A J H & CO
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT
To the Members of Minda Auto Components Limited
Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Minda Auto Components Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate

A JH & CO. CHARTERED ACCOUNTANTS FRN No. 005302N NEW DELHI the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 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 financial statements, including the disclosures, and whether the 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

P.J.H & CO. CHARTERED ACCOUNTANTS FRN No. 00[illegible]302N NEW DELHI other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 Companies Act, 2013, we give in the **"Annexure-A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement 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 Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g) 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. According to information and explanation given to us the company has no pending litigations.

    ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

AJH & CO. CHARTERED ACCOUNTANTS FRN No. 005302N NEW DELHI

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For AJH & Co
Chartered Accountants
FRN: 05302N

Ajay Jain
Partner
Membership No. 084096

Place: NEW DELHI
Date : May 2, 2019

ANNEXURE – A
TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MINDA AUTO COMPONENTS LIMITED

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company no immovable property is held in the name of the company, hence clause (i) (c) of the order is not applicable.

(ii) According to the records, information and explanations provided to us, and on the basis of our examination of the records of the company, the company has physically verified the inventory and no material discrepancy noticed on such verification.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly clause (iii) (a), (iii) (b) and (iii) (c) of paragraph 3 of the order are not applicable to the company.

(iv) According to the records, information and explanations provided to us, the Company has not given loans/made investments/given guarantee/provided security during the year.

(v) According to the records, information and explanations provided to us, the Company has not accepted any deposits from the public.

(vi) The Central government has prescribed maintenance of cost records under section 148(1) of the Companies Act, for the kind of business activities undertaken by the company. We have broadly reviewed and on the basis of the information and explanations provided to us by the management, we are of the opinion that such records are being maintained.

(vii) (a) According to the records, information and explanations provided to us, and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education protection fund, employees' state insurance, income tax, Goods and Service Tax, customs duty, cess and other material statutory dues as applicable to it and no material undisputed amounts payable were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues on account of any dispute of sales tax, income tax, Goods and Service Tax, custom duty, and any other statutory dues, that has not been deposited with appropriate authorities on account of any dispute.

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(viii) Based on our audit procedures and according to the information and explanations given to us, the company has not defaulted in repayment of loan or borrowings from financial institutions.

(ix) According to the information and explanations given to us the company did not raise moneys by way of public issue/follow on offer (including debt instruments and term loan) during the period.

(x) Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided any managerial remuneration which requires approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The company is not a Nidhi company. Accordingly clause 3(xii) of the order is not applicable to the company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transaction with its related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) The company has not made preferential allotment and private placement of shares during the period under review. Accordingly clause 3(xiv) of the order is not applicable to the company.

(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 them. Accordingly clause 3(xv) of the order is not applicable to the company.

(xvi) According to the information and explanations given to us, the company is not carrying out any business activity that require registration under section 45-IA of the Reserve Bank of India. Act, 1934 as a Non-Banking Finance company.

For AJH & CO
Chartered Accountants
FRN: 005302N

Ajay Jain
Partner
Membership No. 84096

Place : NEW DELHI
Date : May 2, 2019

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MINDA AUTO COMPONENTS LIMITED

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Minda Auto Components Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining adequate and effective internal financial controls based on the internal control over financial reporting 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. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance Note we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risk of material misstatement of the 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 system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-authorized 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019 based on the internal control over financial reporting 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.

For AJH & Co
Chartered Accountants
FRN: 005302N

FRN No. 005302N NEW DELHI CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 84096

Place: NEW DELHI
Date : MAY 2, 2019

Minda Auto Components Limited
Balance Sheet as at 31 March 2019
(All amounts in Indian ₹ lakh, unless otherwise stated)

Particulars	Note	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non-current assets			
Property, plant and equipment	3	69.98	70.38
(i) Investments	4	0.47	0.47
(ii) Loans		-	-
(iii) Other non current financial assets	5	43.23	43.49
Deferred tax assets (net)	6	11.43	10.32
Other non-current assets	7	-	-
Total non-current assets		125.10	124.66
Current assets			
Inventories	8	943.27	565.82
Financial assets			
(i) Trade receivables	9	3,366.47	4,004.89
(ii) Cash and cash equivalents	10	484.40	471.50
(iii) Bank balances other than Cash and cash equivalents			
(iv) Loans		-	-
(v) Other current financial assets	11	7.82	-
Other tax assets	12	-	9.25
Other current assets	13	9.90	4.59
Total current assets		4,811.86	5,056.06
Total assets		4,936.96	5,180.72
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	21.02	21.02
Other equity	15	2,386.80	1,999.30
Total equity		2,407.82	2,020.32
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings		-	-
(ii) Other financial liabilities		-	-
Provisions	16	16.82	12.28
Total non-current liabilities		16.82	12.28
Current liabilties			
Financial liabilities			
(i) Borrowings			
(ii) Trade payables	17	2,407.94	3,033.52
(iii) Other financial liabilities		-	-
Other current liabilities	18	103.52	109.57
Provisions	19	0.72	1.83
Current tax liabilities	20	0.14	3.19
Total current liabilities		2,512.32	3,148.12
Total equity and liabilities		4,936.96	5,180.72

Significant accounting policies
The accompanying notes form an integral part of the financial statements (1-40)

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

FRN No. 005302N NEW DELHI CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 84096

For and on behalf of the Board of Directors of
Minda Auto Component Limited

Pawan Agarwal
Director
DIN- 08055243

Seema Gupta

Ms. Seema Gupta
Director
DIN-06944070

Place : New Delhi
Date : May 2, 2019

Minda Auto Components Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in Indian ₹ lakh , unless otherwise stated)

Particulars	Note	Year ended 31-Mar-19	Year ended 31-Mar-18
Income			
Revenue from operations	21	35,319.80	24,584.56
Other income	22	0.45	2.01
Total income		35,320.26	24,586.56
Expenses			
Cost of materials consumed	23	10,616.20	9,084.24
Purchase of stock in trade		23,165.17	14,026.35
Changes in inventory of finished goods and work-in-progress	24	(168.19)	(311.48)
Excise duty		-	230.07
Employee benefit expenses	25	569.93	448.36
Finance costs	26	0.66	18.91
Depreciation and amortization	27	15.87	14.51
Other expenses	28	522.64	379.93
Total expenses		34,722.28	23,890.89
Profit for the year before tax		597.98	695.68
Income tax expense			
Current tax (including Minimum Alternate Tax)		167.00	208.01
Tax adjustment earlier years		24.81	-
Deferred tax charge / (credit) [refer note 14]		(0.91)	(0.46)
Profit for the year after tax		407.08	488.13
Other comprehensive income	29		
A .Items that will not be reclassified subsequently to profit or loss		(0.70)	0.24
Income tax relating to items that will not be reclassified to profit or loss		0.20	(0.07)
B. Items that will be reclassified to profit or loss		(19.07)	4.25
Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		387.50	492.56
Earnings per equity share			
[nominal value of share ₹ 10 (Previous year ₹ 10)]	30		
Basic		184.35	234.33
Diluted		184.35	234.33

Significant accounting policies
The accompanying notes form an integral part of the financial statements (1-40)

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

Ajay Jain
Partner
Membership No. 84096

For and on behalf of the Board of Directors of
Minda Auto Component Limited

Mr. Pawan Agarwal
Director
DIN- 08055243

Ms. Seema Gupta
Director
DIN-06944070

Place : New Delhi
Date : May 2, 2019

Minda Auto Components Limited
Cash Flow Statement for the year ended 31 March 2019
(All amounts in Indian ₹, unless otherwise stated)

	Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
A.	**Cash flows from operating activities :**		
	Profit before tax	578.21	700.11
	Adjustments for:		
	Depreciation and amortisation	15.87	14.51
	Fair valuation of investments		
	Discounting of sales tax deferrment loan		
	Finance Costs	0.66	18.91
	Interest income on fixed deposits	(0.45)	(2.01)
	Liabilities / provisions no longer required written back	-	
	Unrealised gain/ (loss) on Foreign currency fluctuations (net)		
	Expenses incurred for share allotment under employee stock option schemes		
	Fixed assets scrapped/ written off	1.92	0.12
	Doubtful trade and other receivables provided for		
	Doubtful trade and other receivables, loans and advances written off		
		17.99	31.54
	Operating profit before working capital changes	596.19	731.64
	Adjustments for working capital changes:		
	(Increase)/Decrease in inventories	(377.44)	(320.44)
	(Increase)/ Decrease in trade and other receivables	638.43	(1,659.12)
	(Increase)/ Decrease in financial and other assets	(7.82)	0.56
	(Increase)/ Decrease in other non-current assets	(5.31)	(1.16)
	(Increase) in other current assets		
	Increase in trade payables	(625.58)	1,628.20
	Increase/(decrease) in other current liabilities	(6.06)	(7.84)
	Increase/(decrease) in short-term provisions	(1.11)	0.48
	Increase in long-term provisions	4.53	4.77
		(380.36)	(354.56)
	Cash generated from operations	215.84	377.09
	Income tax paid	(184.71)	(209.64)
	Wealth tax paid		
	Net Cash flows from operating activities (A)	31.12	167.45
B.	**Cash flows from investing activities**		
	Purchase of investments	-	-
	Purchase of fixed assets	(17.37)	(35.31)
	Proceeds from sale of fixed assets		-
	Interest received on fixed deposits	(0.45)	2.01
	Share of profit from partnership firm		-
	Dividend income on non-current investment		-
	Decrease in deposits (with original maturity more than three months)	0.26	(12.71)
	Net cash used in investing activities (B)	(17.56)	(46.02)
C.	**Cash flows from financing activities**		
	Proceeds from/ (repayment of) short term borrowings		
	Proceeds from/ (repayment of) long term borrowings		-
	Interest and other finance charges paid on borrowings	(0.66)	(18.91)
	Dividend paid (including corporate dividend tax)		
	Net cash used in financing activities (C)	(0.66)	(18.91)
	Net increase/ (decrease) in cash and cash equivalents(A+B+C)	12.90	102.52
	Cash and cash equivalents as at opening	471.50	368.99
	Cash and cash equivalents as at closing	484.40	471.50
	Cash in hand	3.50	1.61
	Balances with banks:		-
	- on current accounts	480.90	469.88
	- on deposit accounts		
	Cheques, drafts in hand		
	Cash and cash equivalents at the end of the year	484.40	471.50

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.

Significant accounting policies
The accompanying notes form an integral part of the financial statements (1-40)

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

FRN No. 005302N NEW DELHI CHARTERED ACCOUNTANTS

Partner
Membership No. 84096

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors of
Minda Auto Component Limited

Pawan Agarwal
Director
DIN- 08056243

Seema Gupta

Ms. Seema Gupta
Director
DIN-06944070

Minda Auto Components Limited
Statement of changes in Equity
(All amounts in Indian ₹ lakh, unless otherwise stated)

A) Equity share capital

Balance as at 1 April 2017	21.02
Changes in equity share capital during 2017-18	-
Balance as at the 31 March 2018	21.02
Changes in equity share capital during 2018-19	-
Balance as at 31 March 2019	**21.02**

B) Other equity

	Reserves and surplus			
	Securities premium	**General Reserves**	**Retained earnings**	**Total**
Balance at 1 April 2018			1,999.30	1,999.30
Profit for the year	-	-	407.08	407.08
Transferred from surplus in P&L a/c				-
Other comprehensive income(net of tax)	-	-	(19.58)	(19.58)
Total comprehensive income	-		2,386.80	2,386.80
Transferred to retained earnings				-
Balance as at March 31, 2019	-	-	**2,387**	**2,386.80**
Balance at 1 April 2017			1,506.74	1,506.74
Profit for the year	-	-	488.13	488.13
Transferred from surplus in P&L a/c				
Other comprehensive income(net of tax)	-	-	4.42	4.42
Total comprehensive income		-	1,999.30	1,999.30
Transferred to retained earnings	-	-	-	-
Balance at 31 March 2018	-	-	1,999.30	1,999.30

The Description of the nature and purpose of each reserve within equity is as follows:

a) Securities Premium Reserve: Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures,write-off equity related expenses like underwriting costs, etc.
b) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Significant accounting policies
The accompanying notes form an integral part of the financial statements (1-40)

In terms of our report attached

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

FRN No. 005302N NEW DELHI CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. 84096

For and on behalf of the Board of Directors of
Minda Auto Component Limited

Pawan Agarwal
Director
DIN- 08055243

Seema Gupta
Ms. Seema Gupta
Director
DIN-06944070

Place : New Delhi
Date : May 2, 2019

1. Corporate information

Minda Auto Components Limited formerly known as Minda Auto Components Limited consequent to the fresh certificate of incorporation w.e.f.: October 16th, 2008 ('the Company') was incorporated in India on November 13, 1996 as S.J. Components Private Limited. The Company manufactures and trades in Auto Components. The company has units located at Nalagarh, Bengaluru, Mysore, Vithalpur and Noida. Nalagarh is in Tax free zone. The company has also its office in Japan to cater the upcoming needs of major four-wheeler manufacturers. The Company had started its business activities i.e. manufacturing and trading of auto components during the financial year 2007-08. The company is a 100% (wholly owned) subsidiary of Minda Industries Limited, (a listed company).

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. These financial statements have been prepared for the purposes of consolidation into listed parent company.

The financial statements up to and for the year ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has not affected the previously reported financial position, financial performance and cash flows of the Company.

The financial statements were authorized for issue by the Company's Board of Directors on May 2, 2019.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), 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 derivatives 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 these 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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E. Measurement of fair values

Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized 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 categorized 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 Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

A. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated 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 into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the following items which are recognized 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. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized 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

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortized cost; or
- FVTPL

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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 amortized 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.

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.

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 recognized in profit or loss. However, see Note 3(b)(iii) for derivatives designated as hedging instruments.

Financial assets at amortized 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 gain or loss on derecognition is recognized 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 recognized in profit or loss. Other net gains and losses are recognized 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 recognized 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 recognized 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 amortized 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 recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss. See Note 3(b)(iii) for financial liabilities designated as hedging instruments.

iii. Derecognition

Financial assets

The Company derecognizes 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.

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If the Company enters into transactions whereby it transfers assets recognized 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 derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognizes 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 recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized 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 measured at fair value, and changes therein are generally recognized in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognized separately within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognized. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

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If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

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 normal operating cycle;
(b) held primarily for the purpose of being traded;
(c) expected to be realised within 12 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 12 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 normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 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 Company has identified twelve months as its operating cycle.

C. Property, plant and equipment

i. 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.

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ii. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation on plant & machinery and tools & dies is provided on WDV basis and on other tangible property, plant & equipment assets on SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of additions up to 31 March 2015 and 6 years in case of additions from 1 April 2015 onwards.

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 (up to) the date on which asset is ready for use (disposed of).
Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Company will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Company are applied.

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.

D. 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 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. In accordance with the applicable Accounting Standard, the Company follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

i) Technical know-how: Amortized over the period of agreement.
ii) Computer software: Amortized over the period of 6 years.

Amortization 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.

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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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

E. Impairment

i. Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized 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 Group's historical experience and informed credit assessment and including forward-looking information.

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 amortized 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

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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. 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.
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).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized 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 recognized 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 amortization, if no impairment loss had been recognized.

F. 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 recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property and plant and equipment are no longer amortized or depreciated.

G. 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 capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

H. Leases

a) Operating leases

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.

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b) Finance leases

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Statement of Profit and Loss.

I. 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.

Finished goods inventory is inclusive of excise duty.

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.

J. Revenue recognition

(i) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT), goods & service tax (GST). This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

(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 recognized 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.

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(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.

K. 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 or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable 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.

L. Internally generated: Research and development

a) Expenditure on research activities is recognized in profit or loss as incurred.

b) Development expenditure is capitalized 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 recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses..

M. Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for...

(i) 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.

(ii) Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

N. 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,

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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

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized 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 recognized 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 and ESI to Government administered 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.

The Company makes specified monthly contribution towards superannuation fund which is managed by the Life Insurance Corporation of India ("LIC").

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Defined benefit plan

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 in OCI. 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 benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes 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 recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognized 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.

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.

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P. 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.

For AJH & Co.
Chartered Accountants
Firm Registration No: 005302N

AJH & CO. CHARTERED ACCOUNTANTS FRN No. 005302N NEW DELHI

Ajay Jain
Partner
Membership No. 084096

For on behalf of the Board of Directors of
Minda Auto Components Limited

Pawan Agarwal
Director
Din 08055243

Seema Gupta

Ms Seema Gupta
Director
Din 06944070

Place: NEW DELHI
Date: May 2, 2019

(All amounts in Indian ₹ lakh , unless otherwise stated)

3 Property, plant and equipment and capital work-in-progress

Particulars	Plant and Machinery	Tools & Dies	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total(A)
Cost or deemed cost (gross carrying amount)							
Balance at 1 April 2017	**71.15**	**9.25**	**8.37**	**10.16**	**23.15**	**12.88**	**134.96**
Additions	13.43	-	1.99	16.02	4.05	-	35.49
Deductions/ Adjustments			0.18				0.18
Balance at 31 March 2018	**84.59**	**9.25**	**10.18**	**26.17**	**27.20**	**12.88**	**170.27**
Balance at 1 April 2018	**84.59**	**9.25**	**10.18**	**26.17**	**27.20**	**12.88**	**170.27**
Additions	**1.85**	**3.90**	**1.32**	**3.24**	**7.06**		**17.37**
Deductions/ Adjustments			**1.91**				**1.91**
Balance at 31 Mar. 2019	**86.43**	**13.16**	**9.60**	**29.41**	**34.26**	**12.88**	**185.73**
Accumulated depreciation and impairment losses							
Balance at 1 April 2017	44.96	8.75	3.00	7.14	11.86	9.74	85.43
Depreciation for the year	6.23	0.01	1.55	2.45	2.42	1.86	14.51
Disposals	-	-	0.05	-	-	-	0.05
Balance at 31 March 2018	**51.18**	**8.76**	**4.49**	**9.59**	**14.27**	**11.60**	**99.89**
Balance at 1 April 2018	**51.18**	**8.76**	**4.49**	**9.59**	**14.27**	**11.60**	**99.89**
Depreciation for the year	**4.99**	**1.53**	**1.75**	**4.37**	**2.74**	**0.49**	**15.87**
Disposals			**0.27**				
Balance at 31 Mar. 2019	**56.17**	**10.29**	**5.96**	**13.95**	**17.01**	**12.09**	**115.76**
Carrying amounts (net)							
At 31 March 2018	**33.40**	**0.49**	**5.70**	**16.59**	**12.92**	**1.28**	**70.38**
At 31 Mar. 2019	**30.26**	**2.86**	**3.63**	**15.46**	**17.24**	**0.79**	**69.98**

Carrying amount of assets (included in above) pledged as securities for borrowings

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Notes forming part of the financial statements
(All amounts in Indian ₹ lakh, unless otherwise stated)

	As at 31-Mar-19	As at 31-Mar-18
4 Investments		
Investments measured at cost		
Equity instruments		
Rinder India Private Limited	**0.47**	0.47
Aggregate amount of unquoted investments	**0.47**	0.47

	As at 31-Mar-19	As at 31-Mar-18
5 Other Non-current financial assets		
Security deposits	**43.23**	43.49
	43.23	43.49

	As at 31-Mar-19	As at 31-Mar-18
6 Deferred tax assets (net)		
Deferred tax assets		
Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/amortisation provided in accounts	**(12.85)**	(8.01)
Provision for employee benefits	**23.17**	20.05
Others	**5.05**	9.39
	28.22	29.44
	41.07	37.45
Deferred tax assets (net)	**11.43**	10.32
Deferred tax created during the year (PL)	**0.91**	0.46
Deferred tax created during the year (OCI)	**0.20**	0.07

Movement in deferred tax assets

	Property, plant & equipments and intangible assets	Provision for employee benefits	Provision for doubtful debts and advances	Other items
At April 01, 2017	9.92	5.30	3.79	0.83
(Charged)/credited:				
to profit or loss	0.46	(3.09)	1.73	(1.89)
to other comprehensive income	(0.07)			
At March 31, 2018	**10.31**	**2.21**	**5.52**	**(1.06)**
(Charged)/credited:				
to profit or loss	0.91	0.31	3.12	(2.52)
to other comprehensive income	0.20			
	11.43	**2.52**	**8.64**	**(3.58)**

1. Deferred tax assets and deferred tax liabilities have been oset to the extent they relate to the same governing taxation laws.
2. In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate suicient future taxable income to fully recover the deferred tax assets

	As at 31-Mar-19	As at 31-Mar-18
7 Other non-current assets		
Balance with government authorities	-	-
	-	-

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	As at 31-Mar-19	As at 31-Mar-18
8 Inventories		
(At lower of cost and net realisable value, unless otherwise stated)		
Raw materials	375.58	166.33
Finished goods	567.69	399.50
	943.27	565.82

Carrying amount of inventories (included in above) pledged as securities for borrowings

The write-down of inventories to net realisable value during the year amounted to INR Nil (31 March 2018: INR Nil). The reversal of write-downs during the year amounted to INR Nil as discussed below (31 March 2018: Nil). The write-down and reversal are included in cost of materials consumed or changes in inventories of finished goods and work-in-progress.

	As at 31-Mar-19	As at 31-Mar-18
9 Trade receivables *		
(Unsecured, considered good unless otherwise stated)		
Unsecured considered good	3,366.47	4,004.89
Doubtful	5.05	3.84
	3,371.52	4,008.73
Less: Provision for doubtful receivables	5.05	3.84
	3,366.47	4,004.89
Other receivables		
Unsecured considered good	-	
	3,366.47	4,004.89

* Trade receivables (unsecured, considered good) include ₹ Nil (previous year ₹ Nil) due from private companies in which a director is a director and ₹ Nil (previous year ₹ Nil) due from firms in which director is a partner.
The companies exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 32.

	As at 31-Mar-19	As at 31-Mar-18
10 Cash and cash equivalents		
- Balances with banks		
On current accounts	480.90	469.88
On deposit accounts (with original maturity of 3 months or less)		
- Silver Coins	0.03	0.03
- Cash on hand	3.46	1.58
	484.40	471.50

	As at 31-Mar-19	As at 31-Mar-18
11 Other current financial assets		
Advances to be recoverable in Cash or kind or for value to be received or pending adjustments	7.82	-
		-
	7.82	-

	As at 31-Mar-19	As at 31-Mar-18
12 Other tax assets (net)		
Advance income tax	24.81	9.25
	24.81	9.25

	As at 31-Mar-19	As at 31-Mar-18
13 Other current assets		
Prepaid expenses	9.83	2.91
Advance to suppliers	0.08	1.69
	9.90	4.59

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Notes forming part of the financial statements
(All amounts in Indian ₹ lakh, unless otherwise stated)

14 Equity share capital

		As at 31-Mar-19		As at 31-Mar-18	
(a)	Authorised	Number	Amount	Number	Amount
	Equity shares of ₹10/- each with voting rights (previous year ₹10/- each)	250,000	25.00	250,000	25.00
		250,000	25.00	250,000	25.00
(b)	Issued, subscribed and fully paid up	Number	Amount	Number	Amount
	Equity share capital				
	Equity shares of Rs. 10 each with voting rights	210,200	21.02	210,200	21.02
		210,200	21.02	210,200	21.02

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	Number	Amount	Number	Amount
Equity shares				
Opening balance	210,200	21.02	210,200	21.02
Add: Increase in number of shares on account of stock split [Refer note (h)]	-	-		-
Closing balance	210,200	21.02	210,200	21.02

(d) (i) Rights, preferences and restrictions attached to equity shares
The Company has only one class of equity shares having par value of ₹10/- per share (previous year ₹10/- per share).

(e) Details of shareholders holding more than 5% shares in the Company:

	As at 31-Mar-19		As at 31-Mar-18	
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Minda Industries Limited	2,102,000	100	2,102,000	100

(g) The Company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

15 Other Equity*

	As at 31-Mar-19	As at 31-Mar-18
Securities Premium	-	-
Surplus in statement of profit and loss/ Retained earnings	2406.27	1,999.30
	2,406.27	1,999.30

*For movement in other equity, refer Statement of changes in equity

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	As at 31-Mar-19	As at 31-Mar-18
16 Long-term provisions		
Gratuity (Refer note 32)	11.58	7.87
Compensated absences	5.23	4.41
	16.82	12.28

	As at 31-Mar-19	As at 31-Mar-18
17 Trade payables		
a) Total outstanding of micro enterprises and small enterprises, and		
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,407.94	3,033.52
	2,407.94	3,033.52

The companies exposure to currency and liquidity risks related to the above financial liabilities is disclosed in Note 36.

	As at 31-Mar-19	As at 31-Mar-18
18 Other current liabilities		
Other payable	103.52	109.57
		-
	103.52	109.57

	As at 31-Mar-19	As at 31-Mar-18
19 Short-term provisions		
Gratuity (Refer note 32)	0.23	1.07
Compensated absences	0.49	0.76
	0.72	1.83

	As at 31-Mar-19	As at 31-Mar-18
20 Current tax liabilities (net)		
Provision for Income Tax (net of advance income tax)	0.14	3.19
	0.14	3.19

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Notes forming part of the financial statements
(All amounts in Indian ₹ lakh, unless otherwise stated)

	For the year ended 31-Mar-19	For the year ended 31-Mar-18
21 Revenue from operations		
Sale of products		
Finished goods	34,948.20	24,279.26
Traded goods		
Sale of products	34,948.20	24,279.26
Sale of services	-	280.18
Other operating revenues	371.60	25.12
	35,319.80	24,584.56

	For the year ended 31-Mar-19	For the year ended 31-Mar-18
22 Other income		
Interest income on bank deposits	0.45	2.01
Other non-operating income		
- Liabilities / provisions no longer required written back	-	-
	0.45	2.01

	For the year ended 31-Mar-19	For the year ended 31-Mar-18
23 Cost of materials consumed		
Raw materials (including purchased components and packing material consumed)		
Opening inventories	144.46	147.90
Purchases	10,652.24	8,769.31
Closing inventories	(348.68)	(144.46)
	10,448.01	8,772.76
Particulars of Material Consumed		
HANDLE BAR	1,615.40	1,360.90
SWITCH	1,471.15	1,230.76
OTHERS	7,361.46	6,181.10
	10,448.01	8,772.76

	For the year ended 31-Mar-19	For the year ended 31-Mar-18
24 Changes in inventories of finished goods, work in progress and stock in trade		
Inventories at the end of the year:		
Work-in-progress	-	-
Finished goods	567.69	399.50
	567.69	399.50
Inventories at the beginning of the year:		
Work-in-progress		
Finished goods	399.50	88.02
	399.50	88.02
Net (increase) / decrease in stocks	(168.19)	(311.48)

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25 Employee benefits expense	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Salaries, wages and bonus	**524.60**	413.60
Contribution to provident and other funds (refer to note 32)	**16.74**	13.41
Staff welfare expense	**28.58**	21.35
	569.93	448.36

26 Finance costs	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Bills discounting charges	**0.66**	18.91
	0.66	18.91

27 Depreciation and amortisation	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Depreciation on tangible fixed assets	**15.87**	14.51
Amortisation on intangible fixed assets		
	15.87	14.51

28 Other expenses	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Bank Charges	**0.73**	1.13
Other Manufacturing Expenses		
Stores & Spares	**40.08**	21.22
Power & Fuel	**16.02**	13.09
Administrative And Other Expenses		
Rent & Hire Charges	**117.69**	96.69
Rates & Taxes	**1.36**	3.74
Insurance	**1.01**	0.99
Travelling & Conveyance	**51.72**	32.65
Printing & Stationery	**1.99**	3.13
Vehicle Maintenance	**0.18**	2.87
Legal & Professional Charges	**83.70**	57.12
Communication Expenses	**8.03**	7.70
Repairs and Maintenance		
Machinery	**2.79**	2.26
Others	**6.42**	5.24
Auditors' Remuneration	**9.00**	8.00
Security Charges	**41.66**	30.92
Software Expenses	**6.64**	5.42
Provision for Bad/ Doubtful Debts	**2.74**	3.84
Assets Written off	**1.92**	0.12
House Keeping Expenses	**1.78**	3.91
Fine & Penalty	**4.99**	0.27
Charity&Donation	**8.05**	0.05
Miscellaneous Expenses	**4.05**	2.66
Selling & Distribution Expenses		
Sales Promotion Expenses	**0.25**	1.82
Packing & Forwarding Expenses	**109.83**	74.74
Prior Period Expenses	**-**	0.35
	522.64	379.93

Note:

Payments to the auditors (excluding service tax)(excluding service tax)		
Statutory audit	**7.00**	6.00
Tax Audit	**2.00**	2.00
	9.00	8.00

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	For the year ended 31-Mar-19	For the year ended 31-Mar-18
29 Other comprehensive income		
A Items that will not be reclassified to profit & loss		
Re measurement of the defined benefit plans	**(0.70)**	0.24
Income tax related to above	**0.19**	(0.07)
B Items that will be reclassified to profit & loss		
Foreign Exchange Difference	**(19.07)**	4.25
Income tax related to above		
	(19.58)	4.43

30 Earnings per share	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Net profit after tax as per Statement of Profit and loss	**387.50**	492.56
Adjustment to net profit after tax:		
Dividend on preference shares and dividend tax thereon		
Net profit attributable to equity shares	**387.50**	492.56
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	**210,200**	210,200
for Diluted EPS	**210,200**	210,200
Basic earnings per share in rupees (Face value ₹10 per share) (In rupees)	**184.35**	234.33
Diluted earnings per share in rupees(Face value ₹10 per share) (In rupees)	**184.35**	234.33
Calculation of weighted average number of shares for basic/diluted earnings per share		
For basic earnings per share		
Opening and closing balance of Equity Shares	**210,200**	210,200
	210,200	210,200
Add, for diluted earnings per share		
Add: Weighted average number of potential shares on account of employee stock options/ performance shares scheme		
Add: Weighted average number of potential shares on account of placement of shares to qualified institutional buyers ('QIB')		
For diluted earnings per share	**210,200**	210,200

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31 Segment Information

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company as per the requirements of Ind AS 108 – "Operating Segments".

Information about geographical areas

Particulars		As at 31 March 2019	As at 31 March 2018
Revenue from operations	Within India	34,341.34	23,974.89
	Outside India	978.46	609.67
Assets	Within India	68.78	66.38
	Outside India	1.19	4.01
Cost incurred on acquisition of fixed assets	Within India	2.41	35.24
	Outside India	-	0.24

Assets used in the Company's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above reportable segments as the assets and liabilities contracted are used interchangeably between the segments. Accordingly, except for trade receivables, no separate identification relating to other segment assets and liabilities has been made.

32 Disclosure pursuant to Ind AS 19 on "Employee Benefits"

a) Defined benefit plans

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.

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

(i) Changes in defined benefit obligation:

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Present value of obligation as at the beginning of the year	8.94	6.67
Current service cost	2.39	2.01
Interest cost	0.70	0.50
Benefits paid	(0.92)	-
Actuarial (gain)/loss recognized in other comprehensive income	0.70	0.24
Present value of obligation as at the end of year		
- Long term	11.58	7.87
- Short term	0.23	1.07
	11.81	8.94

(iii) The amounts recognized in the Balance Sheet are as follows:

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Present value of obligation as at the end of the year	11.81	8.94
Fair value of plan assets as at the end of the year	-	-
Unfunded Status	(11.81)	(8.94)
Net asset/(liability)recognized in balance sheet	(11.81)	(8.94)

(iv) Expenses recognized in the Statement of Profit and Loss:

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Current Service Cost	2.39	2.01
Interest cost	0.70	0.50
Expected return on plan assets	-	-
Acturial gain/loss recognised in the year	-	-
Expenses recognized in the statement of profit and losses	3.08	2.51

(v) Re-measurements recognised in other Comprehensive Income (OCI):

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
Changes in Financial Assumption	**0.11**	(0.57)
Changes in Demographic Assumption	-	-
Experience Adjustments	**0.59**	0.32
Actual return on plan assets less interest on plan assets		
Amount recognized in other Comprehensive Income (OCI)	**0.70**	(0.24)

(vi) 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	**For the year ended**	For the year ended
	31-Mar-19	31-Mar-18
Discount rate per annum	**7.75%**	7.80%
Future salary increase	**8.00%**	8.00%
Expected rate of return on plan assets		

b) Demographic assumptions:

Particulars	**Assumptions as at**	Assumptions as at
	31-Mar-19	31-Mar-18
i) Retirement Age (Years)	**58**	58
ii) Mortality Table	**100%**	100%
iii) Ages	**Withdrawal Rate (%)**	Withdrawal Rate (%)
Up to 30 years	**3%**	3.00
From 31 to 45 years	**2%**	2.00
Above 45 years	**1%**	1.00

(vii) Sensitivity analysis for significant assumptions:*

Increase/(Decrease) on present value of defined benefits obligation at the end of the year

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
1% increase in discount rate	**9.83**	7.56
1% decrease in discount rate	**14.30**	10.70
1% increase in salary escalation rate	**14.27**	10.67
1% decrease in salary escalation rate	**9.82**	7.55
50% increase in withdrawl rate	**11.69**	8.85
50% decrease in withdrawl rate	**11.94**	9.03
10% increase in Mortality rate	**11.81**	8.94
10% decrease in Mortality rate	**11.81**	8.94

(viii) Enterprise best estimate of contribution during the next year is

Particulars	Amount
Gratuity	-

* Please note that since the scheme is managed on unfunded basis , the nexr year contribution is taken as nil.

b) Defined contribution plan

An amount of Rs.11.20 lac (previous year 'Rs.10.84 lac) 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 benefit expense in the Statement of Profit and Loss. Further an amount of ` 2.22 lac (previous year ` 1.59 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 benefit expense in the Statement of Profit and Loss.

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33 Income Taxes (Ind AS 12)

(i) Reconciliation of Effective Tax Rate:

Particulars	**For the year ended**	
	31-Mar-19	31-Mar-18
Applicable tax rate	**26.82**	33.06
Effect of Tax on Profit	**160.38**	228.52
Effect of Tax Exempt Income	-	-
Effect of Non-Deductible expenses	**10.67**	17.09
Effect of Allowances for tax purpose	**5.98**	(7.41)
Others	-	-
Effective Tax Rate	**28.61**	34.46

(ii) At March 31, 2019 a deferred tax assets of Rs. 11.43 lac (March 31, 2017 Rs.10.31 lac) in respect of temporary differences related to W.D.V as per Companies Act amd Income Tax and provisions.

34 Operating lease (Ind AS 17):

The Company has taken premises and certain machineries on cancellable operating leases.

(a) Future minimum rental payables under non-cancellable operating lease

Particulars	**31-Mar-19**	31-Mar-18
Payable within one year	-	-
Payable between one to five years	-	-
Payable after more than five years	-	-
Total	-	-

Amounts recognised in profit or loss

Particulars	**Year ended 31-Mar-19**	Year ended 31-Mar-18
Lease expense – minimum lease payments	-	96.69

35 Transfer Pricing

There are no transactions in the company during the Financial Year under audit which covered under Transfer Pricing regulations.

(All amounts in Rs lakh, unless otherwise stated)

36 Financial Risk Management Objectives (Ind AS 107)

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 rate risk, interest rate risk and other 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

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Particulars of un-hedged foreign currency exposure

Currency	As at 31 Mar 2019			As at 31 Mar 2018		
	Foreign currency Amount in lac	Exchange rate (in Rs)	Rupees in lac	Foreign currency Amount in lac	Exchange rate (in Rs)	Rupees in lac
Trade Receivables						
USD	0.36	69.19	24.91	0.36	65.05	23.42
JPY	54.59	0.63	34.14	58.23	0.61	35.73
Trade Payables						
JPY	745.16	0.63	465.95	466.55	0.61	286.27
Bank Balance						
JPY	379.48	0.63	237.29	128.16	0.61	78.64

Foreign currency risk

The following tables demonstrate the sensitivity to a reasonably possible change in USD, JPY 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.

Exposure gain/(loss)	31-Mar-19		31-Mar-18	
Particulars	Change +1%	Change -1%	Change +1%	Change -1%
Trade Receivables				
USD	0.25	(0.25)	0.23	(0.23)
JPY	1.17	(1.17)	0.36	(0.36)
Trade Payables				
JPY	4.66	(4.66)	2.86	(2.86)
Bank Balance				
JPY	2.37	(2.37)	0.79	(0.79)

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Notes forming part of the financial statements for the year ended 31 March 2019
(All amounts in Rs lakh, unless otherwise stated)

36 Financial Risk Management (cont.)

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.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1-5 Years	More than 5 Years	Total
As at March 31, 2019						
Trade payable	**-**	**2,323.86**	**54.70**	**26.64**	**-**	**2,405.20**
As at March 31, 2018						
Trade payable	-	3,022.92	0.31	10.29	-	3,033.52
As at April 01, 2017						
Trade payable	-	1,394.66		10.66	-	1,405.32

c) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are Companyed into homogenous Companys and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable) disclosed in Note 9. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are operating in different segments. Further, the Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts.

The table below summarises the ageing bracket of trade recievables.

Particulars	Gross carrying amount	
	31-Mar-19	31-Mar-18
Current (not past due)	**2,881.77**	3,745.30
1-30 days past due	**365.46**	220.43
31-60 days past due	**95.46**	0.25
61-90 days past due	**1.40**	38.91
More than 90 days past due	**22.37**	-
Total	**3,366.47**	4,004.89

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

Particulars	As at March 31, 2019	As at March 31, 2018
At the beginning of the year	**3.84**	2.50
Provision during the year	**2.74**	3.84
Bad debts written off		-
Reversal of provision	**(1.53)**	(2.50)
At the end of the year	**5.05**	3.84

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

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(All amounts in Rs lakh, unless otherwise stated)

37 Related Party Disclosures (Ind AS 24)

(i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Holding Co

Minda Industries Limited

Fellow Subsidiaries

Rinder India Private Limited
MJ Casting Limited
PT Minda Asean Automotive

Key management personnel

Mohan Chander Joshi
Atul Swaroop
Seema Gupta
Dhiraj Arora
Pawan Agarwal

(b) Details of transactions / balances with related parties:

Related party	Nature of transaction	For the year ended 31 Mar 19	For the year ended 31 Mar 2018
Transactions during the period			
Minda Industries Limited	Sale of Goods	**220.32**	87.51
	Purchase of raw material, stores and spares	**15,241.78**	12,433.19
	Services Rendered	**200.43**	497.82
	Services Received	**666.92**	235.39
	Purchase of property, plant and equipment	-	1.20
	Purchase of other intangible assets	-	10.00
	Employee benefits expenses	-	69.15
	Other expenses		
	Travelling	-	0.62
	Forwarding expense	-	47.83
	Miscellaneous	-	144.83
Rinder India Private Limited	Purchases of Goods	**4,747.21**	-
	Services Rendered	**0.54**	-
MJ Casting Limited	Purchases of Goods	**10,011.91**	7,387.35
	Services Received	**1.79**	-
PT Minda Asean Automotive	Services Rendered	**125.82**	115.72

Related party	As at 31 Mar, 2019	As at 31 Mar, 2018
Balance as at year end		
Trade payables		
Minda Industries Limited	**347.46**	942.85
Rinder India Private Limited	**809.09**	-
Trade receivable		
MJ Casting Limited	**11.31**	1440.66
PT Minda Asean Automotive	**25.28**	23.42

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(All amounts in Rs lakh, unless otherwise stated)

38 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Category	As at 31st Mar, 2019		As at 31st Mar, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
1) Financial assets at amortized cost				
Trade receivables (current / non current)	3,366.47	3,366.47	5,699.65	5,699.65
Cash and cash equivalents	484.40	484.40	470.99	470.99
Security deposit (current / non current)	43.23	43.23	43.49	43.49
Total	3,894.10	3,894.10	6,214.13	6,214.13
2) Financial Liabilities at amortized cost				
Trade payables	2,405.20	2,405.20	4,728.28	4,728.28
Total	2,405.20	2,405.20	4,728.28	4,728.28

* Management has assessed that trade receivables, cash and cash equivalents, other bank balances and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Discount rate used in determing 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.

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NEW DELHI

Minda Auto Component Limited
Notes forming part of the financial statements for the year ended 31 March 2019
(All amounts in Rs lakh, unless otherwise stated)

39. Contigent Liabilities and Commitments: (to the extent not provided for)

(i). Contingent liabilities:
No known contingent liability against company as on balance sheet date.

	31-Mar-19	31-Mar-18
	-	-

(ii). Commitments :
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of)

	31-Mar-19	31-Mar-18
Capital Commitment	-	-

40. Capital management

The Company'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 optimum capital structure to reduce the cost of capital.

Reclassification
Previous year figures have been regrouped and/or rearranged whereever necessary to conform to current year's grouping and classifications.

For AJH & Co.
Chartered Accountants
Firm Registration No.005302N

FRN No. 005302N NEW DELHI CHARTERED ACCOUNTANTS

Ajay Jain
Partner
Membership No. : 84096

For and on behalf of the Board of Directors of
Minda Auto Component Limited

Pawan Agarwal
Director
DIN- 08055243

Seema Gupta

Ms. Seema Gupta
Director
DIN-06944070

Place: New Delhi
Date: May 2, 2019