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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MINDA FURUKAWA ELECTRIC PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **MINDA FURUKAWA ELECTRIC PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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 of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

In conducting 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 thereunder and the order issued under Section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

Deloitte Haskins & Sells LLP Chartered Accountants

Ind AS 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 Ind AS 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 the 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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Material uncertainty related to Going Concern

We draw attention to Note 2 (b) to the Ind AS financial statements, which indicates that the Company has incurred a loss of Rs. 782.40 lakhs during the year ended 31 March, 2018 and has accumulated losses due to which its net worth has been fully eroded and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 11,911.10 lakhs. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 43 to the Ind AS financial statements, wherein it is indicated that as at 31 March, 2018, the Company has foreign currency receivables of Rs. 112.75 lakhs and foreign currency payables of Rs. 576.07 lakhs outstanding for a period exceeding nine months and three years respectively, for which the Company will need to get regulatory approvals under the Foreign Exchange Management Act, 1999. The consequential impact of this matter, including the liability for penal charges, if any, on the Ind AS financial statements is presently not ascertainable.

Our opinion is not modified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act and the rules thereunder, audited by the predecessor auditors whose report for the year ended 31 March, 2017 dated 25 September, 2017 expressed an unmodified opinion and report for the year ended 31 March, 2016 dated 9 September, 2016 expressed a qualified opinion, have been restated to comply with Ind AS.

The predecessor auditor's qualified opinion for the year ended 31 March, 2016 was in view of absence of adequate costing records and related IT systems relating to inventories which as represented by Management were under development and the consequential effect of any adjustments that might arise in valuation of inventories, cost of raw materials consumed, identification of separate costs in respect of moulds sold to original equipment manufacturers, stores and spares consumed and increase in inventory not being ascertainable along with the consequential impact on the financial statements as stated in note 48(i) of the financial statements. Accordingly, the predecessor auditor was unable to comment on the valuation of inventories, cost of raw materials and moulds consumed, stores and spares consumed and decrease in inventory and its impact on profit for the year and also the related financial statements.

Adjustments made to the previously issued said financial information prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act and the rules thereunder to comply with Ind AS have been audited by us.

Our opinion on the Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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

   e) The matter described in Material uncertainty related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors of the Company as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   g) 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 A". Our report expresses disclaimer of opinion on the Company's internal financial controls over financial reporting for the reasons stated therein.

   h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 32 to the Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 36 to the Ind AS financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 37 to the Ind AS financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order/ CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls over financial reporting of **MINDA FURUKAWA ELECTRIC PRIVATE LIMITED** ("the Company") as of 31 March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Because of the matter described in Basis for Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

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 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.

Basis for Disclaimer of Opinion

According to the information and explanations given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer Opinion paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31 March, 2018. Accordingly, we do not express an opinion on the Company's internal financial controls over financial reporting.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind AS financial statements of the Company for the year ended 31 March, 2018, and the disclaimer does not affect our opinion on the said Ind AS financial statements of the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment :

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deed, comprising all the immovable properties of land and buildings, which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deed have been pledged as security for loans, are held in the name of the Company based on the confirmation directly received by us from banks.

The Company does not have any immovable properties of land and buildings that have been taken on lease and disclosed as property, plant and equipment in the financial statements.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals other than for stock lying with third parties for which confirmations have been obtained and goods in transit for which subsequent receipts have been verified and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. The Company does not have any unclaimed deposit and accordingly the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Other than for significant delays in deposit of Income-tax, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and

Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Sales Tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31 March, 2018 for a period of more than six months from the date they became payable other than dues related to tax deducted at source (TDS), the details of which are given below:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the Amount Relates	Due Date	Date of subsequent payment
Income Tax Act, 1961	Tax deducted at source	66.82	2015-2017	Various dates - 7th of each subsequent month	Subsequently paid Rs. 60.82 lakhs on 2 June, 2018 and Rs. 6.00 lakhs on 4 June, 2018

(c) Details of dues of Income-tax which have not been deposited as on 31 March, 2018 on account of disputes are given below.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount unpaid (Rs. in lakhs)
Income Tax Act, 1961	Income –tax	Income Tax Appellate Tribunal	2009-10 to 2011-12	121.21
Income Tax Act, 1961	Income -tax	Refer note below	2013-14	242.61

Note: The Company had approached the Dispute Resolution Panel (DRP) and filed an objection application against the order of the assessing officer. Subsequent to the year ended 31 March, 2018, on the direction of DRP, the assessing officer revised the earlier adjustments made in taxable income vide order dated 15 May, 2018. (also refer note 32.2).

There are no dues of Sales Tax, Customs Duty, Excise Duty, Goods and Service Tax and Value Added Tax on account of any disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, as applicable, or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.: 117366W / W-100018)

Deloitte Haskins & Sells LLP
Chartered Accountants

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

MINDA FURUKAWA ELECTRIC PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2018

Rs. in lakhs

	Notes	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	4	8,771.18	9,050.41	9,184.31
(b) Capital work-in-progress	4	13.13	63.70	10.81
(c) Other intangible assets	5	30.89	72.26	303.44
(d) Financial assets				
i. Loans	6	4.21	-	3.63
ii. Other financial assets	7	237.72	196.39	309.87
(e) Non-current tax assets	8	280.15	246.04	229.74
(f) Other non-current assets	9	41.37	59.87	120.54
Total non-current assets		**9,378.65**	**9,688.67**	**10,162.34**
Current assets				
(a) Inventories	10	4,896.36	6,414.85	7,930.42
(b) Financial assets				
i. Trade receivables	11	3,698.62	4,491.14	4,336.56
ii. Cash and cash equivalents	12	1,520.97	834.72	460.96
iii. Loans	6	17.68	18.32	18.60
iv. Other financial assets	7	362.96	1,097.07	197.57
(c) Other current assets	9	3,033.71	4,123.91	3,486.65
Total current assets		**13,530.30**	**16,980.01**	**16,430.76**
Total assets		**22,908.95**	**26,668.68**	**26,593.10**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	9,850.00	9,850.00	9,850.00
(b) Other equity	14	(13,347.79)	(12,584.79)	(7,199.15)
Total equity		**(3,497.79)**	**(2,734.79)**	**2,650.85**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
i. Borrowings	15	789.44	2,025.86	3,361.94
(b) Provisions	17	175.90	109.05	68.94
Total non-current liabilities		**965.34**	**2,134.91**	**3,430.88**
Current liabilities				
(a) Financial liabilities				
i. Borrowings	19	5,302.21	4,796.91	4,253.41
ii. Trade payables	20	17,474.17	19,478.55	14,259.02
iii. Other financial liabilities	16	1,858.12	1,445.65	1,499.28
(b) Provisions	17	268.26	536.73	63.01
(c) Other current liabilities	18	538.64	1,010.72	436.65
Total current liabilities		**25,441.40**	**27,268.56**	**20,511.37**
Total liabilities		**26,406.74**	**29,403.47**	**23,942.25**
Total equity and liabilities		**22,908.95**	**26,668.68**	**26,593.10**

See accompanying notes to the financial statements 1-49

In terms of our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

For and on behalf of the Board of Directors of
MINDA FURUKAWA ELECTRIC PRIVATE LIMITED

Neeraj Sharma
President and
Whole Time Director

Avinash P Gandhi
Director

Masahiro Hasegawa
Joint President

Amit Kumar Dubey
Chief Financial Officer

Tanisha Gera
Company Secretary

Place: Bawal
Date: 10 July, 2018

MINDA FURUKAWA ELECTRIC PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

Rs. in lakhs

		Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
	Income			
I	Revenue from operations	21	42,798.79	56,041.69
II	Other income	22	187.07	765.97
III	**Total income (I + II)**		**42,985.86**	**56,807.66**
IV	**Expenses**			
	(a) Cost of materials consumed	23	28,963.18	39,193.92
	(b) Excise duty on sale of goods		1,530.32	6,327.03
	(c) Decrease/ (Increase) in inventories of finished goods and work-in-progress	24	(34.88)	234.58
	(d) Employee benefits expense	25	4,767.00	5,705.98
	(e) Finance costs	26	1,263.21	1,307.28
	(f) Depreciation and amortisation expense	27	1,367.77	1,322.13
	(g) Other expenses	28	4,828.41	5,252.41
	Total expenses (IV)		**42,685.01**	**59,343.33**
V	**Profit / (Loss) before exceptional items and tax expense (III - IV)**		**300.85**	**(2,535.67)**
VI	Exceptional items	29	1,072.40	2,839.01
VII	**Profit / (Loss) before tax expense (V - VI)**		**(771.55)**	**(5,374.68)**
VIII	**Tax expense**			
	Current tax	39	10.85	-
	Deferred tax	39	-	-
	Total tax expense (VIII)		**10.85**	**-**
IX	**Profit / (Loss) for the year (VII-VIII)**		**(782.40)**	**(5,374.68)**
X	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plans		14.14	(11.32)
	Total other comprehensive income (X)		**14.14**	**(11.32)**
XI	**Total comprehensive income/(loss) for the year (IX+X)**		**(768.26)**	**(5,386.00)**
XII	**Earnings per equity share (face value of Rs. 10 each) :**	30		
	Basic (in Rs.)		(0.79)	(5.46)
	Diluted (in Rs.)		(0.79)	(5.46)

See accompanying notes to the financial statements 1-49

In terms of our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

For and on behalf of the Board of Directors of
MINDA FURUKAWA ELECTRIC PRIVATE LIMITED

Neeraj Sharma
President and
Whole Time Director

Avinash P Gandhi
Director

Masahiro Hasegawa
Joint President

Amit Kumar Dubey
Chief Financial Officer

Tanisha Gera
Company Secretary

Place: Bawal
Date: 10 July, 2018

MINDA FURUKAWA ELECTRIC PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2018

A. Equity share capital

Rs. in lakhs

	Amount
Balance as at 1 April, 2016	**9,850.00**
Add: Changes in equity share capital during the year	-
Balance as at 31 March, 2017	**9,850.00**
Add: Changes in equity share capital during the year	-
Balance as at 31 March, 2018	**9,850.00**

B. Other equity

Rs. in lakhs

	Notes	Reserves and surplus		Items of other comprehensive income	
		Retained earnings / (deficit)	Deemed capital contribution (Refer note 42)	Remeasurement of defined benefit obligations	Total
Balance as at 1 April, 2016		**(7,199.15)**	-	-	**(7,199.15)**
Profit / (Loss) for the year		(5,374.68)	-	-	(5,374.68)
Other comprehensive income for the year, net of income		-	-	(11.32)	(11.32)
Total comprehensive income for the year		(5,374.68)	-	(11.32)	(5,386.00)
Employee stock compensation outstanding for the year		-	0.36	-	0.36
Balance as at 31 March, 2017		**(12,573.83)**	**0.36**	**(11.32)**	**(12,584.79)**
Profit/ (Loss) for the year		(782.40)	-	-	(782.40)
Other comprehensive income for the year, net of income		-	-	14.14	14.14
Total comprehensive income for the year		(782.40)	-	14.14	(768.26)
Employee stock compensation outstanding for the year		-	5.26	-	5.26
Balance as at 31 March, 2018		**(13,356.23)**	**5.62**	**2.82**	**(13,347.79)**

See accompanying notes to the financial statements 1-49

In terms of our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

For and on behalf of the Board of Directors of
MINDA FURUKAWA ELECTRIC PRIVATE LIMITED

Neeraj Sharma
President and
Whole Time Director

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Director

Masahiro Hasegawa
Joint President

Amit Kumar Dubey
Chief Financial Officer

Tanisha Gera
Company Secretary

Place: Bawal
Date: 10 July, 2018

MINDA FURUKAWA ELECTRIC PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

Particulars		Year ended 31 March, 2018 Rs. in lakhs	Year ended 31 March, 2017 Rs. in lakhs
A. Cash flow from operating activities			
Profit / (Loss) after tax		(782.40)	(5,374.68)
Adjustments for :			
Income tax expense recognised in profit or loss		10.85	-
Depreciation and amortisation expense		1,367.77	1,322.13
Finance costs		1,263.21	1,307.28
Employee stock compensation expense		5.26	0.36
Net foreign exchange loss		1,136.71	(1,177.85)
Allowance for doubtful trade receivables and advances		225.85	98.84
Trade and other receivable balances written off		4.43	147.68
Loss on disposal/discard of property, plant and equipment		72.44	2.08
Interest income earned on financial assets not designated as at fair value through profit or loss		(57.45)	(23.50)
Unwinding of discount on security deposit and employee loans		22.89	24.87
Gain arising on derivatives designated as at FVTPL		(24.75)	(62.36)
Exceptional items:			
- One time settlement with customer		1,072.40	-
- Provision/impairment for closure of facility		-	979.51
- Orgadam project closure		-	311.79
- Impairment for doubtful claims		-	231.19
Operating Profit/ (Loss) before working capital changes		**4,317.21**	**(2,212.66)**
Changes in working capital:			
Adjustments for (increase)/ decrease in operating assets:			
Inventories		1,518.49	1,405.06
Trade receivables		(500.85)	(557.13)
Other current assets		1,067.31	(667.33)
Other non-current assets		17.22	21.99
Other current financial assets		734.11	(899.50)
Other non-current financial assets		(41.33)	113.48
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(3,136.26)	6,081.64
Other current liabilities		(472.08)	574.07
Provisions - current		(268.47)	13.72
Provisions - non-current		66.85	40.11
Cash generated from/ (used in) operations		3,302.20	3,913.45
Net income tax refunds/(paid)		(44.96)	(16.30)
Net cash flow from/ (used in) operating activities	**(A)**	**3,257.24**	**3,897.15**
B. Cash flow from investing activities			
Capital expenditure on property, plant and equipment including capital advances		(808.81)	(1,482.31)
Proceeds from sale of property, plant and equipment		212.97	-
Loans			
- Given		(3.57)	3.91
Interest received		82.20	85.86
Net cash from investing activities	**(B)**	**(517.21)**	**(1,392.54)**
C. Cash flow from financing activities			
Borrowings- non current			
- Proceeds		-	-
- Repayments		(1,236.42)	(1,336.07)
Borrowings- current			
- Proceeds		(114.38)	308.22
- Repayments		-	-
Finance costs		(1,283.72)	(1,315.43)
Net cash from financing activities	**(C)**	**(2,634.52)**	**(2,343.28)**
Net (decrease)/increase in cash and cash equivalents	**(A+B+C)**	105.51	161.33
Cash and cash equivalents as at the beginning of the year		622.29	460.96
Cash and cash equivalents as at the end of the year (See note 12)*		**727.80**	**622.29**

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MINDA FURUKAWA ELECTRIC PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

Particulars	Year ended 31.03.2018 (Rs. in lakhs)	Year ended 31.03.2017 (Rs. in lakhs)
* Comprises:		
a. Cash on hand	0.43	3.71
b. Balance with scheduled banks		
i. in current accounts	1,520.54	831.01
ii. in overdraft account	(793.17)	(212.43)
	727.80	**622.29**

See accompanying notes to the financial statements 1-49

In terms of our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Alka Chadha
Partner
(Membership No. 93474)

Place: Gurugram
Date: 10 July, 2018

For and on behalf of the Board of Directors

Neeraj Sharma
President &
Whole Time Director

Avinash P Gandhi
Director

Masahiro Hasagawa
Joint President

Amit Kumar Dubey
Chief Financial Officer

Tanisha Gera
Company Secretary

Place: Bawal
Date: 10 July, 2018

1. Background

MINDA FURUKAWA ELECTRIC PRIVATE LIMITED ('MFEPL' or 'the Company') is a private limited Company incorporated on 7th Day of November, 2006 with its registered office at A-15, Ashok Vihar, Phase -1, New Delhi - 110052. The Company is in the business of manufacturing wire harness for automobiles and has manufacturing facilities at Noida (Uttar Pradesh), Navalur (Tamilnadu), Mannur (Tamilnadu) and Bawal (Haryana).

The Company is a joint venture between Minda Corporation Limited, Furukawa Electric Co. Ltd and Furukawa Automotive Systems Inc. Japan (collectively referred to as 'Joint Venturers').

2. Significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

Upto the year ended 31 March, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2016. See note 3 for the details of the first-time adoption exemptions availed by the Company.

(b) Going concern assumption

The Company has incurred a loss of Rs. 782.40 lakhs during the year ended 31 March, 2018 (incurred a loss of Rs. 5,374.68 lakhs during the year ended 31 March, 2017) and the accumulated losses as at 31 March, 2018 amounting to Rs. 13,353.41 lakhs (as at 31 March, 2017 - Rs. 12,585.15 lakhs) have fully eroded the net worth of the Company and the Company's current liabilities exceeded its current assets by Rs. 11,911.10 lakhs (as at 31 March, 2017 Rs 10,702.00 lakhs). These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The ability of the Company to continue as a going concern is dependent on the improvement of the Company's future operations and financial support from its shareholders. However, the Ind AS financial statements of the Company have been prepared on the basis that the Company is a going concern, as the shareholders have confirmed to continue to provide requisite financial and operational support for the continued operations of the Company as and when required. Further, during the previous year, the shareholders of the Company had also entered into a Memorandum of Understanding ('MoU') wherein the shareholders had approved and agreed a revival business plan to make the Company a profitable venture.

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Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted markets (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(d) Use of estimates and critical accounting judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of provision for employee benefits.

Useful lives of property, plant and equipment [see note 2 (e)]

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets

Provision for employee benefits

The policy for the employee benefits have been explained under note 2 (j). Also see note 25 and 34.

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(e) Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses(if any).
Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed based on technical advice as under taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.

Category of asset	Useful life
Plant and machinery - tools and applicators	5 years
Plant and machinery - moulds	5 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Assets costing less than ₹ 5,000 individually are fully depreciated in the year of purchase.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(f) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses (if any).

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Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset go that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of intangible assets are as follows:

Software	3 years
New product development	5 years

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April, 2016 (transition date) measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.

(g) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any

indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 2p below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost

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increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Company as lessor

Operating lease

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

For the impairment policy on financial assets measured at amortised cost, refer 'Impairment of financial assets' below.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer 'Impairment of financial assets' below.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

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Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit -adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss

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allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the

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carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains or losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

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Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

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(j) Employee Benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each semi-annual reporting period. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(k) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(l) Inventories

Inventories are stated at the lower or cost and net realisable value. Cost is determined on First In First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of work-in-progress and finished goods include applicable manufacturing overheads

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Stores and spares are valued at cost comprising of purchase price, freight and handling charges, non- refundable taxes and duties and other directly attributable cost less provision for obsolescence.

(m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Constructive obligation is an obligation that derives from an entity's actions where:

- by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and
- as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial assets.

(n) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, sales incentives, goods & service tax and value added taxes.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

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- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Foreign currencies

The functional currency of the Company is Indian Rupee.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(p) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(q) Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing

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the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(r) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(s) Cash flow statement

Cash flows are reported using the indirect method, where by profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(t) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets 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 liabilities as current and non-current.

(u) First-time adoption of Indian Accounting Standards – mandatory exceptions, optional exemptions

a. Mandatory exceptions

i) **Overall principles**

The Company has prepared the opening balance sheet as per Ind AS as at 1 April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising the items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

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ii) **Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transaction occurring on or after 1 April, 2016 (the transition date).

iii) **Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

iv) **Impairment of financial assets**

The Company has applied the impairment requirement of Ind AS 109 "Financial Instruments" retrospectively; however, as permitted by Ind AS 101 "First-time Adoption of Indian Accounting Standards", it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

b. **Optional exemptions**

i) **Deemed cost for property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as on 1 April, 2016 (transition date) measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.

ii) **Determining whether an arrangement contains a lease**

The Company has applied Appendix C of Ind AS 17 "Leases" "Determining whether an Arrangement contains a Lease" to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

3. Standards issued but not yet effective

As set out below, amendments to standards are effective for annual periods beginning on or after April 1, 2018 and have not been applied in preparing these financial statements.

Introduction of Ind AS 115, Revenue from Contracts with Customers

Ministry of Corporate affairs has notified Ind AS 115 'Revenue from Contracts with customers', which is effective from 1 April, 2018. The new standard outlines a single

comprehensive control-based model for revenue recognition and supersedes current revenue recognition guidance based on risks and rewards. The Company is evaluating the requirements of Ind AS 115 and its effect of the financial statements.

Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

The amendment to Ind AS 21 applies when a company pays or receives consideration denominated or priced in foreign currency and recognises a non- monetary prepayment asset or deferred income liability before recognising the related item at a later date.

The said amendment will not have any significant impact on the Company's financial statements. The amendment is effective for accounting periods beginning on or after April 1, 2018.

Amendments to Ind AS 12 - Recognition of deferred tax assets for unrealised losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 April, 2018. These amendments are not expected to have material effect on Company's financial statements.

Amendments to Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.

- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from 1 April 2018. These amendments are not applicable to the Company.

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Amendments to Ind AS 40 - Transfers of investment property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not applicable to the Company.

Amendments to Ind 112 - Disclosure of interests in other entities: Clarification of the scope of disclosure requirements in Ind AS 112

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. These amendments are not applicable to the Company.

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NOTES TO THE FINANCIAL STATEMENTS

4 Property, plant and equipment and capital work-in-progress (see note below)

Rs. in lakhs

Carrying amounts of:	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Freehold land	840.19	840.19	840.19
Buildings	1,240.96	1,285.18	1,353.63
Plant and equipment	6,377.31	6,613.93	6,607.00
Vehicles	124.03	17.26	28.58
Furniture and fixtures	61.90	95.32	101.90
Computers	47.51	75.78	70.87
Leasehold improvements	38.71	57.92	111.65
Office equipment	40.57	64.83	70.49
Sub-total	**8,771.18**	**9,050.41**	**9,184.31**
Capital work-in-progress (net)	**13.13**	**63.70**	**10.81**

Rs. in lakhs

	Freehold land	Buildings	Plant and equipment	Vehicles	Furniture and fixtures	Computers	Leasehold improvements	Office equipment	Total
Cost or deemed cost									
Balance as at 1 April, 2016	840.19	1,353.63	6,607.00	28.58	101.90	70.87	111.65	70.49	9,184.31
Additions	-	8.80	1,252.65	-	19.58	49.35	-	17.44	1,347.82
Disposals	-	-	(2.08)	-	-	-	-	-	(2.08)
Balance as at 31 March, 2017	**840.19**	**1,362.43**	**7,857.57**	**28.58**	**121.48**	**120.22**	**111.65**	**87.93**	**10,530.05**
Additions	-	17.17	1,148.37	134.32	6.09	16.82	-	1.05	1,323.82
Disposals	-	(30.43)	(617.66)	(5.20)	(29.48)	(7.85)	(42.76)	(16.32)	(749.70)
Balance as at 31 March, 2018	**840.19**	**1,349.17**	**8,388.28**	**157.70**	**98.09**	**129.19**	**68.89**	**72.66**	**11,104.17**
Accumulated depreciation and impairment									
Balance as at 1 April, 2016	-	-	-	-	-	-	-	-	-
Depreciation expense	-	61.13	1,023.70	11.32	25.51	44.15	40.00	20.31	1,226.12
Impairment loss recognised in profit or loss (see note 2 below)	-	16.12	219.94	-	0.65	0.29	13.73	2.79	253.52
Elimination on disposal of assets	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2017	**-**	**77.25**	**1,243.64**	**11.32**	**26.16**	**44.44**	**53.73**	**23.10**	**1,479.64**
Depreciation expense	-	61.39	1,121.60	24.73	25.87	43.29	19.21	22.04	1,318.13
Elimination on disposal of assets	-	(30.43)	(354.27)	(2.38)	(15.84)	(6.05)	(42.76)	(13.05)	(464.78)
Balance as at 31 March, 2018	**-**	**108.21**	**2,010.97**	**33.67**	**36.19**	**81.68**	**30.18**	**32.09**	**2,332.99**
Carrying amount									
Balance as at 1 April, 2016	840.19	1,353.63	6,607.00	28.58	101.90	70.87	111.65	70.49	9,184.31
Additions	-	8.80	1,252.65	-	19.58	49.35	-	17.44	1,347.82
Disposals	-	-	(2.08)	-	-	-	-	-	(2.08)
Depreciation expense	-	(61.13)	(1,023.70)	(11.32)	(25.51)	(44.15)	(40.00)	(20.31)	(1,226.12)
Impairment loss recognised in profit or loss (see note 2 below)	-	(16.12)	(219.94)	-	(0.65)	(0.29)	(13.73)	(2.79)	(253.52)
Balance as at 31 March, 2017	**840.19**	**1,285.18**	**6,613.93**	**17.26**	**95.32**	**75.78**	**57.92**	**64.83**	**9,050.41**
Additions	-	17.17	1,148.37	134.32	6.09	16.82	-	1.05	1,323.82
Disposals	-	-	(263.39)	(2.82)	(13.64)	(1.80)	-	(3.27)	(284.92)
Depreciation expense	-	(61.39)	(1,121.60)	(24.73)	(25.87)	(43.29)	(19.21)	(22.04)	(1,318.13)
Balance as at 31 March, 2018	**840.19**	**1,240.96**	**6,377.31**	**124.03**	**61.90**	**47.51**	**38.71**	**40.57**	**8,771.18**

Notes :

1. Property, plant and equipment with a carrying amount of Rs 8,771.18 lakhs (31 March, 2017 - Rs. 9,050.41 lakhs; 1 April, 2016 - Rs. 9,184.31 lakhs) have been pledged to secure borrowings of the Company (see note 15 and 19).

2. During the previous year, the Company decided to close its facilities in Chennai and had carried out an impairment assessment of property, plant and equipment. Based on the impairment assessment, the Company recognised impairment loss of Rs. 253.52 lakhs, equivalent to the carrying amount as at the date of impairment assessment, which was disclosed in Statement of Profit and Loss as an exceptional item. Such assets were disposed off/written off during the current year. Also see note 29.

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5 Other intangible assets

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Carrying amounts of:			
Software	20.25	56.54	89.86
New product development	10.64	15.72	213.58
Total	**30.89**	**72.26**	**303.44**

	Software	New product development	Total
Cost			
Balance as at 1 April, 2016	89.86	213.58	303.44
Additions during the year	20.31	-	20.31
Balance as at 31 March, 2017	**110.17**	**213.58**	**323.75**
Additions during the year	8.76	-	8.76
Disposals	(16.55)	(192.77)	(209.32)
Balance as at 31 March, 2018	**102.38**	**20.81**	**123.19**
Accumulated amortisation			
Balance as at 1 April, 2016	-	-	-
Amortisation charge for the year	50.65	45.36	96.01
Impairment loss recognised in profit or loss (Refer note 3 below)	2.98	152.50	155.48
Balance as at 31 March, 2017	**53.63**	**197.86**	**251.49**
Amortisation charge for the year	44.56	5.08	49.64
Disposals	(16.06)	(192.77)	(208.83)
Balance as at 31 March, 2018	**82.13**	**10.17**	**92.30**
Carrying amount			
Balance as at 1 April, 2016	89.86	213.58	303.44
Additions	20.31	-	20.31
Amortisation expense	(50.65)	(45.36)	(96.01)
Impairment loss recognised in profit or loss (Refer note 3 below)	(2.98)	(152.50)	(155.48)
Balance as at 31 March, 2017	**56.54**	**15.72**	**72.26**
Additions	8.76	-	8.76
Amortisation expense	(44.56)	(5.08)	(49.64)
Disposals	(0.49)	-	(0.49)
Balance as at 31 March, 2018	**20.25**	**10.64**	**30.89**

Notes:

1 **Software:** Computer software licences are stated at cost less accumulated amortisation. These costs are amortised using the straight-line method over their estimated useful lives of three years.

2 **New product development:** New product development is the internally-generated intangible asset which is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. These costs are amortised using the straight-line method over their estimated useful lives of five years.

3 During the previous year, the Company decided to close its facilities in Chennai and had carried out an impairment assessment of other intangible assets. Based on the impairment assessment, the Company recognised impairment loss of Rs. 155.48 lakhs, equivalent to the carrying amount as at the date of impairment assessment, which was disclosed in Statement of Profit and Loss as an exceptional item. Such assets were disposed off/written off during the current year. Also refer note 29.

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6 Financial assets - Loans

Rs. in lakhs

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
(a) Loan to employees	-	11.12	-	9.59	1.04	14.36
(b) Loan to director	4.21	6.56	-	8.73	2.59	4.24
	4.21	**17.68**	**-**	**18.32**	**3.63**	**18.60**

7 Other financial assets

Rs. in lakhs

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
(a) Security deposits						
(i) Unsecured, considered good	206.40	-	189.82	55.00	227.05	1.00
(ii) Unsecured, considered doubtful	-	-	4.20	-	-	-
Less: Impairment allowance for security deposit	-	-	(4.20)	-	-	-
	206.40	-	189.82	55.00	227.05	1.00
(b) Derivatives instruments carried at fair value - cross currency interest rate swaps	29.32	-	4.57	-	80.82	-
(c) Unbilled revenue	-	317.35	-	995.59	-	147.93
(d) Advance recoverable from related parties [Refer note 41(c)]	-	45.42	-	45.85	-	48.01
(e) Deposit with banks and others with original maturity period more than 12 months	2.00	-	2.00	-	2.00	-
(f) Interest accrued on fixed deposits	-	0.19	-	0.63	-	0.63
	237.72	**362.96**	**196.39**	**1,097.07**	**309.87**	**197.57**

8 Tax assets

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Non-current tax assets			
Advance tax (net of provision for tax and inclusive of TDS recoverable)	280.15	246.04	229.74
	280.15	**246.04**	**229.74**

9 Other assets

Rs. in lakhs

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Non-current	Current	Non-current	Current	Non-current	Current
(a) Capital advances						
- Considered good	8.37	-	9.65	-	48.33	-
- Considered doubtful	-	-	36.76	-	-	-
	8.37	**-**	**46.41**	**-**	**48.33**	**-**
Less: Impairment allowance	-	-	(36.76)			
	8.37	**-**	**9.65**	**-**	**48.33**	**-**
(b) Advance to suppliers						
- Considered good	-	24.09	-	200.80	-	175.96
- Considered doubtful	-	154.28	-	41.59	-	-
	-	**178.37**	**-**	**242.39**	**-**	**175.96**
Less: Impairment allowance	-	(154.28)	-	(41.59)	-	-
	-	**24.09**	**-**	**200.80**	**-**	**175.96**
(c) Advance to employees		10.23		12.78		60.65
(d) Prepaid expenses	33.00	70.96	50.22	59.86	72.21	83.53
(e) Balances with government authorities	-	2,928.43	-	3,850.47	-	3,166.51
	41.37	**3,033.71**	**59.87**	**4,123.91**	**120.54**	**3,486.65**

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(Rs. in lakhs)

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
10 Inventories (lower of cost and net realisable value)			
(a) Raw materials and components (including Goods in transit Rs. 1,120.37 lakhs (As at 31 March, 2017: Rs. 1,107.23 lakhs; As at 1 April, 2016: Rs. 1,234.20 lakhs)	3,607.87	5,095.49	6,379.05
(b) Work-in-progress	382.05	262.00	256.71
(c) Finished goods	659.96	850.18	1,087.07
(d) Stores and spares	246.48	207.18	207.59
	4,896.36	**6,414.85**	**7,930.42**

Notes:

a) The cost of inventories recognised as expense during the year was Rs. 35,589.83 lakhs (previous year Rs. 48,442.10 lakhs).

b) Mode of valuation has been stated in note 2(I).

c) The cost of inventories recognised as an expense includes Rs. 620.76 lakhs (during 2016-17: Rs. 316.30 lakhs) in respect of write-downs of inventory to net realisable value.

(Rs. in lakhs)

11 Trade receivables	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Current			
a) Secured, considered good	-	-	-
b) Unsecured			
- considered good	3,698.62	4,491.14	4,336.56
- considered doubtful	91.45	267.36	19.86
	3,790.07	**4,758.50**	**4,356.42**
Less: Allowance for doubtful debts (expected credit loss allowance)	(91.45)	(267.36)	(19.86)
	3,698.62	**4,491.14**	**4,336.56**

Notes:

a) The average credit period on sale of goods is 30 to 60 days.

b) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	**Expected credit loss (%)**
Within the credit period	0.01% - 0.50%
0-90 days past due	0.50% - 1.00%
91-180 days past due	1.00% - 2.00%
More than 181 days past due	2.00% - 25.00%

c) Age of receivables:

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Within the credit period	2,520.73	2,590.59	3,828.63
0-90 days past due	437.30	723.07	249.34
91-180 days past due	427.75	63.65	176.44
More than 181 days past due	312.84	1,113.83	82.15
	3,698.62	**4,491.14**	**4,336.56**

Rs. in lakhs

d) Movement in the expected credit loss allowance (net)	Year ended 31 March, 2018	Year ended 31 March, 2017
Balance as at the beginning of the year	(267.36)	(19.86)
Movement in expected credit loss allowance on trade receivables	175.91	(247.50)
Balance at the end of the year	**(91.45)**	**(267.36)**

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e) Of the trade receivables balance as at the year end, the Company's largest customers who represents more than 10% of the total balance of trade receivables as at 31 March, 2018 are as follows:

Rs. in lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Trade receivables			
Customer A	1,641.28	1,874.58	3,058.91
Customer B	533.74	-	-
Customer C	429.12	366.93	173.81
	2,604.14	**2,241.51**	**3,232.72**

Rs. in lakhs

12 Cash and cash equivalents	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
(a) Cash on hand	0.43	3.71	1.04
(b) Balances with scheduled banks			
- in current accounts	1,520.54	831.01	459.92
Cash and cash equivalents as per Balance Sheet	**1,520.97**	**834.72**	**460.96**
Bank overdrafts (See note 19)	(793.17)	(212.43)	-
Cash and cash equivalents as per Cash Flow Statement	**727.80**	**622.29**	**460.96**

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Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
13 Equity share capital			
Equity share capital	9,850.00	9,850.00	9,850.00
	9,850.00	**9,850.00**	**9,850.00**
Authorised share capital			
98,500,000 fully paid equity shares of Rs. 10 each	9,850.00	9,850.00	9,850.00
(As at 31 March, 2017 : 98,500,000 fully paid equity shares of Rs. 10 each)			
(As at 1 April, 2016 : 98,500,000 fully paid equity shares of Rs. 10 each)			
Issued and subscribed capital			
98,500,000 fully paid equity shares of Rs. 10 each (as at 31 March, 2017: 98,500,000; As at 1 April, 2016: 98,500,000)	9,850.00	9,850.00	9,850.00
	9,850.00	**9,850.00**	**9,850.00**

13.1 Fully paid equity shares

	Numbers	Rs. in lakhs
Balance as at 1 April, 2016	98,500,000	9,850.00
Issued during the year	-	-
Balance as at 31 March, 2017	**98,500,000**	**9,850.00**
Issued during the year	-	-
Balance as at 31 March, 2018	**98,500,000**	**9,850.00**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and is entitled for dividend approved in the 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 amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.2 Details of shares held by each shareholder holding more than 5%

	As at 31 March, 2018		As at 31 March, 2017	
	Numbers	% holding	Numbers	% holding
Fully paid equity shares				
Minda Corporation Limited, (Joint venturer)	50,235,000	51%	50,235,000	51%
Furukawa Electric Co. Ltd, Japan (Joint venturer)	28,959,000	29%	28,959,000	29%
Furukawa Automotive Systems Inc., Japan (Joint venturer)	19,306,000	20%	19,306,000	20%

	As at 1 April, 2016	
	Numbers	% holding
Fully paid equity shares		
Minda Corporation Limited, (Joint venturer)	50,235,000	51%
Furukawa Electric Co. Ltd, Japan (Joint venturer)	28,959,000	29%
Furukawa Automotive Systems Inc., Japan (Joint venturer)	19,306,000	20%

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
14. Other equity			
Retained earnings / (deficit)	(13,353.41)	(12,585.15)	(7,199.15)
Deemed capital contribution	5.62	0.36	-
	(13,347.79)	**(12,584.79)**	**(7,199.15)**

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Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017
14.1 Retained earnings / (deficit)		
Balance at the beginning of the year	(12,585.15)	(7,199.15)
Profit / (loss) for the year	(782.40)	(5,374.68)
Other comprehensive income for the year, net of income tax	14.14	(11.32)
Balance at the end of the year	**(13,353.41)**	**(12,585.15)**

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017
14.2 Deemed capital contribution (Refer Note 42)		
Opening Balance	0.36	-
Add: Changes during the year	5.26	0.36
Closing Balance	**5.62**	**0.36**

Under the employee share based payment plans, an employee of the Company is granted stock options of Minda Corporation Limited, the joint venturer. The plan is assessed, managed and administered by the joint venturer. The plans granted to the employee by the joint venturer is equity-settled. The Company accounts for these grants as equity settled by debiting employee stock compensation expense and crediting deemed capital contribution in equity. Refer Note 42.

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Rs. in lakhs

		As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
15 Borrowings (Non-current)				
Term loans - from banks				
Secured - at amortised cost				
- Standard Chartered Bank (ECB-1) (see note a)		535.66	1,068.00	1,638.81
- Standard Chartered Bank (ECB-2) (see note b)		918.27	1,373.05	1,872.93
		1,453.93	2,441.05	3,511.74
Less: Current maturities of long term debt		(952.71)	(952.71)	(952.71)
	(A)	501.22	1,488.34	2,559.03
Unsecured - at amortised cost				
- Mizuho Bank Limited (see note c)		345.88	518.82	691.76
- The Bank of Tokyo-Mitsubishi UFJ, Ltd (see note d)		230.58	345.88	461.18
		576.46	864.70	1,152.94
Less: Current maturities of long term debt		(288.24)	(327.18)	(350.03)
	(B)	288.22	537.52	802.91
	(A+B)	**789.44**	**2,025.86**	**3,361.94**

Notes:

a. Term loan is secured by first pari passu charge of immovable property of the Company including freehold land and buildings and plant and equipment attached to earth or permanently fastened to anything attached to the earth (both present and future) lying/situated at plot No 325-326 sector -3, IGC, Bawal, Haryana and all present and future movable properties of the Company. The loan as at the balance sheet date is repayable in four quarterly installments starting from 28 April, 2018. It carries interest rate of 3 months USD LIBOR + 3.49% per annum and has been fixed at 12.50% per annum through cross currency interest rate swap.

b. Term loan is secured by first pari passu charge of immovable property of the Company including freehold land, freehold buildings and plant and equipment attached to earth or permanently fastened to anything attached to the earth (both present and future) lying/situated at plot No 325-326 sector -3, IGC, Bawal, Haryana and all present and future movable properties of the Company. The loan as at the balance sheet date is repayable in eight quarterly installments starting from 29 May, 2018. It carries interest rate of 3 months USD LIBOR + 3.25% per annum and has been fixed at 12.30% per annum through cross currency interest rate swap.

c. Term loan as at the balance sheet date is repayable in eight quarterly instalments starting from 30 June, 2018. It carries interest rate of 11.00% per annum and is backed by corporate guarantee from Furukawa Electric Co. Limited (Joint venturer).

d. Term loan as at the balance sheet date is repayable in eight quarterly instalments starting from 29 June, 2018. It carries interest rate of 10.20% per annum and is backed by corporate guarantee from Furukawa Electric Co. Limited (Joint venturer).

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Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
16 Other financial liabilities			
Current			
i. Current maturities of long term debt (See note 15)	1,240.95	1,279.89	1,302.74
ii. Interest accrued but not due on borrowings	24.41	44.92	53.07
iii. Payables for purchase of property, plant and equipment and capital work-in-progress	592.76	120.84	143.47
	1,858.12	**1,445.65**	**1,499.28**
17 Provisions			
Non-current			
Employee benefits			
i. Provision for compensated absences	63.13	-	-
ii. Provision for gratuity (net) (See note 34)	112.77	109.05	68.94
	175.90	**109.05**	**68.94**
Current			
Employee benefits			
i. Provision for compensated absences	2.40	75.03	61.81
ii. Provision for gratuity (net) (See note 34)	2.36	1.70	1.20
iii. Provision for closure of facility (See note below)	263.50	460.00	-
	268.26	**536.73**	**63.01**

	Year ended 31 March, 2018	Year ended 31 March, 2017
Carrying amount at the beginning of the year (see note below)	460.00	-
Add: Additional provisions made during the year	-	460.00
Less Amounts used during the year	(196.50)	-
Carrying amount at the end of the year	**263.50**	**460.00**

Note :
During the previous year, the Company had decided to close its Chennai facility, which subsequently got closed on 31 May, 2017. While during the previous year, the management was working on disposal/usage of facilities/assets/inventory/compensation it had estimated a loss of Rs. 460.00 lakhs which had been provided for in the books of account as on 31 March, 2017 as a provision for closure of facility.

18 Other liabilities			
Current			
i. Statutory liabilities	457.49	866.12	386.97
ii. Advance from customers	81.15	144.60	49.68
	538.64	**1,010.72**	**436.65**
19 Borrowings (Current)			
Unsecured - at amortised cost			
i. Working capital loan repayable on demand (see note b)	2,104.04	2,179.48	2,248.41
Secured - at amortised cost			
i. Packing Credit facility (see note c)	1,000.00	1,000.00	1,000.00
ii. Bank overdraft (see note d)	793.17	212.43	-
iii. Short term loans from banks (see note a)	1,405.00	1,405.00	1,005.00
	5,302.21	**4,796.91**	**4,253.41**

Notes :

a The short term loans from banks are secured by second charge on current assets, property, plant and equipment and immovable property of the Company (both present and future) situated at plot No 325-326 sector -3, IGC, Bawal, Haryana and also by corporate guarantee from Furukawa Electric Co. Limited (co-venturer). These are repayable within one year and interest is based on market rates, currently 9.80% to 10.80% per annum (31 March, 2017: 10.80% per annum; 1 April, 2016: 10.80% per annum).

b Working capital loan from a bank is backed by corporate guarantee from Furukawa Electric Co. Limited (Joint venturer). It is repayable on demand and carried interest rate of 10.50% to 10.55% per annum (31 March, 2017: 10.50% per annum; 1 April, 2016: 10.50% per annum).

c Packing credit facility from bank is secured by first charge on current assets, property plant and equipment and immovable property of the Company situated at plot No 325-326 sector -3, IGC, Bawal, Haryana. The loan is repayable on demand and carries interest rate of base rate plus margin, currently 9.75% per annum (31 March, 2017: 10.45% per annum; 1 April, 2016: 13.50% per annum).

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d Bank overdraft is secured by first pari passu charge on current assets of the Company and on movable property including plant and equipment and on immovable property situated at plot No 325-326 sector -3, IGC, Bawal, Haryana. It is repayable on demand and carries interest rate of 10.3% per annum (31 March, 2017 interest rate of 10% per annum to 13.5% per annum; 1 April, 2016: 13.50% per annum).

20 Trade payables

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Trade payables			
i. total outstanding dues of micro enterprises and small enterprises (Refer note below)	257.11	-	-
ii. total outstanding dues of trade payables other than micro enterprises and small enterprises	17,217.06	19,478.55	14,259.02
	17,474.17	**19,478.55**	**14,259.02**

Notes:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(a)	(i) the principal amount remaining unpaid to any supplier	249.58	-	-
	(ii) interest due thereon	7.53	-	-
(b)	Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day	-	-	-
(c)	interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(d)	interest accrued and remaining unpaid	7.53	-	-
(e)	further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	5.11	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

ii. The average credit period is upto 0-60 days for the Company. Interest is paid on the overdue amount as per the contract terms, if any.

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Rs. in lakhs

		Year ended 31 March, 2018	Year ended 31 March, 2017
21 Revenue from operations (including excise duty)			
i. Sale of products		42,602.88	55,718.27
ii. Other operating revenue :			
- Scrap sales		195.91	323.42
		42,798.79	**56,041.69**
22 Other income			
Interest income earned on financial assets not designated as at fair value through profit or loss			
i. Other financial assets (carried at amortised cost)		57.45	23.50
	(A)	**57.45**	**23.50**
Other non-operating income			
i. Miscellaneous income		104.87	23.60
	(B)	**104.87**	**23.60**
Other gains and losses			
i. Net foreign exchange gains		-	656.51
ii. Gain arising on derivatives designated as at FVTPL		24.75	62.36
	(C)	**24.75**	**718.87**
	(A+B+C)	**187.07**	**765.97**
23 Cost of materials consumed			
Opening stock		5,206.00	6,379.05
Add: Purchases		27,365.05	38,020.87
		32,571.05	44,399.92
Less: Closing stock		3,607.87	5,206.00
Total cost of materials consumed		**28,963.18**	**39,193.92**
24 Changes in inventories of finished goods and work in progress			
Inventories at the beginning of the year (A):			
Finished goods		850.18	862.93
Work-in-progress		262.00	480.86
Inventories at the end of the year (B):			
Finished goods		659.96	850.18
Work-in-progress		382.05	262.00
Add: Excise duty on increase/(decrease) of finished goods (C)		105.05	(2.97)
Net increase / (decrease) (B-A+C)		**34.88**	**(234.58)**
25 Employee benefit expense			
i. Salaries and wages		4,215.70	5,022.47
ii. Contribution to provident and other funds (see note 34)		130.82	167.69
iii. Gratuity expense (see note 34)		31.90	34.38
iv. Employee stock compensation expense (see note 42)		5.26	0.36
v. Staff welfare expenses		383.32	481.08
		4,767.00	**5,705.98**
26 Finance costs			
i. Interest costs:			
- Interest on short term borrowings		501.82	529.04
- Interest on term loans		302.50	458.02
- Other interest expense		458.89	320.22
		1,263.21	**1,307.28**

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Rs. in lakhs

		Year ended 31 March, 2018	Year ended 31 March, 2017
27	**Depreciation and amortisation expense**		
i.	Depreciation of plant, property and equipment	1,318.13	1,226.12
ii.	Amortisation of intangible assets	49.64	96.01
		1,367.77	**1,322.13**

Rs. in lakhs

		Year ended 31 March, 2018	Year ended 31 March, 2017
28	**Other expenses**		
i.	Jobwork charges	1,004.88	898.97
ii.	Consumption of stores and spare parts	175.42	261.95
iii.	Power and fuel	207.01	333.08
iv.	Rent (See note 38)	308.27	546.47
v	Repairs and maintenance		
	- Buildings	35.67	23.33
	- Plant and equipment	130.93	240.08
	- Others	206.33	99.41
vi.	Travelling and conveyance	384.11	657.95
vii.	Legal and professional	268.49	282.67
viii.	Communication	29.25	45.89
ix.	Insurance	49.06	59.25
x.	Rates and taxes	130.71	89.88
xi.	Advertisement and business promotion	22.64	31.19
xii.	Royalty	498.50	685.45
xiii.	Freight and forwarding	263.35	284.08
xiv.	Bank charges	15.47	15.68
xv.	Allowance for doubtful trade receivables and advances	225.85	98.84
xvi.	Trade and other receivable balances written off	4.43	147.68
xvii.	Loss on disposal/discard of property, plant and equipment (net)	72.44	2.08
xviii.	Payment to Auditor (See note below)	59.18	45.06
xix.	Printing and stationery	36.59	74.65
xx.	Net foreign exchange loss	557.57	-
xxi.	Miscellaneous expenses#	142.26	328.77
	Total	**4,828.41**	**5,252.41**

Does not include any item of expenditure with a value of more than 1% of the revenue from operations

I.	**Payment to the Auditors (net of taxes)**		
i.	For audit	49.68**	40.00*
ii.	For taxation matters	4.50	1.00*
iii.	For other services	5.00	1.00*
iv.	Reimbursement of expenses	-	3.06*
	Total	**59.18**	**45.06**

* Paid to previous auditor

** Includes Rs. 4.68 lakhs paid to previous auditor

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Rs. in lakhs

	Year ended 31 March, 2018	Year ended 31 March, 2017
29 Exceptional items		
One time settlement with customer (See note a below)	1,072.40	-
Settlement with import vendor (See note b below)	-	1,316.52
Provision/impairment for closure of facility (See note c below)	-	979.51
Orgadam project closure (See note d below)	-	311.79
Impairment for doubtful claims (See note e below)	-	231.19
	1,072.40	**2,839.01**

a) During the year, based on the assessment of the recoverability of one of the customers, the Company has written off of Rs. 1,072.40 lakhs.

b) Till the financial year 2015-16, the Company and a Joint venturer had a reconciliation difference which had been disputed by the Company and such dispute agreed by the joint venturer. During the previous year, the Company had settled such reconciliation and accordingly agreed to pay Rs. 1,316.52 lakhs to the joint venturer for various expenditures.

c) During the previous year, the Company had decided to close its Chennai facility. The Company recognised an estimated loss of Rs. 979.51 lakhs comprising Rs. 110.51 lakhs on account of write-down of inventory, Rs. 253.52 lakhs on account of impairment of property, plant and equipment, Rs. 155.48 lakhs on account of impairment of other intangible assets and Rs. 460.00 lakhs on account of provision for usage of facility. Also refer note 4 and note 5.

d) The Company was planning to set up a new production facility, which it later decided not to go through with. Accordingly, during the previous year, a loss of Rs. 311.79 lakhs had been recognised comprising provision for rent - Rs. 142.41 lakhs, capital work in progress written off - Rs. 160.57 lakhs and others - Rs. 8.81 lakhs in relation to the project.

e) During the year 2015-16, the Company had recorded an income of Rs. 231.19 lakhs based on confirmation from the customer. However, during the year 2016-17, the customer re-negotiated the claim of the Company and the Company recorded an impairment against the same.

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30 Earnings per equity share

	Year ended 31 March, 2018	Year ended 31 March, 2017
	Rs. per share	Rs. per share
Basic/diluted earnings per equity share	(0.79)	(5.46)
	(0.79)	**(5.46)**

30.1 Basic/diluted earnings per equity share

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

Rs. in lakhs

	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit for the year attributable to owners of the Company	(782.40)	(5,374.68)
Earnings used in the calculation	**(782.40)**	**(5,374.68)**
Weighted average number of equity shares for the purposes of basic/diluted earnings per equity share	98,500,000	98,500,000

Note: The Company did not have any potentially dilutive securities in any of the period presented.

31 Capital and other commitments:

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	120.82	43.85	65.57

32 Contingent liabilities

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Claims against the Company not acknowledged as debts*			
Income tax	121.21	500.10	500.10
Expense claims against the Company not acknowledged as debts	-	-	1,098.57
Deduction by Customer / vendors not acknowledged by the Company	20.59	79.00	194.63

Further, there are various labour cases pending against the Company and amounts in respect of the same are not ascertainable. The Company is contemplating appropriate action and does not believe any material liability devolving against the Company in this regard.

* Based on the discussions with the solicitor/expert opinions taken/status of the case, the management believes that the Company has strong chances of success in above mentioned cases and hence no provision there against is considered necessary at this point in time as the likelihood of liability devolving on the Company is less than probable.

Pending litigations

During the current year, an order was issued by the assessing officer for the assessment year 2014-15, whereby adjustments amounting to Rs. 780.47 lakhs were made on account of transfer pricing adjustments and disallowance of expenses resulting in a income tax demand of Rs. 242.61 lakhs. The Company had approached the Dispute Resolution Panel (DRP) and filed an objection application against the order of the assessing officer.

Subsequent to the year ended 31 March, 2018, on the direction of the DRP, the assessing officer revised the earlier adjustments made to the taxable income to Rs. 35.40 lakhs vide order dated 15 May, 2018 which would result in reduction of carried forward losses. However, the Company intends to file an appeal with the appropriate authorities against the same.

33 Segment information

The Company is engaged mainly in the business of "manufacturing of wire harness for automobiles". The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Ind AS 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015.

Information about major customers:

Customer A has contributed revenue of Rs. 31,643.17 lakhs and Rs. 27,637.32 lakhs to the Company's revenue from operations during the year ended 31 March, 2018 and 31 March, 2017 respectively.

No other single customer contributed 10% or more to the Company's revenue for 2017-18.

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34. Employee benefits

i. Defined contribution plan

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the employees provident fund is deposited with the regional provident fund commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The total expense recognised in profit or loss of Rs. 130.82 lakhs (for the year ended 31 March, 2017: Rs. 167.69 lakhs) for provident fund contribution represents contributions payable to the plan by the Company at rates specified in the rules of the plans. As at 31 March, 2018, contributions of Rs. 12.46 lakhs (as at 31 March, 2017: Rs. 15.64 lakhs) due in respect of 2017-2018 (2016-2017) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

ii. Defined Benefit plan

a. Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 20 lakhs (Previous year Rs. 10 lakhs). Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The gratuity plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk (discount rate risk)	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March, 2018 by Charan Gupta Consultants Private Limited, Fellow, Institute of Actuaries of India. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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Principal actuarial assumptions:

S. No.	Particulars	Refer Note below	Year ended 31.03.2018	Year ended 31.03.2017
i.	Discount rate (p.a.)	1	7.80%	7.36%
ii.	Salary escalation rate (p.a.)	3	6.00%	6.00%

Note:

1. The discount rate is based on the prevailing market yields of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The gratuity plan is unfunded.

3. The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Demographic assumptions:

S. No.	Particulars	2017-18	2016-17
1.	Retirement age	58/60 years	58/60 years
2.	Mortality table	Indian Assured Lives Mortality (2006-08) modified Ult.	Indian Assured Lives Mortality (2006-08) modified Ult.
3.	Withdrawal rate		
	Up to 30 Years	3%	3%
	31 to 44 years	2%	2%
	Above 44 years	1%	1%

The following table sets out the funded status of the defined benefit scheme and the amount recognised in the financial statements:

i. Amounts recognised in the Statement of Profit and Loss in respect of these defined benefits plans are as follows:

Particulars	Year ended 31.03.2018 Rs. in lakhs	Year ended 31.03.2017 Rs. in lakhs
Current service cost	23.75	28.81
Net interest expenses	8.15	5.57
Components of defined benefit costs recognised in profit or loss	**31.90**	**34.38**

ii. Remeasurement on the net defined benefit liability:

Particulars	Year ended 31.03.2018 Rs. in lakhs	Year ended 31.03.2017 Rs. in lakhs
Actuarial (gains) / loss arising from changes in demographic assumptions	(14.14)	11.32
Return on plan assets (excluding amount included in net interest expenses)	-	-
Component of defined benefit costs recognised in Other Comprehensive Income	**(14.14)**	11.32

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in the other comprehensive income.

iii. The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefits plans as follows:

Particulars	As at 31.03.2018 Rs. in lakhs	As at 31.03.2017 Rs. in lakhs	As at 01.04.2016 Rs. in lakhs
Present value of defined benefit obligation	(115.13)	(110.75)	(70.14)
Fair value of plan assets	-	-	-
Funded status surplus/(deficit)	**(115.13)**	**(110.75)**	**(70.14)**

iv. Movement in the fair value of the defined benefit obligation:

Particulars	Year ended 31.03.2018 Rs. in lakhs	Year ended 31.03.2017 Rs. in lakhs
Opening defined benefit obligation	110.74	70.14
Current service cost	23.75	28.81
Interest cost on defined benefit obligation	8.15	5.57
Actuarial (gains) / loss arising from changes in demographic assumptions	(14.14)	11.32
Benefits paid	(13.37)	(5.09)
Closing defined benefit obligations	**115.13**	**110.75**
- Non-current portion	112.77	109.05
- Current portion	2.36	1.70

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v. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, withdrawal rate and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at 31.03.2018 Rs. in lakhs		As at 31.03.2017 Rs. in lakhs	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+50bps) (% change compared to base due to sensitivity)	9.16	(8.24)	9.63	(8.63)
Salary Growth Rate (-/+50bps) (% change compared to base due to sensitivity)	(7.45)	7.79	(8.77)	9.71

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

vi. The expected maturity analysis of defined benefit obligation is as follows:

	31 March, 2018 Rs. in lakhs	31 March, 2017 Rs. in lakhs
Within 1 year	2.36	1.70
Between 1-2 years	1.82	1.82
Between 2-3 years	2.00	2.03

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	31 March, 2018 Rs. in lakhs	31 March, 2017 Rs. in lakhs
Between 3-4 years	2.79	2.49
Between 4-5 years	3.47	3.74
Beyond 5 years	102.69	98.97

b. Actuarial assumptions for compensated absences

S. No.	Particulars	Refer Note below	Year ended 31.03.2018	Year ended 31.03.2017
i.	Discount rate (p.a.)	1	7.80%	7.36%
ii.	Expected rate of return on assets (p.a.)	2	-	-
iii.	Salary escalation rate (p.a.)	3	6.00%	6.00%

Note:

1. The discount rate is based on the prevailing market yields of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The compensated absences plan is unfunded.

3. The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

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35. Financial instruments

35.1 Capital management

The accumulated losses of the Company as at 31 March, 2018 amounting to Rs. 13,353.41 lakhs (As at 31 March, 2017: Rs. 12,585.15 lakhs; As at 1 April, 2016: Rs. 7,199.15 lakhs) have eroded the net worth of the Company as at 31 March, 2018.

However, the shareholders have confirmed to provide requisite financial support for the continued operations of the Company as and when required. Further, during the previous year, the shareholders of the Company had also entered into a Memorandum of Understanding ('MoU') wherein the shareholders had approved and agreed a revival business plan.

The Capital structure of the Company consists of net debt (borrowings as detailed in notes 15, 16 and 19 offset by cash and cash equivalents) and equity share capital.

The management reviews the capital structure of the Company on a periodic basis. As part of this review, the management considers cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Debt (i)	7,332.60	8,102.66	8,918.09
Cash and cash equivalents	(1,520.97)	(834.72)	(460.96)
Net debt	**5,811.63**	**7,267.94**	**8,457.13**
Total equity	(3,497.79)	(2,734.79)	2,650.85
Net debt to equity ratio (%)	(166.15%)	(265.76%)	(319.03%)
Debt			
Borrowings (Non-current) (See note 15)	789.44	2,025.86	3,361.94
Current maturities of long term debt (See note 16)	1,240.95	1,279.89	1,302.74
Borrowings (Current) (See note 19)	5,302.21	4,796.91	4,253.41
	7,332.60	**8,102.66**	**8,918.09**
Total equity			
Equity share capital	9,850.00	9,850.00	9,850.00
Other equity	(13,347.79)	(12,584.79)	(7,199.15)
	(3,497.79)	**(2,734.79)**	**2,650.85**

(i) Debt is defined as long-term and short-term borrowings, as described in notes 15, 16 and 19.

35.2 Categories of financial instruments

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Financial assets			
Measured at amortised cost			
(a) Trade receivables	3,698.62	4,491.14	4,336.56
(b) Cash and cash equivalents	1,520.97	834.72	460.96
(c) Loans	21.89	18.32	22.23
(d) Other financial assets	600.68	1,293.46	507.44
Financial liabilities			
Measured at amortised cost			
(a) Borrowings	6,091.65	6,822.77	7,615.35
(b) Trade payables	17,474.17	19,478.55	14,259.02
(c) Other financial liabilities	1,858.12	1,445.65	1,499.28

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35.3 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures in relation to the floating interest rate loans. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

35.4 Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

(i) forward foreign exchange contract to hedge the exchange rate risk arising on the foreign currency outstanding; and
(ii) cross currency interest rate swaps to mitigate the risk of rising currency and interest rates.

35.5 Interest rate risk management

The Company is exposed to interest rate risk as the Company borrows funds at both fixed and floating interest rates. The Company manages the risk by maintaining an appropriate mix between fixed and floating rate borrowings, and by use of cross currency interest rate swaps.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for borrowings at the end of year. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

For the year ended 31 March, 2018 and 31 March, 2017, every percentage point depreciation / appreciation in the interest rate will affect the Company's profit before tax by Rs. 74.13 lakhs and Rs. 89.20 lakhs respectively.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates.

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

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

Rs. in lakhs

Particulars	Currency	As at 31 March,	As at 31 March,	As at 1 April, 2016
Trade receivables	EURO	-	0.78	0.11
	Equivalent INR	-	54.35	8.42
Trade receivables	JPY	66.34	6.39	6.39
	Equivalent INR	40.83	3.70	3.77
Trade receivables	USD	1.67	2.43	1.41
	Equivalent INR	108.91	157.58	93.67
Trade payables	EURO	2.53	8.35	7.95
	Equivalent INR	203.63	578.25	596.84
Trade payables	JPY	15,944.54	19,275.09	10,549.46
	Equivalent INR	9,812.27	11,171.84	6,230.51
Trade payables	THB	78.16	109.68	324.24
	Equivalent INR	163.24	207.16	610.03
Trade payables	USD	5.25	4.51	1.41
	Equivalent INR	341.26	292.18	93.72

For the year ended 31 March, 2018 and 31 March, 2017, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and USD/ EURO/ JPY/ THB, will affect the Company's loss before tax by Rs. 164.71 lakhs and Rs. 209.46 lakhs respectively.

In Company's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk and price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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35.6 Fair value measurements

35.6.1 Fair value of the Company's financial assets and liabilities that are measured at fair value on a recurring basis

Financial assets and financial liabilities	Fair value as at 31 March, 2018	Fair value as at 31 March, 2017	Fair value as at 1 April, 2016	Fair value hierarchy	Valuation techniques and key inputs
- Cross currency interest rate swaps	29.32	4.57	80.82	Level 2	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

35.6.2 Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets at amortised cost:						
- Trade receivables	3,698.62	3,698.62	4,491.14	4,491.14	4,336.56	4,336.56
- Loans	21.89	21.89	18.32	18.32	22.23	22.23
- Other financials assets	571.36	571.36	1,288.89	1,288.89	426.62	426.62
Financial liabilities						
Financial liabilities held at amortised cost:						
- Borrowings	6,091.65	6,091.65	6,822.77	6,822.77	7,615.35	7,615.35
- Trade payables	17,474.17	17,474.17	19,478.55	19,478.55	14,259.02	14,259.02
- Other financial liabilities	1,858.12	1,858.12	1,445.65	1,445.65	1,499.28	1,499.28

Fair value hierarchy

	Fair value hierarchy as at 31 March, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost:				
- Trade receivables	-	-	3,698.62	3,698.62
- Loans	-	-	21.89	21.89
- Other financials assets	-	29.32	571.36	600.68
- Cash and cash equivalents	-	-	1,520.97	1,520.97
Total	**-**	**29.32**	**5,812.84**	**5,842.16**
Financial liabilities				
Financial liabilities held at amortised cost:				
- Borrowings	-	-	6,091.65	6,091.65
- Trade payables	-	-	17,474.17	17,474.17
- Other financial liabilities	-	-	1,858.12	1,858.12
Total	**-**	**-**	**25,423.94**	**25,423.94**

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	Fair value hierarchy as at 31 March, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost :				
- Trade receivables	-	-	4,491.14	4,491.14
- Loans	-	-	18.32	18.32
- Other financials assets	-	4.57	1,288.89	1,293.46
- Cash and cash equivalents	-	-	834.72	834.72
Total	**-**	**4.57**	**6,633.07**	**6,637.64**
Financial liabilities				
Financial liabilities held at amortised cost:				
- Borrowings	-	-	6,822.77	6,822.77
- Trade payables	-	-	19,478.55	19,478.55
- Other financial liabilities	-	-	1,445.65	1,445.65
Total	**-**	**-**	**27,746.97**	**27,746.97**

	Fair value hierarchy as at 1 April, 2016			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost :				
- Trade receivables	-	-	4,336.56	4,336.56
- Loans	-	-	22.23	22.23
- Other financials assets	-	80.82	426.62	507.44
- Cash and cash equivalents	-	-	460.96	460.96
Total	**-**	**80.82**	**5,246.37**	**5,327.19**
Financial liabilities				
Financial liabilities held at amortised cost:				
- Borrowings	-	-	7,615.35	7,615.35
- Trade payable	-	-	14,259.02	14,259.02
- Other financial liabilities	-	-	1,499.28	1,499.28
Total	**-**	**-**	**23,373.65**	**23,373.65**

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35.7 Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly.

Apart from the customers as disclosed in note 11(e), the Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk as specified in note 11(e) did not exceed 30% of gross monetary assets as at the year end.

35.8 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows. The Company generates sufficient cash flows from current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term. Note 35.8.2 below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

35.8.1 Expected maturity for financial liabilities

The table below provide details regarding the contractual maturities of financial liabilities, including estimated interest payments as at:

Rs. in lakhs

	0-1 year	1-2 years	2-5 years	5+ years	Total
31 March, 2018					
Non-derivative financial liabilities					
Borrowings*	5,302.21	800.19	-	-	6,102.40
Trade payables	17,474.17	-	-	-	17,474.17
Other financial liabilities					
- Current maturities of long term debt*	1,418.36	-	-	-	1,418.36
- Interest accrued	24.41	-	-	-	24.41
- Payables for purchase of property, plant and equipment and capital work-in-progress	592.76	-	-	-	592.76
31 March, 2017					
Non-derivative financial liabilities					
Borrowings*	4,796.91	1,745.58	510.49	-	7,052.98
Trade payables	19,478.55	-	-	-	19,478.55
Other financial liabilities					
- Current maturities of long term debt*	1,606.33				
- Interest accrued	44.92	-	-	-	44.92
- Payables for purchase of property, plant and equipment and capital work-in-progress	120.84	-	-	-	120.84
1 April, 2016					
Non-derivative financial liabilities					
Borrowings*	4,253.41	1,629.18	2,289.41	-	8,172.00
Trade payables	14,259.02	-	-	-	14,259.02
Other financial liabilities					
- Current maturities of long term debt*	1,778.51				
- Interest accrued	53.07	-	-	-	53.07
- Payables for purchase of property, plant and equipment and capital work-in-progress	143.47	-	-	-	143.47

*includes undiscounted interest.

The following tables detail the Company's remaining expected maturity financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets.

Expected maturity for financial assets:

Rs. in lakhs

	0-1 year	1-2 years	2-5 years	5+ years	Total
31 March, 2018					
Financial assets					
Trade receivables	3,698.62	-	-	-	3,698.62
Cash and cash equivalents	1,520.97	-	-	-	1,520.97
Loans	17.68	4.21	-	-	21.89
Other financial assets	362.96	-	237.72	-	600.68

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Rs. in lakhs

	0-1 year	1-2 years	2-5 years	5+ years	Total
31 March, 2017					
Financial assets					
Trade receivables	4,491.14	-	-	-	4,491.14
Cash and cash equivalents	834.72	-	-	-	834.72
Loans	18.32	-	-	-	18.32
Other financial assets	1,097.07	-	196.39	-	1,293.46
1 April, 2016					
Financial assets					
Trade receivables	4,336.56	-	-	-	4,336.56
Cash and cash equivalents	460.96	-	-	-	460.96
Loans	18.60	3.63	-	-	22.23
Other financial assets	197.57	-	309.87	-	507.44

35.8.2 Financing facilities

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Unsecured working capital loan facility:			
- amount used	2,104.04	2,179.48	2,248.41
- amount unused	445.96	370.52	301.59
	2,550.00	**2,550.00**	**2,550.00**
Secured packing credit facility :			
- amount used	1,000.00	1,000.00	1,000.00
- amount unused	-	-	-
	1,000.00	**1,000.00**	**1,000.00**
Secured overdraft facility :			
- amount used	793.17	212.43	-
- amount unused	56.83	637.57	850.00
	850.00	**850.00**	**850.00**
Secured short term loan:			
- amount used	1,405.00	1,405.00	1,005.00
- amount unused	-	-	-
	1,405.00	**1,405.00**	**1,005.00**
Secured term loan:			
- amount used	1,453.93	2,441.05	3,511.74
- amount unused	-	-	-
	1,453.93	**2,441.05**	**3,511.74**
Unsecured term loan:			
- amount used	576.46	864.70	1,152.94
- amount unused	-	-	-
	576.46	**864.70**	**1,152.94**

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

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

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38 Leases

The Company has taken Noida, Navalur (Chennai) and Mannur (Chennai) premises under operating lease agreements. Operating lease rent expenses were Rs. 308.27 lakhs and Rs. 546.47 lakhs for the year ended 31 March, 2018 and 31 March, 2017 respectively.

The following is a summary of future minimum lease rental commitments towards non-cancellable operating leases:

Rs. in lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
a. Not later than one year	209.79	220.20	409.98
b. Later than one year but not later than five years	53.71	263.04	708.29
c. More than five years	-	-	-
	263.50	**483.24**	**1,118.27**

Rs. in lakhs

	Year ended 31 March, 2018	Year ended 31 March, 2017
39 Income taxes		
39.1 Income tax recognised in profit or loss		
Current tax		
In respect of the current year	-	-
In respect of the prior years	10.85	-
Total	**10.85**	**-**
Deferred tax		
In respect of the current year	-	-
Deferred tax reclassified from equity to profit or loss	-	-
Adjustments to deferred tax attributable to changes in tax rates and laws	-	-
Total	**-**	**-**
Total tax expense / (income) recognised in profit or loss	**10.85**	**-**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit / (loss) before tax	(771.55)	(5,374.68)
Income tax expense calculated at 30.90% (2016-17: 30.90%)	(238.41)	(1,660.78)
Effect of expenses that are not deductible in determining taxable profit	536.96	1,121.13
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(298.55)	539.65
Effect of tax expense in relation to prior years	10.85	-
	10.85	**-**

The tax rate used for the financial years 2017-2018 and 2016-2017 reconciliations above is the corporate tax rate of 30.90% and 30.90% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

39.2 Deferred tax assets / (liabilities) (net)

Rs. in lakhs

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Deferred tax assets / (liability) consists of			
a) Book/ tax depreciation difference	(662.28)	(753.73)	(726.20)
b) Employee benefits	55.82	57.41	40.77
c) Carry forward of business loss	784.42	776.88	56.91
d) Unabsorbed depreciation	1,259.78	1,136.87	699.32
e) Doubtful debts and advances	75.93	142.94	31.64
f) Others	123.74	202.73	(24.46)
Deferred tax assets (net)	**1,637.41**	**1,563.10**	**77.98**
Deferred tax assets / (liability) recognised	-	-	-

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Note:

The Company has carried out it's tax computation in accordance with Ind AS 12 'Income Taxes'. In the absence of reasonable certainity that future taxable profits will be available against which temporary differences can be utilised, no deferred tax assets have been recognised on any temporary differences and unused tax losses.

Detail of temporary differences and unused tax losses for which no deferred tax asset is recognised in the balance sheet:

Particulars	As at 31 March, 2018	As at 31 March, 2017	Rs. in lakhs As at 1 April, 2016
With no expiry date	2,760.49	2,544.40	68.19
With expiry date*	2,538.58	2,514.17	184.17
	5,299.07	**5,058.57**	**252.36**

* These would expire between 2023 to 2026 (As at 31 March, 2017: 2023 to 2025; As at 1 April, 2016: 2023 to 2024).

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40 Approval of financial statements

The financial statements were approved by the Board of Directors on 10 July, 2018.

41 Related Party Disclosures

a. List of related parties

Venturers / Investors in respect of which Company is a Joint Venture ('Joint venturers')
Furukawa Automotive Systems INC., Japan
Furukawa Electric Co. Ltd, Japan
Minda Corporation Limited

Key management personnel of the entity
Mr. Neeraj Sharma, President and Whole Time Director
Mr. Ashok Minda, Director
Mr. Masahiro Hasegawa, Joint President
Mr. Shigenobu Abe, Director
Mr. Takamitsu Kozuka, Director
Mr. Avinash Parkash Gandhi, Director
Mr. Amit Kumar Dubey, Chief Financial Officer (w.e.f 1 October, 2016)
Ms. Tanisha Gera, Company Secretary (w.e.f 17 November, 2017)

Enterprises owned or significantly influenced by shareholders or key management personnel or their relatives
Minda Automotive Solutions Limited
Minda Management Services Limited
Minda Sai Limited
Minda Autoelectrik Limited
Minda Capital Limited
Mindarika Private Limited
Furukawa Life Services
Furukawa Automotive Systems (Thailand) Co. Ltd.
Furukawa Electric (Shenzhen) Co., Ltd
Furukawa Automotive Systems Indonesia
Furukawa Electric Autoparts Phillipines, Inc
Furukawa Sangyo Kaisha India Private Limited
Permintex Furukawa Autoparts Malaysia SDN BHD
Furukawa Automotive System (Hamamatsu)
DORSETKABA SECURITY SYSTEMS PVT LTD.
Furukawa Automotive Parts (Hong Kong) Ltd.
Tokai Rika Minda India Private Limited

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b. Transactions with related parties

Rs. in lakhs

Particulars	Joint venturers		Key management personnel of the entity		Enterprises owned or significantly influenced by shareholders or key management personnel or their relatives		Total	
	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017
Sales (including scrap sales)								
Minda Corporation Limited	1.13	-	-	-	-	-	**1.13**	-
Furukawa Automotive Systems INC., Japan	129.76	112.09	-	-	-	-	**129.76**	**112.09**
Furukawa Electric (Shenzhen) Co., Ltd	-	-	-	-	-	5.53	-	**5.53**
Furukawa Automotive Systems (Thailand) Co. Ltd.	-	-	-	-	44.06	44.26	**44.06**	**44.26**
Minda Sai Limited	-	-	-	-	85.29	115.57	**85.29**	**115.57**
Furukawa Automotive Systems Indonesia	-	-	-	-	53.82	59.49	**53.82**	**59.49**
Mindarika Private Limited	-	-	-	-	4.21	0.83	**4.21**	**0.83**
Furukawa Automotive System (Hamamatsu)	-	-	-	-	0.20	1.29	**0.20**	**1.29**
DORSETKABA SECURITY SYSTEMS PVT LTD.	-	-	-	-	0.75	-	**0.75**	-
Tokai Rika Minda India Private Limited	-	-	-	-	3,714.46	2,630.45	**3,714.46**	**2,630.45**
	130.89	**112.09**	**-**	**-**	**3,902.79**	**2,857.42**	**4,033.68**	**2,969.51**
Sales of plant and machinery and other assets								
Minda Sai Limited	-	-	-	-	168.43	-	**168.43**	-
Furukawa Automotive Systems INC., Japan	34.13	-	-	-	-	-	**34.13**	-
	34.13	**-**	**-**	**-**	**168.43**	**-**	**202.56**	**-**
Purchase of raw materials and other components								
Furukawa Automotive Systems INC., Japan	8,692.25	11,298.10	-	-	-	-	**8,692.25**	**11,298.10**
Furukawa Automotive Systems (Thailand) Co. Ltd.	-	-	-	-	93.18	868.97	**93.18**	**868.97**
Furukawa Electric Co. Ltd, Japan	-	1.89	-	-	-	-	-	**1.89**
Minda Sai Limited	-	-	-	-	471.00	1,036.60	**471.00**	**1,036.60**
Furukawa Electric Autoparts Phillipines, Inc	-	-	-	-	1,245.08	966.55	**1,245.08**	**966.55**
Furukawa Sangyo Kaisha India Private Limited	-	-	-	-	322.23	255.44	**322.23**	**255.44**
Permintex Furukawa Autoparts Malaysia SDN BHD	-	-	-	-	0.40	-	**0.40**	-
Minda Automotive Solutions Limited	-	-	-	-	-	0.08	-	**0.08**
	8,692.25	**11,299.99**	**-**	**-**	**2,131.89**	**3,127.64**	**10,824.14**	**14,427.63**
Purchase of plant and machinery (including capital work in progress)								
Furukawa Automotive Systems INC., Japan	840.11	658.41	-	-	-	-	**840.11**	**658.41**
Minda Sai Limited	-	-	-	-	-	-	-	-
	840.11	**658.41**	**-**	**-**	**-**	**-**	**840.11**	**658.41**
Salaries and wages (reimbursement paid)								
Furukawa Automotive Systems INC., Japan	223.39	-	-	-	-	-	**223.39**	-
	223.39	**-**	**-**	**-**	**-**	**-**	**223.39**	**-**
Compensation of key managerial personnel*								
Under the employee share based payment plans, an								
Mr. Neeraj Sharma, President and Whole Time Director	-	-	85.39	62.39	-	-	**85.39**	**62.39**
Mr. Masahiro Hasegawa, Joint President	-	-	80.00	80.00	-	-	**80.00**	**80.00**
Mr. Amit Kumar Dubey, Chief Financial Officer (w.e.f 1 October, 2016)	-	-	37.02	15.91	-	-	**37.02**	**15.91**
Ms. Tanisha Gera, Company Secretary (w.e.f 17 November, 2017)	-	-	1.61	-	-	-	**1.61**	-
	-	**-**	**204.02**	**158.30**	**-**	**-**	**204.02**	**158.30**
Employee stock compensation expense (see note 42)								
Mr. Neeraj Sharma, President and Whole Time Director	-	-	5.26	0.36	-	-	**5.26**	**0.36**
	-	**-**	**5.26**	**0.36**	**-**	**-**	**5.26**	**0.36**
Staff welfare expenses								
Minda Management Services Limited	-	-	-	-	0.90	2.22	**0.90**	**2.22**
	-	**-**	**-**	**-**	**0.90**	**2.22**	**0.90**	**2.22**

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b. Transactions with related parties

(Rs. in lakhs)

Particulars	Joint venturers		Key management personnel of the entity		Enterprises owned or significantly influenced by shareholders or key management personnel or their relatives		Total	
	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017
Finance cost								
Furukawa Automotive Systems INC., Japan	364.70	320.37	-	-	-	-	**364.70**	**320.37**
	364.70	**320.37**	-	-	-	-	**364.70**	**320.37**
Job work charges	-	-	-	-	-	-		
Minda Sai Limited	-	-	-	-	524.22	596.08	**524.22**	**596.08**
	-	-	-	-	**524.22**	**596.08**	**524.22**	**596.08**
Power and fuel								
Minda Sai Limited	-	-	-	-	-	7.10	-	**7.10**
	-	-	-	-	-	**7.10**	-	**7.10**
Rent expense								
Minda Capital Limited	-	-	-	-	10.33	26.20	**10.33**	**26.20**
	-	-	-	-	**10.33**	**26.20**	**10.33**	**26.20**
Repairs and maintenance plant and machinery, consumables, custom license								
Furukawa Automotive Systems INC., Japan	59.45	38.91	-	-	-	-	**59.45**	**38.91**
Furukawa Electric Autoparts Phillipines, Inc	-	-	-	-	0.89	-	**0.89**	-
Minda Autoelectrik Limited	-	-	-	-	38.64	-	**38.64**	-
	59.45	**38.91**	-	-	**39.53**	-	**98.98**	**38.91**
Travelling expenses								
Furukawa Automotive Systems INC., Japan	40.71	127.29	-	-	-	-	**40.71**	**127.29**
Furukawa Life Services	-	-	-	-	-	2.61	-	**2.61**
	40.71	**127.29**	-	-	-	**2.61**	**40.71**	**129.90**
Royalty								
Furukawa Automotive Systems INC., Japan	498.50	648.06	-	-	-	-	**498.50**	**648.06**
	498.50	**648.06**	-	-	-	-	**498.50**	**648.06**
Freight and forwarding								
Furukawa Automotive Systems INC., Japan	-	135.91	-	-	-	-	-	**135.91**
	-	**135.91**	-	-	-	-	-	**135.91**
Miscellaneous expenses								
Furukawa Automotive Systems INC., Japan	0.35	44.53	-	-	-	-	**0.35**	**44.53**
	0.35	**44.53**	-	-	-	-	**0.35**	**44.53**
Expenses incurred by the Company on behalf of related								
Minda Management Services Limited	-	-	-	-	-	0.04	-	**0.04**
	-	-	-	-	-	**0.04**	-	**0.04**
Loans given to key managerial personnel								
Mr. Neeraj Sharma, President and Whole Time Director	-	-	2.04	1.91	-	-	**2.04**	**1.91**
Mr. Amit Dubey, Chief Financial Officer (w.e.f 1 Ocotber, 2016)	-	-	3.83	-	-	-	**3.83**	-
	-	-	**5.87**	**1.91**	-	-	**5.87**	**1.91**

* The compensation to key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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c. Balance at the year end

(Rs. in lakhs)

Particulars	Joint venturers			Key management personnel of the entity			Enterprises owned or significantly influenced by shareholders or key management personnel or their relatives			Total		
	31 March, 2018	31 March, 2017	1 April, 2016	31 March, 2018	31 March, 2017	1 April, 2016	31 March, 2018	31 March, 2017	1 April, 2016	31 March, 2018	31 March, 2017	1 April, 2016
Loan to key management personnel												
Mr. Neeraj Sharma, President and Whole Time Director	-	-	-	10.77	8.73	6.83	-	-	-	**10.77**	**8.73**	**6.83**
Mr. Amit Dubey, Chief Financial Officer (w.e.f 1 Ocotber, 2016)	-	-	-	3.83	-	-	-	-	-	**3.83**	**-**	**-**
	-	**-**	**-**	**14.60**	**8.73**	**6.83**	**-**	**-**	**-**	**14.60**	**8.73**	**6.83**
Advances recoverable from related party												
Minda Management Services Limited	-	-	-	-	-	-	45.42	45.85	48.01	**45.42**	**45.85**	**48.01**
	-	**-**	**-**	**-**	**-**	**-**	**45.42**	**45.85**	**48.01**	**45.42**	**45.85**	**48.01**
Trade receivables												
Furukawa Automotive Systems INC., Japan	73.20	32.55	-	-	-	-	-	-	-	**73.20**	**32.55**	**-**
Furukawa Electric (Shenzhen) Co., Ltd	-	-	-	-	-	-	1.96	1.95	-	**1.96**	**1.95**	**-**
Minda Sai Limited	-	-	-	-	-	-	310.49	99.65	19.13	**310.49**	**99.65**	**19.13**
Minda Corporation Limited	1.38	-	-	-	-	-	-	-	-	**1.38**	**-**	**-**
Minda Kosan Rika Private Limited	-	-	-	-	-	-	2.89	0.81	-	**2.89**	**0.81**	**-**
Furukawa Electric Autoparts Phillipines, Inc	-	-	-	-	-	-	0.01	0.01	0.01	**0.01**	**0.01**	**0.01**
Furukawa Automotive Systems Indonesia	-	-	-	-	-	-	21.68	41.18	27.29	**21.68**	**41.18**	**27.29**
Furukawa Automotive Systems (Thailand) Co. Ltd.	-	-	-	-	-	-	130.71	85.35	42.60	**130.71**	**85.35**	**42.60**
Furukawa Automotive System (Hamamatsu)	-	-	-	-	-	-	0.26	0.26	0.14	**0.26**	**0.26**	**0.14**
DORSETKABA SECURITY SYSTEMS PVT LTD.	-	-	-	-	-	-	0.18	-	-	**0.18**	**-**	**-**
	74.58	**32.55**	**-**	**-**	**-**	**-**	**468.18**	**229.21**	**89.17**	**542.76**	**261.76**	**89.17**
Trade payables	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Minda Corporation Limited	0.30	0.30	1.30	-	-	-	-	-	-	**0.30**	**0.30**	**1.30**
Furukawa Electric Co. Limited, Japan	2.59	170.96	2.59	-	-	-	-	-	-	**2.59**	**170.96**	**2.59**
Furukawa Automotive Systems INC., Japan	11,075.97	11,636.58	6,113.13	-	-	-	-	-	-	**11,075.97**	**11,636.58**	**6,113.13**
Furukawa Electric (Shenzhen) Co., Ltd	-	-	-	-	-	-	0.23	0.23	0.23	**0.23**	**0.23**	**0.23**
Permintex Furukawa Autoparts Malaysia SDN BHD	-	-	-	-	-	-	2.37	1.97	2.37	**2.37**	**1.97**	**2.37**
Furukawa Automotive Parts (Hong Kong) Ltd.	-	-	-	-	-	-	1.17	1.17	1.17	**1.17**	**1.17**	**1.17**
Furukawa Automotive Systems (Thailand) Co. Ltd.	-	-	-	-	-	-	107.09	203.50	626.84	**107.09**	**203.50**	**626.84**
Minda Sai Limited	-	-	-	-	-	-	1,137.61	1,521.66	724.03	**1,137.61**	**1,521.66**	**724.03**
Minda Automotive Solutions Limited	-	-	-	-	-	-	0.08	0.08	-	**0.08**	**0.08**	**-**
Furukawa Electric Autoparts Phillipines, Inc	-	-	-	-	-	-	636.18	553.65	324.62	**636.18**	**553.65**	**324.62**
Furukawa Sangyo Kaisha India Private Limited	-	-	-	-	-	-	164.27	101.99	39.92	**164.27**	**101.99**	**39.92**
	11,078.86	**11,807.84**	**6,117.02**	**-**	**-**	**-**	**2,049.00**	**2,384.25**	**1,719.18**	**13,127.86**	**14,192.09**	**7,836.20**

Minda Corporation Limited has given corporate guarantee in respect of sanction amount of Rs. 6,077.87 lakhs (As at 31 March, 2017: Rs. 6,064.51 lakhs; As at 1 April, 2017: Rs. 6,161.64 lakhs) for term loans, packing credit facility and bank overdraft obtained by the Company. Outstanding amount in respect thereof as at the year end aggregates to Rs. 3,247.10 lakhs (As at 31 March, 2017: Rs. 3,653.48 lakhs; As at 1 April, 2016: Rs. 4,511.74 lakhs).

Furukawa Electric Co. Limited has given corporate guarantee in respect of sanction amount of Rs. 5,025.00 lakhs (As at 31 March, 2017: Rs. 5,025.00 lakhs; As at 1 April, 2017: Rs. 5,025.00 lakhs) for term loans, working capital loan and cash credit obtained by the Company. Outstanding amount in respect thereof as at the year end aggregates to Rs. 4,085.50 lakhs (As at 31 March, 2017: Rs. 4,449.18 lakhs; As at 1 April, 2016: Rs. 4,406.35 lakhs).

42 Under the employee share based payment plans, certain employees of the Company are granted stock options of Minda Corporation Limited ('MCL'), the joint venturer. The plan is assessed, managed and administered by the joint venturer. All of the plans granted to employees by the joint venturer are equity-settled.

The Company applies Ind AS 102 - Share based payments, to share based payment transactions. Pursuant to this standard, stock options granted to the employee by the joint venturer are measured at fair value and recognised in the Statement of Profit and Loss over the vesting period of the options and crediting deemed capital contribution in other equity. The fair value of stock options was determined by the joint venturer using the Black Scholes option pricing model.

Under the Plan, upto 5,341,840 stock options can be issued to eligible employees of MCL and its subsidiaries, whether working in India or out of India, including any Director of MCL and its subsidiaries, whether whole time or otherwise excluding the Independent Directors. Options are to be granted at price equal to the latest available closing price discounted by 50% or such other percentage as may be decided by the Nomination and Remuneration Committee. Under the Plan, each option, upon vesting, shall entitle the holder to acquire one equity share of Rs. 2 each. The options granted will vest gradually over a period not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Summary of vesting and lock-in provisions are given below:

Sr. No.	Vesting schedule		
	% of options scheduled to vest	Vesting date	Lock-in-period
1	20%	01-Apr-18	Nil
2	20%	01-Apr-19	Nil
3	20%	01-Apr-20	Nil
4	40%	01-Apr-21	Nil

The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Number of option	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Outstanding at the beginning of the year	50,000	50	-	-
Granted during the year	-	-	50,000	50
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	50,000	50	50,000	50
Exercisable at the end of the year	-	-	-	-

Employee stock compensation expense in relation to stock options granted to employee of companies is Rs. 5.26 lakhs (Previous year Rs. 0.36 lakhs)

Employee stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	
Grant date	7 March, 2017
Expected volatility	47.58%
Risk free interest rate	7.15%
Exercise price (Rs.)	50.00
Expected dividend yield	0.54%
Life of options (years)	4.07
Weighted average exercise price	50.00
Weighted average fair value of options as at the grant date (Rs.)	92.90
Expected Option Life	The expected option life is assumed to be mid-way between the option vesting and expiry.
Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.
Model used	Black-Scholes Method
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	

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43 As at 31 March, 2018, the Company has foreign currency receivables of Rs. 112.75 lakhs (As at 31 March, 2017: Rs. 122.30 lakhs) and foreign currency payables of Rs. 576.07 lakhs (As at 31 March, 2017: Rs. 131.39 lakhs) outstanding for a period exceeding nine months and three years respectively, for which the Company will need to get regulatory approvals under the Foreign Exchange Management Act, 1999. The consequential impact of this matter, including the liability for penal charges, if any, on the financial statements is presently not ascertainable.

44 First-time Ind AS adoption reconciliations

44.1 Effect of Ind AS adoption on the balance sheet as at 31 March, 2017 and 1 April, 2016

Rs. in lakhs

	Note	As at 31 March, 2017			As at 1 April, 2016		
		Previous GAAP*	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP*	Effect of transition to Ind AS	As per Ind AS Balance sheet
ASSETS							
Non-current assets							
(a) Property, plant and equipment		9,050.41	-	9,050.41	9,184.31	-	9,184.31
(b) Capital work-in-progress		63.70	-	63.70	10.81	-	10.81
(c) Other intangible assets		72.26	-	72.26	303.44	-	303.44
(d) Financial assets							
i. Loans	(a)	1.42	(1.42)	-	5.27	(1.64)	3.63
ii. Other financial assets	(a), (b)	324.06	(127.67)	196.39	508.76	(198.89)	309.87
(e) Non-current tax assets		246.04	-	246.04	229.74	-	229.74
(f) Other non-current assets	(a)	9.65	50.22	59.87	48.33	72.21	120.54
Total non-current assets		**9,767.54**	**(78.87)**	**9,688.67**	**10,290.66**	**(128.32)**	**10,162.34**
Current assets							
(a) Inventories		6,414.85	-	6,414.85	7,930.42	-	7,930.42
(b) Financial assets					-	-	
i. Trade receivables	(c)	4,491.14	-	4,491.14	4,602.60	(266.04)	4,336.56
ii. Cash and cash equivalents		834.72	-	834.72	460.96	-	460.96
iii. Loans	(a)	3.85	14.47	18.32	4.45	14.15	18.60
iv. Other financial assets	(a), (b)	1,150.30	(53.23)	1,097.07	260.19	(62.62)	197.57
(c) Other current assets	(a)	4,110.92	12.99	4,123.91	3,475.52	11.13	3,486.65
Total current assets		**17,005.78**	**(25.77)**	**16,980.01**	**16,734.14**	**(303.38)**	**16,430.76**
Total assets		**26,773.32**	**(104.64)**	**26,668.68**	**27,024.80**	**(431.70)**	**26,593.10**

Rs. in lakhs

	Note	As at 31 March, 2017			As at 1 April, 2016		
		Previous GAAP*	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP*	Effect of transition to Ind AS	As per Ind AS Balance sheet
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		9,850.00	-	9,850.00	9,850.00	-	9,850.00
(b) Other equity		(12,480.15)	(104.64)	(12,584.79)	(6,767.45)	(431.70)	(7,199.15)
Total equity		**(2,630.15)**	**(104.64)**	**(2,734.79)**	**3,082.55**	**(431.70)**	**2,650.85**
Liabilities							
Non-current liabilities							
(a) Financial liabilities							
i. Borrowings		2,025.86	-	2,025.86	3,361.94	-	3,361.94
(b) Provisions		109.05	-	109.05	68.94	-	68.94
Total non-current liabilities		**2,134.91**	**-**	**2,134.91**	**3,430.88**	**-**	**3,430.88**

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Rs. in lakhs

	Note	As at 31 March, 2017			As at 1 April, 2016		
		Previous GAAP*	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP*	Effect of transition to Ind AS	As per Ind AS Balance sheet
Current liabilities							
(a) Financial liabilities							
i. Borrowings		4,796.91	-	4,796.91	4,253.41	-	4,253.41
ii. Trade payables		19,478.55	-	19,478.55	14,259.02	-	14,259.02
iii. Other financial liabilities		1,445.65	-	1,445.65	1,499.28	-	1,499.28
(b) Provisions		536.73	-	536.73	63.01	-	63.01
(c) Other current liabilities		1,010.72	-	1,010.72	436.65	-	436.65
Total current liabilities		**27,268.56**	**-**	**27,268.56**	**20,511.37**	**-**	**20,511.37**
Total liabilities		**29,403.47**	**-**	**29,403.47**	**23,942.25**	**-**	**23,942.25**
Total equity and liabilities		**26,773.32**	**(104.64)**	**26,668.68**	**27,024.80**	**(431.70)**	**26,593.10**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.

44.2 Reconciliation of total equity as at 31 March, 2017 and 1 April, 2016

Rs. in lakhs

	Note	As at 31 March, 2017	As at 1 April, 2016
Total equity (shareholders funds) under previous GAAP		(2,630.15)	3,082.55
Adjustments:			
Effect of measuring financial instruments at amortised cost	(a)	10.49	9.12
Effect of measuring financial instruments at fair value	(b)	94.15	156.54
Prior period expenses restated	(c)	-	266.04
Total adjustment to equity		**104.64**	**431.70**
Total equity under Ind AS		**(2,734.79)**	**2,650.85**

44.3 Effect of Ind AS Adoption on the Statement of Profit and Loss for the year ended 31 March, 2017

Rs. in lakhs

	Note	Year ended 31 March, 2017		
		Previous GAAP*	Effect of transition to Ind AS	Ind AS
Income				
Revenue from operations	(e), (f)	49,949.38	6,092.31	56,041.69
Other income	(a), (b)	680.11	85.86	765.97
Total income		**50,629.49**	**6,178.17**	**56,807.66**
Expenses				
Cost of materials consumed		39,193.92	-	39,193.92
Excise duty on sale of goods	(e)	-	6,327.03	6,327.03
Decrease/ (Increase) in inventories of finished goods and work-in-progress		234.58	-	234.58
Employee benefits expense	(a), (d), (g)	5,716.25	(10.27)	5,705.98
Finance costs		1,307.28	-	1,307.28
Depreciation and amortisation expense		1,322.13	-	1,322.13
Other expenses	(a), (f)	5,462.98	(210.57)	5,252.41
Total expenses		**53,237.14**	**6,106.19**	**59,343.33**
Profit / (Loss) before exceptional items, prior period expense and tax expense		**(2,607.65)**	**71.98**	**(2,535.67)**

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Rs. in lakhs

	Note	Year ended 31 March, 2017 Previous GAAP*	Effect of transition to Ind AS	Ind AS
Exceptional items		2,839.01	-	2,839.01
Profit / (Loss) before prior period expense and tax expense		**(5,446.66)**	**71.98**	**(5,374.68)**
Prior period expense	(c)	266.04	(266.04)	-
Profit / (Loss) before tax expense		**(5,712.70)**	**338.02**	**(5,374.68)**
Tax expense				
Current tax		-	-	-
Deferred tax		-	-	-
Total tax expense		-	-	-
Profit / (Loss) for the year		**(5,712.70)**	**338.02**	**(5,374.68)**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans	(g)	-	(11.32)	(11.32)
Total other comprehensive income		-	**(11.32)**	**(11.32)**
Total comprehensive income/(loss) for the year		**(5,712.70)**	**326.70**	**(5,386.00)**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.

44.4 Reconciliation of total comprehensive income for the year ended 31 March, 2017

Rs. in lakhs

	Note	Year ended 31 March, 2017
Profit/ (loss) as per previous GAAP		**(5,712.70)**
Adjustments :		
Effect of measuring financial instruments at amortised cost	(a)	(1.37)
Effect of measuring financial instruments at fair value	(b)	62.39
Remeasurement of defined benefit obligation recognised in other comprehensive income (net of tax)	(g)	11.32
Effect of employee stock compensation expense	(d)	(0.36)
Reversal of prior period expense (recognised in the financial year to which it pertains)	(c)	266.04
Total effect of transition to Ind AS		**338.02**
Profit/(loss) for the year as per Ind AS		**(5,374.68)**
Other comprehensive income for the period (net of tax)	(g)	(11.32)
Total comprehensive income/(loss) under Ind AS		**(5,386.00)**

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44.5 Effect of Ind AS adoption on the Statement of Cash Flows for the year ended 31 March, 2017

Rs. in lakhs

	Note	Year ended 31 March, 2017		
		Previous GAAP*	Effect of Transition to Ind AS	As per Ind AS balance sheet
Net Cash flows from operating activities	(a), (b)	3,986.92	(89.77)	3,897.15
Net Cash flows from / (used in) investing activities	(a), (b)	(1,482.31)	89.77	(1,392.54)
Net Cash flows from / (used in) financing activities	(h)	(2,130.85)	(212.43)	(2,343.28)
Net decrease in cash and cash equivalents		373.76	(212.43)	161.33
Cash and Cash equivalents at the beginning of the year		460.96	-	460.96
Cash and Cash equivalents at the end of the year		**834.72**	(212.43)	**622.29**

* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.

Notes to the reconciliation between previous GAAP and Ind AS

(a) Interest free loans given to employees and security deposits at amortised cost method

Under previous GAAP, interest free loans given to employees and security deposits (assets) were accounted for at their undiscounted nominal values. Under Ind AS, these have been accounted for at amortised cost method by discounting the cash flows using effective interest rates. This has resulted in decrease in total equity as at 31 March, 2017 and 1 April, 2016 and increase in loss for the year ended 31 March, 2017. Consequently, the changes in balances of security deposits and the effect of interest income under amortised cost method has resulted in changes in cashflows from operating and investing activities in the cash flow statement.

(b) Cross currency interest rate swap not designated as hedging instruments

Under the previous GAAP, the Company applied the requirements of Accounting Standard 11 - The effects of changes in foreign exchange rates to account for principal swap entered for hedging foreign exchange risk related to recognised borrowings. The underlying borrowing and the swap were restated at the closing spot exchange rate and forward asset/liability was created on swap restatement. Under Ind AS, derivatives which are not designated as hedging instruments are fair valued with resulting changes being recognised in profit or loss. This has resulted in decrease in total equity as at 31 March, 2017 and 1 April, 2016 and decrease in loss for the year ended 31 March, 2017. Consequently, the changes in balances of derivatives instruments carried at fair value and gain arising on financial assets/derivatives designated as at FVTPL has resulted in changes in cashflows from operating and investing activities in the cash flow statement.

(c) Prior period expense pertaining to deduction by customer

Under the previous GAAP, prior period expenses were separately disclosed in the Statement of Profit and Loss. Under Ind AS, prior period expenses have to be recognised in the financial year to which it pertains by restating the latest comparative period. This change has resulted in decrease in trade receivables as at 1 April, 2016 and decrease in total equity as at 1 April, 2016.

(d) Fair valuation of ESOP

Under previous GAAP, the Company did not account for any expense in the Statement of Profit and Loss for the cost of equity-settled employee share-based payments and the same was recognised as an expense by the Joint Venturer. Under Ind AS, the cost of equity-settled employee share-based payments is recognised based on the fair value of the options as on the grant date by the Company. Accordingly, the fair value of options has been accounted for as employee benefit expenses. The Company did not have any outstanding options as on the transition date and hence there is no impact on the opening reserves.

(e) Excise duty

Under the previous GAAP, revenue from sale of goods was presented net of excise duty under revenue from operations, whereas, under Ind AS, revenue from sale of goods includes excise duty. The corresponding excise duty expense is presented separately on the face of the Statement of Profit and Loss. The change does not affect total equity as at 1 April, 2016 and 31 March, 2017, profit/(loss) before tax or total profit/(loss) for the year ended 31 March, 2017.

(f) Cash discounts linked to revenue transactions

Under the previous GAAP, cash discounts pertaining to sales schemes were recognised as part of expenses. Under Ind AS, these expenses have been recognised as reduction from revenue. This change has resulted in a decrease in total revenue and total expenses for the year ended 31 March, 2016. However, there is no change in total equity as at 1 April, 2016 and 31 March, 2017 and loss for the year ended 31 March, 2017.

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(g) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. There is a increase in loss before tax and in loss after tax for the year ended 31 March, 2017 on account of such change. This change does not affect total equity.

(h) Under Ind AS, bank overdrafts which are repayable on demand and form an integral part of an entity's cash management system are included in cash and cash equivalents for the purpose of presentation of Cash Flow Statement. Whereas under previous GAAP, there was no similar guidance and hence, bank overdrafts were considered similar to other borrowings and the movements therein were reflected in cash flows from financing activities. Consequently, the cash outflow from financing activities as per the cash flow statement for the year ended 31 March, 2017 prepared as per Ind AS is lower.

45 Excise duty

Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July, 2017; Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Ind AS 18 - Revenue recognition and Schedule III of the Companies Act, 2013, unlike excise duty, levies like GST, VAT, etc. are not part of revenue. Accordingly, the figures for the year ended 31 March, 2018 are not comparable with the year ended 31 March, 2017. The following additional information is being provided to facilitate such understanding:

(Rs. in lakhs)

	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from operations	42,798.79	56,041.69
Less: Excise duty	(1,530.32)	(6,327.03)
Revenue from operations excluding excise duty	**41,268.47**	**49,714.66**

46 Reconciliation of liabilities arising from financing activities

The table below details the changes in Company's liabilities arising from financing activities, including both cash and non-cash

(Rs. in lakhs)

Particulars	As at 31 March, 2017	Cash Flow	Non-cash Changes	As at 31 March, 2018
Non-current borrowings	3,305.75	(1,275.36)	-	2,030.39
Current borrowings	4,584.48	(75.44)	-	4,509.04
Total liabilities from financing activities	**7,890.23**	**(1,350.80)**	**-**	**6,539.43**

Effective 1 April, 2017, the Company adopted the amendment to Ind AS 7- Statement of Cash Flows, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non- cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any impact on the financial statements.

47 Management has assessed impairement based on the future cash flows of the Company in accordance with Ind AS 36 (Impairment of Assets). Based on such workings, there is no impairment requried to be recorded.

48 (i) During the year ended 31 March, 2016, in view of the production facilities having been up in Chennai and Noida, the Company had integrated the IT system and related cost records required for valuation of stocks of raw materials, identification of separate costs in respect of moulds sold to original equipment manufacturers, work in progress, finished goods and moulds. While such integrations were in progress as on the balance sheet date i.e. 31 March, 2016, the management had done a detailed manual working and together with physical stock counts and had valued the inventories of Rs. 7,930.42 lakhs at the year ended 31 March, 2016. The Management then, had been confident that no material adjustments to the financial statements was likely once such integration was complete.

(ii) No material adjustments were recorded in the subsequent year in respect of the above.

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49 Previous period figures

The comparative financial information of the Company for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, as amended, audited by the previous auditor and have been restated to comply with Ind AS.

For and on behalf of the Board of Directors of
MINDA FURUKAWA ELECTRIC PRIVATE LIMITED

Neeraj Sharma
President and
Whole Time Director

Avinash P Gandhi
Director

Masahiro Hasegawa
Joint President

Amit Kumar Dubey
Chief Financial Officer

Tanisha Gera
Company Secretary

Deloitte Haskins & Sells LLP
Chartered Accountants

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Place: Bhiwadi
Date: 10 July, 2018