

Minda SAI Limited
Balance Sheet as at 31 March 2017
(All amounts are in Indian Rupees)

	<u>Note</u>	<u>As at</u> <u>31 Mar 2017</u>	<u>As at</u> <u>31 Mar 2016</u>
Equity and Liabilities			
Shareholder's funds			
Share capital	2.1	70,77,10,800	70,77,10,800
Reserves and surplus	2.2	<u>1,60,60,14,707</u>	<u>1,18,97,41,555</u>
		2,31,37,25,507	1,89,74,52,355
Non-current liabilities			
Long-term borrowings	2.3	21,10,05,731	29,88,97,291
Deferred tax liabilities (net)	12	2,53,40,494	3,52,12,747
Other long-term liabilities	2.4	24,32,904	20,40,000
Long-term provisions	2.5	<u>7,00,01,702</u>	<u>5,58,90,021</u>
		30,87,80,831	39,20,40,059
Current liabilities			
Short-term borrowings	2.6	64,76,95,708	88,95,88,446
Trade payables	2.7		
Total outstanding dues of micro enterprises and small enterprises		6,12,67,422	3,59,31,680
Total outstanding dues of creditors other than micro enterprises and small enterprises		97,24,00,174	84,57,77,523
Other current liabilities	2.8	33,37,82,926	29,34,48,487
Short-term provisions	2.9	<u>20,93,27,212</u>	<u>21,20,98,672</u>
		2,22,44,73,442	2,27,68,44,808
Total		<u>4,84,69,79,780</u>	<u>4,56,63,37,222</u>
Assets			
Non-current assets			
Fixed assets	2.10		
- Tangible assets		99,87,23,317	98,47,46,496
- Intangible assets		1,21,83,789	1,66,43,562
- Capital work-in-progress		1,88,83,448	20,78,656
Non-current investments	2.11	1,26,30,06,460	1,26,30,06,460
Long-term loans and advances	2.12	<u>4,01,51,360</u>	<u>4,44,43,492</u>
		2,33,29,48,374	2,31,09,18,666
Current assets			
Inventories	2.13	70,67,89,525	71,71,38,200
Trade receivables	2.14	1,57,58,56,965	1,42,93,42,388
Cash and bank balances	2.15	55,88,675	66,14,396
Short-term loans and advances	2.16	22,12,38,197	10,22,87,145
Other current assets	2.17	<u>45,58,044</u>	<u>36,427</u>
		2,51,40,31,406	2,25,54,18,556
Total		<u>4,84,69,79,780</u>	<u>4,56,63,37,222</u>
Significant accounting policies	1		
Notes to the financial statements	2 to 16		

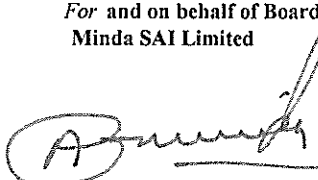
The notes referred to above form an integral part of these financial statements

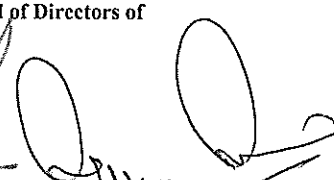
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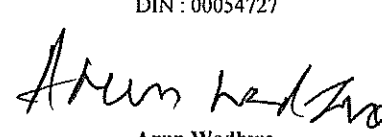
For BSR & Co. LLP
Chartered Accountants
ICAI Firm registration No.: 101248W/W-100022

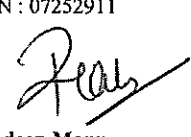
Shashank Agarwal
Partner
Membership No.: 095109

For and on behalf of Board of Directors of
Minda SAI Limited


Ashok Minda
Director
DIN : 00054727


Sanjeev Saxena
CEO & Managing Director
DIN : 07252911


Arun Wadhwa
CFO
AAAPW0293K


Pradeep Mann
Company Secretary
Membership No.: 13371

Place: Gurgaon
Date: 23 May 2017

Place: Gurgaon
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Minda SAI Limited
Statement of Profit and Loss for the year ended 31 March 2017
(All amounts are in Indian Rupees)

	Note	For the year ended 31 Mar 2017	For the year ended 31 Mar 2016
Revenue from operation	2.18		
Sale of products (gross)		7,01,76,91,735	6,01,81,73,709
Less: Excise duty		80,89,30,588	68,43,87,131
Sale of products (net)		<u>6,20,87,61,147</u>	<u>5,33,37,86,578</u>
Other operating revenues		10,20,77,235	9,05,13,378
Other income	2.19	24,76,40,633	15,38,08,115
Total revenue		<u><u>6,55,84,79,015</u></u>	<u><u>5,57,81,08,071</u></u>
Expenses:			
Cost of materials consumed	2.20	4,06,96,25,867	3,51,61,78,574
(Increase) in inventories of work-in-progress and finished goods	2.21	(41,50,849)	(1,32,83,385)
Employee benefit expenses	2.22	95,93,46,948	83,52,22,107
Other expenses	2.23	71,76,90,937	59,30,27,093
Finance costs	2.24	10,13,81,149	11,73,00,188
Depreciation and amortisation expense	2.10	14,75,98,655	14,28,33,419
Total expenses		<u><u>5,99,14,92,707</u></u>	<u><u>5,19,12,77,996</u></u>
Profit before tax		56,69,86,308	38,68,30,075
Less: Tax expense			
- Current tax		16,21,50,000	11,66,02,500
- Income tax provision written back for earlier years		(16,50,273)	(72,376)
- Deferred tax credit		(98,72,253)	(35,75,038)
Profit after tax		<u><u>41,63,58,834</u></u>	<u><u>27,38,74,989</u></u>
Earning per equity share (face value Rs. 100 each)			
Basic and diluted	10	58.83	45.93
Significant accounting policies	1		
Notes to the financial statements	2 to 16		

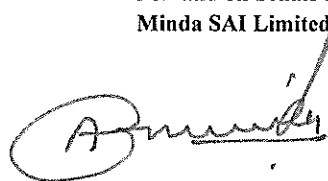
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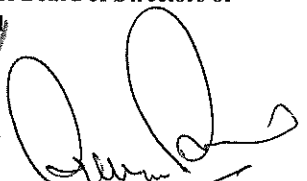
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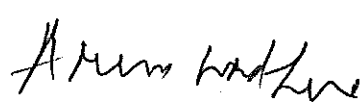
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Shashank Agarwal
Partner
Membership No.: 095109

For and on behalf of Board of Directors of
Minda SAI Limited


Ashok Minda
Director
DIN : 00054727


Sanjeev Saxena
CEO & Managing Director
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Arun Wadhwa
CFO
AAAPW0293K


Pradeep Mann
Company Secretary
Membership No.: 13371

Place: Gurgaon
Date: 23 May 2017

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Minda SAI Limited
Cash Flow Statement for the year ended 31 March 2017
(All amounts in Indian Rupees)

	Year ended 31 March 2017	Year ended 31 March 2016
A. Cash flow from operating activities		
- Profit before tax	56,69,86,308	38,68,30,075
Adjustment For:		
- Depreciation	14,75,98,655	14,28,33,419
- Provision for doubtful debts created/ (written back) (net)	(10,99,900)	(6,48,043)
- Bad debts written off	5,580	19,72,146
- Advance written off	4,22,722	3,29,086
- Provision for doubtful advances	96,072	-
- Excess provision and unclaimed liabilities written back	(4,72,15,080)	(1,03,95,122)
- Fixed assets written off	1,94,258	25,55,774
- Interest and other borrowing cost	10,13,81,149	11,73,00,188
- Interest income	(4,00,739)	(39,77,519)
- Foreign exchange loss (gain)	(25,08,021)	(7,89,989)
- Loss/(Profit) on sale of fixed assets (net)	(12,88,18,600)	9,41,900
- Dividend income	(5,41,68,520)	(12,44,00,020)
- Lease equilisation (net)	7,09,388	(11,23,631)
Operating profit before working capital changes	58,31,83,272	51,14,28,264
Movement in working capital		
- (Increase) in trade receivables	(14,55,04,657)	(20,59,67,168)
- (Increase)/Decrease in inventories	1,03,48,675	(5,91,45,539)
- (increase)/ Decrease in long term /short term loans and advances	(11,88,65,061)	37,52,03,842
- (Increase)/ Decrease in other current assets	(43,49,287)	5,60,63,397
- Increase in trade payables	20,17,65,894	7,43,91,647
- Increase in other long term / other current liabilities	84,68,467	1,98,67,748
- Increase/(Decrease) in long term and short term provisions	(78,03,897)	11,51,47,600
- Taxes paid (including tax deducted at source) (net)	(14,05,94,887)	(11,03,77,097)
Net cash flow generated in operating activities	38,66,48,519	77,66,12,694
B. Cash flow from investing activities		
- Purchase of tangible/ intangible assets	(19,09,58,958)	(14,72,90,134)
- Proceeds from sale of tangible assets	15,49,16,626	30,08,428
- Purchase of long term investments	-	(65,10,06,460)
- Deposit with maturity more than three months (net)	(1,68,121)	19,92,098
- Interest received	2,27,369	40,49,218
- Dividend received	5,41,69,560	12,44,00,020
Net cash flow from investing activities	1,81,86,476	(66,48,46,830)
C. Cash flow from financing activities		
- Issue of share capital	-	15,00,00,000
- Proceeds from long term borrowings	14,66,83,773	1,40,28,018
- Repayment of long term borrowings	(21,02,87,306)	(20,28,74,806)
- (Repayment)/ Proceeds from short term borrowings (net)	(24,18,92,738)	3,42,39,774
- Interest paid	(10,05,32,554)	(11,72,61,542)
Net cash flow from financing activities	(40,60,28,825)	(12,18,68,556)
Net (decrease) /increase in cash and cash equivalents (A+B+C)	(11,93,830)	(1,01,02,692)
Cash and cash equivalents at the beginning of the year	36,11,469	1,37,14,161
Cash and cash equivalents at the end of the year	24,17,639	36,11,469

Notes:

- The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', prescribed under Companies (Accounts) Rules, 2014.
- Cash and cash equivalents consists of cash in hand and balances with scheduled banks. (Refer note 2.15)
- Negative figures have been shown in brackets.

As per our report of even date attached

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

Shashank Agarwal
Partner
Membership No.: 095109

For and on behalf of Board of Directors of
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Ashok Minda
Director
DIN : 00054727

Sanjeev Saxena
CEO & Managing Director
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CFO
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Pradeep Mann
Company Secretary
Membership No.: 13371

Place: Gurgaon
Date: 23 May 2017

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1. Significant accounting policies

(i) Basis of preparation

These financial statements have been prepared and presented on a going concern basis, under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards as prescribed by the section 133 of the Company Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 to the extent applicable, as adopted consistently by the Company. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period and the reported amounts of income and expenses during the reporting period. Examples of estimates amongst others, includes provisions of future obligations under employee benefit plans, the useful lives of fixed assets, provision for warranties and sales returns, customer claims, provision for price changes and impairment of assets. Actual result could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(iii) Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within 12 months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within 12 months after the reporting date; or
- (iv) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

All assets and liabilities are classified into current and non-current.

(iv) 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. The following specific recognition criterion must also be met before revenue is recognised:

Sale of goods

Revenue is recognised on transfer of significant risks and rewards of ownership to the customers. Sale of goods is inclusive of excise duty and is net of sales tax, value added tax, applicable discounts and allowances and sales returns.

Other operating income

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no uncertainty regarding the ultimate collection of the relevant export proceeds.

Income from royalty, technical know-how arrangements is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Job work income is recognized as per the terms of contract with customers when the related services are rendered.

Dividend and interest income

Dividend income is recognised when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on the time proportion method taking into account the amount outstanding and the interest rate applicable

Rental Income

Rental income is recognised on accrual basis over the lease term on straight line basis.



(All amounts in Indian Rupees)

(v) Fixed assets

Tangible fixed assets are carried at cost of acquisition or less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Advance paid towards the acquisition of fixed assets are shown under non-current asset and tangible fixed assets under construction are disclosed as capital work-in-progress.

Moulds, dies and tools represent Company owned tools, dies and other items used in the manufacture of components specific to a customer. Cost includes engineering, testing and other direct expenses related to the research and development of such tools.

(vi) Intangible assets

Intangible assets comprise purchase of software. Intangible assets are carried at cost and amortised over a period of 5 to 6 years, which represents the period over which the Company expects to derive economic benefits from the use of the asset.

(vii) Borrowing Cost

Borrowing costs directly attributable to acquisition, construction or production of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred

(viii) Impairment of assets

The carrying amounts of assets are reviewed at each reporting date in accordance with Accounting Standard - 28 on 'Impairment of Assets' to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

(ix) Depreciation and amortization

Depreciation on fixed assets is provided using the straight line method as per the estimated useful lives of the fixed assets estimated by the management.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act, except for certain items of Plant and Machinery such as bins, tools and dies, racks etc which has been depreciated over life of five years, being the management's estimate of the useful life which is lower than the life arrived at on the basis of Schedule II of the Act. Based on internal technical



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

evaluation, the management believes that the useful lives as considered for arriving at depreciation rates, best represent the period over which management expects to use these assets.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets is ready for use. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction and discardment as the case may be.

Premium paid on leasehold land and site development is amortized over the period of the lease. Leasehold improvements are amortized on the straight-line basis over the lower of primary period of lease and the estimated useful life of such assets.

Depreciation on leased assets is in line with the depreciation policy of the Company and is depreciated over the useful life of such assets.

Software is amortized over a period of 5 to 6 years, which in the management's view represents the economic useful life. Amortization expense is charged on a pro-rata basis for assets purchased during the year. The appropriateness of the amortization period and the amortization method is reviewed at each financial year-end.

(x) Inventories

Inventories are valued at lower of cost and net realizable value. The basis of determination of cost for various categories of inventory is as follows:

Raw Materials, Components and Stores and Spares : Cost is determined on First In First Out (FIFO) basis

Finished Goods : *Manufactured finished goods*

Raw material cost plus appropriate share of labour and production overheads. Cost of finished goods includes excise duty.

Traded finished goods

Traded finished goods are valued at the lower of cost and net realisable value. The cost of traded finished goods is determined on FIFO basis.

Work in progress : Raw material cost plus appropriate share of labour and production overheads depending upon stage of completion wherever applicable.

(xi) Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

(xii) Leases

Where the Company is lessee

Assets taken on lease by the Company in the capacity of a lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at the lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight line basis.

Where the Company is lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investments in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs etc, are recognized immediately in the Statement of Profit and Loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on operating lease is recognized in the Statement of Profit and Loss on a straight line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs etc, are recognized immediately in the Statement of Profit and Loss.

(xiii) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification as per Schedule III to the Companies Act,2013.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares and preference shares.



(All amounts in Indian Rupees)

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed off.

(xiv) Warranty claims

Warranty costs are estimated by the management on the basis of technical evaluation and past experience of costs. Provision is made for the estimated liability in respect of warranty costs in the year of recognition of revenue and is included in the Statement of Profit and Loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

(xv) Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/(loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

(xvi) Retirement and other benefits to employees

Short-term employee benefits

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

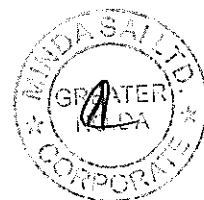
Defined contribution plans

Contribution to Provident fund is a defined contribution plan. Contribution to provident fund is deposited with the Regional Provident Fund Commissioner and charged to the Statement of Profit and Loss.

Defined benefit plans

Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC') in respect of one of the units (hereinafter referred to as Murbad unit). Contributions are made by the Company to the LIC based on actuarial valuation of obligation at 31 March every year conducted by the LIC. Such contributions paid during the year have been charged to the Statement of Profit and Loss on accrual basis. The Company also carries out an actuarial valuation conducted by an independent actuary as at 31 March every year for company as a whole. Any incremental value of obligation, as compared with the obligation determined by the LIC is charged to the Statement of Profit and Loss.

The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.



(All amounts in Indian Rupees)

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating the terms of related obligations.

Other long term benefits

Cost of long term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. Further, in respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected upto the assumed date of encashment. The present value of obligations towards availment and encashment under such long term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at year end.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Treatment of actuarial gains and losses

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

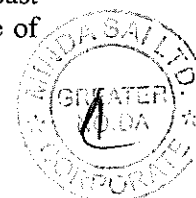
(xvii) Taxation

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credits are recognized for the future tax consequences attributable to timing differences that result between the profit /(loss) offered for income taxes and the profit as per the financial statements. Deferred tax in respect of a timing difference which originates during the tax holiday period but reverses after the tax holiday period is recognized in the year in which the timing difference originates. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain to be realised.

(xviii) Provisions, Contingent liabilities and Contingent assets

A provision is created when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the year end. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of



Minda SAI Limited

Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

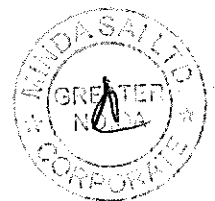
future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, subsequently, if it becomes virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

(xix) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with maturity period of three months or less from the date of investment



	As at 31 March 2017	As at 31 March 2016
2.1 Share capital		
Authorized:		
7,200,000 equity shares of Rs.100 each	72,00,00,000	72,00,00,000
	<u>72,00,00,000</u>	<u>72,00,00,000</u>
Issued, subscribed and paid up		
7,077,108 equity shares of Rs. 100 each fully paid up.	70,77,10,800	70,77,10,800
	<u>70,77,10,800</u>	<u>70,77,10,800</u>
(a) Terms/ rights attached to equity shares		
The Company has only one class of equity shares having a par value of Rs. 100 per share. Each shareholder of the Company is entitled to vote in proportion of the share of paid-up capital of the Company held by the Shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividends proposed by the Board of Directors are paid when approved by the shareholders at Annual General Meeting. In the event of liquidation, the shareholders of the Company are entitled to receive the remaining assets of the Company after discharging all liabilities of the Company in proportion to their shareholdings.		
(b) Reconciliation of number of shares		
Balance as at the beginning of the year	70,77,108	55,77,108
Add: Shares issued during the year	-	15,00,000
Balance as at the end of the year	<u>70,77,108</u>	<u>70,77,108</u>
Reconciliation of amount of share capital		
Balance as at the beginning of the year	70,77,10,800	55,77,10,800
Add: Share capital issued during the year	-	15,00,00,000
Balance as at the end of the year	<u>70,77,10,800</u>	<u>70,77,10,800</u>
(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company		
Particulars		
Minda Corporation Limited and its nominees		
No. of shares held	70,77,108	70,77,108
% of holdings	100	100
(d) Shares held by holding company		
Particulars		
Minda Corporation Limited and its nominees	70,77,108	70,77,108
2.2 Reserves and surplus		
Capital reserves	1,75,76,173	1,75,76,173
Securities premium account	6,60,55,000	6,60,55,000
Revaluation reserve		
Balance as at the beginning of the year	57,06,473	57,92,155
Less: Amount written back during the year	(85,682)	(85,682)
Balance as at the end of the year	<u>56,20,791</u>	<u>57,06,473</u>
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	1,10,04,03,909	82,65,28,920
Add: Net profit transferred from the Statement of Profit and Loss	41,63,58,834	27,38,74,989
Balance as at the end of the year	<u>1,51,67,62,743</u>	<u>1,10,04,03,909</u>
Total reserves and surplus	<u>1,60,60,14,707</u>	<u>1,18,97,41,555</u>



	Foot note	Long term maturities		Current maturities	
		As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
2.3 Long-term borrowings					
Secured					
Term loans					
- from banks	[1]	11,43,94,044	4,97,27,287	7,20,17,014	4,76,47,844
Unsecured					
Term loans					
- from banks	[2]	7,05,88,235	21,17,64,766	14,11,76,471	14,11,76,471
Deferred sales tax loan	[3]	2,60,23,452	3,74,05,298	1,13,81,838	1,14,62,982
		<u>21,10,05,731</u>	<u>29,88,97,291</u>	<u>22,45,75,323</u>	<u>20,02,87,297</u>

Footnotes:

S. No.	Lender	Terms of redemption/repayment	Loan outstanding as at 31 March 2017	Loan outstanding as at 31 March 2016	Details of securities/ guarantees
1	Kotak Mahindra Bank Limited Term Loan - I	<ul style="list-style-type: none"> • Repayment terms: Monthly installments • Date of maturity : 28 November, 2016 • Number of instalments : 17 • Balance instalments: Nil • During the current year the Company has paid entire outstanding loan amount • Rate of interest : 9.50% 	-	45,67,563	<ol style="list-style-type: none"> 1. First Pari - passu charge on all existing and future movable fixed assets of the borrower (excluding assets exclusively charged to other lenders) 2. First pari passu charge on immovable properties of the borrower being land and building situated in Chennai, Mumbai and Noida. 3. Second Pari - passu charge on all existing and future current assets of the borrower .
	Kotak Mahindra Bank Limited Term Loan - II	<ul style="list-style-type: none"> • Repayment terms: Monthly installments • Date of maturity : 26 March, 2017 • Number of instalments : 19 • Balance instalments: Nil • During the current year the Company has paid entire outstanding loan amount • Rate of interest : 9.50% 	-	51,53,148	<ol style="list-style-type: none"> 1. First Pari - passu charge on all existing and future movable fixed assets of the borrower (excluding assets exclusively charged to other lenders) 2. First pari passu charge on immovable properties of the borrower being land and building situated in Chennai, Mumbai and Noida. 3. Second Pari - passu charge on all existing and future current assets of the borrower .
	Kotak Mahindra Bank Limited Term Loan - III	<ul style="list-style-type: none"> • Repayment terms: Monthly installments • Date of maturity : 26 October, 2018 • Number of instalments : 29 • Balance instalments: 19 • Amount of 18 instalment 675,000 • Amount of 19th instalment 241,558 • Rate of interest : 9.50% 	1,23,91,558	88,69,912	<ol style="list-style-type: none"> 1. First Pari Passu charge by way of hypothecation on the entire current assets of the company both present and future. 2. Second Pari Passu charge by way of hypothecation on the entire movable fixed assets of the company both present and future. 3. Second Pari Passu charge on Immovable properties situated at a) DP No. G42 SIDCO, Industrial Estate, Kakkalur (Chennai) - For WC facilities of Rs. 2450 lacs. b) Gut No. 221, 222, 235, 249, 253, 254, 268, 269, 270, 271, 272, 278, 282 and 283, Dhanivalli Village, Taluka Mubad Thane (Mumbai) - For WC facilities of Rs. 1200 Lacs. c) Plot No. 20-21, Block B, Phase- II Extension, Hosiery Complex, Noida, Distt. Gautam Budh Nagar, (U.P.) (Noida) - For WC facilities of Rs. 2450 Lacs
	Kotak Mahindra Bank Limited Term Loan - IV	<ul style="list-style-type: none"> • Repayment terms: Monthly installments • Date of maturity : 21 September, 2021 • Number of instalments : 54 • Balance instalments: 54 • Amount of 53 instalment 744,660 • Amount of 54th instalment 748,298 	4,02,15,274	-	<ol style="list-style-type: none"> 1. First Pari - passu charge on all existing and future movable fixed assets of the borrower (excluding assets exclusively charged to other lenders) 2. First pari passu charge on immovable properties of the borrower being land and building situated in Chennai, Mumbai and Noida. 3. Second Pari - passu charge on all existing and future current assets of the borrower .
	Kotak Mahindra Bank Limited Working Capital Term Loan	<ul style="list-style-type: none"> • Repayment terms: Monthly installments • Date of maturity : 20 September, 2021 • Number of instalments : 60 • Balance instalments: 54 • Amount of next 53 instalment 1,666,666.66 • Amount of last instalment 1,666,649 • Rate of interest : 9.50% 	9,00,00,000	-	<ol style="list-style-type: none"> 1. First Pari-passu charge by way of hypothecation on the entire Movable Fixed asset (excluding assets exclusively charged to other lenders) of the company both present and future. 2. Second Pari-passu charge by way of hypothecation on the entire Current assets of the company both present and future. 3. First Pari-passu charge by way of Equitable Mortgage on Immovable Properties situated at Plot No. 20-21, Block B, Phase -II Extension, Hosiery Complex, Noida, Distt. Gautam Budh Nagar, (U.P.) (Noida). 4. First Pari-passu charge by way of Equitable Mortgage on Immovable properties situated at DP No. G42 SIDCO, Industrial Estate, Kakkalur (Chennai).
	HDFC Bank Limited	<ul style="list-style-type: none"> • Repayment terms: Quarterly installments • Date of maturity :26 May, 2018 • Number of instalments : 16 • Balance instalments: 5 • Amount of next 4 instalment: 8,745,070 • Amount of last instalment: 8,823,945 • Rate of interest : 9.40% • Moratorium Period : 1 Year 	4,38,04,225	7,87,84,507	<ol style="list-style-type: none"> 1. First Pari - passu charge on the entire fixed asset of the company both movable & immovable excluding units acquired under business transfer agreement. 2. Second Pari passu charge on all existing present & future current assets of the Company excluding units acquired under business transfer agreement.
2	Standard Chartered Bank	<ul style="list-style-type: none"> • Repayment terms: Quarterly installments • Date of maturity : 7 August, 2018 • Number of instalments : 17 • Balance instalments: 6 • Amount of instalment: 35,294,118 • Rate of interest : 9.50% • Moratorium Period : 6 Month 	21,17,64,706	35,29,41,177	Secured by assets of the Minda Corporation Limited (Holding Company)
3	SICOM	<ul style="list-style-type: none"> • Repayment terms : Annual installments • Date of maturity : 30 April, 2021 • Number of instalments : 11. • Balance instalments: 5 • Amount of instalments : Varying installment. • Rate of interest : Not applicable. 	3,74,05,290	4,88,68,280	Unsecured



	As at 31 March 2017	As at 31 March 2016
2.4 Other long-term liabilities		
Security deposit	24,32,904	20,40,000
	<u>24,32,904</u>	<u>20,40,000</u>
2.5 Long-term provisions		
Provision for employee benefits		
- Provision for gratuity (also refer to note no. 14)	5,03,02,937	4,09,30,255
- Provision for compensated absences (also refer to note no. 14)	1,76,39,633	1,36,10,022
Lease rent equalisation reserve	20,59,132	13,49,744
	<u>7,00,01,702</u>	<u>5,58,90,021</u>
2.6 Short-term borrowings		
Secured		
Loans repayable on demand		
Cash credit from banks	[1] 21,00,26,834	22,02,60,760
Bank overdraft	[2] 19,69,760	66,39,864
Working capital demand loan	[3] 5,56,00,000	27,07,58,000
Unsecured		
Bills payable	[4] 38,00,99,114	39,19,29,822
	<u>64,76,95,708</u>	<u>88,95,88,446</u>

S. No.	Lender	Terms of repayment	Amount outstanding as on 31 March 2017	Amount outstanding as on 31 March 2016	Details of securities
1	Kotak Mahindra Bank Limited	• Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time	8,32,28,842	11,36,35,368	1. First pari - passu charge on all existing and future current assets of the borrower 2. Second pari - passu charge on all existing and future movable fixed assets (excluding assets exclusively charged to other lenders) of the borrower 3. Second pari - passu charge on immovable properties of the borrower being land and building situated in Chennai, Mumbai and Noida.
	HDFC Bank Limited	• Repayment term: On demand • Rate of interest : 0.95% above base rate.	12,67,97,992	1,93,21,781	1. First pari passu charge on current assets of the company both present and future. 2. Second pari passu charge on all existing & future fixed assets of the company including equitable mortgage for company's plant at Mumbai, Chennai and Noida.
	Indusind Bank Limited	• Repayment term: On demand • Rate of interest : 0.25% above base rate.	-	8,73,03,611	1. First pari passu charge on the entire current assets of the company, present and future. 2. Second pari passu charge on the immovable assets of the company situated at Chennai, Mumbai and Noida.
2	Standard Chartered Bank	• Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time	19,69,760	66,39,864	1. First pari passu charge on all existing and future current assets of the company. 2. Second pari passu charge on all existing and future movable fixed assets of the company. 3. Second pari passu charge on immovable fixed assets of the company located at Mumbai, Noida and Chennai.
3	HDFC Bank Limited	• Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time	-	15,28,00,000	1. First pari passu charge on current assets of the company both present and future. 2. Second pari passu charge on all existing & future fixed assets of the company including equitable mortgage for company's plant at Mumbai, Chennai and Noida.
	Standard Chartered Bank	• Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time	5,56,00,000	9,79,58,000	1. First pari passu charge on all existing and future current assets of the company. 2. Second pari passu charge on all existing and future movable fixed assets of the company. 3. Second pari passu charge on immovable fixed assets of the company located at Mumbai, Noida and Chennai.
	Kotak Mahindra Bank Limited	• Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time	-	2,00,00,000	1. First pari - passu charge on all existing and future current assets of the borrower 2. Second pari - passu charge on all existing and future movable fixed assets (excluding assets exclusively charged to other lenders) of the borrower 3. Second pari - passu charge on immovable properties of the borrower being land and building situated in Chennai, Mumbai and Noida.
4	Kotak Mahindra Bank Limited	• Repayable within 45 days / 64 days from the date of disbursement • Rate of interest: 9.40%	21,10,84,837	21,32,51,036	Unsecured
	State Bank of India	• Repayable within 45 days from the date of disbursement • Rate of interest: At base rate	15,72,42,192	16,17,60,737	Unsecured
	Indusind Bank Ltd	• Repayable within 90 days from the date of disbursement • Rate of interest: Base Rate plus 1.15%	1,17,72,085	1,69,18,049	Bill of Exchange drawn payable to Indusind Bank Limited (as payee) and duly accepted by authorised signatories of the drawee.



	As at 31 March 2017	As at 31 March 2016
2.7 Trade payables *		
Trade payables	1,03,36,67,596	88,17,09,203
	<u>1,03,36,67,596</u>	<u>88,17,09,203</u>
*The Company had sought confirmation from its vendors on their status under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from 2 October 2006. Based on the confirmations received till date, the disclosure as required by section 22 of the MSMED Act are given below. -		
Particulars		
Principal amount remaining unpaid to supplier as at the end of the year	6,12,67,422	3,59,31,680
Interest due on the principal remaining outstanding as at the end of the year	8,15,884	9,19,705
Interest paid under the Act beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
Interest accrued and remaining unpaid at the end of the year	36,34,737	28,18,853
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-
2.8 Other current liabilities		
Current maturities of long-term borrowings (also refer to note no. 2.3)	22,45,75,324	20,02,87,297
Interest accrued but not due on borrowings	11,53,957	3,05,362
Provident fund and employees' state insurance payable	45,52,451	38,51,398
Other statutory dues payable	3,25,22,941	2,40,26,900
Capital creditors	2,52,15,833	1,80,93,579
Advance from customers	17,32,353	59,28,348
Security deposits	85,000	85,000
Employee benefits payable	4,30,53,112	4,03,53,158
Other payables	8,91,955	5,17,445
	<u>33,37,82,926</u>	<u>29,34,48,487</u>
2.9 Short-term provisions		
Provision for employee benefits		
Provision for gratuity (also refer to note no. 14)	11,47,096	10,64,262
Provision for compensated absences (also refer to note no. 14)	9,84,332	8,23,184
Provision for income tax (net off advance tax and tax deducted at source of Rs. 125,213,017 (previous year Rs. 98,177,501))	3,69,36,983	1,85,02,253
Provision for price decrease	17,02,58,801	19,17,08,973
	<u>20,93,27,212</u>	<u>21,20,98,672</u>



Minda SAI Limited
Notes to the financial statements
(All amounts are in Indian Rupees)

2.10: Fixed Assets

Particulars	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2016	Additions	Deletions/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the year	As at 31 March 2017	As at 31 March 2016
Tangible assets								
Land	32,81,725	-	-	32,81,725	-	-	32,81,725	32,81,725
Leasehold land	3,25,05,443	-	1,21,04,580	2,04,00,863	37,59,316	5,43,419	1,85,45,369	2,87,46,127
Buildings	31,65,91,434	3,92,010	10,83,622	31,58,97,822	10,18,29,921	98,03,566	20,44,84,314	21,47,61,513
Plant and machinery	1,06,06,94,950	16,31,55,361	1,94,89,430	1,20,43,60,881	44,15,75,174	10,91,57,044	53,30,94,567	61,91,19,776
Furniture and fixtures	4,60,52,869	14,08,512	-	4,74,61,381	1,96,04,626	43,17,315	2,39,21,941	2,64,48,243
Office equipment	4,80,51,694	34,16,837	1,26,149	5,13,42,382	2,45,79,238	47,22,414	2,92,20,883	2,21,21,499
Computer hardware	4,07,59,060	57,31,987	2,23,952	4,62,67,095	2,97,15,715	49,28,522	3,44,31,482	1,18,35,613
Vehicles	53,98,557	28,86,599	38,10,662	44,74,494	15,56,387	8,59,132	20,52,522	24,21,972
Leasehold improvements	5,64,63,756	64,50,548	-	6,29,14,304	1,62,19,143	80,95,499	2,43,14,642	3,85,99,662
Total	1,60,97,99,488	18,34,41,854	3,68,40,395	1,75,64,00,947	63,88,39,520	14,24,26,911	76,03,05,037	99,60,95,909
								97,09,59,968

Particulars	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2016	Additions	Deletions/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the year	As at 31 March 2017	As at 31 March 2016
Assets given on lease								
Building	2,33,75,955	-	2,33,75,955	-	1,26,00,124	3,62,550	1,29,62,674	-
Plant and machinery	57,95,575	-	-	57,95,575	27,84,878	3,83,289	31,68,167	26,27,408
Total	2,91,71,530	-	2,33,75,955	57,95,575	1,53,85,002	7,45,839	31,68,167	26,27,408
								1,37,86,528
Total Tangible assets	1,63,89,71,018	18,34,41,854	6,02,16,350	1,76,21,96,522	65,42,24,522	14,31,72,750	76,34,73,204	99,87,23,317
								98,47,46,496

Particulars	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2016	Additions	Deletions/ Adjustments	As at 31 March 2017	As at 1 April 2016	For the year	As at 31 March 2017	As at 31 March 2016
Intangible assets								
Computer software	5,17,37,110	51,813	-	5,17,88,923	3,50,93,548	45,11,587	3,96,05,135	1,21,83,789
Total	5,17,37,110	51,813	-	5,17,88,923	3,50,93,548	45,11,587	3,96,05,135	1,21,83,789
								1,66,43,562
Total Intangible assets	5,17,37,110	51,813	-	5,17,88,923	3,50,93,548	45,11,587	3,96,05,135	1,21,83,789
								1,66,43,562



Minda SAI Limited
Notes to the financial statements
(All amounts are in Indian Rupees)

2.10: Fixed Assets

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2015	Additions	Deletions/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the year	Deletions/ Adjustments	As at 31 March 2016	
Tangible assets									
Land	32,81,725	-	-	32,81,725	-	-	-	-	32,81,725
Freehold land	3,08,02,259	22,03,100	4,99,916	3,25,05,443	33,70,846	3,88,470	-	37,59,316	2,87,46,127
Buildings	30,21,92,424	1,43,99,010	-	31,65,91,434	8,47,85,129	1,70,74,868	30,076	10,18,29,921	21,47,61,513
Plant and machinery	84,68,39,132	22,74,37,572	1,35,81,754	1,06,06,94,950	35,82,75,196	9,48,17,691	1,15,17,713	44,15,75,174	61,91,19,776
Furniture and fixtures	4,46,47,920	16,67,516	2,62,567	4,60,52,869	1,55,88,109	42,70,129	2,53,612	1,96,04,626	2,64,48,243
Office equipment	4,28,73,723	52,86,681	1,08,710	4,80,52,694	1,81,64,991	64,74,333	60,086	2,45,79,238	2,34,72,456
Computer hardware	3,68,95,029	49,84,401	11,20,370	4,07,59,060	2,56,30,568	51,01,112	10,15,965	2,97,15,715	1,10,43,345
Vehicles	41,60,644	61,86,552	49,48,639	53,98,557	21,99,131	4,95,658	11,38,402	15,56,387	38,42,170
Leasehold improvements	4,22,33,201	1,42,30,555	-	5,64,63,756	1,02,70,063	59,49,080	-	1,62,19,143	4,02,44,613
Total	1,35,39,26,057	27,63,95,387	2,05,21,956	1,60,97,79,488	51,82,84,033	13,45,71,341	1,40,15,854	63,88,39,520	97,09,59,968

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2015	Additions	Deletions/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the year	Deletions/ Adjustments	As at 31 March 2016	
Assets given on lease									
Building	2,33,75,955	-	-	2,33,75,955	1,20,95,423	5,04,701	-	1,26,00,124	1,07,75,831
Plant and machinery	57,95,575	-	-	57,95,575	22,69,588	5,15,290	-	27,84,878	30,10,697
Total	2,91,71,530	-	-	2,91,71,530	1,43,65,011	10,19,991	-	1,53,85,002	1,37,86,528

Particulars	Gross block				Accumulated amortisation				Net block
	As at 1 April 2015	Additions	Deletions/ Adjustments	As at 31 March 2016	As at 1 April 2015	For the year	Deletions/ Adjustments	As at 31 March 2016	
Total Tangible assets	1,38,30,97,587	27,63,95,387	2,05,21,956	1,63,89,71,018	53,26,49,044	13,55,91,332	1,40,15,854	65,42,24,522	98,47,46,496
Intangible assets									
Computer software	4,91,23,655	26,13,455	-	5,17,37,110	2,77,65,779	73,27,769	-	3,50,93,548	1,66,43,562
Total	4,91,23,655	26,13,455	-	5,17,37,110	2,77,65,779	73,27,769	-	3,50,93,548	1,66,43,562
Total Intangible assets	4,91,23,655	26,13,455	-	5,17,37,110	2,77,65,779	73,27,769	-	3,50,93,548	1,66,43,562

Note:

1. Depreciation of Rs.85,682 (previous year Rs.85,682) on revalued assets has been setoff against the revaluation reserve against these assets.



	As at 31 March 2017	As at 31 March 2016
2.11 Non-current investments		
At cost, unquoted		
Investment in equity instruments of subsidiaries		
2,834,938 (previous year - 2,834,938) equity shares of USD 1 each fully paid up in Almighty International Pte Ltd.	56,00,00,000	56,00,00,000
6,069,000 equity shares (previous year 6,069,000) equity shares of Rs. 10 each fully paid up in Minda Stoneridge Instruments Limited	65,10,06,460	65,10,06,460
Investment in preference shares		
520,000 (previous year 520,000) 0.001% Cumulative Redeemable preference shares of Rs.100 each fully paid up in Minda Capital Limited	5,20,00,000	5,20,00,000
	<u>1,26,30,06,460</u>	<u>1,26,30,06,460</u>
2.12 Long-term loans and advances (Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Capital advances	16,38,888	38,56,125
Security deposits	1,60,44,296	1,64,03,308
Loans and advances to employees/ ex-employees		
- Considered good	4,33,629	4,01,854
- Considered doubtful	13,17,000	13,17,000
Less: Provision for doubtful advance	<u>(13,17,000)</u>	<u>(13,17,000)</u>
	4,33,629	4,01,854
Other loans and advances		
- Advance tax and tax deducted at source (net of provision for income-tax Rs. 487,570,145 (previous year Rs.372,617,918))	77,91,557	92,61,667
- Prepaid expense	4,42,990	1,81,755
- Lease equalisation reserve	-	5,38,783
To related parties (Unsecured and considered good, unless otherwise stated)		
Security deposits#	<u>1,38,00,000</u>	<u>1,38,00,000</u>
	<u>4,01,51,360</u>	<u>4,44,43,492</u>
#Minda Capital Limited	1,38,00,000	1,38,00,000



Minda SAI Limited
Notes to the financial statements
(All amounts are in Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.13 Inventories		
Raw materials #	46,97,43,864	48,36,16,073
Add: Goods in transit	<u>1,74,67,257</u>	<u>1,94,42,178</u>
	48,72,11,121	50,30,58,251
 Work-in-progress	 10,78,78,106	 10,73,47,347
Finished goods *	5,18,90,616	7,35,78,588
Add: Goods in transit	<u>4,90,03,255</u>	<u>2,36,95,193</u>
	10,08,93,871	9,72,73,781
 Stores and spares	 1,08,06,427	 94,58,821
	<u><u>70,67,89,525</u></u>	<u><u>71,71,38,200</u></u>

Net of provision for obsolescence amounting to Rs. 28,005,954 (previous year Rs. 157,151,158)

* Net of provision for obsolescence amounting to Rs. 4,472,440 (previous year Rs. 3,844,753)

2.14 Trade receivables*

(Unsecured and considered good, unless otherwise stated)

Outstanding for a period exceeding six months from the date they are due for payment

- Considered good	4,80,69,457	98,03,125
- Considered doubtful	<u>23,98,801</u>	<u>34,98,701</u>
	5,04,68,258	1,33,01,826
Less : Provision for doubtful receivables	<u>23,98,801</u>	<u>34,98,701</u>
	4,80,69,457	98,03,125
 Other receivables		
- Considered good	<u>1,52,77,87,508</u>	<u>1,41,95,39,263</u>
	<u><u>1,57,58,56,965</u></u>	<u><u>1,42,93,42,388</u></u>

*Trade receivables (unsecured, considered good) includes Rs. 154,084,985 (previous year Rs. 73,265,587) due from private company in which one of the directors of the Company is a director.

2.15 Cash and bank balances

Cash and cash equivalents

Cash on hand	13,18,466	17,50,478
 Bank balances with scheduled banks		
-On current accounts	10,99,161	18,60,991
 Other bank balances		
Deposits with original maturity of more than three months but less than 12 months*	31,71,048	30,02,927
	<u><u>55,88,675</u></u>	<u><u>66,14,396</u></u>

*held as margin money with the bank for issuing bank guarantees.

Details of bank deposits

Bank deposits due to mature within 12 months of the reporting date included under

'Other bank balances'

Information pursuant to G.S.R. 308 (E) dated 30 March 2017 issued by Ministry of corporate affairs:

Particular	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 8 November 2016	29,01,500	2,97,751	31,99,251
Permitted receipts	-	18,84,436	18,84,436
Permitted payments	-	(15,31,335)	(15,31,335)
Amount deposited in banks	(29,01,500)	-	(29,01,500)
Closing cash in hand as on 30 December 2016	-	6,50,852	6,50,852



Minda SAI Limited
Notes to the financial statements
(All amounts are in Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.16 Short-term loans and advances (Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Other loans and advances		
Considered good		
- Advances to suppliers	1,87,73,102	82,71,065
- Balance with government authorities	4,21,40,217	4,22,49,543
- Prepaid expenses	1,05,38,504	62,84,936
- Advances to employees	23,04,358	26,93,196
- Security deposit	7,42,000	8,65,000
- Others	5,12,710	2,67,285
Considered doubtful		
- Advance to suppliers	96,072	4,22,722
Less : Provision for doubtful amount	96,072	4,22,722
To related parties		
- Other recoverable towards advance made**	13,42,586	12,71,400
- Recoverable from Minda Capital Limited #	14,48,84,720	4,03,84,720
	<u>22,12,38,197</u>	<u>10,22,87,145</u>
Minda Capital Limited #	14,48,84,720	4,03,84,720
Minda Stoneridge Instruments Limited**	13,42,586	9,88,854
Minda Vietnam Automtive Company Limited**	-	2,82,546
2.17 Other current assets (Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Interest accrued on deposits and loans	2,08,757	35,387
Unbilled revenue	43,49,287	1,040
	<u>45,58,044</u>	<u>36,427</u>



	For the year ended 31 Mar 2017	For the year ended 31 Mar 2016		
2.18 Revenue from operations				
Sale of products				
'- Manufactured goods*	7,01,76,91,735	6,01,81,73,709		
Less: Excise Duty	80,89,30,588	68,43,87,131		
Sale of products (net)	<u>6,20,87,61,147</u>	<u>5,33,37,86,578</u>		
Other operating revenue				
'- Scrap sales	1,35,67,384	1,33,61,221		
'- Duty drawback	1,63,439	1,63,273		
'- Royalty Income	2,80,40,211	1,78,17,382		
'- Job work income	6,03,06,201	5,91,71,502		
Other operating revenue	<u>10,20,77,235</u>	<u>9,05,13,378</u>		
*Excise duty on sales amounting to Rs. 808,930,588 (previous year Rs. 684,387,131) has been reduced from sales in Statement of Profit and Loss and excise duty on increase/ (decrease) in stock amounting to Rs.(13,25,108) (previous year Rs. 953,347) has been considered as expense/ (income) in Note 2.23.				
Break up of Manufactured goods sold				
Wiring harness	6,65,79,14,113	5,83,25,18,634		
Auto components & Plastic interior	30,94,13,192	18,50,90,075		
Tools	5,03,64,430	5,65,000		
	<u>7,01,76,91,735</u>	<u>6,01,81,73,709</u>		
2.19 Other income				
Dividend income	5,41,68,520	12,44,00,020		
Rental income	64,51,745	72,70,399		
Technical consultancy fees	-	53,06,343		
Interest on loans and deposits	-	33,53,634		
Unclaimed liabilities written back	-	33,01,833		
Provisions no longer required written back	4,72,15,080	70,93,289		
Provisions for doubtful debts written back (net)	10,99,900	19,65,164		
Profit on sale of fixed asset	12,88,18,600	-		
Interest on fixed deposits	4,00,739	6,23,885		
Exchange gain (net)	88,52,802	-		
Miscellaneous	6,33,247	4,93,548		
	<u>24,76,40,633</u>	<u>15,38,08,115</u>		
2.20 Cost of materials consumed				
Raw material consumed				
Inventory at the beginning of the year	50,30,58,251	45,99,86,552		
Add: Purchases during the year	4,05,37,78,737	3,55,92,50,273		
	<u>4,55,68,36,988</u>	<u>4,01,92,36,825</u>		
Less: Inventory at the end of the year	48,72,11,121	50,30,58,251		
	<u>4,06,96,25,867</u>	<u>3,51,61,78,574</u>		
Break up of inventory of raw material				
Wires	12,90,40,815	11,79,88,941		
Brass	1,25,76,474	1,29,04,233		
Others	34,55,93,831	37,21,65,077		
	<u>48,72,11,121</u>	<u>50,30,58,251</u>		
Break up of raw material consumed				
Wires	1,81,71,36,375	1,65,26,95,039		
Brass	23,04,65,482	20,92,44,637		
Others	2,02,20,24,010	1,65,42,38,898		
	<u>4,06,96,25,867</u>	<u>3,51,61,78,574</u>		
Value of imported and indigenous raw materials consumed	Amount (Rs)	Percentage	Amount (Rs)	Percentage
Imported	54,31,06,273	13.35	52,03,93,087	14.80
Indigenous	3,52,65,19,594	86.65	2,99,57,85,487	85.20
	<u>4,06,96,25,867</u>		<u>3,51,61,78,574</u>	
2.21 (Increase) in inventories of work-in-progress, finished goods and stock in trade				
Closing stock				
Finished goods	10,08,93,871		9,72,73,781	



Minda SAI Limited
Notes to the financial statements
 (All amounts are in Indian Rupees)

	For the year ended 31 Mar 2017	For the year ended 31 Mar 2016
Work-in-progress	<u>10,78,78,106</u> <u>20,87,71,977</u>	<u>10,73,47,347</u> <u>20,46,21,128</u>
Opening stock		
Finished goods	9,72,73,781	10,31,43,342
Work-in-progress	<u>10,73,47,347</u> <u>20,46,21,128</u>	<u>8,81,94,401</u> <u>19,13,37,743</u>
	<u>(41,50,849)</u>	<u>(1,32,83,385)</u>
Finished goods - Wiring Harness		
Opening stock	8,50,10,035	9,01,73,358
Closing stock	8,51,94,212	8,50,10,035
Finished goods - plastic interior		
Opening stock	1,22,63,746	1,29,69,984
Closing stock	1,56,99,659	1,22,63,746



Minda SAI Limited
Notes to the financial statements
(All amounts are in Indian Rupees)

	For the year ended 31 Mar 2017	For the year ended 31 Mar 2016		
2.22 Employee benefit expenses				
Salaries, bonus and allowances	87,61,49,212	76,30,82,379		
Contribution to provident and other funds	2,86,17,148	2,49,57,987		
Staff welfare	5,45,80,588	4,71,81,741		
	95,93,46,948	83,52,22,107		
2.23 Other expenses				
Stores and spares	2,53,60,721	2,08,60,011		
Management fees	6,20,08,679	5,33,37,866		
Technical consultancy fees	53,33,517	1,01,85,649		
Job work charges	16,24,22,794	11,25,27,246		
Travelling and conveyance	9,17,89,424	7,82,29,647		
Packing and forwarding	6,06,63,857	4,90,54,943		
Rent	8,23,51,314	8,34,52,235		
Power and fuel	5,35,96,144	4,62,62,383		
Repairs and maintenance				
- Plant and machinery	2,41,11,179	2,40,12,227		
- Buildings	1,10,00,587	49,74,259		
- Others	1,88,28,123	1,66,07,861		
Legal and professional	1,67,83,223	1,61,19,043		
Security	2,20,73,507	1,64,73,284		
Foreign exchange loss (net)	-	15,88,010		
Increase/ (decrease) of excise duty provision on closing stock of finished goods	(13,25,108)	(9,53,347)		
Sales promotion	2,41,93,753	50,78,265		
Printing and stationery	90,21,896	67,13,841		
Fixed assets written off	1,94,258	25,55,774		
Communication	1,08,80,986	72,31,510		
Rates and taxes	48,96,044	54,67,835		
Insurance	63,20,984	52,04,461		
Provision for bad and doubtful debts	-	13,17,121		
Payment to auditors (refer note below)	37,16,976	36,86,190		
Provision for doubtful advances	96,072	-		
Profit/(Loss) on sales of Assets	-	9,41,900		
Advance written off	4,22,722	3,29,086		
Bad debts written off	5,580	19,72,146		
Bank charges	28,76,406	29,47,173		
Corporate social responsibility expenses	51,70,952	72,04,529		
Miscellaneous	1,48,96,347	96,45,945		
	71,76,90,937	59,30,27,093		
Note: Payment to auditors				
As auditor				
Statutory audit	26,25,000	26,25,000		
Other services	7,50,000	8,00,000		
Certification	41,200	82,400		
Payment of out of pocket expenses	3,00,776	1,78,790		
	37,16,976	36,86,190		
Value of imported and indigenous stores and spares consumed				
	Amount (Rs)	Percentage	Amount (Rs)	Percentage
Imported	46,01,666	18.14	51,51,710	24.70
Indigenous	2,07,59,055	81.86	1,57,08,301	75.30
	2,53,60,721		2,08,60,011	
2.24 Finance costs				
Interest expense	8,61,05,097		10,36,46,705	
Other borrowing cost	92,76,052		76,53,483	
Financial assistance fee	60,00,000		60,00,000	
	10,13,81,149		11,73,00,188	



(All amounts in Indian Rupees)

Notes to the financial statements:

3. Expenditure in foreign currency (on accrual basis)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Travelling and conveyance	2,142,034	846,213
Technical consultancy fees	16,672,327	9,397,431
Total	18,814,361	10,243,644

4. Earnings in foreign currency (on accrual basis)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Revenue from exports on F.O.B basis.	12,498,916	11,472,920
Royalty Income	2,279,351	329,382
Dividend Income	54,168,000	124,399,500
Technical consultancy income	1,447,344	2,306,343
Total	70,393,611	138,508,145

5. CIF values of imports

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Raw materials	545,226,069	524,654,758
Stores and spares	4,938,475	5,696,408
Capital goods	57,075,476	35,749,973
Total	607,240,020	566,101,139

6. Capital and other commitments

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Estimated amount of contracts remaining to be executed on capital account	18,155,810	2,175,255
Total	18,155,810	2,175,255

7. Accounting for leases

a) As a lessee

Operating leases

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Lease rentals recognized in the Statement of Profit and Loss during the year	82,289,214	83,452,235
Total	82,289,214	83,452,235



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

The future minimum lease payments under non-cancelable operating leases are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Not later than one year	42,371,304	37,189,731
Later than one year but not later than five years	109,205,309	123,852,372
Later than five years		11,500,000
Total	151,576,613	172,542,103

b) As a lessor

The Company has given certain assets comprising land and building and plant and machinery on operating lease. The lease arrangement is for a period of 5 years. The lease is renewable for a further period on mutually agreed terms.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Rental income recognized in the Statement of Profit and Loss during the year	6,451,745	7,270,399
Total	6,451,745	7,270,399

The future minimum lease incomes under non-cancelable operating leases are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Not later than one year	-	7,270,399
Later than one year but not later than five years	-	21,811,198
Total	-	29,081,597

8. Segment Reporting

The Company is engaged in the business of manufacture of auto components/ accessories which is a primary segment for the Company which constitutes a single business segment and accordingly disclosure requirements of Accounting Standard 17, "Segment Reporting", prescribed by the Companies (Accounts) Rules 2014 in relation to primary segment are not required to be given. All the business activities of the Company are primarily conducted from locations in India. Therefore, substantially all the revenue and net assets are attributed to Indian operations. Accordingly, no additional disclosure for secondary segment reporting on the basis of geographical operations has been made in the financial statements.



Minda SAI Limited**Significant accounting policies and notes to the financial statements**

(All amounts in Indian Rupees)

9. Contingent liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
Claims against the company not acknowledged as debt in respect of:		
Income Tax	190,969	190,969
Sales Tax	5,419,745	1,239,084
Excise Duty	2,648,177	2,204,610
Service Tax	1,128,629	1,128,629
Total	9,387,520	4,763,292

10. Earnings per share

Basic and diluted earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Units	Year ended 31 March 2017	Year ended 31 March 2016
Profit after tax attributable to equity shareholders	Rs	416,358,834	273,874,989
<i>Computation of weighted average number of Equity shares of Rs. 100 each</i>			
– Number of shares at the beginning of the year	No.	7,077,108	5,577,108
– Shares issued during the year	No.		15,00,000
Total number of equity shares outstanding at the end of the year	No.	7,077,108	7,077,108
Weighted average of number of equity shares used in computing basic and diluted earnings per share	No.	7,077,108	5,962,354
Basic and diluted earnings per equity share of face value of Rs. 100 each.	Rs.	58.83	45.93



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

11. Disclosure in respect of un-hedged currency receivable/ payable:

The Company's exposure in respect of foreign currency denominated assets and liabilities not hedged by derivative instruments or otherwise are as follows:

Particulars	As at 31 March 2017			As at 31 March 2016		
	Foreign currency	Amount in foreign currency	Amount in Rs.	Foreign currency	Amount in foreign currency	Amount in Rs.
Assets						
Trade receivable	USD	30,297	1,964,935	USD	34,137	2,261,598
				EURO	21,007	1,583,271
Liabilities						
Trade payable	JPY	16,755,675	9,760,181	JPY	25,524,825	15,021,359
	USD	163,594	10,611,495	USD	461,172	30,557,296
	EURO	205,487	14,197,066	EURO	260,747	19,655,095
	CHF	16,589	1,072,319	CHF	130,985	9,017,039

12. The components of deferred tax asset/ (liability) as required under Accounting Standards-22, Accounting for Taxes on Income are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred tax liability		
Difference between written down value of fixed assets of Income Tax Act, 1961 and Companies Act, 2013	(53,460,995)	(55,439,221)
Total deferred tax liability	(53,460,995)	(55,439,221)
Deferred tax asset		
Provision for Compensated absences	5,816,350	4,404,758
Provision for gratuity	17,843,841	12,975,806
Provision for doubtful debts	830,177	1,210,830
Provision for doubtful advances	489,036	602,083
Provision for bonus	2,428,473	752,339
Lease equalisation reserve	712,624	280,658
Total deferred tax asset	28,120,501	20,226,474
Net deferred tax liability	(25,340,494)	(35,212,747)



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

13. Related party disclosures as required under AS-18

A) Related party and nature of the relationship

Nature of relationship	Name of Company
<i>a) Related parties where control exists</i>	
Holding company and Ultimate holding company	• Minda Corporation Limited ('MCL')
Subsidiary	• Almighty International Pte.Ltd ('AIPL') Minda Stoneridge Instruments Limited ('MSIL')
Step Subsidiaries	• PT Minda Automotive, Indonesia ('PTMAI') • PT Minda Automotive Trading ('PTMAT') • Minda Vietnam Automotive Comapny Limited ('MVACL')
<i>b) Related parties with whom transactions have taken place during the current year and the previous year</i>	
i) Enterprises over which Directors of the Company are able to exercise significant influence	• Minda Capital Limited ('MCAPL') • Minda Vast Access Systems Private Limited ('MVASPL') (formerly known as Minda Valeo Security Systems Pvt. Ltd.) ('MVSSPL') • Tuff Engineering Private Limited ('TEPL') • Minda Silca Engineering Pvt. Ltd. (MSEL)
ii) Fellow subsidiaries	• Whiteline Barter Limited ('WBL') • Minda KTSN Plastic Solutions Gmbh & Co. KG, Germany ('MKTSN') • Minda Management Services Limited ('MMSL') • Spark Minda Foundation ('SMF') • Minda Furukawa Electric Private Limited ('MFEPL')
iii) Key management personnel	• Mr. Sanjeev Saxena – Managing Director • Mr. Praveen Gupta – Managing Director (up to 31 July 2015) • Mr. Ashok Minda – Director • Mr. Arun Wadhwa – Cheif Financial Officer • Ms. Shifa Badri – Company Secretary
iv) Relative of Key Management personnel	• Mrs. Sarika Minda • Mr. Aakash Minda • Ashok Kumar Minda HUF



C) Outstanding balances as at the year end

(Amount in Rs.)

Party Name	Trade receivable	Trade payables	Other payables	Short term loans and advances	Equity shares issued outstanding	Investment in equity shares outstanding	Investment in preference shares outstanding	Accrued Interest (Receivable)	Tooling advance received	Recoverable arising from acquisition of business & Assets	Security Deposits outstanding	Dividend receivable	Guarantee given by the company
Holding Company													
MCL	4,08,22,837 (2,95,48,384)	1,29,58,833 (45,42,937)	-	-	(70,77,10,800)	-	-	-	9,45,000 (58,96,100)	-	-	-	-
Subsidiary Companies													
AIPL	-	-	-	-	-	56,00,00,000 (56,00,00,000)	-	-	-	-	-	-	-
MSIL	14,64,864 (40,72,522)	62,44,681 (37,54,028)	-	13,42,586 (9,88,854)	-	65,10,06,460 (65,10,06,460)	-	-	-	-	-	-	-
Step Subsidiaries													
MVACL	19,26,520 (11,78,106)	84,503	-	(2,82,546)	-	-	-	-	-	-	-	-	-
Enterprises over which directors of the Company are able to exercise significant influence													
MCAL	-	(54,58,170)	-	-	-	-	5,20,00,000 (5,20,00,000)	-	7,58,000	14,48,84,720 (4,03,84,720)	1,38,00,000 (1,38,00,000)	(1,040)	-
MVSSPL	38,490 (1,21,165)	-	-	-	-	-	-	-	-	-	-	-	-
Fellow Subsidiaries													
MKTSN	(15,83,271)	55,94,171	-	-	-	-	-	-	-	-	-	-	-
MMSL	-	1,08,99,220 (59,62,707)	-	-	-	-	-	-	-	-	-	-	-
MSEL	71,077	-	-	-	-	-	-	-	-	-	-	-	-
MFEPL	15,26,79,781 (7,31,44,422)	1,06,33,485 (6,99,424)	-	13,82,329	-	-	-	-	-	-	-	-	-

figures in brackets are for previous year



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

14. Employee benefits**a) Defined Contribution Plan:**

Amount of Rs. 28,617,148 (previous year Rs. 24,957,987) pertaining to employers' contribution to provident fund and other funds is recognised as an expense (refer note 2.22).

b) Defined benefit Plan (Gratuity):**i. General description of defined benefit plan/other long term benefit plan:****Gratuity plan**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vest after five years of continuous service. Gratuity benefits valued were in accordance with the payment of Gratuity Act, 1972.

Compensated absences plan

The Company operates compensated absences plan, where in every employee is entitled to the benefit equivalent to 26 days leave salary for every completed year of service subject to maximum 56 accumulation of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

The changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Present value of obligation as at the beginning of the year	47,424,922	42,326,430
Present value of obligation acquired during the year	-	431,477
Interest cost	3,793,994	3,280,298
Current service cost	7,770,268	5,998,546
Benefits paid	(3,720,628)	(6,116,801)
Actuarial (gain)/ loss on obligation	6,649,616	1,504,972
Present value of obligation as at the end of year	61,918,172	47,424,922

ii. The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Fair value of plan assets at the beginning of the year	5,430,405	4,874,997
Actual return on plan assets	434,432	438,750
Contributions	4,635,974	874,182
Benefits paid	(5,02,175)	(326,441)
Fund management charge	(45,566)	(15,559)
Fair value of plan assets at the end of the year	10,468,140	5,430,405
Excess of actual over estimated return on plan assets	515,070	(415,524)



iii. The amounts recognized in Balance Sheet are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Present value of obligation as at the end of the year	61,918,172	47,424,922
Fair value of plan assets as at the end of the year	10,468,140	5,430,405
Funded/ (unfunded) status	(51,450,032)	(41,994,517)
Excess of actual over estimated	515,070	(415,524)
Net liability recognized in Balance Sheet*	(51,450,032)	(41,994,517)

* The said liability has been classified into current liabilities amounting to Rs. 1,147,096 (previous year Rs. 1,064,262) and non-current liabilities amounting to Rs.50,302,937 (previous year Rs. 40,930,255). Also refer to note 2.5 and note 2.9.

iv. The amounts recognized in Statement of Profit and Loss are as follows

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Current service cost	7,770,268	5,998,546
Interest cost	3,793,994	3,280,298
Expected return on plan assets	(434,432)	(438,750)
Net actuarial (gain)/ loss recognized in the year	6,134,546	1,920,496
Expenses recognized in the Statement of Profit and Loss	17,264,376	10,760,590

v. Principal actuarial assumptions at the Balance Sheet date are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Discount rate	7.54% p.a	8.00% p.a
Expected rate of return on plan assets	7.21% p.a	8.00% p.a
Salary growth rate	7.00% p.a	7.00% p.a
Retirement age	60 years	60 years
Mortality	IALM (2006-08)	IALM (2006-08)

Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the prevailing market yield of government bonds as at the Balance Sheet date for the estimated term of the obligation and the estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.



Experience adjustments

vi. Amount recognized in current year and previous four years:

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Present value of obligation as at the end of year	61,918,172	47,424,922	42,326,430	31,759,657	21,160,232
Fair value of plan assets at the end of the year	10,468,140	5,430,405	4,874,997	4,710,308	3,942,647
Surplus / (Deficit)	(51,450,032)	(41,994,517)	(37,451,433)	(27,049,349)	(17,217,585)
Experience adjustment on plan Liabilities (loss)/ gain	(2,842,480)	196,137	(819,129)	(386,543)	(760,621)
Experience adjustment on plan Assets (loss)/ gain	515,070	(415,524)	2,537	(2,344)	(4,691)

vii. Experience on actuarial gain/ (loss) for Projected benefit obligation and plan assets:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
On plan assets	515,070	(415,524)

viii. Investment details of plan assets:

100 % of the plan assets are with the Insurer managed funds.

ix. Defined benefit plan (Compensated absences)

An actuarial valuation of compensated absences has been carried out by an independent actuary on the basis of the following assumptions:

Assumptions	Year ended 31 March 2017	Year ended 31 March 2016
Discount rate	7.54% per annum	8.00% per annum
Salary escalation rate	7.00% per annum	7.00% per annum

The defined benefit obligation of compensated absences in respect of employees of the Company as at 31 March 2017 amounts to Rs. 18,623,965 (previous year Rs. 14,433,206). Further, the said liability has been classified into current liabilities amounting to Rs. 984,332 (previous year Rs. 823,184) and non-current liabilities amounting to Rs. 17,639,633 (previous year Rs. 13,610,022). Also refer to note 2.5 and note 2.9.



Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

15. During the current year, as required under section 135 of the Act, the Company has spent Rs. 5,161,422 (previous year Rs. 7,204,529) towards the corporate social responsibility (CSR activity).

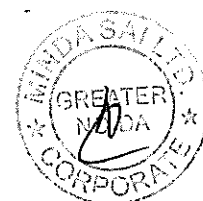
Relevant disclosures for amount to be spent vis a viz amount spent during the year are as below.

Amount required to be spent during the year

Particulars	Amount (Rs.)
Gross amount required to be spend by the Company	5,461,422

Amount spent during the year on:

S. No.	Project/ Activity	Paid in cash	Yet to be paid in cash	Total (Rs.)
1	Contribution to Company formed under section 8 of Companies Act 2013 for the purpose, including promoting and preventing Health care & sanitation	5,147,571	-	5,147,571
2	Promoting and preventing Health care & sanitation	13,851	-	13,851
	Total	5,161,422	-	5,161,422



Minda SAI Limited

Significant accounting policies and notes to the financial statements

(All amounts in Indian Rupees)

16. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any low/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

For B S R & Co. LLP

Chartered Accountants

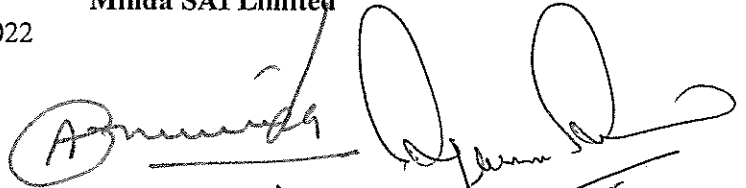
Firm Registration Number: 101248W/W-100022

Shashank Agarwal

Partner

Membership No. :095109

*For and on behalf of Board of Directors of
Minda SAI Limited*



Ashok Minda

Director

DIN : 00054727

Sanjeev Saxena

CEO & Managing Director

DIN : 07252911



Arun Wadhwa

CFO

AAAPW0293K



Pradeep Mann

Company Secretary

Membership No.: 13371

Place: Gurgaon

Date: 23 May 2017

Place: Gurgaon

Date: 23 May 2017

