Mindarika Private Limited

Statutory Audit for the year ended 31 March 2019

B S R & Co. LLP
Chartered Accountants

Building No.10, 8th Floor, Tower-B
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INDEPENDENT AUDITOR'S REPORT

To the Members of Mindarika Private Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 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 Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its financial statements (refer note 31 to the financial statements).

b) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

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

d) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No.: 507892

Place: Gurugram
Date: 27 April 2019

Annexure A referred to in our Independent Auditor's Report to the Members of Mindarika Private Limited on the financial statements for the year ended 31 March 2019

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and intangible assets).

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In accordance with this program, certain fixed assets were verified during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were observed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of the immovable property is held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories, except stock lying with third party and goods-in-transit, has been physically verified by the management during the year at reasonable intervals. For stock lying with third parties at the year end, written confirmations have been obtained. For goods-in-transit, all materials were substantially received/ delivered until the date of issuance of the report. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material. In our opinion, the frequency of such verification is reasonable. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013. Accordingly, para 3 (iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Duty of Customs, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income-tax, Sales Tax, Service Tax, Duty of Customs, Excise Duty and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute, except as below:

Name of the statute	**Nature of the dues**	**Amount of dispute (Rs. in crore)***	**Amount deposited under protest (Rs. in crore)**	**Period to which the amount relates**	**Forum where dispute is pending**
Finance Act, 1994	Service tax	0.57	0.03	April 2011 to June 2017	CESTAT/ Commissioner (Appeals)

*Amount as per demand orders including interest and penalty, whichever indicated in the order.

Note: The above table includes only those amounts on which demand orders have been served and are under dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any banks and financial institution. The Company has not taken any loans or borrowings from government and did not have any outstanding debentures during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. Further, the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with provisions of Section 197 read with Schedule V of the Companies Act, 2013.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of its shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No.: 507892

Place: Gurugram
Date : 27 April 2019

Annexure B to the Independent Auditor's Report on the financial statements of Mindarika Private Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2Af) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mindarika Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No.: 507892

Place: Gurugram
Date: 27 April 2019

Mindarika Private Limited
Balance Sheet as at 31 March 2019
(All figures are in ₹ crore except share data and unless otherwise stated)
CIN:-U74899DL1995PTC073692

	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	167.39	115.04
Capital work in progress	4	1.58	19.97
Intangible assets	5	10.13	4.99
Intangible assets under development	5	0.32	0.45
Financial assets			
Loans	6	3.00	1.86
Income tax asset (net)	12	3.79	-
Other non-current assets	7	3.25	8.80
Current assets			
Inventories	8	92.16	80.75
Financial assets			
Trade receivables	9	83.96	86.27
Cash and cash equivalents	10	5.91	28.41
Loans	6	1.28	1.00
Other financial assets	11	0.58	0.37
Other current assets	7	10.48	9.65
TOTAL ASSETS		**383.83**	**357.56**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13.A	10.00	10.00
Other equity	13.B	180.55	148.72
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	14	25.17	37.48
Provisions	16	10.23	9.99
Deferred tax liabilities (net)	15	10.60	4.88
Government grants	17	0.32	0.39
Current liabilities			
Financial liabilities			
Borrowings	14	14.89	11.69
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		6.70	3.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	18	89.92	95.62
Other financial liabilities	19	23.60	16.00
Other current liabilities	20	8.25	13.60
Provisions	16	3.53	3.74
Government grants	17	0.07	0.09
Current tax liabilities (net)	21	-	1.46
TOTAL EQUITY AND LIABILITIES		**383.83**	**357.56**

Notes forming part of the financial statements 1-40

The notes referred to above form an integral part of these financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.:101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No. : 507892

Place: Gurugram
Date: 27 April 2019

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942
Place: Gurugram
Date: 27 April 2019

Ravi Mehra
Director
DIN No: 01651911
Place: Gurugram
Date: 27 April 2019

Sanjay Kumar Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 27 April 2019

Brijesh Kumar
Company Secretary
Membership No. 36070
Place: Gurugram
Date: 27 April 2019

Mindarika Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All figures are in ₹ crore except share data and unless otherwise stated)
CIN:-U74899DL1995PTC073692

Particulars	Note No.	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations	22	801.36	766.36
Other income	23	2.82	0.62
Total income		**804.18**	**766.98**
Expenses			
Cost of materials consumed	24	491.30	472.78
Purchase of stock-in-trade	25	13.39	11.09
Changes in inventories of finished goods and work-in-progress	26	(1.53)	(6.98)
Excise duty		-	22.47
Employee benefits expense	27	104.03	96.20
Finance costs	28	4.07	1.57
Depreciation and amortisation expense	29	26.55	19.34
Other expenses	30	93.18	81.22
Total expenses		**730.99**	**697.69**
Profit before tax		**73.19**	**69.29**
Tax expense:	15		
Current tax expense		18.96	21.08
Earlier year adjustments		(0.12)	(9.16)
Deferred tax charge		5.59	0.88
Profit for the year		**48.76**	**56.49**
Other comprehensive income			
Items that will not to be reclassified subsequently to profit or loss			
Re-measurement gains on defined benefit plans		0.37	1.14
Income tax effect		(0.12)	(0.40)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**0.25**	**0.74**
Total comprehensive income for the year		**49.01**	**57.23**
Basic and diluted earnings per share (in ₹) (Face value of ₹ 10 per share)	13.D	**48.76**	**56.49**
Notes forming part of the financial statements	1-40		

The notes referred to above form an integral part of these financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.:101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No. : 507892

Place: Gurugram
Date: 27 April 2019

For and on behalf of the Board of Directors of
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Date: 27 April 2019

Brijesh Kumar
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Membership No. 36070
Place: Gurugram
Date: 27 April 2019

Mindarika Private Limited

Statement of Cash Flow for the year ended 31 March 2019

(All figures are in ₹ crore except share data and unless otherwise stated)

CIN:-U74899DL1995PTC073692

Particulars	**Year ended 31 March 2019**	**Year ended 31 March 2018**
A. Cash flow from operating activities		
Profit for the year before tax	73.19	69.29
Adjustments for:		
Depreciation and amortisation expense	26.55	19.34
Property, plant and equipment written off	0.64	0.06
Allowance for doubtful trade receivables	0.08	0.35
Profit on property, plant and equipment sold / discarded	(0.68)	(0.05)
Liabilities/ provision written back	(0.31)	(0.05)
Allowance for doubtful trade receivables written back	(0.37)	(0.29)
Bad trade receivables, other receivables and advances written off	0.13	0.19
Finance costs	4.07	1.52
Interest income	(0.50)	(0.16)
Operating profit before working capital changes	**102.80**	**90.20**
Working capital adjustments:		
(Increase) in inventories	(11.41)	(14.70)
Decrease / (Increase) in trade receivables	2.47	(17.92)
(Increase) in loans and other financial assets	(1.62)	(0.36)
(Increase)/ Decrease in other assets	(0.46)	0.63
(Decrease) / increase in trade payables	(2.60)	24.97
(Decrease) / increase in other financial liabilities	(0.91)	0.96
Increase in provisions	0.40	1.54
(Decrease) / increase in other liabilities/government grants	(5.44)	2.02
	(19.57)	(2.86)
Cash generated from operations	**83.23**	**87.34**
Income tax paid, net of refund	(24.10)	(19.29)
Net cash generated from operating activities	**59.13**	**68.05**
B. Cash flow from investing activities:		
Purchase of property, plant and equipment, capital work in progress and intangible assets	(59.18)	(56.72)
Proceeds from sale of property, plant and equipment	1.12	0.10
Interest received	0.51	0.17
Net cash used in investing activities	**(57.55)**	**(56.45)**
C. Cash flows from financing activities		
Proceeds from long-term borrowings (refer to note 14)	-	32.43
Repayments of long-term borrowings (refer to note 14)	(12.31)	(8.23)
Proceeds of short-term borrowings (net) (refer to note 14)	9.53	2.16
Finance cost paid	(4.12)	(1.51)
Dividend paid	(14.25)	(9.50)
Dividend distribution tax	(2.93)	(1.94)
Net cash (used) in/ from financing activities	**(24.08)**	**13.41**
Net (decrease) / increase in cash and cash equivalents	**(22.50)**	**25.01**
Cash and cash equivalents at the beginning of the year	**28.41**	**3.40**
Cash and cash equivalents at the end of the year	**5.91**	**28.41**
Notes to cash flow statement		
Cash and cash equivalents (refer to note 10)		
Components of cash and cash equivalents:-		
Cash on hand	0.05	0.08
Balance with banks:		
- current account	5.86	9.33
- in term deposit (with original maturity of less than 3 months)	-	19.00
	5.91	**28.41**

MINDARIKA PVT LTD. Vill. Nawada Fattehpur PO Sikanderpur Badaa Gurgaon-122004

B S R & Co. LLP GURUGRAM Chartered Accountants

Mindarika Private Limited
Statement of Cash Flow for the year ended 31 March 2019
(All figures are in ₹ crore except share data and unless otherwise stated)
CIN:-U74899DL1995PTC073692

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard-7 on Statement of Cash flows as notified under section 133 of the Companies Act, 2013.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.:101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No. : 507892
Place: Gurugram
Date: 27 April 2019

For and on behalf of the Board of Directors of
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Date: 27 April 2019

Brijesh Kumar
Company Secretary
Membership No. 36070
Place: Gurugram
Date: 27 April 2019

Mindarika Private Limited
Statement of changes in equity for the year ended 31 March 2019
(All figures are in ₹ crore except share data and unless otherwise stated)
CIN:-U74899DL1995PTC073692

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2017	10.00
Changes in equity share capital during the year	-
Balance as at 31 March 2018	10.00
Changes in equity share capital during the year	-
Balance as at 31 March 2019	**10.00**

B. Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
i) Reserves and surplus		
General reserve		
Balance at the beginning and end of the year	**6.55**	**6.55**
Capital reserve		
Balance at the beginning and end of the year	**0.09**	**0.09**
Retained earnings		
Balance at the beginning of the year	**142.08**	**96.29**
Profit for the year	48.76	56.49
Other comprehensive income, net of tax	0.25	0.74
Less:- appropriations		
Final dividend paid for 31 March 2018: ₹ 14.25 per share (31 March 2017 ₹ 9.50 per share)	14.25	9.50
Dividend distribution tax on final dividend	2.93	1.94
	173.91	**142.08**
Total	**180.55**	**148.72**

Notes forming part of the financial statements 1-40

The notes referred to above form an integral part of these financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.:101248W/W-100022

Tarun

Tarun Gupta
Partner
Membership No. : 507892

Place: Gurugram
Date: 27 April 2019

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Ravi Mehra
Director
DIN No: 01651911

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

Place: Gurugram
Date: 27 April 2019

1. Corporate information

Mindarika Private Limited ("the Company") is a private limited company incorporated on 9 November 1995 under the Companies Act. It is a venture between Minda Industries Limited and Tokai Rika Co. Limited, Japan. The Company became subsidiary of Minda Industries Limited w.e.f. 1 January 2018. The Company is primarily engaged in the business of manufacturing of auto electrical switches and other automotive components.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

Effective 1 April 2016, the Company had transitioned to Ind AS while the Ind AS financial statements were being prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP) till 31 March 2017 and the transition was carried out in accordance of Ind AS 101 "First time adoption of Indian Accounting standards". While carrying out transition, in addition to mandatory exemptions, the Company had elected to certain exemption which are listed as below:

The Company had opted to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognized in the Ind AS financial statements prepared under previous GAAP and use the same as deemed cost in the financial statements as at transition date.

The financial statements were authorised for issue by the Company's Board of Directors on 27 April 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 (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores and two decimal thereof, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
(a) Net defined benefit (asset)/ liability	Present value of defined benefit obligations
(b) Certain financial assets and liabilities	Fair value
(c) Other financial assets and liabilities	Amortised cost

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.

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Judgements

The areas involving critical estimates or judgements are:

- Estimation of income tax (current and deferred) – Note 15
- Estimated useful life of intangible asset – Note 5
- Estimated useful life and residual value of property, plant and equipment – Note 4
- Recognition and measurement of provisions and contingencies – Note 31
- Estimation of defined benefit obligation – Note 16

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

E. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by the Ministry of Corporate Affairs.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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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 determined its operating cycle as 12 months for the purpose of classification of its assets and liability as current and non-current.

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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 transactions

i. Initial recognition and settlement

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

ii. Measurement at the reporting date

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 recognised in statement of profit and loss.

B. Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

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The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

C. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

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

a) Amortised cost; or
b) FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on de-recognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

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

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and 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.

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v. Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in statement of profit and loss.

vi. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

D. 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.

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.

Property, plant and equipment under construction are disclosed as capital work-in-progress. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general are included in capital work-in-progress.

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 statement of profit and loss.

ii. Subsequent expenditure

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

iii. Depreciation

Depreciation on building is provided on straight line method and depreciation on other items of property, plant and equipment is provided as per written down value method basis, as per useful life of the assets estimated by the management, which is equal to the useful life prescribed under Schedule II of the Companies Act, 2013 except in the respect of following categories where life of the asset has been assessed based on the technical advice, taking into account the nature of property, plant and equipment, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technologies changes, manufacturers warranties and maintenance support, etc.:

Particulars	Useful life as per Companies Act	Useful Management estimate of useful life (years)
Moulds, tools and dies	15	5

Freehold land is not depreciated.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use/ (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

E. Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in amortisation expense in statement of profit and loss.

The estimated useful lives are as follows:

- Software 3-6 years
- Technical know how 6 years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

F. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower;
- the breach of contract such as a default or being past due for 90 days or more;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured 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. The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated.

Assets that do not generate independent cash flows are grouped together into cash generating units (CGU).

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight-line basis over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

H. Inventories

Inventories which comprise raw materials and components, work-in-progress, finished goods, tools, moulds, dies and fixtures – bought and manufactured, stores and spares are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase (net of recoverable taxes, where applicable), costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The basis of determining costs for various categories of inventories are as follows: -

Raw materials and components, stores and spares	-	Weighted average cost
Work-in-progress and finished goods	-	Material cost plus appropriate share of labour, manufacturing overheads.

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.

I. Revenue recognition

(a) Revenue recognition

The Company earns revenue primarily from sale of electrical switches and other automotive components. Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. 1 April 2018). The adoption of the standard did not have any material impact to the financial statements of the Company.

(i) Revenue from sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Sales are recognized when the significant risks and rewards of ownership are transferred to the buyer as per the terms of contract and are recognized. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) Revenue from sale of services

Sales of services are recognized in the accounting period in which the services are rendered.

(iii) **Interest income** is recognised using the effective interest method.

J. Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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(ii) Share-based payment transactions

The Company accounts for equity settled stock options for the parent company using the fair value method.

(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 (EPF) and Employees' State Insurance to Government and Superannuation to superannuation fund administered by the Company. 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.

(iv) Defined benefit plan

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (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 statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit 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 recognised in statement of profit and loss in the period in which they arise.

K. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit and loss on a systematic basis over the expected lives of the related assets and presented within other income.

L. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

M. Provisions and contingencies

(i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive 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 recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Warranty

A provision for warranties is recognized when the underlying products are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all the possible outcomes by their associated probabilities.

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(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. Income taxes

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the 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 assets are recognised to the extent that it is probable that future 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 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 realized.

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 benefits will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized 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 deferred tax liabilities are offset only 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 authorities.

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O. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

P. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Q. Segment reporting

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available.

The Company is engaged in the business of manufacturing of auto electrical switches & other automotive components. Accordingly, the Company's activities/ business is reviewed regularly by the Company's Board of directors from an overall business perspective, rather than reviewing its products/services as individual standalone components.

Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format.

R. 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.

S. Standards issued but not yet effective

Ind AS 116, Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption

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of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

The Company will recognise new assets and liabilities for its operating leases in respect of premises (like factory building, godown etc.) (refer to note 35). The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

No significant impact is expected for the Company's finance leases.

Transition

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

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4. Property, plant and equipment and capital work in progress

a. Reconciliation of carrying amount

Particulars	Freehold land	Leasehold land	Building	Leasehold improvements	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total	Capital work in progress
Gross carrying value (deemed cost)											
As at 1 April 2017	1.36	2.32	37.47	0.44	73.78	0.80	1.91	0.69	1.13	119.90	-
Add: Additions made during the year	5.31	-	-	2.04	20.94	0.31	0.62	0.27	1.18	30.67	-
Less: Disposals /adjustments during the year	-	-	-	-	(0.06)	-	(0.03)	-	(0.02)	(0.11)	-
As at 31 March 2018	6.67	2.32	37.47	2.48	94.66	1.11	2.50	0.96	2.29	150.46	-
Add: Additions made during the year	4.04	-	20.05	-	50.42	0.27	0.72	0.57	1.41	77.48	-
Less: Disposals /adjustments during the year	-	-	-	-	(0.78)	(0.00)	(0.32)	(0.02)	(0.02)	(1.14)	-
As at 31 March 2019	**10.71**	**2.32**	**57.52**	**2.48**	**144.30**	**1.38**	**2.90**	**1.51**	**3.68**	**226.80**	-
Accumulated depreciation											
As at 1 April 2017	-	0.02	1.46	0.03	14.15	0.19	0.55	0.29	0.41	17.10	-
Add: Depreciation charge for the year	-	0.02	1.46	0.32	15.03	0.19	0.57	0.19	0.54	18.32	-
Less: On disposals / adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2018	-	0.04	2.92	0.35	29.18	0.38	1.12	0.48	0.95	35.42	-
Add: Depreciation charge for the year	-	0.02	2.26	0.28	19.45	0.23	0.48	0.32	1.08	24.12	-
Less: On disposals / adjustments during the year	-	-	-	-	(0.03)	-	(0.10)	-	-	(0.13)	-
As at 31 March 2019	-	**0.06**	**5.18**	**0.63**	**48.60**	**0.61**	**1.50**	**0.80**	**2.03**	**59.41**	-
Net carrying value											
As at 31 March 2019	**10.71**	**2.26**	**52.34**	**1.85**	**95.70**	**0.77**	**1.40**	**0.71**	**1.65**	**167.39**	**1.58**
As at 31 March 2018	6.67	2.28	34.55	2.13	65.48	0.73	1.38	0.48	1.34	115.04	19.97

a. Government grants
Includes government grant in plant and equipment gross block: ₹ 0.79 crores, accumulated depreciation: ₹ 0.40 crores (31 March 2018: gross block: ₹ 0.79 crores, accumulated depreciation: ₹ 0.31 crores)

b. Security
Carrying amount of property, plant and equipment (shown above) pledged as securities for borrowings to the extent of borrowing limits (refer to note 14)

c. Capital work in progress
Capital work in progress majorly includes plant and machinery pending installation.

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5 Intangible assets

a. Reconciliation of carrying amount

Particulars	Software	Technical know how	Total
Gross carrying value			
As at 1 April 2017	1.36	2.18	3.54
Add: Additions during the year	3.00	0.30	3.30
Less: Disposals / adjustments during the year	-	-	-
As at 31 March 2018	4.36	2.48	6.84
Add: Additions during the year	3.84	3.79	7.63
Less: Disposals / adjustments during the year	(0.00)	(0.06)	(0.06)
As at 31 March 2019	**8.20**	**6.21**	**14.41**
Accumulated amortisation			
As at 1 April 2017	0.41	0.42	0.83
Add: Amortisation charge for the year	0.58	0.44	1.02
Less: On disposals / adjustments during the year	-	-	-
As at 31 March 2018	0.99	0.86	1.85
Add: Amortisation charge for the year	1.41	1.02	2.43
Less: On disposals / adjustments during the year	-	-	-
As at 31 March 2019	**2.40**	**1.88**	**4.28**
Net carrying value			
As at 31 March 2019	**5.80**	**4.33**	**10.13**
As at 31 March 2018	3.37	1.62	4.99

	As at 31 March 2019	As at 31 March 2018
b. Intangible assets under development		
- Software	-	0.02
- Technical know how*	0.32	0.43
	0.32	**0.45**

*Technical know-how for switches of which production has not yet started.

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		As at 31 March 2019	As at 31 March 2018
6	**Loans**		
	(Unsecured considered good unless otherwise stated)		
	Non-current		
	Security deposits-others	1.92	0.90
	Security deposits-related parties (refer note 37)	0.83	0.75
	Loan to employees	0.25	0.21
		3.00	**1.86**
	Current		
	(Unsecured considered good unless otherwise stated)		
	Security deposits	0.31	0.16
	Loan to employees	0.97	0.84
		1.28	**1.00**
		4.28	**2.86**

The Company's exposure to credit risk related to security deposits and loan to employees are disclosed in Note no. 34.

		As at 31 March 2019	As at 31 March 2018
7	**Other assets**		
	(Unsecured, considered good, unless otherwise stated)		
	Non-current		
	Capital advances		
	- related party (refer to note 37)	0.07	3.51
	- other than related party	1.75	3.50
	Prepaid expenses	1.35	1.70
	Balance with government authorities	0.08	0.09
		3.25	**8.80**
	Current		
	Balance with government authorities	5.90	4.63
	Advances to suppliers		
	- related party (refer to note 37)	0.40	0.12
	- other than related party	2.44	3.94
	Prepaid expenses	1.50	0.95
	Others	0.24	0.01
		10.48	**9.65**

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	As at 31 March 2019	As at 31 March 2018
8 Inventories **		
(valued at lower of cost or net realisable value)		
Raw material and components [Includes goods in transit ₹ 9.64 crores (31 March 2018: ₹ 9.79 crores)]	56.10	50.64
Work in progress	6.92	5.39
Finished goods	12.98	9.90
Tools, moulds, dies and fixtures - bought out and manufactured	10.86	13.94
Stores and spares	5.30	0.88
	92.16	**80.75**
** Carrying amount of inventories (included in above) hypothecated as securities for borrowings (refer to note no. 14).	**92.16**	**80.75**

The write down of inventories to net realisable value during the year amounted to ₹ 1.40 crores (31 March 2018: 0.19 crores). The write down is included in cost of material consumed or changes in inventories of finished goods and work-in-progress.

	As at 31 March 2019	As at 31 March 2018
9 Trade receivables		
Unsecured - considered good		
- from related parties (refer to note 37)	13.53	23.14
- from others	70.43	63.13
Doubtful		
- from related parties	-	-
- from others	0.08	0.38
Loss allowance	(0.08)	(0.38)
	83.96	**86.27**

a) For receivables secured against borrowings, refer to note no.14.

b) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note no 34.

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10 Cash and cash equivalents	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- current account	5.86	9.33
- in term deposit (with original maturity of less than 3 months)	-	19.00
Cash on hand	0.05	0.08
	5.91	28.41

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2019.

11 Other financial assets *(Unsecured considered good unless otherwise stated)*	As at 31 March 2019	As at 31 March 2018
Export/other incentives receivable	0.58	0.36
Interest accrued on fixed deposits	-	0.01
	0.58	0.37

The Company's exposure to credit risk related to export incentive receivable and interest accrued on fixed deposits are disclosed in Note no 34.

12 Income tax asset (net)	As at 31 March 2019	As at 31 March 2018
Non-current		
Income tax asset	3.79	-
	3.79	-
Provision for Income Tax	84.38	-

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	As at 31 March 2019	As at 31 March 2018
13.A Share capital		
a) Details of share capital		
Authorised share capital		
15,000,000 (31 March 2018: 15,000,000) equity shares of ₹ 10 each	15.00	15.00
Issued, subscribed and paid up		
10,000,000 (31 March 2018: 10,000,000) equity shares of ₹ 10 each fully paid up	10.00	10.00
	10.00	**10.00**

b) Reconciliation of outstanding equity shares at the beginning and at the end of the reporting year

	Number of shares	Amount (₹ in Crore)
As at 1 April 2017	1,00,00,000	10.00
Add: Shares issued during the year	-	-
As at 31 March 2018	1,00,00,000	10.00
Add: Shares issued during the year	-	-
As at 31 March 2019	**1,00,00,000**	10.00

c) Shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2019	As at 31 March 2018
Tokai Rika Co., Limited, Japan	37,00,000	37,00,000
Tokai Rika Co., Limited, Japan (% held)	37.00%	37.00%
Minda Industries Limited	51,00,000	51,00,000
Minda Industries Limited (% held)	51.0%	51.0%
Mr. Nirmal K. Minda	12,00,000	12,00,000
Mr. Nirmal K. Minda (% held)	12.00%	12.00%

c) Shares held by holding company

Name of the shareholder	As at 31 March 2019	As at 31 March 2018
Minda Industries Limited (refer note (f) below)	51,00,000	51,00,000
Minda Industries Limited (% held)	51.00%	51.00%

d) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company may declare and pay dividends in Indian rupees. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) There is no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

f) During the year ended 31 March 2018, Mr. Nirmal Kumar Minda and Minda Investment Limited have transferred their shares to Minda Industries Limited , accordingly Minda Industries Limited had become holding company w.e.f 1 January 2018.

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13.B Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
i) Reserves and surplus		
General reserve		
Balance at the beginning and end of the year	**6.55**	**6.55**
Capital reserve		
Balance at the beginning and end of the year	**0.09**	**0.09**
Retained earning		
Balance at the beginning of the year	142.08	96.29
Profit for the year	48.76	56.49
Other comprehensive income, net of tax	0.25	0.74
Less:- appropriations		
Final dividend paid for 31 March 2018: ₹ 14.25 per share (31 March 2017 ₹ 9.50 per share)	14.25	9.50
Dividend distribution tax on final dividend	2.93	1.94
	173.91	**142.08**
Total	**180.55**	**148.72**

Nature of reserves

General reserves
In previous years, the Company appropriated a portion of profits to general reserve as per the provisions of the Act. The said reserve is available for payment of dividend to the share holders as per the provisions of the Companies Act, 2013.

Capital reserves
This has been created out of the capital profits. The same would be utilised as per the provisions of the Companies Act, 2013.

Dividends
The following dividends were declared and paid by the Company during the year

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Final dividend for the year 2017-18 - Rs. 14.25 per equity share (Final dividend for the year 2016-17- Rs 9.5 per equity share.)	14.25	9.50
Dividend distribution tax on dividend to equity shareholders	2.93	1.94

No dividends were proposed by the Company for the year ended 31 March 2019

13.C Capital management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, consistent with others in the industry. The Company monitors capital using a gearing ratio, which is calculated as:

Net debt (total borrowings net of cash and cash equivalents) divided by "Total equity" (as shown in the Balance Sheet).

	As at 31 March 2019	As at 31 March 2018
Interest bearing loans and borrowings	54.73	57.49
Less: Cash and cash equivalents	(5.91)	(28.41)
Total debts	**48.82**	**29.08**
Equity share capital	10.00	10.00
Other equity	180.55	148.72
Total equity	**190.55**	**158.72**
Debt to equity ratio	**0.26**	**0.18**

13.D Earning per share

	As at 31 March 2019	As at 31 March 2018
Profit for the year attributable to the equity shareholders (₹ in crores)	48.76	56.49
Weighted average number of equity shares outstanding	1,00,00,000	1,00,00,000
Basic and diluted earnings per share (face value ₹ 10 per share) (in ₹)	48.76	56.49

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	As at 31 March 2019	As at 31 March 2018
14 Borrowings		
Non-current borrowings		
Term loans from banks		
Secured		
– Rupee loan from banks	32.52	32.60
– Foreign currency loan from banks	7.32	13.20
	39.84	**45.80**
Less: Amount included under 'other financial liabilities' (refer to note 19)	14.67	8.32
	25.17	**37.48**
Current borrowings		
Loans from banks		
Secured		
– Loans repayable on demand	14.89	11.69
	14.89	**11.69**
	40.06	**49.17**

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in note no. 34

a. Long term loan repayment schedule and security

Nature of security	Terms of repayment and rate of interest	Outstanding as on 31 March 2019	Outstanding as on 31 March 2018
ECB loan from Standard Chartered Bank a) Sanctioned amount $ 4,000,000 b) Secured by: - First exclusive mortgage of the Land/Building situated at Chennai. - First exclusive charge on assets financed out of external commercial borrowing (ECB).	Rate of interest - 2.25%+Libor Repayable in 17 equal quarterly instalments Starting from Mar'16 and Apr'16 (i.e. 12 months after first instalment of the loan) Last instalment due in Mar'20 and April '20.	7.32	13.20
Term loan from HSBC bank Sanctioned amount ₹ 32.50 Crore Secured by: First charge on the movable property, plant and equipment of Gujarat plant with minimum asset cover of 1.25x	Rate of interest - 3 month MCLR +0.05% Repayable in 16 quarterly equal instalments starting from Apr'19 (i.e. 12 months from the date of first disbursement). Last instalment due in Apr'23.	32.50	32.50
Vehicle loan from ICICI bank Secured by hypothecation of vehicle.	Interest rate 10% Repayable in 48 equal monthly instalments Last instalment due in Aug'19.	0.02	0.10
Total		**39.84**	**45.80**

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b. Current borrowings repayment schedule and security

Nature of security*	Terms of repayment and rate of interest	Outstanding as on 31 March 2019	Outstanding as on 31 March 2018
Bank of Tokyo	Rate of interest 9.35% as on 31 March 2019 (31 March 2018 : 8.75%)	4.00	4.70
Mizuho Bank	Rate of interest 8.89% on 31 March 2019 (31 March 2018 : 7.95%)	5.52	3.50
HDFC bank	Rate of interest 12.20% on 31 March 2018	-	0.78
Standard Chartered Bank	Rate of interest 11.25% on 31 March 2019 (31 March 2018 : 10.50%)	0.37	2.71
HSBC Bank	Rate of interest 8.30% on 31 March 2019	5.00	-
Total		**14.89**	**11.69**

* Current borrowing from banks are secured by first pari passu charge on current assets of the Company. Second charge on movable property, plant and equipment of the Company, both present & future. The above loan are repayable on demand and within 0 to 3 months.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	As at 31 March 2019		As at 31 March 2018	
	Non-current borrowings	Current borrowings*	Non-current borrowings	Current borrowings*
Balance as at the beginning of the year	36.22	21.27	14.06	17.07
Changes from financing cash flows				
Proceeds from non-current borrowings	-	-	30.40	2.04
Repayment of non-current borrowings	(12.31)	-	(8.24)	-
Proceeds from/repayments of current borrowings (net)	-	9.53	-	2.16
Balance as at the end of the year	**23.91**	**30.80**	**36.22**	**21.27**

* current borrowings include current maturities of non-current borrowings

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15 Income tax

a. Amount recognised in statement of profit and loss

	Year ended 31 March 2019	Year ended 31 March 2018
Current tax expense	18.96	21.08
Earlier year adjustments	(0.12)	(9.16)
Deferred tax charge/ (credit)	5.59	0.88
Tax expense	**24.43**	**12.80**

b. Income tax recognised in other comprehensive income

	Year ended 31 March 2019			Year ended 31 March 2018		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurements of defined benefit plan	0.37	(0.12)	0.25	1.14	(0.40)	0.74
	0.37	**(0.12)**	**0.25**	1.14	(0.40)	0.74

c. Reconciliation of effective tax rate

	Year ended 31 March 2019		Year ended 31 March 2018	
	Rate (%)	Amount	Rate (%)	Amount
Profit before tax		73.19		69.29
Tax using company's domestic tax rate	34.94%	25.60	34.61%	24.00
Effect of:				
Earlier year tax adjustments	-0.16%	(0.12)	-13.21%	(9.16)
Non-deductible expenses / income	0.33%	0.24	0.25%	0.17
Deduction of research and development expenses	-1.76%	(1.29)	-3.25%	(2.25)
Rate change impact on temporary differences	0.00%	-	0.06%	0.04
Effective tax rate	**33.36%**	**24.43**	**18.45%**	**12.80**

d. Deferred tax assets / liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax assets :-		
Provisions for employee benefits	3.94	3.90
Provision for doubtful debts	0.03	0.13
Others	0.03	0.02
Deferred tax liabilities		
Property, plant and equipment and other	(14.60)	(8.93)
Deferred tax liabilities (net)	**(10.60)**	**(4.88)**
Deferred tax (charge)/ created during the year	(5.72)	(1.28)

e. Movement of temporary differences

	As at 1 April 2017	Movement in statement of profit and loss	Movement in statement of other comprehensive income	As at 1 April 2018	Movement in statement of profit and loss	Movement in statement of other comprehensive income	As at 31 March 2019
Property, plant and equipment and intangible assets (net)	(7.59)	(1.34)	-	(8.93)	(5.67)	-	(14.60)
Provisions for employee benefits	3.83	0.47	(0.40)	3.90	0.16	(0.12)	3.94
Provision for doubtful debts	0.14	(0.01)	-	0.13	(0.10)	-	0.03
Others	0.02	-	-	0.02	0.01	-	0.03
	(3.60)	(0.88)	(0.40)	(4.88)	(5.60)	(0.12)	(10.60)

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16 Provisions	**As at 31 March 2019**	**As at 31 March 2018**
Non-current		
Provision for employee benefits		
- Provision for compensated absences (refer to note no. 33)	3.44	3.51
- Provision for gratuity (refer to note no. 33)	5.44	4.67
Other provisions		
- Provision for warranty*	1.35	1.81
	10.23	**9.99**
Current		
Provision for employee benefits		
- Provision for compensated absences (refer to note no. 33)	0.55	0.54
Other provisions		
- Provision for warranty*	2.98	3.20
	3.53	**3.74**
	13.76	**13.73**

Movement in other provisions	**Amount**	**Amount**
Balance at the beginning of the year	5.01	4.91
Provisions made during the year	0.96	2.36
Provisions utilised during the year	(1.64)	(2.26)
Balance at the end of the year	**4.33**	**5.01**

* The Company has made a warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Un-utilised provision is reversed on expiry of the warranty period.

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17 Government grants	As at 31 March 2019	As at 31 March 2018
Opening balance	0.48	0.59
Add: Grants received during the year	-	-
Less: Released to profit or loss (refer to note 22)	(0.09)	(0.11)
Closing balance	**0.39**	**0.48**
Current portion	0.07	0.09
Non current portion	0.32	0.39

18 Trade payables	As at 31 March 2019	As at 31 March 2018
Total outstanding dues of micro enterprises and small enterprises	6.70	3.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	89.92	95.62
	96.62	**99.52**

(i) All trade payables are 'current'

(ii) For trade payables to related parties refer note no 37.

(iii) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note no 34.

(iv) Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company is as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
The amounts remaining unpaid to suppliers as at the end of the year - Principal - Interest	6.70	3.90
The amount of payments made under the Act beyond the appointed day during the year	17.39	10.35
The amount of interest paid under the act beyond the appointed day during the year	0.01	0.03
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	0.09	0.01
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.09	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Act	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the management.

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19 Other financial liabilities	**As at 31 March 2019**	**As at 31 March 2018**
Current maturities of long term borrowings (refer to note no. 14)	14.66	8.32
Employee related payables	3.52	4.10
Interest accrued on borrowings	0.04	0.09
Payables for property, plant and equipment	5.38	3.16
Deposit from vendors	-	0.33
	23.60	**16.00**

The Company's exposure to currency and liquidity risks related to above financial liabilities is disclosed in note no 34.

20 Other current liabilities	**As at 31 March 2019**	**As at 31 March 2018**
Advances from customers		
- related party (refer to note 37)	-	3.31
- other than related party	5.15	9.16
Statutory dues	3.10	1.13
	8.25	**13.60**

21 Current tax liabilities	**As at 31 March 2019**	**As at 31 March 2018**
- Provision for tax (net of advance tax)	-	1.46
	-	**1.46**
Advance tax (including tax deducted at source)	-	**64.89**

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22 Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
- Manufacturing	790.28	744.40
- Traded goods	3.30	17.04
Sale of services	3.87	1.34
	797.45	**762.78**
Other operating revenue:		
Scrap sales	3.37	3.06
Export incentives	0.45	0.41
Government grant	0.09	0.11
	3.91	**3.58**
	801.36	**766.36**

In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the period upto 30 June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not presented as part of sales as per the requirements of Ind AS 18/Ind AS 115 (as applicable). This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. Accordingly, financial statements for the year ended 31 March 2019 and in particular, sales and ratios in percentage of sales, are not comparable with the figures of the previous year.

23 Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income on fixed deposits and others	0.50	0.16
Liabilities/ provision written back	0.31	0.05
Provisions for doubtful trade receivables written back	0.37	0.29
Profit on sale of property, plant and equipments (net)	0.68	0.05
Miscellaneous income	0.96	0.07
	2.82	**0.62**

24 Cost of materials consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock of raw materials and components	50.64	43.26
Add : Purchases of raw materials and components	496.76	480.16
	547.40	523.42
Less : Closing stock of raw materials and components	56.10	50.64
	491.30	**472.78**

25 Purchase of stock-in-trade

	For the year ended 31 March 2019	For the year ended 31 March 2018
Purchase of stock-in-trade	13.39	11.09
	13.39	**11.09**

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26 Changes in inventories of finished goods and work-in-progress	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Inventories at the end of the year		
- Work in progress	6.91	5.39
- Finished goods *(included tools, moulds, dies & fixtures - bought out and manufactured)*	23.84	23.83
	30.75	29.22
b. Inventories at the beginning of the year		
- Work in progress	5.39	4.08
- Finished goods *(included tools, moulds, dies & fixtures - bought out and manufactured)*	23.83	18.16
	29.22	22.24
Changes in inventories of finished goods and work in progress (a-b)		
- Work in progress	1.52	1.31
- Finished goods *(included tools, moulds, dies & fixtures - bought out and manufactured)*	0.01	5.67
Net increase	**1.53**	**6.98**

27 Employee benefits	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	91.87	85.69
Contribution to provident and other funds (refer to note 33)	7.03	4.22
Employee stock option expenses (refer to note 40)	-	0.85
Staff welfare expenses	5.13	5.44
	104.03	**96.20**

28 Finance costs	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense on:		
(i) borrowings	3.31	1.49
(ii) Exchange fluctuations regarded as an adjustment to borrowing cost	0.16	-
(iii) trade payables	0.09	0.04
(iv) delayed payment of income tax	0.51	0.04
	4.07	**1.57**

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	For the year ended 31 March 2019	For the year ended 31 March 2018
29 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	24.12	18.32
Amortisation of intangible assets	2.43	1.02
	26.55	**19.34**

30 Other expenses	For the year ended 31 March 2019	For the year ended 31 March 2018
Consumption of stores and spares	19.81	16.92
Increase/ (decrease) of excise duty on inventory	-	(0.70)
Power and fuel	11.60	9.39
Rent (refer to note 35)	6.08	5.76
Repair and maintenance	11.48	11.32
Insurance	1.36	1.23
Rates and taxes	0.12	0.34
Travelling and conveyance	8.02	7.75
Packing and forwarding expenses	7.43	7.03
Warranty expenses	0.96	2.36
Royalty	4.62	4.49
Legal and professional	15.20	8.93
Payment to auditor's (refer note (i) below)	0.51	0.52
Property, plant and equipment written off	0.64	0.06
Bad trade receivables, other receivables and advances written off	0.13	0.19
Provision for doubtful trade receivables	0.08	0.35
Corporate social responsibility expenses (refer note (ii) below)	1.00	0.60
Net loss on foreign currency transaction and translation	0.13	0.54
Miscellaneous expenses	4.01	4.14
	93.18	**81.22**

Notes:-i

Payments to the auditor's comprises :		
As auditors		
Statutory audit fees	0.30	0.35
Certification fees and others	0.17	0.14
Reimbursement of expenses ^^	0.04	0.03
	0.51	**0.52**

^^ 31 March 2018 includes ₹ 0.01 as reimbursement of expenses to erstwhile auditors

Notes:-ii

Details of corporate social responsibility expenditure

a. Amount required to be spent by the Company during the year	0.96	0.59
b. Amount spent during the year:		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	1.00	0.60

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31. Contingent liabilities and commitments
(to the extent not provided for)

(a) Contingent liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Service tax matters (refer note below)	0.57	0.60
Total	**0.57**	**0.60**

The matters are sub judice and the Company has filed appeals against the order of the Assessing Officer for incorrect availment of cenvat credit over telephone services and non levy of service tax on canteen/ bus services to employees. The Company is of the view that it has good cases in respect of matter listed above and hence no provision against it is considered necessary.

(b) Capital commitments (net of advance)
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 2.63 crores (31 March 2018: ₹ 7.42 crores).

(c) During the year the Company has received approval under Modified Special Incentive Package Scheme (MSIPS) from the Ministry of Communication and Information Technology, Department of Information Technology for its new manufacturing plant in Gujarat. The Company will file its claim for the subsidy under the aforesaid scheme in the following year which will be subject to the examination of the underlying documents by the concerned department.
Further, the Company has received the in-principal approval during the year for its application of 'Expression of interest' intending to avail assistance under Gujarat State Electronics Policy and the approval is pending against the formal application filed by the Company during the year.
Accordingly, corresponding accounting treatment against both the aforementioned schemes will be done in the books then.

32. Amount remitted in foreign currency during the year on account of dividend

	For the year ended 31 March 2019	For the year ended 31 March 2018
Amount of dividend remitted (amount in absolute ₹)	5,27,25,000	3,51,50,000
Total number of non resident shareholders	1	1
Total number of shares held by them on which dividend was due	37,00,000	37,00,000
Year to which dividend relates	31 March 2018	31 March 2017

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33. Employee benefits

a) Assets and liabilities relating to employee benefits

	As at 31 March 2019	As at 31 March 2018
Non-current		
Net defined benefit liability - Gratuity	(5.44)	(4.67)
Provision for compensated absences	(3.44)	(3.51)
	(8.88)	**(8.18)**
Current		
Net defined benefit liability - Gratuity	-	-
Provision for compensated absences	(0.55)	(0.54)
Total employee benefit liabilities	**(0.55)**	**(0.54)**
Total	**(9.43)**	**(8.72)**

Type of Plan	Defined Benefit
Employer's Contribution	100%
Employee's Contribution	100%
Salary for calculation of gratuity	Last drawn salary
Normal Retirement Age	58 years
Vesting Period	5 Years
Benefit on normal retirement	Same as per the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time).
Benefit on early retirement / termination / resignation/ withdrawal	Same as normal retirement benefit based on the service upto the date of exit
Benefit on death in service	Same as normal retirement benefit and no vesting period
Limit	Rs. 20,00,000
Gratuity Formula	15/26 * Last drawn salary * Number of completed years

In case of employees with age above the retirement age indicated above, the retirement is assumed to happen immediately and valuation is done accordingly

b) Defined benefit plan - Gratuity

The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of the Payments of Gratuity Act,1972 (as amended from time to time). There is risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000.)

Reconciliation of the net defined benefit (asset) / liability

	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	9.80	8.72
Fair value of plan assets	4.36	4.05
Defined benefit liability	**5.44**	**4.67**

Reconciliation of present value of defined benefit obligation

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	8.72	8.66
Current service cost	1.35	1.19
Interest cost	0.66	0.61
Benefits paid	(0.56)	(0.65)
Actuarial gain (loss) recognised in other comprehensive income		
- experience adjustments	0.10	(0.67)
- changes in financial assumptions	(0.47)	(0.42)
Balance at the end of the year	**9.80**	**8.72**

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Employee benefits (Contd.)

Changes in fair value of plan assets are as follows:	As at 31 March 2019	As at 31 March 2018
Fair value of plan assets at the beginning of the year	4.05	3.72
Interest income of plan assets	0.31	0.26
Return on plan assets, excluding amount recognised in net interest expense	-	0.05
Employer's contribution	-	0.02
Benefits paid	-	-
Fair value of plan assets at the end of the year	**4.36**	**4.05**

Expense recognised in statement of profit and loss	As at 31 March 2019	As at 31 March 2018
Current service cost	1.35	1.19
Net interest cost/ (income)	0.35	0.35
	1.70	**1.54**

Remeasurements recognised in other comprehensive income

Actuarial (gain) / loss arising during the year	(0.37)	(1.09)
Return on plan assets (greater) / less than discount rate	-	(0.05)
	(0.37)	**(1.14)**

Defined benefit obligations

Actuarial assumptions	As at 31 March 2019	As at 31 March 2018
Discount rate (per annum)	7.35%	7.60%
Future salary growth rate (per annum)	8.00%	9.00%
Attrition rate		
upto 30 years	20.00%	20.00%
from 31- 44 years	10.00%	10.00%
above 44 years	8.00%	8.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on yields/ rates available on applicable bonds as on the current valuation date. The salary growth rate as indicated above is Company's best estimate of an increase in salary of the employees in future years determined considering the general trend in inflation, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc. Attrition rate indicated above represents the Company's best estimate of Employee Turnover in future(other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Assumptions regarding future mortality are based on Indian Assured Lives Mortality (IALM) (2006-08) rates.

As at 31 March 2019, the weighted average duration of the defined benefit obligation was 8 years (31 March 2018 - 8 years).

Expected employer's contribution for the year ending 31 March 2020 is ₹ 6.77 crore (31 March 2019 - ₹ 5.90 crore).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2019		As at 31 March 2018	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	9.10	10.60	8.09	9.45
Future salary growth rate (1% movement)	10.48	9.19	9.32	8.17
Attrition rate (50% of attrition rates)	9.64	10.05	8.49	9.12
Mortality rate (10% of mortality rates)	9.81	9.80	8.72	8.72

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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Expected benefit payments

Undiscounted amount of expected benefit payments for next 8 years are as follows:

	As at 31 March 2019	As at 31 March 2018
Within 1 year	1.06	0.99
2-5 years	4.13	3.55
6-10 years	4.59	4.00
More than 10 years	9.98	9.90

The major categories of plan assets of the fair value of the total plan assets are as follows:-

	As at 31 March 2019	As at 31 March 2018
Investments with insurer	100%	100%

c) Defined contribution plans

The Company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The Company has recognised ₹ 5.33 crore (31 March 2018 ₹ 4.59 crore) during the year as expense towards contribution to these plans.

	For the year ended 31 March 2019	For the year ended 31 March 2018
Provident fund	4.41	3.73
Superannuation fund	0.09	0.11
Employees' state insurance scheme	0.83	0.75
	5.33	**4.59**

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34. Financial Instruments - Fair Values And Risk Management

a. Financial instruments by category and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy -

	Level of hierarchy	Note No.	31 March 2019 Carrying value	31 March 2019 Fair value	31 March 2018 Carrying value	31 March 2018 Fair value
Financial assets						
(not measured at fair value)						
Non-current						
Loans		6	3.00		1.86	
Current						
Trade receivables		9	83.96		86.27	
Cash and cash equivalents		10	5.91		28.41	
Loans		6	1.28		1.00	
Other financial assets		11	0.58		0.37	
			94.73		**117.91**	
Financial liabilities						
Non-current						
Borrowings	3	14	25.17	25.17	37.48	37.48
Current						
Borrowings	3	14	14.89	14.89	11.69	11.69
(not measured at fair value)						
Trade payables		18	96.62		99.52	
Other financial liabilities		19	23.60		16.00	
			160.28		**164.69**	

Notes:

1. Fair value of trade receivables, cash and cash equivalents, current loans, other current financial assets, trade payables, other current financial liabilities and current borrowings approximate their carrying amount, largely due to the short-term nature of these instruments.

2. Interest rates on long term borrowings (including current maturities) are equivalent to the market rate of interest. Accordingly, the carrying value of such borrowings approximates fair value. The fair value of long-term borrowings is estimated by discounting future cash flows using current rates (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.

3. Security deposits under non-current loans discounted at present value. Accordingly, the carrying value of the same approximates fair value.

4. Fair value of all other non-current assets have not been disclosed as the change from carrying amount is inconsequential.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2019 and 31 March 2018.

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Financial Instruments - Fair Values And Risk Management (Contd.)

b. Financial risk management

The Company, as active suppliers for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Company's management structure with the main activities 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:

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers original equipment manufactures (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default.

The Company's review also includes financial statements, industry information, promoter's background and in some cases bank references.

Expected credit loss on trade receivable :
The Company's expected probability of default is Nil and all major payments are received on due dates without any significant delays. Based on internal assessment which is driven by historical experience/ current facts available in relation to default in collection thereof, the expected credit loss for trade receivables due to delay in collection is estimated to be in the range of 0.10%. While the amount of total allowance for credit loss is disclosed in Note no. 9, the movement thereof during the years ended 31 March 2019 and 31 March 2018 is tabulated below:

	31 March 2019	31 March 2018
Opening provisions	0.38	0.39
Add: Provision made during the year	0.08	0.35
Less: Provision utilised /payment made during the year	0.01	0.07
Less: Excess provision written back	0.37	0.29
Closing provision	**0.08**	**0.38**

The Company's exposure to credit risk for trade receivable by the type of customers as at year end is as follows:

	Carrying amount	
	31 March 2019	31 March 2018
OEM	58.72	60.40
Non - OEM	25.24	25.87
Total	**83.96**	**86.27**

Ageing in respect of trade receivables is as follows:

31 March 2019

Trade receivable	Total	Less than 3 months	3 -12 months	1-5 years	Carrying amount
OEM	58.72	58.24	0.40	0.08	58.72
Non OEM	25.24	24.70	0.49	0.05	25.24
	83.96	**82.94**	**0.89**	**0.13**	**83.96**

31 March 2018

Trade receivable	Total	Less than 3 months	3 -12 months	1-5 years	Carrying amount
OEM	60.40	59.98	0.42	-	60.40
Non OEM	25.87	25.75	0.12	-	25.87
	86.27	**85.73**	**0.54**	-	**86.27**

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Loans and other financial assets

a) The Company has given security deposits to Government departments and vendors for securing services from them. As these are well established organisations and have strong capacity to meet the obligations, risk of default is negligible or nil.

b) The Company provides loans to employees for their personal needs and repayment by deduction from the salary of the employees. Loans are given only to those employees who have served a minimum period as per the approved policy of the Company. The expected probability of default is negligible or nil.

c) All the export incentives are receivable from Government and therefore expected probability of default is negligible or nil.

The Company's exposure to credit risk for loans and other financial assets is as follows:

	Carrying amount	
	31 March 2019	**31 March 2018**
Security deposits	3.06	1.82
Loans to employees	1.22	1.05
Other financial assets	0.58	0.37
	4.86	**3.24**

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high repute.

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Financial Instruments - Fair Values And Risk Management (Contd.)
Financial risk management (contd.)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities, when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Long term cash flow requirement is monitored through long term plans. In the line of long term planning, short term plans are reviewed on quarterly basis and compared with actual position on monthly basis to assess the performance of the Company and liquidity position.

The Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. In addition to this, the Company maintains the following line of credit:

- The Company is having credit limit from banks on account of borrowings, working capital, cash credit etc., of ₹ 62 crores and USD 0.40 crores (31 March 2018 ₹ 62 crores and USD 0.70 crores).

Exposure to liquidity risk

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

31 March 2019	Contractual cash flow						
	Total	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Carrying amount
Non derivative financial liabilities							
Foreign currency loan from banks	7.32	-	1.03	5.48	0.81	-	7.32
Rupee loan from banks	47.41	14.89	2.04	6.10	24.38	-	47.41
Payables for property, plant and equipment	5.38	-	5.38	-	-	-	5.38
Interest accrued on borrowings	0.04	-	0.04	-	-	-	0.04
Employee related payables	3.52	-	3.52	-	-	-	3.52
Trade payables	96.62	-	96.62	-	-	-	96.62
	160.29	**14.89**	**108.63**	**11.58**	**25.19**	-	**160.29**
Derivative instruments							
Forward contracts	3.26	-	-	-	-	-	3.26
	3.26	-	-	-	-	-	**3.26**

31 March 2018	Contractual cash flow						
	Total	On demand	Less than 3 months	3-12 months	1-5 years	More than 5 years	Carrying amount
Non derivative financial liabilities							
Foreign currency loan from banks	13.20	-	1.55	4.66	6.99	-	13.20
Rupee loan from banks	44.30	0.79	10.93	2.08	30.50	-	44.30
Payables for property, plant and equipment	3.16	-	3.16	-	-	-	3.16
Interest accrued on borrowings	0.09	-	0.09	-	-	-	0.09
Deposit from vendors	0.33	-	0.33	-	-	-	0.33
Employee related payables	4.10	-	4.10	-	-	-	4.10
Trade payables	99.52	-	99.52	-	-	-	99.52
	164.70	**0.79**	**119.68**	**6.74**	**37.49**	-	**164.70**
Derivative instruments							
Forward contracts	6.31	-	-	-	-	-	6.31
	6.31	-	-	-	-	-	**6.31**

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Financial Instruments - Fair Values And Risk Management (Cond.)
Financial risk management (contd.)

(iii) Market risk

Market risk is the risk that changes in market prices - such as pricing, currency risk and interest rate risk- will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Company.

Price risk
Fluctuation in commodity price in market affects directly and indirectly the price of raw material and components used by the Company. The key raw material for the Company's is copper and silver. The Company has arrangements with its major customers for passing on the price impact.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and functional currency of the Company, i.e. INR (₹). The currencies in which these transactions are primarily denominated are US dollar, Japanese Yen, GBP and Euro. The currency risk related to the principal amount of the USD loan has been fully hedged using currency swap contract that mature on the same dates as loans.

Details of hedged foreign currency exposures:

Particulars	As at 31 March 2019			As at 31 March 2018		
	Currency	Amount In Foreign Currency (in crore)	Amount in ₹ (crore)	Currency	Amount In Foreign Currency (in crore)	Amount in ₹ (crore)
Foreign currency loan	USD	0.05	3.26	USD	0.09	6.31

Hedge ratio:

Particulars	As at 31 March 2019	As at 31 March 2018
	USD in crores	USD in crores
Borrowings	0.05	0.09
Derivative contracts	0.05	0.09
Net exposure	-	-
Hedge ratio	1:1	1:1

Details of unhedged foreign currency exposures:

Particulars	As at 31 March 2019			As at 31 March 2018		
	Currency	Amount In Foreign Currency (in crore)	Amount in ₹ (crore)	Currency	Amount In Foreign Currency (in crore)	Amount in ₹ (crore)
Borrowings (foreign currency loans)	USD	0.06	4.07	USD	0.11	6.89
Trade payables	USD	0.07	4.78	USD	0.07	4.45
	JPY	6.85	4.29	JPY	6.48	3.98
	Euro	0.00	0.25	Euro	0.01	1.18
Advance to suppliers	USD	0.01	0.84	USD	0.02	1.30
	Euro	0.00	0.02	Euro	0.00	0.04
	JPY	0.31	0.19	JPY	1.79	1.10
	GBP	0.00	0.00	GBP	0.00	0.03
Capital advances	USD	0.00	0.05	USD	0.01	0.37
	Euro	-	-	Euro	0.00	0.05
	JPY	0.42	0.26	JPY	1.14	0.70
	SGD	0.02	0.94	SGD	-	-
Trade receivable	USD	0.04	2.71	USD	0.02	1.20
	Euro	0.01	0.80	Euro	0.01	1.11
	JPY	1.37	0.86	JPY	2.01	1.24

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The following significant exchange rates were applied at the year end:

Particulars	Year end rates	
	As at 31 March 2019	As at 31 March 2018
INR/ JPY	0.63	0.62
INR/ USD	69.17	65.04
INR/ SGD	52.21	-
INR/ Euro	77.70	80.62
INR/ GBP	90.48	92.38

Sensitivity Analysis

A reasonably possible strengthening/ (weakening) of USD, JPY, GBP, SGD and EURO against INR (₹) at the end of the year, would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Change in currency rate	Year end rates	Changes in rates	Net exposure	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2019	INR/USD Increases by 5 %	69.17	3.46	(0.08)	(0.26)	(0.17)
	INR/USD decreases by 5 %	69.17	(3.46)	(0.08)	0.26	0.17
	INR/SGD Increases by 5 %	52.21	2.61	0.02	0.05	0.03
	INR/SGD decreases by 5 %	52.21	(2.61)	0.02	(0.05)	(0.03)
	INR/GBP Increases by 5 %	90.48	4.52	0.02	0.08	0.05
	INR/GBP decreases by 5 %	90.48	(4.52)	0.02	(0.08)	(0.05)
	INR/JPY Increases by 5 %	0.63	0.03	(4.76)	(0.15)	(0.10)
	INR/JPY decreases by 5 %	0.63	(0.03)	(4.76)	0.15	0.10
	INR/Euro Increases by 5 %	77.70	3.89	0.01	0.03	0.02
	INR/Euro decreases by 5 %	77.70	(3.89)	0.01	(0.03)	(0.02)
As at 31 March 2018	INR/USD Increases by 5 %	65.04	3.25	(0.13)	(0.42)	(0.28)
	INR/USD decreases by 5 %	65.04	(3.25)	(0.13)	0.42	0.28
	INR/GBP Increases by 5 %	92.38	4.62	0.00	0.00	0.00
	INR/GBP decreases by 5 %	92.38	(4.62)	0.00	(0.00)	(0.00)
	INR/JPY Increases by 5 %	0.62	0.03	(1.54)	(0.05)	(0.03)
	INR/JPY decreases by 5 %	0.62	(0.03)	(1.54)	0.05	0.03
	INR/Euro Increases by 5 %	80.62	4.03	0.00	0.00	0.00
	INR/Euro decreases by 5 %	80.62	(4.03)	(0.00)	(0.00)	(0.00)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.
The Company tries to manage the risk partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

Exposure to Interest rate risk

The Company has the following exposure in interest bearing borrowings as on reporting date:

	As at 31 March 2019	As at 31 March 2018
Fixed interest borrowings	0.02	0.10
Variable interest borrowings	54.71	57.39
Total borrowings	**54.73**	**57.49**

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Variable interest borrowings include loan from banks which carry MCLR/ LIBOR based interest rate.

Sensitivity analysis

A reasonably possible change of 1% in interest rate at the reporting date, would have affected profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Year ended	Profit / (loss)	
	0.5% increase	0.5% decrease
31 March 2019	0.03	(0.03)
31 March 2018	0.02	(0.02)

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35 Operating leases

Leases as lessee

The Company's significant operating lease arrangements are in respect of premises (factory building, residential, godown etc.). The lease term for these leases ranges from 11 months to 17 years which includes a lock-in period and in certain cases are renewable by mutual consent on mutually agreeable terms. Some of the significant terms and conditions for the arrangements are:

- agreements may generally be terminated by either party by serving notice / mutual consent.
- the lease arrangements are generally renewable on the expiry of lease period subject to mutual agreement.
- no subletting of the premises or any part thereof is permissible without the prior written consent of lessor.

	Year ended 31 March 2019	Year ended 31 March 2018
(a) Amount recognised in statement of profit and loss:		
Lease expense for the year	6.08	5.76
(b) Future minimum lease payment in case of non- cancellable lease		
- not later than one year	4.35	4.02
- later than one year and not later than five year	25.26	18.19
- later than five years	23.39	33.26

(c) There is no contingent rent in the lease agreement.

36 Research and development expenses *	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	4.09	3.25
Contributions to provident fund and other funds	0.29	0.20
Staff welfare	0.02	0.09
Travelling and conveyance	0.38	0.43
Miscellaneous expenses	1.29	1.29
	6.07	**5.26**

* Excludes capital expenditure of ₹ 12.53 crore (31 March 2018 ₹ 7.77 crores).

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37. Related parties

Description of relationship	Names of related parties
(a) Related party and nature of related party relationship where control exists:-	
Holding Company	Minda Industries Ltd. (w.e.f 1 January 2018)
Enterprise having substantial interest in the Company	Tokai Rika Co. Ltd, Japan Minda Industries Ltd. (Upto 31 December 2017)
(b) Related party and nature of related party with which transactions have taken place during the year:-	
Fellow subsidiaries	Minda Distribution & Services Ltd (w.e.f 1 January 2018) Minda Kyoraku Limited (w.e.f 1 January 2018) PT Minda Asean Automotive. (w.e.f 1 January 2018) Minda Storage Batteries Pvt Ltd. (w.e.f 1 January 2018) Minda Katolac Electronics Services Pvt Ltd (w.e.f 1 January 2018)
Enterprises in which directors/members of the Company can exercise significant influence	Nirmal K. Minda (HUF) Minda Investment Ltd MI Torica India Private Ltd Minda Distribution & Services Ltd (Upto 31 December 2017) Minda Kyoraku Ltd (Upto 31 December 2017) Shankar Moulding Ltd Minda Projects Ltd Minda Nexgen Tech Ltd Tokai Rika (Thailand) Co.Ltd Tokai Rika Minda India Pvt Ltd MITIL Polymer Private Limited Tokai Rika Create Corporation (Torica) Tokai Rika Co.Ltd, Philippines Toyoda Gosei Minda India Pvt Ltd Tokairika Indonesia Minda Storage Batteries Pvt Ltd.(Upto 31 December 2017) Denso Ten Minda India Pvt Ltd. Minda Stoneridge Instruments Ltd. PT Minda Asean Automotive. (Upto 31 December 2017) PT Minda Trading. Samaira Engineering. Minda I Connect Pvt Ltd. Minda Industries Minda Nabtesco Automotive Pvt. Ltd.
Key Management Personnel (KMP)	Mr. Nirmal K.Minda Mr.Takehiko Niwa Mr. Ravi Mehra Mr. Anand K.Minda Mr. H.K Lal (w.e.f 5 February 2018) Ms. Deepali Chandhoke (w.e.f 5 February 2018) Mr. Hidehito Araki (w.e.f 26 July 2018) Mr. Kazuhiko Noguchi (w.e.f 13 June 2018)

(c) Details of related party transactions during the year

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(i) Revenue		
Holding Company		
Sale of products	3.52	0.84
Sale of services	0.16	-
Enterprise having substantial interest in the Company		
Sale of products		
- Tokai Rika Co.Ltd, Japan	2.67	0.10
- Minda Industries Ltd	-	1.74
Miscellaneous income		
- Minda Industries Ltd (absolute ₹ 3,100 for 31 March 2018)	-	*
Fellow subsidiaries		
Sale of products		
-Minda Distribution & Services Ltd	7.24	0.93
-Minda Katolac Electronics services Pvt Ltd.	0.08	-

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37. **Related parties(cont..)**

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Enterprises in which directors/members of the Company can exercise significant influence		
Sale of products		
- Tokai Rika Minda India Pvt Ltd	78.29	77.87
-Tokai Rika Create Corporation (Torica)	5.43	5.06
-Tokai Rika (Thailand) Co. Ltd.	2.44	2.19
- Shankar Moulding Ltd	0.21	0.15
- Toyoda Gosei Minda India Pvt Ltd	29.88	24.92
-Minda Distribution & Services Ltd	-	4.97
-PT Minda Trading	10.38	0.48
-Others	0.49	0.40
(ii) Reimbursement of expenses (received)		
Holding company		
Miscellaneous expenses	0.08	0.02
Enterprises having substantial interest in the Company		
Other reimbursements		
- Minda Industries Ltd.	-	0.04
- Tokai Rika Co.Ltd, Japan	-	1.17
Enterprises in which directors/members of the Company can exercise significant influence		
Employee benefit expenses		
- Minda Storage Batteries Pvt Ltd	-	0.01
- Minda Investment Ltd	-	-
Miscellaneous expenses		
- Denso Ten Minda India Pvt Ltd	0.00	0.02
Other reimbursement		
- Shankar Moulding Ltd	0.02	0.01
- Minda Investment Limited	-	0.01
Key Management Personnel		
Rent	0.02	0.02
(iii) Purchase of property, plant and equipment		
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Projects Ltd	19.90	20.97
- Tokai Rika Co.Ltd, Japan	3.63	0.51
(iv) Expenses		
Holding company		
Purchase of raw materials and components	5.83	0.55
Legal and professional	12.39	1.68
Miscellaneous expenses	2.61	0.94
Rent	1.45	0.23
Enterprises having substantial interest in the Company		
Purchase of raw materials and components		
- Tokai Rika Co.Ltd, Japan	0.14	0.16
- Minda Industries Ltd	-	4.88
Legal and professional		
- Tokai Rika Co.Ltd, Japan	0.26	0.94
- Minda Industries Ltd	-	4.78
Royalty		
- Tokai Rika Co.Ltd, Japan	4.32	3.91
Miscellaneous expenses		
- Tokai Rika Co.Ltd, Japan	2.36	0.21
- Minda Industries Ltd	-	2.62
Salaries and wages		
- Minda Industries Ltd	-	1.39
Employee benefit expenses		
- Minda Industries Ltd	-	0.16
Rent		
- Minda Industries Ltd	-	0.46
- Minda Industries	0.01	-

37. Related parties (cont..)

Expenses (cont...)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Fellow Subsidiary		
Employee benefit expenses		
-Minda Kyoraku Limited	0.01	0.01
Miscellaneous expenses		
-Minda Kyoraku Limited	0.00	-
Enterprises in which directors/members of the Company can exercise significant influence		
Purchase of raw materials and components		
- MI Torica India Private Ltd	2.79	4.13
- Tokai Rika Co.Ltd, Philippines	1.23	1.16
- Tokai Rika (Thailand) Co.Ltd	8.39	6.97
-Tokai Rika Minda India Pvt. Ltd.	72.71	41.56
- Tokai Rika Create Corporation (Torica)	17.34	14.55
- Shankar Moulding Ltd	16.66	6.91
- Tokairika Indonesia	0.35	0.05
-Minda Katolac Electronics services Pvt Ltd	0.45	0.04
-MITIL Polymer Private Limited	10.34	8.96
Rent		
- Minda Investment Ltd	4.02	2.21
Miscellaneous expenses		
- MI Torica India Private Ltd (absolute ₹ 19,817 for 31 March 2018)	-	0.00
-MITIL Polymer Private Limited (absolute ₹ 38,199 for 31 March 2018)	-	0.00
-Minda Stoneridge Instruments Ltd	-	0.01
Repair and maintainance		
- Minda Project Limited	-	0.06
-Denso Ten Minda India Pvt Ltd.	-	0.04
-Minda Nexgen Tech Ltd.	-	0.05
- Shankar Moulding Ltd (absolute ₹ 11,000 for 31 March 2018)	-	0.00
Employee benefit expenses		
-Minda Kyoraku Limited	-	0.02
Key Management Personnel#		
Managerial Remuneration##		
- Mr.Nirmal K.Minda	0.84	0.81
- Mr.Takehiko Niwa	0.31	0.30
- Mr.Ravi Mehra$	3.32	3.55
Director's sitting fee		
Ms. Deepali Chandhoke	0.01	0.00
Mr. Hidehito Araki	0.01	-
(v) Payment of dividend		
Enterprises having substantial interest in the Company		
- Tokai Rika Co.Ltd, Japan	5.27	3.52
- Minda Industries Ltd	7.27	2.57
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Investment Ltd	-	0.29
Key Management Personnel		
- Mr.Nirmal K.Minda	1.71	3.13

Does not include provisions/contributions towards gratuity, compensated absenses, as applicable, as such provisions are for the Company as a whole.
$ Employees Stock Options expense in Statement of Profit and Loss is Rs. NIL crores (previous year Rs.0.46 crores), recharged by Minda Industries Limited.

##Key Management Personnel: Managerial personnel

	Year ended 31 March 2019	Year ended 31 March 2018
Short term employee benefits		
- Mr.Nirmal K.Minda	0.84	0.81
- Mr.Takehiko Niwa	0.17	0.30
- Mr.Ravi Mehra	3.32	3.55

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37. Related parties (cont..)

(d) Balance outstanding at the end of the year

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(i) Trade receivables		
Holding Company		
- Minda Industries Ltd	0.73	0.56
Enterprises having substantial interest in the Company		
- Tokai Rika Co Ltd, Japan	0.04	0.02
Fellow subsidiaries		
- Minda Distribution & Services Ltd	0.84	1.60
-Minda Katolec Electronics Services	0.01	-
Enterprises in which directors/members of the Company can exercise significant influence		
- Shankar Moulding Ltd (absolute ₹ 30,686 for 31 March 2018)	0.07	0.00
- Tokai Rika Minda India Pvt Ltd	7.68	14.84
- PT Minda Trading	0.86	-
- MI Torica India Private Ltd	-	0.02
-Tokai Rika Create Corporation (Torica)	0.47	1.29
-Tokai Rika (Thailand) Co. Ltd	0.57	0.79
- Toyoda Gosei Minda India Pvt Ltd	1.97	4.01
-Minda I Connect Pvt Ltd	0.29	-
- Denso Ten Minda India Pvt Ltd	-	0.02
(ii) Loans- security deposits		
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Investment Ltd	0.83	0.75
(iii) Advance to suppliers		
Enterprises in which directors/members of the Company can exercise significant influence		
- Minda Project Ltd	-	3.51
- Shankar Moulding Ltd	0.40	0.12
(iv) Trade payables		
Holding Company		
- Minda Industries Ltd	3.83	3.09
Enterprises having substantial interest in the Company		
- Tokai Rika Co.Ltd, Japan	0.87	0.87
Fellow subsidiaries		
-Minda Storage Batteries Pvt Ltd. (absolute ₹ 11,300 for 31 March 2018)	-	0.00
-Minda Katolac Electronics services Pvt Ltd.	0.22	0.05
Enterprises in which directors/members of the Company can exercise significant influence		
- MI Torica India Private Ltd	-	0.36
- Shankar Moulding Ltd	1.98	1.96
- Tokai Rika Co.Ltd, Philippines	0.25	0.13
- Tokai Rika (Thailand) Co.Ltd	1.10	0.80
-Tokai Rika Create Corporation (Torica)	3.09	2.29
- Tokai Rika Minda India Pvt Ltd	7.66	10.99
- Tokairika Indonesia	0.02	0.01
- MITIL Polymer Private Limited	2.63	1.39
Key Management Personnel		
- Mr. Takehiko Niwa (absolute ₹ 75,823 for 31 March 2019)	0.01	-
- Mr.Ravi Mehra (absolute ₹ 1,530 for 31 March 2019)	0.00	0.22

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37. Related parties (cont..)

Balance outstanding at the end of the year (cont..)

Particulars	**Year ended 31 March 2019**	**Year ended 31 March 2018**
(v) Advance from customers		
Enterprises in which directors/members of the Company can exercise significant influence		
- Tokai Rika Minda India Pvt Ltd	-	3.31

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38. Operating Segments

a. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

The Company is engaged in the business of manufacturing of switches which constitutes a single business segment, accordingly, disclosure requirement of Ind AS 108, "Operating Segments" are not required to be given. Results of the Company are reviewed regularly by the Company's Board of Directors to assess the performance of the Company and to make decisions accordingly.

	Year ended on 31 March 2019	Year ended on 31 March 2018
Details of Turnover		
Sale of finished goods	793.58	761.44
Sale of services	3.87	1.34
	797.45	**762.78**

b. Major customer

Revenue from two customers which individually constitute more than 10% of the Company's total revenue is 52% (31 March 2018 55%).

c. Segment Reporting -Geographical segment

The analysis of geographical segment is based on geographical location of the Company:

	Year ended on 31 March 2019	Year ended on 31 March 2018
Revenue		
India	771.28	750.90
Outside India	26.17	11.88
Total	**797.45**	**762.78**

	As at 31 March 2019	As at 31 March 2018
Non current assets*		
India	180.00	149.26
Outside India	1.25	-
Total	**181.25**	**149.26**

* excluding financial instruments

	As at 31 March 2019	As at 31 March 2018
Trade receivables		
India	79.59	83.25
Outside India	4.37	3.02
Total	**83.96**	**86.27**

39. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-tax Act, 1961. Since, the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation to determine whether the transactions entered into with the associated enterprises during the financial year on an arm's length basis. The management is of the opinion that such transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

MINDARIKA PVT. LTD. Vill. Nawada Fattehpur PO Sikanderpur Badaa Gurgaon-122004

B S R & Co. LLP GURUGRAM Chartered Accountants

Mindarika Private Limited
Notes forming part of the financial statements for the year ended 31 March 2019
(All figures are in ₹ crores, except share data and unless otherwise stated)
CIN:-U74899DL1995PTC073692

40. Share-based compensation

The Company had participated in the Minda Industries Limited Employee Stock Option Scheme 2016 and during the year ended 31 March 2017. The Nomination & Remuneration Committee of Minda Industries Limited ('the Parent Company') had approved the grant of 1,10,000 equity shares of face value of Rs. 2/- to certain deputed employees of the Company in terms of the Employee Stock Option Scheme 2016. The scheme is monitored and supervised by the Nomination and Remuneration Committee of the Board of Directors of Minda Industries Limited in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and amendments thereof from time to time.

The parent company accounts for Equity Stock Options as per the accounting treatment prescribed by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014 (as amended from time to time) and the Ind AS - 102 on Share Based Payment. Accordingly, the expense pertaining to the Company is recharged by the parent company.

The terms and conditions related to the grant of the share options are as follows:

Scheme	Year	Date of Grant	Number of options granted	Vesting conditions	Exercise period	Exercise price (₹) per share
Minda Employee Stock Option Scheme 2016	2016-17	23-Nov-16	1,10,000	Achieving target of market capitalization of parent Company on or before 31 March, 2018	1 Year from the date of vesting	180

The number of share options under stock benefit plan is as follows:

Scheme	Year	Outstanding at the beginning of the year	Granted during the year	Forfeited/lapsed/expired during the year	Exercised during the year	Exercisable at the end of the year	Outstanding at the end of the year
Minda Employee Stock Option Scheme 2016	2017-18	1,10,000	-	-	1,10,000	-	-
	2018-19	-	-	-	-	-	-

Fair valuation

The parent company has provided the fair value of Share based payment cost that have been done by an independent valuer on the date of grant using the Black-Scholes Model.

The following assumptions were used for calculation of fair value of grants:

Particulars	As at 31 March 2019	As at 31 March 2018
Risk- free interest rate (%)	NA	6.13%- 6.15 %
Expected life of options (years) [(year of vesting) +(contractual option term)/2]	NA	1.53 year - 1.85 years
Expected volatility (%)	NA	27.92% - 43.62 %
Dividend yield	NA	4.61%- 6.90%

The risk free interest rates are determined based on the zero-coupon yield curve for Government Securities or Government bonds with maturity equal to the expected term of the option. Volatility calculation is based on annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. The historical period taken into account to match the expected life of the option. Dividend yield has been arrived by dividing the dividend for the period with the current market price.

The above disclosure is based on the information, to the extent available with the Company.

Amount recognised in statement of profit and loss:	Year ended 31 March 2019	Year ended 31 March 2018
Employee stock option expenses	NA	0.85

As per our report of even date attached:

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Tarun Gupta
Partner
Membership No. : 507892

Place: Gurugram
Date: 27 April 2019

For and on behalf of the Board of Directors of
Mindarika Private Limited

Nirmal Kumar Minda
Managing Director
DIN No: 00014942

Ravi Mehra
Director
DIN No: 01651911

Sanjay Kumar Aggarwal
Chief Financial Officer

Brijesh Kumar
Company Secretary
Membership No. 36070

Place: Gurugram
Date: 27 April 2019