities during the year. Business combination is accounted on fair value basis.

Name of entity		Date of acquisition	Existing stake (%)	Post acquisition stake (%)
MI Torica India Private Limited	Subsidiary	1-Apr-18	0.00%	60.00%
iSYS RTS, GmbH	Subsidiary	12-Sep-18	0.00%	80.00%
Toyoda Gosei Minda India Private Limited	Joint Venture	28-Sep-18	6.13%	47.80%

- B. Total consideration for business combinations were paid in cash.

#### C. Identifiable assets acquired and liabilities assumed

Fair value of the assets and liabilities recognised as a results of acquisitions are as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Subsidiary		Joint Ventures
	MI Torica India Private Limited Amounts (₹)	iSYS RTS, GmbH Amounts (₹)	Toyoda Gosei Minda India Private Limited Amounts (₹)
Non Current asset	0.49	3.00	419.20
Current assets	99.81	14.01	126.37
Borrowing	-	0.28	22.59
Other non current liabilities	0.51	-	2.41
Current liabilities	83.34	14.73	117.99
<b>Total net identifiable assets acquired</b>	<b>16.45</b>	<b>2.00</b>	<b>402.58</b>
<b>% Holding by the Group</b>	<b>60.00%</b>	<b>80.00%</b>	<b>47.80%</b>
<b>Net worth allocated to the Group</b>	<b>9.87</b>	<b>1.60</b>	<b>192.44</b>
<b>Cost of Investment</b>	<b>8.44</b>	<b>41.92</b>	<b>156.95</b>
<b>Capital Reserve/(Goodwill)</b>	<b>1.43</b>	<b>(40.31)</b>	<b>35.49</b>

#### Acquisitions during the year ended March 31, 2018

- A. The Group has acquired the control / joint control in the following entities during the year. Business combination is accounted on fair value basis.

Name of entity		Date of acquisition	Existing stake (%)	Post acquisition stake (%)
Mindarika Private Limited	Subsidiary	1-Jan-18	27.08%	51.00%
Denso Ten Minda India Private Limited (Formerly Fujitsu Ten Minda India Private Limited)	Joint Venture	1-Jan-18	-	49.00%
Minda D-Ten India Private Limited (formerly Minda F-Ten Private Limited)	Joint Venture	1-Jan-18	-	51.00%

- B. Total consideration for business combinations were paid in cash.



## Notes forming part of the Financial Statements

### 55 Business Combination (Contd.)

#### C. Identifiable assets acquired and liabilities assumed

Fair value of the assets and liabilities recognised as a results of acquisitions are as follows:

(All amounts in Indian ₹ Crore, unless otherwise stated)

Particulars	Joint ventures		Subsidiary
	Denso Ten Minda India Private Limited	Minda D-Ten India Private Limited	Mindarika Private Limited
Non Current asset	79.21	2.31	173.43
Current assets	93.87	37.96	161.55
Other Current assets	0.66	3.19	8.89
Borrowing	(36.91)	-	(23.35)
Current liabilities	(78.11)	(35.61)	(121.64)
Other non current liabilities	-	-	(4.76)
Total net identifiable assets acquired	58.72	7.85	194.11
<b>% Holding by the Group</b>	<b>49%</b>	<b>51%</b>	<b>51%</b>
<b>Net worth allocated to the Group</b>	<b>28.77</b>	<b>4.00</b>	<b>99.00</b>
<b>Cost of Investment</b>	<b>22.29</b>	<b>3.81</b>	<b>101.89</b>
<b>Fair value of existing share in associates</b>	<b>-</b>	<b>-</b>	<b>99.86</b>
<b>Capital Reserve/(Goodwill)</b>	<b>6.48</b>	<b>0.19</b>	<b>(102.75)</b>

56 Goodwill allocated to Mindarika Private Limited and iSYS RTS GmbH is evaluated for impairment. The recoverable amount of these cash generating units have been determined based on value in use model. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2019, the estimated cash flows for a period of 6 years were developed using internal forecasts, and a pre-tax discount rate of 9%. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

The remaining goodwill related to different cash generating units individually immaterial) has been evaluated based on the cash flow forecasts of the related CGUs and the recoverable amounts of these CGUs exceeded their carrying amounts.

### 57 Recently issued accounting pronouncements

#### Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.

#### Ind AS 116, Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will lease payments recognise a liability to make (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).



## Notes forming part of the Financial Statements

### 57 Recently issued accounting pronouncements (Contd.)

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group intends to adopt these standards from 1 April 2019. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

#### Transition to Ind AS 116

The Group is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Group has elected certain available practical expedients on transition.

The Group is currently evaluating the implication of Ind AS 116 on Consolidated Financial statement.

#### Other Recently issued accounting pronouncement

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes- Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes- Accounting for Dividend Distribution Taxes
3. Ind AS 19, Employee benefits
4. Ind AS 23, Borrowing costs
5. Ind AS 28, Investment in associates and joint ventures
6. Ind AS 103 and Ind AS 111, Business combinations and joint arrangements
7. Ind AS 109, Financial instruments

The Group is in the process of evaluating the impact of such amendments.

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

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



**Form AOC 1**

Statement containing salient features of the financial statement of subsidiaries / associates / joint ventures ( Pursuant to Section 129(3) of the Companies Act , 2013)

(All amounts in Indian ₹ Crore, unless otherwise stated)

S No.	Name of enterprise	Reporting currency	Exchange rate as on last day of relevant financial year	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment	Turnover/ Other income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share-holding	Country
1	Minda Auto Components Limited	INR	-	0.21	23.87	49.37	25.29	-	353.19	5.97	1.91	4.06	-	100%	India
2	Minda Distribution and Services Limited	INR	-	1.99	21.56	88.97	65.42	-	527.01	12.38	3.98	8.40	-	100%	India
3	MJ Casting Limited	INR	-	58.50	22.93	166.21	84.78	0.03	316.28	26.49	8.26	18.23	-	100%	India
4	Minda Kyoraku Limited	INR	-	62.01	36.95	167.19	68.23	-	158.32	17.17	5.26	11.91	-	68%	India
5	Minda Kosei Aluminum Wheel Private Limited	INR	-	188.38	112.67	702.76	401.71	-	600.96	80.92	24.59	56.33	-	70%	India
6	Minda TG Rubber Private Ltd.	INR	-	50.52	(6.25)	106.73	62.46	-	92.69	11.55	(0.84)	12.39	-	51%	India
7	Minda Storage Batteries Private Limited	INR	-	188.60	(59.49)	174.50	45.39	-	81.12	(17.33)	(0.80)	(16.53)	-	100%	India
8	Minda Rinder Private Limited	INR	-	0.85	82.69	342.94	259.40	-	631.41	22.92	7.88	15.04	-	100%	India
9	YA Auto Industries (partnership firm)	INR	-	4.93	(0.73)	11.92	7.72	-	64.65	11.98	4.27	7.71	-	51%	India
10	Minda Katolec Electronics Services Private Limited	INR	-	15.07	(6.50)	39.27	30.70	-	13.75	(5.99)	0.04	(6.03)	-	51%	India
11	Mindarika Private Limited	INR	-	10.00	203.94	407.24	193.30	-	804.17	73.19	24.44	48.75	-	51%	India
12	MI Torica India Private Limited	INR	-	9.00	5.03	29.89	15.86	3.18	60.59	0.72	0.20	0.52	-	60%	India
13	MITIL Polymer Private Limited*	INR	-	3.35	6.27	88.81	79.19	-	253.62	5.40	1.52	3.88	-	57%	India
14	Global Mazinkert S.L.	EURO	77.70	21.62	4.10	85.36	59.64	66.66	0.20	(1.79)	(0.45)	(1.34)	-	100%	Spain
15	Clarton Horn, Spain*	EURO	77.70	7.47	124.00	267.07	135.60	36.75	452.19	18.65	(0.37)	19.01	-	100%	Spain
16	Clarton Horn, Morocco*	MAD	7.18	0.84	0.85	3.62	1.93	-	6.42	0.41	0.03	0.38	-	100%	Morocco
17	Clarton Horn, Signalkoustic*	EURO	77.70	0.19	0.97	2.14	0.98	-	4.10	0.11	0.04	0.07	-	100%	Germany
18	Clarton Horn, Mexico*	MXN	3.59	34.24	(29.40)	61.24	56.40	-	39.97	(6.76)	-	(6.76)	-	100%	Mexico
19	Light & Systems Technical Centre, S.L. Spain*	EURO	77.70	10.26	(0.14)	32.79	22.67	4.04	27.30	4.54	1.47	3.07	-	100%	Spain
20	PT Minda Asean Automotive	IDR	0.0049	4.76	65.48	91.53	21.28	0.44	162.45	26.41	7.25	19.17	-	100%	Indonesia
21	PT Minda Trading*	IDR	0.0049	0.44	5.08	11.30	5.78	-	28.97	2.32	0.70	1.62	-	100%	Indonesia
22	Sam Global Pte Ltd.	USD	69.17	4.32	18.98	23.30	-	19.40	12.71	12.30	-	12.30	-	100%	Singapore
23	Minda Industries Vietnam Company Limited*	VND	0.0030	3.01	23.00	31.31	5.30	-	52.98	13.50	1.24	12.26	-	100%	Vietnam
24	ISYS RTS GmbH	EURO	77.7024	0.26	14.92	21.62	6.44	-	35.02	3.14	1.30	1.84	-	80%	Germany

\* Step Down Subsidiaries

Note: 1. % of shareholding is based on voting power held by the Group

2. Balance Sheet items have been translated at the exchange rate as on the last day of relevant financial year.

3. The numbers reported above are based on individual financial statements prepared under local GAAP.



**Part B: Associates and Joint Ventures**

(All amounts in Indian ₹ Crore, unless otherwise stated)

S No.	Name of Associates/ Joint Ventures	Latest Balance Sheet date	Shares of Associates/Joint venture held by the company on the year end		Profit/Loss for the year*				Reason why the Associate/Joint Venture is not consolidated	
			No.	Amount of Investment in Associates/Joint Venture (₹ In crore)	Extend of holding %	Net worth attributable to shareholding as per latest audited balance sheet (₹ In crore)	Considered in consolidation (₹ In crore)**	Not Considered in consolidation		Description of how there is significant influence
<b>Associates</b>										
1	Minda NexGenTech Limited	31-Mar-19	3,120,000	3.12	26%	0.83	0.34	-	Shareholding	NA
2	Yogendra Engineering (partnership firm)	31-Mar-19	-	0.08	49%	0.01	-	-	Shareholding	NA
3	Auto Components (partnership firm)	31-Mar-19	-	3.79	49%	3.42	2.67	-	Shareholding	NA
4	Kosei Minda Aluminium Company Pvt. Ltd.	31-Mar-19	28,737,371	16.49	30%	15.96	(3.07)	-	Shareholding	NA
<b>Joint Venture</b>										
1	Minda Emer Technologies Limited	31-Mar-19	2,725,000	2.73	49%	3.26	0.87	-	Joint Venture Agreement	NA
2	Rinder Riduco, S.A.S. Columbia	31-Mar-19	850,000	-	50%	7.17	1.19	-	Joint Venture Agreement	NA
3	ROKI Minda Co. Pvt. Ltd.	31-Mar-19	40,924,800	43.08	49%	73.54	12.35	-	Joint Venture Agreement	NA
4	Minda TTE DAPS Private Limited	31-Mar-19	4,990,513	4.99	50%	3.47	(0.76)	-	Joint Venture Agreement	NA
5	Minda Onkyo Private Limited	31-Mar-19	12,000,000	12.00	50%	0.72	(6.32)	-	Joint Venture Agreement	NA
6	Densoten Minda India Private Limited	31-Mar-19	35,525,000	22.29	49%	41.07	9.08	-	Joint Venture Agreement	NA
7	Minda D-ten India Private Limited	31-Mar-19	2,544,900	3.81	51%	6.55	1.80	-	Joint Venture Agreement	NA
8	Toyoda Gosei Minda India Pvt. Ltd.	31-Mar-19	210,320,000	156.96	48%	193.22	0.80	-	Joint Venture Agreement	NA
9	Kosei Minda Mould Private Limited	31-Mar-19	6,341,645	6.34	50%	6.26	(0.08)	-	Joint Venture Agreement	NA

\* Profit/(Loss) based on individual Financial Statements drawn up as at 31.03.2019, for consolidation purposes.

\*\* Represents Group's share of profit/(loss)

Note: Associate Companies and Joint Ventures have been determined based on the Accounting Standards.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

**Rajiv Goyal**

Partner

Membership No. 094549

Place : Gurugram

Date : 16 May 2019

For and on behalf of the Board of Directors of **Minda Industries Limited**

**Nirmal K Minda**

Chairman and Managing Director

DIN No. 00014942

**Sunil Bohra**

Group CFO

**Anand Kumar Minda**

Director

DIN No. 00007964

**Tarun Kumar Srivastava**

Company Secretary

Membership No. - A11994



## Disclaimer

This document contains statements about expected future events and financials of Minda Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of this Annual Report.



**MINDA INDUSTRIES LIMITED**

(CIN: L74899DL1992PLC050333)

Corporate Office

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