

Independent Auditor's Report**To the Members of****Minda Auto Components Limited**

We have audited the accompanying financial statements of Minda Auto Components Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2017, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

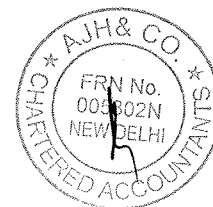
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance of the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the



assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Matters

The financial Statement/ information of Branch Office at Japan is included in the financial statements of the company as at 31st March, 2017.

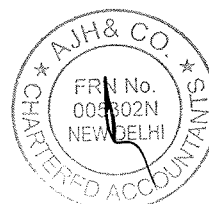
We have relied upon the monthly financial information / financial statements received from the Japan Office. We have also obtained written representations from the management wherein they have provided the assurance as to the completeness, accuracy and correctness of the information/ details provided to us.

Opinion

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 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 31st March 2017, and its profit and its cash flow statement for the year ended on that date.

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure -A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



- (c) The Balance sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. According to the information and explanations given to us the Company has no pending litigations.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. Requirement for transferring amounts to the Investor Education and Protection Fund by the Company is not applicable here.
 - iv. The Company has provided requisite disclosures in its Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are according with the Books of Accounts maintained by the company.

Date: May 13th, 2017
Place: Delhi

For AJH & CO
Chartered Accountants
FRN: 05302N

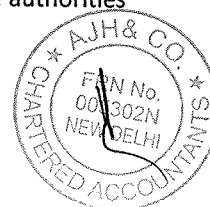


Membership No. 84096

Annexure –A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2017; we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company no immovable property is held in the name of the company, hence clause (i) (c) of the order is not applicable.
- (ii) According to the records, information and explanations provided to us, and on the basis of our examination of the records of the company, the company has physically verified the inventory and no material discrepancy noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the order are not applicable to the company.
- (iv) According to the records, information and explanations provided to us, the Company has not given loans /given guarantee/provided security during the year. However the company had made investments in Equity shares of a company which are in accordance of provisions of Section 186 of the Companies Act, 2013.
- (v) According to the records, information and explanations provided to us, the Company has not accepted any deposits from the public.
- (vi) The Central government has prescribed maintenance of cost records under section 148(1) of the Companies Act, for the kind of business activities undertaken by the company. We have broadly reviewed and on the basis of the information and explanations provided to us by the management, we are of the opinion that such records are being maintained.
- (vii) (a) According to the records, information and explanations provided to us, and on the basis of our examination of the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other materials, statutory dues as applicable to it and no material undisputed amounts payable were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues on account of any dispute of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, and any other statutory dues, that has not been deposited with appropriate authorities on account of any dispute.



- (viii) Based on our audit procedures and according to the information and explanations given to us, the company has not availed any loan facility from financial institutions, Banks, Government or Debenture holders during the year, accordingly clause 3(viii) of the Order is not applicable to the company.
- (ix) According to the information and explanations given to us the company did not raise moneys by way of initial public issue/ follow on offer (including debt instruments) and term loan during the year.
- (x) Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided managerial remuneration, hence clause 3 (xi) of the order is not applicable.
- (xii) The company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transaction with its related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares during the year under review; hence clause 3(iv) 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 them. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- (xvi) According to the information and explanations given to us, the company is not carrying out any business activity that require registration under section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Finance Company.

For AJH & CO

Chartered Accountants

FRN:005302N

Ajay Jain
Partner
Membership No. 84096

Date : May 13th, 2017
Place : Delhi

ANNEXURE – B

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

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

We have audited the internal financial controls over financial reporting of Minda Auto Components Limited ("the Company") as of March 31st, 2017, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

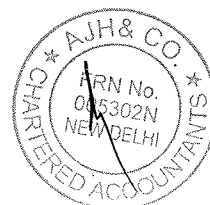
The Company's management is responsible for establishing and maintaining adequate and effective internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance Note we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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


Ajay Jain
Partner
Membership No. 84096

Place: Delhi

Date: May 13th, 2017


MINDA AUTO COMPONENTS LIMITED

Balance Sheet as on 31st March, 2017

Particulars	Note No	As At 31st March 2017 Amount in INR	As At 31st March 2016 Amount in INR
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,102,000	2,102,000
Reserves and Surplus	2	150,674,348	133,349,881
Share application money pending allotment		-	-
Non-Current Liabilities			
Long term provisions	3 (a)	751,473	622,897
Current Liabilities			
Trade payables	4	140,531,645	95,676,676
Other current liabilities	5	17,195,558	9,759,065
Short-term provisions	3 (b)	1,211,568	10,911,763
Total		312,466,592	252,422,282
II. Assets			
Non-current assets			
<i>Fixed assets</i>			
Tangible assets	6	4,952,704	5,182,564
Intangible assets			
Non Current Assets Long Term Investment	7	47,124	-
Deferred tax assets (net)	8	992,282	751,605
Long term loans and advances	9 (a)	2,827,162	3,677,377
Current assets			
Inventories	10	24,538,566	28,908,351
Trade receivables	11	234,827,695	193,686,192
Cash and cash equivalents	12	36,833,148	7,580,070
Short-term loans and advances	9 (b)	7,447,911	12,636,123
Notes to Accounts	1 to 26		
Total		312,466,592	252,422,282


As per our Report of even date

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


AJAY JAIN
Partner
Membership No. 84096

For and on Behalf of Board of Directors


H.C. Dhamija
DIRECTOR
DIN-00054842


Seema Gupta
DIRECTOR
DIN-06944070

Place: New Delhi
Date: May 13th, 2017

MINDA AUTO COMPONENTS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note No	For the Year ended 31st March 2017	For the Year ended 31st March 2016
		Amount in INR	Amount in INR
Revenue from operations	13	1,071,374,769	723,573,500
Other Income	14	152,619	2,564,954
Total Revenue		1,071,527,388	726,138,454
Expenses:			
Cost of materials consumed	15	709,036,798	619,761,524
Purchase of Traded Goods		264,997,702	19,648,579
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	(950,766)	(5,729,621)
Employee benefit expense	17	35,003,220	22,141,356
Interest and Financial costs	18	5,271,457	5,726,509
Depreciation and amortization expense	6	2,000,302	1,151,810
Other Expenses	19	30,854,895	29,917,332
Total Expenses		1,046,213,609	692,617,490
Profit before exceptional and extraordinary items and tax		25,313,778	33,520,964
Exceptional Items	20	25,143	-
Profit before extraordinary items and tax		25,288,635	33,520,964
Extraordinary Items	21	-	-
Profit before tax		25,288,635	33,520,964
Tax expense:			
(1) Current tax		8,869,175	10,897,902
(2) Tax adjustment- Earlier year		(664,330)	(37,613)
(3) Deferred tax		(240,676)	655,906
Profit(Loss) from the Year from continuing operations		17,324,466	22,004,769
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations		-	-
Profit/(Loss) for the Year		17,324,466	22,004,769
Earning per equity share: Basic & Diluted		82.42	104.68
Notes to Accounts	1 to 26		

As per our Report of even date

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


AJAY JAIN
Partner
Membership No. 84096

Place: New Delhi
Date: May 13th, 2017

For and on Behalf of Board of Directors


H.C. Dhamija
DIRECTOR
DIN-00054872



Seema Gupta
DIRECTOR
DIN-06944070

MINDA AUTO COMPONENTS LIMITED
STATEMENT OF CASH FLOWS AS AT 31st March 2017

PARTICULARS	For the Year ended 31-Mar-17	For the Year ended 31-Mar-16
	Amount in INR	Amount in INR
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Income before tax	25,288,635	33,520,964
Adjusted for:		
Depreciation	2,000,302	1,151,810
Assets Written off	41,728	481,595
Interest expense adjustment	-	28,539
Interest paid	5,271,457	5,726,509
Miscellaneous Provisions written back	-	(2,507,127)
Provision for bad and doubtful advances	-	250,207
Interest on Bank deposits	(88,723)	(13,822)
Operating Profit before Working Capital Changes	32,513,400	38,638,675
Adjusted for:		
Current Accounts Receivable	(41,141,503)	(101,580,736)
Non Current Term Loans & Advances	850,215	(963,416)
Current Term Loans & Advances	(4,238,233)	(891,017)
Current Inventories	4,369,785	(4,537,692)
Current Trade Payables	52,409,099	90,914,389
Non Current Trade Payables	128,576	204,903
Cash generated from operations	44,891,339	21,785,106
Income Tax paid	(8,607,593)	(9,424,982)
NET CASH FROM OPERATING ACTIVITIES	36,283,746	12,360,124
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,800,810)	(2,470,331)
Purchase of Investments	(47,124)	-
Interest on Bank Deposit	88,723	13,822
NET CASH USED IN INVESTING ACTIVITIES	(1,759,212)	(2,456,509)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Loans	-	-
Interest and other financial charges	(5,271,457)	(5,726,509)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(5,271,457)	(5,726,509)
Net(Decrease) Increase in Cash & Cash Equivalents(A+B+C)	29,253,078	4,177,106
Cash and Cash Equivalents at the beginning of the year	7,580,070	3,402,963
Cash and Cash Equivalents at the end of the year	36,833,148	7,580,070


As per our Report of even date

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


AJAY JAIN
Partner
Membership No. 84096

Place: Delhi
Date: May 13th, 2017

For and on Behalf of Board of Directors


H.C. Dhamija
DIRECTOR
DIN-00054842


Seema Gupta
DIRECTOR
DIN-06944070

MINDA AUTO COMPONENTS LIMITED

SIGNIFICANT ACCOUNTING POLICIES

A. BACKGROUND

Minda Auto Components Limited formerly known as Minda Auto Components Limited consequent to the fresh certificate of incorporation w.e.f.: October 16th, 2008 ('the Company') was incorporated in India on November 13, 1996 as S. J. Components Private Limited. The Company manufactures and trades in Auto Components. The company has five units located at Nalagarh, Hosur, Mysore, Noida and Gujarat (started in FY 2015-16). Nalagarh is in Tax free zone. The company has discontinued its manufacturing operations from Hosur Unit, during the Financial Year 15-16. The company also has its office in Japan (opened during the Financial Year 2015-16) to cater the upcoming needs of major four-wheeler manufacturers. The Company had started its business activities i.e. manufacturing and trading of auto components during the financial year 2007-08. The company is a 100% (wholly owned) subsidiary of Minda Industries Limited, (a listed company).

The accompanying financial statements reflect the results of the activities undertaken by the company during the year ended March 31st, 2017.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) **Basis of Accounting**

The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory as prescribed under section 133 of the Companies Act , 2013 (' Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) .Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.



iii) Revenue Recognition

Revenue from the sale of goods is recognized as goods are dispatched to the customers from the factory. Revenue from sale of goods to overseas customers is recognized on the goods being shipped on board. The sales are recorded at invoice value, net of sales tax, and sales returns but including excise duty.

Revenue from the services rendered is recognized on accrual basis and are recorded net of service tax.

Interest on bank deposits is recognised on accrual basis.

iv) Fixed Assets

Fixed Assets are stated at cost (Gross Block) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its immediate use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are recognized as expenses in the period in which they are incurred.

Exchange differences arising in respect of translation/settlement of long term foreign currency attributable to the acquisition of a depreciable asset are also included in the cost of an asset.

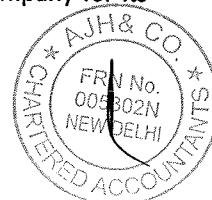
v) Depreciation

Depreciation on all tangible assets is provided on the straight-line method except for Plant and Machinery and Tools and Dies, which are depreciated on written down value method over the useful lives of the assets estimated by the management.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act, except for Plant and Equipment specific to Tools and Dies which has been depreciated over life of 5 years being the management estimate of the useful life is lower than the life arrived at on the basis of Schedule II to the Act. Based on internal technical evaluation, the management believes, that the useful lives as considered for arriving at depreciation rates, best represent the period over which management expects to use these assets.

Depreciation on additions to Fixed Assets is provided on Pro-rata basis from the date of acquisition of the asset. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale, deduction, dis-cardment as the case may be.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use.



All assets costing Rs. 5000/- or below are depreciated in full by way of one time depreciation charge.

vi) Inventories

Inventories are valued at lower of the cost or net realisable value. The basis of determination of cost of various categories of inventories is as follows:

Finished Goods : Material cost plus an appropriate share of labour and production overheads wherever applicable.

Raw Materials, Components and Other materials : Moving Weighted Average Basis.

vii) Excise Duty

Excise Duty is accounted on the following basis;

In respect of goods cleared: Payment basis

In respect of goods lying in Bonded warehouse: Provision basis

viii) Impairment of assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of the asset exceeds the amount to be recovered through use or sale of the asset.

ix) Research & Development

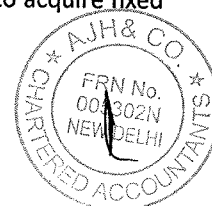
Revenue Expenses incurred on research and development is charged off to the Profit & Loss Account in the year in which these expenses are incurred. Capital expenditure incurred on research and development is included in fixed assets and depreciated at applicable rates.

x) Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at the exchange rates prevailing on the date of Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those relating to fixed assets is recognized in the Profit & Loss Account. Gains or loss on transaction of long-term liabilities incurred to acquire fixed assets is treated as an adjustment to the carrying cost of related fixed assets.



xi) Retirement Benefits

The Company has made provision for retirement benefits during the year on an estimated basis as per the provisions of AS-15.

xii) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earning per share, the net profit or loss for the year, attributable to the equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xiii) Income Taxes

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing difference between the taxable income and the accounting income as on March 31st, 2017 that reverse in one or more subsequent years are recognised if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

Deferred tax assets or liabilities in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday are recognized in the year in which the timing differences originate if they result in taxable amounts.

Deferred tax assets are recognized only if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

xiv) Borrowing Costs

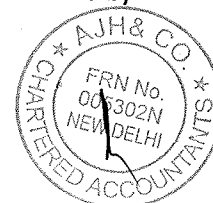
Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xv) Miscellaneous Expenditure

All the Preliminary expenses incurred on formation of the company have been amortized over a period of first five financial years.

xvi) Warranty Claims

Contractual obligations in respect of warranties are recognized on lodgment of claims by the customers.



xvii) Leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rental in respect of an asset taken on operating lease is charged to Statement of profit and loss on the basis of terms of lease.

xviii) Material Events

Material events occurring after the Balance Sheet date are taken into cognisance.

C. Commitments and contingencies (not provided for)

There are no contingent liability and no capital commitment.


D. Going Concern

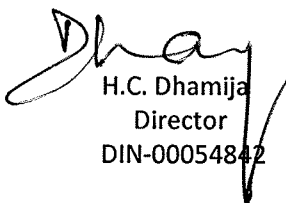
The Company has no accumulated losses at the end of the current financial year as well as at the end of the immediately preceding financial year. The company has not incurred cash losses during the year.

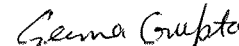
E. Reclassification

Previous Year's figures have been regrouped and/or re-arranged wherever necessary to confirm to current year's grouping and classifications.

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


Ajay Jain,
Partner
Membership No. 84096


H.C. Dhamija
Director
DIN-00054842


Seema Gupta
Director
DIN-06944070

Place: Delhi

Date: May 13th, 2017

MINDA AUTO COMPONENTS LIMITED
Notes to Financial Statements for the year ended March 31st, 2017

Note 1

Share Capital and Share Warrants

Share Capital		Balance as at 31.03.17	Balance at 31.03.16
		Amount in INR	Amount in INR
Authorised			
250,000	Equity Shares of Rs 10 each	2,500,000	2,500,000
Issued Subscribed and Paid up			
210,200	Equity Shares of Rs 10 each	2,102,000	2,102,000

- 1.1 This share based transaction took place in 2010.
The date of Subscription is 29th January 2010.
- 1.2 No Equity shares have been issued as fully paid up Bonus Shares by capitalisation of the Reserves.
- 1.3 The Details of Share holders holding more than 5% of the Equity Share Capital;

S. No.	Name of the Shareholder	Balance as at 31.03.17		Balance at 31.03.16	
		Holding %	Holding Value	Holding %	Holding Value
1	Minda Industries Limited	100	2,102,000	100	2,102,000

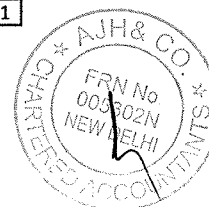
- 1.4 The Reconciliation of number of Shares outstanding at the year end is set out below:

Particulars	Balance as at 31.03.17	Balance at 31.03.16
		No. of Shares
Equity Shares at the Beginning of the Year	210,200	210,200
Add: Shares Issued	-	-
Less: Share Buy Back	-	-
Equity Shares at the End of the Year	210,200	210,200

Note 2

Reserves and Surplus

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Profit & Loss Account		
Balance as per Last Balance Sheet	133,349,881	111,345,112
	133,349,881	111,345,112
Transferred to Profit & Loss A/c	-	-
Profit & Loss Account Current Year	17,324,466	22,004,769
Total	150,674,348	133,349,881
Grand Total	150,674,348	133,349,881



MINDA AUTO COMPONENTS LIMITED
Notes to Financial Statements for the year ended March 31st, 2017

Note 3

(a) Long Term Provisions

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Provision for Gratuity	580,529	509,875
Provision for Leave encashment	170,944	113,022
Total	751,473	622,897

3.(a).1

Non Current values for the Employee Benefits as per AS 15 have been accounted for on the basis of the Actuarial Valuation report taken by the Company from an independent third party.

(b) Short Term Provisions

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Provision for Leave encashment	48,346	6,855
Provision for Gratuity	86,754	10,609
Provision for Income Tax (2016-17 Net off of Advance Tax FY 2016-17)	1,076,468	10,894,300
Total	1,211,568	10,911,764

3.(b).1

Current values for the Employee Benefits as per AS 15 have been accounted for on the basis of the Actuarial Valuation report taken by the Company from an independent third party.

Note 4

Trade Payables

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Trade Payables due within 12 months of the reporting date	-	-
Trade Payables due within the normal Operating cycle or within 12 months from the reporting date	140,531,645	95,676,676
Total	140,531,645	95,676,676

4.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid /payable under this Act have not been given.

4.2 Includes Expense Provision.

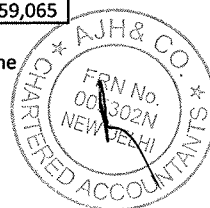
Note 5

Other Current Liabilities *

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Payable (others)	17,195,558	9,759,065
Total	17,195,558	9,759,065

5.1 All payables which are due to be paid within 12 months of the Reporting Date or within the

5.2 Includes Employee Wages Payables, Bonus Exgratia Payables and other Statutory Dues

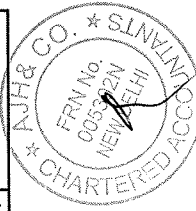


Note 6

Fixed Assets

(a) Tangible Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BALANCE AS ON 31-Mar-16	ADDITIONS DURING THE YEAR	DELETIONS DURING THE YEAR	BALANCE AS ON 31-Mar-17	BALANCE AS ON 31-Mar-16	DURING THE YEAR	Deletions/ Adjustments during the year	BALANCE AS ON 31-Mar-17	BALANCE AS ON 31-Mar-17	BALANCE AS ON 31-Mar-16
Plant & Machinery	6,016,789	1,098,631	-	7,115,419	3,270,242	1,225,347	-	4,495,589	2,619,831	2,746,547
Tools & Dies	925,421	-	-	925,421	865,813	9,510	-	875,323	50,097	59,607
Office Equipments	530,688	341,553	35,439	836,802	191,481	113,107	5,071	299,517	537,285	339,207
Computers	1,015,758	-	-	1,015,758	559,254	154,586	-	713,840	301,918	456,504
Furniture & Fixture	1,954,133	360,627	-	2,314,759	873,921	311,583	-	1,185,504	1,129,255	1,080,211
Vehicle	1,287,830	-	-	1,287,830	787,342	186,170	-	973,513	314,317	500,488
Total	11,730,617	1,800,810	35,439	13,495,989	6,548,053	2,000,302	5,071	8,543,285	4,952,704	5,182,564
Previous Year	10,310,286	2,470,331	1,046,828	11,733,789	5,964,648	1,151,810	565,233	6,551,225	5,182,564	



MINDA AUTO COMPONENTS LIMITED
Notes to Financial Statements for the year ended March 31st, 2017

Note 7

Long Term Investment

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Rinder India Private Limited (10 Equity Shares of Face Value Rs. 100/-)	47,124	-
Total	47,124	-

Note 8

Deferred Tax Asset/(Liability)

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
W.D.V. as per Income Tax Act	6,556,984	6,326,860
W.D.V. as per Companies Act	4,952,704	5,182,564
Depreciation Difference	1,604,280	1,144,296
Provision for Doubtful Debts & Advances	250,407	250,407
Provision for Employee Retirement Benefits	886,573	640,361
Bonus Payable	260,196	238,394
Total	1,397,176	1,129,162
Net	3,001,456	2,273,458
Deferred Tax for the Year	992,281	751,605
Opening Deferred Tax Assets	751,605	1,407,512
Deferred Tax Asset to be Created	240,676	(655,906)
Deferred Tax Asset to be Written Back	-	-

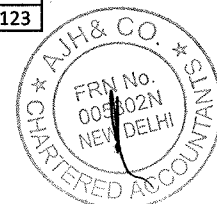
Note 9

(a) Long term loans and advances

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Unsecured		
Balance with Customs & Excise and VAT		1,590,981
Security Deposits	3,077,568	2,336,803
Less: Provision for Doubtful Advances	250,407	250,407
Net Security Deposits	2,827,161	2,086,396
Total	2,827,161	3,677,377

(b) Short-term loans and advances

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
	Amount in INR	Amount in INR
Advances to be recoverable in Cash or kind or for value to be received or pending adjustments	464,081	
Balance with Customs & Excise and VAT	5,454,385	1,680,233
Advance Income Tax (Financial Year 2014-15)	1,529,445	1,529,445
Advance Income Tax (Net-off of Provision for Income Tax Financial Year 2015-16)	-	9,426,445
Total	7,447,911	12,636,123



MINDA AUTO COMPONENTS LIMITED
Notes to Financial Statements for the year ended March 31st, 2017

Note 10

Inventories

Particulars	Balance as at 31.03.17	Balance as at 31.03.16	Balance as at 31.03.17	Balance as at 31.03.16
	Current Assets		Non Current Assets	
Raw Materials	15,736,649	21,057,201	-	-
Finished Goods	8,801,916	7,851,151	-	-
Total	24,538,566	28,908,352	-	-

10.1 Raw Material Stock also contains the Material In Transit of Rs. 9,46,174/- (Previous Year Rs. 65,72,980/-)

10.2 Finished Goods include excise duty of Rs 3,52,566 (Previous Year Rs nil) payable on goods laying at bonded warehouse but not sold as at March 31st, 2017

Note 11

Trade Receivables

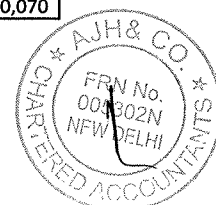
Particulars	Balance as at 31.03.17	Balance as at 31.03.16
Non current		
Considered Good	-	-
Others - Debts due by Directors or Other Officers of the company	-	-
Considered Doubtful	-	-
Total Non - Current	-	-
Less : Provision for Doubtful Debts	-	-
Net Non - Current	-	-
Current		
Debtors Outstanding for more than Six Months		
Considered Good	-	-
Others - Debts due by Directors or Other Officers of	-	-
Considered Doubtful	-	-
Others - Considered Good	234,827,695	193,686,192
Others - Debts due by Directors or Other Officers of the company	-	-
Considered Doubtful	-	-
Total Current	234,827,695	193,686,192
Less: Provision for doubtful debts	-	-
Net Current	234,827,695	193,686,192

11.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid /payable under this Act have not been given.

Note 12

Cash & Cash Equivalents

Particulars	Balance as at 31.03.17	Balance as at 31.03.16
Cash in Hand	70,297	200,148
Silver Coins	3,460	3,460
Balances with Scheduled Banks		
In Current Accounts	36,759,391	7,376,462
Total	36,833,148	7,580,070



Note 13

Revenue from Operations

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Sale of Products (Gross)	1,142,887,798	768,411,353
Less - Excise Duty	(100,262,085)	(72,838,203)
Sale of Products (Net)	1,042,625,713	695,573,150
Income from Services	28,749,056	28,000,350
Sale of Products & Services (Net)	1,071,374,769	723,573,500

Note 14

Other Income

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Miscellaneous Income	63,896	20,145
Interest on Bank Deposits	88,723	13,822
Miscellaneous Provision Written back	-	2,507,127
Exchange Fluctuation	-	23,859
Total	152,619	2,564,954

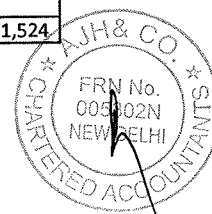
Note 15

Cost of Material Consumed

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Raw Material Consumed Indigenous	709,036,798	619,761,524
Total	709,036,798	619,761,524

15.1 Particulars of Material Consumed

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
HANDLE BAR	109,358,106	164,939,339
SWITCH	117,786,575	177,651,575
OTHERS	481,892,117	277,170,610
TOTAL	709,036,798	619,761,524



MINDA AUTO COMPONENTS LIMITED
Notes to Financial Statements for the year ended March 31st, 2017

Note 16

Increase/ (Decrease) in Finished Goods and Work in Progress

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Closing Stock		
Finished Goods - Manufactured	8,801,916	7,851,151
Total	8,801,916	7,851,151
Opening Stock		
Finished Goods - Manufactured	7,851,151	2,121,530
Total	7,851,151	2,121,530
Increase/(Decrease) in Stock	950,765	5,729,621

Note 17

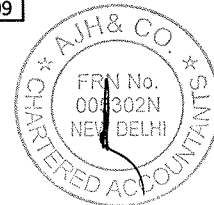
Employee Benefit Expense

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Salaries & Wages, Dearness Allowances and Bonus	31,559,695	20,248,114
Contribution to Provident Fund and Other funds	1,242,588	831,071
Workmen and Staff Welfare Expenses	2,200,936	1,062,172
Total	35,003,220	22,141,356

Note 18

Interest and Financial costs

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Bank Charges	39,811	111,352
Bill Discounting charges	5,231,646	5,615,157
Total	5,271,457	5,726,509



Note 19

Other Expenses

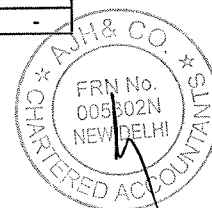
Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Other Manufacturing Expenses		
Stores & Spares	1,580,679	2,931,652
Power & Fuel	961,236	636,777
Total Other Manufacturing Expenses	2,541,915	3,568,429
Administrative And Other Expenses		
Rent & Hire Charges *	6,859,712	5,111,152
Rates & Taxes	422,723	193,191
Insurance	80,830	96,682
Travelling & Conveyance	3,304,492	2,755,195
Printing & Stationery	210,205	181,192
Vehicle Maintenance	23,210	87,932
Legal & Professional Charges	6,829,033	6,157,161
Communication Expenses	964,168	942,238
Repairs and Maintenance		
Machinery	202,627	244,980
Others	425,629	42,002
Auditors' Remuneration :		
Statutory Audit	450,000	400,000
Tax Audit	150,000	125,000
Provision for Bad and Doubtful Advances	-	250,207
Bad and Doubtful Advances written off	-	1,584,880
Security Charges	1,570,739	961,991
Software Expenses	780,000	-
Assets Written off	41,728	481,595
House Keeping Expenses	250,332	351,856
Fine & Penalty	141,667	39,164
Exchange Fluctuation	218,628	-
Charity&Donation	10,200	2,010,651
Miscellaneous Expenses	853,204	183,890
Total Administrative And Other Expenses	23,789,128	22,200,960
Selling & Distribution Expenses		
Sales Promotion Expenses	70,476	88,970
Packing & Forwarding Expenses	4,453,376	4,058,973
Total Selling & Distribution Expenses	4,523,852	4,147,943
Total	30,854,895	29,917,332

* The company is a lessee under various operating leases. Rental expense for operating leases in the year ending March 31st, 2017 and March 31st, 2016 was Rs. 68,59,712 and Rs. 51,11,152 respectively.

Note 20

Exceptional Items

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Prior Period expenses	25,143	-
Total	25,143	-



Note 21

Extraordinary Items

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Total	-	-

Note 22

Related Party Disclosures

As per Accounting standard 18, the disclosures of Transactions with the Related Parties are given below:

Related Party:

Holding Company - Minda Industries Limited

Nature of Transactions	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Purchase of Raw Materials	753,135,493	372,486,701
Sale of Goods	10,523,404	8,536,829
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Shared Expenses	7,260,423	504,312
Payable (Closing Balance)	35,616,127	78,334,940

Note 23

Foreign Exchange Outflow

Nature of Transaction	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Travelling Expenses	186,118	249,808
Remittances towards Expense of Japan Office	24,433,740	22,812,054

Note 24

Foreign Exchange Inflow

Nature of Transaction	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Management Consultancy Fee-Gross	12,033,450	11,800,350

Note 25

Earnings Per Share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share;

Particulars	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Profits/(Loss) after Taxation	17,324,466	22,004,769
Weighted average number of equity shares outstanding	210,200	210,200
Nominal Value of Equity Shares	10/-	10/-
Basic & Diluted Earnings per Share	82.42	104.68

Note 26

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the table below:

Particulars	SBNs	Other Denominations Notes	Total
Closing Cash in hand as on 08.11.2016	-	75,452	75,452
(+) Permitted receipts	-	107,854	107,854
(-) Permitted payments	-	508,368	508,368
(-) Amount deposited in Banks	-	-	-
(+) Withdrawal from Bank	-	388,000	388,000
Closing Cash in hand as on 30.12.2016	-	62,938	62,938

