

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF MINDA STONERIDGE INSTRUMENTS LIMITED**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of MINDA STONERIDGE INSTRUMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting

# Deloitte Haskins & Sells

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

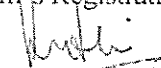
## Report on Other Legal and Regulatory Requirements

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 22.1(a) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

# Deloitte Haskins & Sells

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

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 302009E)

  
Sunil S Kothari  
Partner  
(Membership No. 208238)

Place : Pune

Date : 26<sup>th</sup> May, 2016

# Deloitte Haskins & Sells

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**  
(Referred to in paragraph "1(f)" 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 have audited the internal financial controls over financial reporting of MINDA STONERIDGE INSTRUMENTS LIMITED ("the Company") as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## **Management's Responsibility for Internal Financial Controls**

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

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

# Deloitte Haskins & Sells

## 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.


## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 302009E)

  
Sunil S Kothari  
Partner  
(Membership No. 208238)

Place: Pune  
Date: 26<sup>th</sup> March, 2016

# Deloitte

## Haskins & Sells

### 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) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets in accordance with which all fixed assets are physically verified once in every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, physical verification was carried out in March 2015 and no physical verification was planned/conducted in the current year and accordingly, the question of discrepancies on physical verification does not arise.
- (c) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals 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 3(iv) of the order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year, and hence reporting under clause 3(v) of the order is not applicable.
- (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

# Deloitte Haskins & Sells

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) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added 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, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31<sup>st</sup> March, 2016 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 Involved (Rs.)	Amount Unpaid (Rs.)
The Maharashtra VAT Act, 2002	Value Added Tax	Commissioner - Appeal	2010-11	700,000	Nil

- (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 financial institutions, banks and government. The Company 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 3(ix) of the order 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.

# Deloitte Haskins & Sells

- (xi) In our opinion and according to the information and explanations given to us and considering the independent legal counsel's opinion obtained by the Company stating that the approval from the Central Government is not required unless there is any change in the terms of the re-appointment of the managing director of the Company even though the Company has become a subsidiary of a listed company subsequent to such appointment, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013. Refer note 23.9 to the financial statements.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 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 3(xiv) of the order 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 persons connected with him 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-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 302009E)

  
Sunil S Kothari  
Partner  
(Membership No. 208238)

Place: Pune  
Date: 26<sup>th</sup> May, 2016



**MINDA STONERIDGE INSTRUMENTS LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2016**

Particulars	Note No.	Rs.	As at 31 March, 2016	As at 31 March, 2015
			Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share capital	3	119,000,000		119,000,000
(b) Reserves and surplus	4	693,772,230		572,482,431
			812,772,230	691,482,431
<b>2 Non-current liabilities</b>				
(a) Long-term borrowings	5	25,262,443		38,628,898
(b) Deferred tax liabilities (net)	23.5	75,329,846		66,759,450
(c) Long-term provisions	6	886,994		963,750
			101,479,283	106,352,096
<b>3 Current liabilities</b>				
(a) Short-term borrowings	7	230,134,789		183,177,087
(b) Trade payables (Refer Note 22.2)				
(A) total outstanding dues of micro enterprises and small enterprises; and		18,922,440		14,238,809
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		677,345,324		523,652,431
(c) Other current liabilities	8	133,358,496		128,565,921
(d) Short-term provisions	9	23,802,727		19,655,682
			1,083,563,776	869,289,930
<b>TOTAL</b>			<b>1,997,815,289</b>	<b>1,667,124,457</b>
<b>B ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Fixed assets				
(i) Tangible assets	10.A	759,603,553		762,862,328
(ii) Intangible assets	10.B	28,157,224		18,362,871
(iii) Capital work-in-progress		26,363,810		-
		814,124,587		781,225,199
(b) Long-term loans and advances	11	33,914,771		21,702,252
			848,039,358	802,927,451
<b>2 Current assets</b>				
(a) inventories	12	377,993,775		242,330,652
(b) Trade receivables	13	745,224,980		585,708,691
(c) Cash and cash equivalents	14	3,089,367		10,011,226
(d) Short-term loans and advances	15	23,467,809		26,146,437
			1,149,775,931	864,197,006
<b>TOTAL</b>			<b>1,997,815,289</b>	<b>1,667,124,457</b>

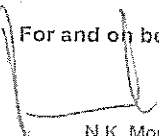
See accompanying notes forming part of the financial statements

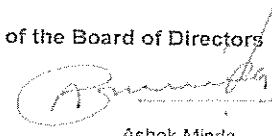
In terms of our report attached.  
For Deloitte, Haskins & Sells  
Chartered Accountants

  
Sunil S Kothari  
Partner

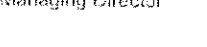
Place : Pune  
Date : 26<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

  
N.K. Modi  
Managing Director

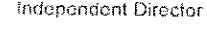
  
Ashok Minda  
Director


  
Sanjay Thapar  
Director

  
Rakesh Kalra  
Independent Director

  
Jonathan Blair DeGaynor  
Director

  
Lars Peter Kruk  
Director

  
Rita Pani  
Independent Director

  
Stephen C Fox  
Director

  
Bahkaj Gupta  
Chief Financial Officer

  
Divya Rai  
Company Secretary

Place :  
Date :

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2016**

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2016	31 March, 2015
			Rs.	Rs.
1	Revenue from operations (gross)	16	3,235,349,386	3,138,410,921
	Less: Excise duty	16	348,894,571	335,181,146
	Revenue from operations (net)		2,886,454,815	2,803,229,775
2	Other income	17	11,323,687	17,080,452
3	<b>Total revenue (1+2)</b>		<b>2,897,778,502</b>	<b>2,820,310,227</b>
4	<b>Expenses</b>			
	(a) Cost of materials consumed	18.A	1,932,706,235	1,890,498,044
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.B	(83,150,159)	(20,863,778)
	(c) Employee benefits expense	19	483,994,373	411,902,787
	(d) Finance costs	20	17,745,084	11,303,065
	(e) Depreciation and amortisation expense	10.C	114,856,170	108,855,471
	(f) Other expenses	21	288,209,591	274,599,242
	<b>Total expenses</b>		<b>2,754,361,294</b>	<b>2,676,294,831</b>
5	<b>Profit / (Loss) before tax (3 - 4)</b>		<b>143,417,208</b>	<b>144,015,396</b>
6	<b>Tax expense:</b>			
	(a) Current tax expense for current year		30,607,527	34,172,174
	(b) Income tax for earlier year		247,839	-
	(c) MAT Credit		(17,298,353)	-
	(d) Deferred tax	23.5	8,570,396	(697,728)
			22,127,409	33,474,446
7	<b>Profit / (Loss) for the year (5 - 6)</b>		<b>121,289,799</b>	<b>110,540,950</b>
<b>Earnings per equity share (of Rs. 10/- each)</b>				
	(a) Basic	23.4	10.19	9.29
	(b) Diluted	23.4	10.19	9.29

See accompanying notes forming part of the financial statements

In terms of our report attached.  
 For Deloitte Haskins & Sells  
 Chartered Accountants

Sunil S Kothari  
 Partner

For and on behalf of the Board of Directors

N.K. Modi  
 Managing Director

Ashok Minda  
 Director

Sanjay Thapar  
 Director

Place :  
 Date : 26<sup>th</sup> May, 2016

Rakesh Kalra  
 Independent Director

Jonathan Blair DeGaynor  
 Director

Peter Kruk  
 Director

Rita Pani  
 Director

Stephen C Fox  
 Director

Pankaj Gupta  
 Chief Financial Officer

Divya Rai  
 Company Secretary

Place :  
 Date :

MINDA STONERIDGE INSTRUMENTS LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Particulars	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	Rs.	Rs.
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	143,417,208	144,015,396
Adjustment for :		
- Depreciation and Amortisation expense	114,855,170	108,855,471
- Interest Expenses	17,317,241	11,292,221
- Interest Income	-	(292,696)
- Liabilities no longer required written back	(129,321)	(4,726,596)
- (Profit) / Loss on Sale of Fixed Assets (net)	(4,451,064)	(2,555,716)
- Unrealised Forex (Gain) / Loss	2,637,544	(1,117,522)
- Effect of exchange differences on translations of foreign currency cash and cash equivalent	1,759	(17,788)
Operating Profit before Working Capital Changes	273,649,536	255,452,770
Adjustment for :		
- (Increase) / Decrease in Trade Receivables	(158,497,323)	(8,425,131)
- (Increase) / Decrease in Inventories	(135,663,123)	(34,046,367)
- (Increase) / Decrease in Loans and Advances	(82,714)	(3,982,433)
- Increase / (Decrease) in Trade and Other payables	156,014,242	32,637,919
- Increase / (Decrease) in Other Long Term Liabilities	(11,091,496)	2,731,634
Cash Generated From Operations	124,329,123	244,368,392
- Taxes Paid	(29,054,619)	(35,459,346)
Net Cash from Operating Activities (A)	95,274,505	208,909,046
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
- Purchase of Fixed Assets	(137,198,153)	(246,980,121)
- Sales of Fixed Assets	19,826,637	16,544,935
- Interest Received	-	292,696
Net Cash used in Investing Activities (B)	(117,371,516)	(230,142,490)
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
- Repayments of Long term borrowings	(15,447,736)	(10,516,249)
- Proceeds / Repayments of Short term borrowings (net)	45,792,790	43,965,759
- Interest Paid	(15,168,142)	(11,292,221)
Net Cash from financing activities (C)	15,176,912	22,157,289
Net Increase / (Decrease) in cash and cash equivalent (A+B+C)	(6,920,100)	923,845
Cash and Cash equivalents at the beginning of the year	10,011,226	9,059,593
Cash and Cash equivalents at the end of the year	3,091,126	9,993,438
Add: Exchange fluctuation on foreign currency bank balance	(1,759)	17,788
Cash and Cash equivalents (Refer Note 14)	3,089,367	10,011,226

a) Previous year's figures have been restated, wherever necessary to conform to this year's classification

In terms of our report attached.  
For Deloitte Haskins & Sells  
Chartered Accountants

Sunit S Kothari  
Partner

For and on behalf of the Board of Directors

N K Modi  
Managing Director

Ashok Minda  
Director

Sanjay Thapar  
Director

Place :  
Date : 26<sup>th</sup> May, 2016

Rakesh Kaira  
Independent Director

Jonathan Blair DeGaynor  
Director

Lars Peter Kruk  
Director

Rita Pani  
Director

Stephen C Fox  
Director

Pankaj Gupta  
Chief Financial Officer

Dnyra Rai  
Company Secretary

Place :  
Date :

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note	Particulars												
1	<p><b>Corporate information</b></p> <p>The Company is engaged in the manufacturing of auto panel instruments including speedometer, temperature gauge, fuel gauge, tank units, instrument clusters, sensors, etc. The auto panel instruments comprise of electrical and mechanical movements.</p>												
2	<p><b>Significant accounting policies</b></p> <p><b>2.1 Basis of accounting and preparation of financial statements</b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p> <p>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.</p> <p><b>2.2 Use of Estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p> <p><b>2.3 Fixed Assets</b></p> <p>Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.</p> <p><b>2.4 Intangible Assets</b></p> <p>Software which is not an integral part of hardware is treated as an intangible asset and is amortized on Straight Line Basis over its useful economic lives, estimated by management of five years.</p> <p><b>2.5 Depreciation / Amortization</b></p> <p>Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.</p> <p>Depreciation on tangible fixed assets 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 as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:</p> <table border="1"> <thead> <tr> <th>Tangible Assets</th> <th>Useful Life (in years)</th> </tr> </thead> <tbody> <tr> <td>Building</td> <td>20</td> </tr> <tr> <td>Plant and Equipment</td> <td>10</td> </tr> <tr> <td>Furniture and Fixtures</td> <td>5</td> </tr> <tr> <td>Vehicles</td> <td>5</td> </tr> <tr> <td>Computer Hardware</td> <td>6</td> </tr> </tbody> </table> <p>Leasehold land is amortised over the duration of the lease.</p> <p>Intangible assets are amortised over their estimated useful life on straight line method as follows: Computer Software - 5 years.</p> <p>Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.</p> <p>The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.</p>	Tangible Assets	Useful Life (in years)	Building	20	Plant and Equipment	10	Furniture and Fixtures	5	Vehicles	5	Computer Hardware	6
Tangible Assets	Useful Life (in years)												
Building	20												
Plant and Equipment	10												
Furniture and Fixtures	5												
Vehicles	5												
Computer Hardware	6												

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
 Note's forming part of the financial statements

**Note 2 Significant accounting policies (contd.)**

Note	Particulars
2.6	<p><b>Impairment</b></p> <p>The Company reviews the carrying amounts of its fixed assets annually to determine whether there is any indication that those assets 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. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its ultimate disposal are discounted to their present values using a pre-determined discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.</p> <p>An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.</p>
2.7	<p><b>Foreign Currency Transactions</b></p> <p><u>i. Initial Recognition</u>                      Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.</p> <p><u>ii. Translation</u>                      Foreign currency monetary assets and liabilities are translated at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.</p> <p><u>iii. Exchange Differences</u>                      All exchange differences arising on settlement and translation of monetary items are recognised as income or expense in the year in which they arise.</p>
2.8	<p><b>Inventories</b></p> <p>Inventories are valued at the lower of cost or weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>
2.9	<p><b>Revenue Recognition</b></p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.</p> <p><u>Sale of Goods</u>                      Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the dispatch of goods to customers. Sales are net of discount and excise duty and inclusive of exchange fluctuations relating to export receivables.</p> <p><u>Export Incentives &amp; Interest</u>                      Export incentives, such as licenses issued by DGFT, which are held for sale, are recognised as other income when no significant uncertainties as to the amount of consideration realisable or as to its ultimate collection exist.                      Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.</p>

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 2 Significant accounting policies (contd.)**

2.10	<p><b>Retirement and other employee benefits</b></p> <p><u>Provident Fund:</u> The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid and charged to the Profit &amp; Loss Account of the year when the contribution to the fund is due.</p> <p><u>Gratuity:</u> The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 / 26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability for gratuity as at the year end is provided on the basis of actuarial valuation and funded with Life Insurance Corporation of India. Actuarial gain and losses in respect of defined benefit plans are recognized in the Profit &amp; Loss Account.</p> <p><u>Compensated absences:</u> Provision in accounts for leave benefits / compensated absences to employees is based on the revised AS-15 which is as under: a. Actuarial valuation done by projected unit credit method at the period end for long term compensated absences. b. On actual basis for the portion of accumulated leave which an employee can encash during the short term period.</p>
2.11	<p><b>Warranty</b></p> <p>The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.</p>
2.12	<p><b>Income Tax</b></p> <p>Tax expenses comprise both current and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income - Tax Act, 1961 and other applicable tax laws. Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise such losses. Other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that they meet the above criteria.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay-normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.</p>
2.13	<p><b>Leases:</b></p> <p><u>Operating:</u> Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Statement of Profit and Loss, on a straight-line basis over the lease term.</p> <p><u>Finance:</u> Leased assets acquired on which significant risk and reward of ownership are effectively transferred to the Company are capitalised at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. Such assets are amortized over the period of lease.</p>
2.14	<p><b>Earnings per share</b></p> <p>The company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings Per Share'. Basic 'earnings per share' is computed by dividing the net profit or loss for the period by the weighted average number of Equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.</p>

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 2 Significant accounting policies (contd.)**

<b>2.15</b>	<p><b>Provisions, Contingent Liabilities and Contingent Assets</b></p> <p>As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, the Company recognizes provisions only when it has a present obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.</p> <p>No provision is recognized for –</p> <ul style="list-style-type: none"><li>a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or</li><li>b. Any present obligation that arises from past events but is not recognized because –<ul style="list-style-type: none"><li>• It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or</li><li>• A reliable estimate of the amount of obligation cannot be made.</li></ul></li></ul> <p>Such obligations are recorded as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.</p> <p>Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.</p>
<b>2.16</b>	<p><b>Cash Flow Statement</b></p> <p>The cash flow statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the company.</p>
<b>2.17</b>	<p><b>Business Segments</b></p> <p>The Company has disclosed Business Segment as the primary segment. The Company is exclusively engaged in the business of manufacturing auto panel instruments for two wheelers, three wheelers and four wheelers manufacturers of India. These, in the context of Accounting Standard 17 on Segment Reporting, are considered to constitute one single primary segment. Geographical Segment is considered as secondary segment.</p>
<b>2.18</b>	<p><b>Research and Development Expenses</b></p> <p>Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.</p>
<b>2.19</b>	<p><b>Government grants and export incentives</b></p> <p>The Company is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for its entitlements on accrual basis on approval of the initial claim by the relevant authorities.</p> <p>Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.</p>

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 3 Share capital**

	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised Equity shares of Rs. 10 each with voting rights	12,000,000	120,000,000	12,000,000	120,000,000
(b) Issued, Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	11,900,000	119,000,000	11,900,000	119,000,000
<b>Total</b>	<b>11,900,000</b>	<b>119,000,000</b>	<b>11,900,000</b>	<b>119,000,000</b>

**Notes:**

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

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Rs.	Number of shares	Rs.
No of shares outstanding at the beginning of the year - Equity shares	11,900,000	119,000,000	11,900,000	119,000,000
Add: Additional shares issued during the year - Equity shares	-	-	-	-
No of shares outstanding at the end of the year - Equity shares	11,900,000	119,000,000	11,900,000	119,000,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of	% holding in	Number of	% holding in that
Equity shares with voting rights				
Stoneridge, Inc	5,831,000	49.00%	5,831,000	49.00%
Ashok Kumar Minda	-	0.00%	4,032,600	33.89%
Sarika Minda	-	0.00%	1,402,000	11.78%
Minda Capital Limited	-	0.00%	605,000	5.08%
Minda Sai Limited (the holding company)	6,069,000	51.00%	-	0.00%
<b>Total</b>	<b>11,900,000</b>	<b>100%</b>	<b>11,870,600</b>	<b>100%</b>

iii) Number of shares held by the holding company

Particulars	As at 31st March, 2016	As at 31st March, 2015
Minda Sai Limited (the holding company)	6,069,000	-

(iv) Rights attached to Equity Shareholders

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.



**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Securities premium account		
Opening balance	40,198,900	40,198,900
Add : Premium on shares issued during the year	-	-
Closing balance	40,198,900	40,198,900
(b) Surplus in Statement of Profit and Loss		
Opening balance	532,283,531	421,742,581
Add: Profit for the year	121,289,799	110,540,950
Closing balance	653,573,330	532,283,531
<b>Total</b>	<b>693,772,230</b>	<b>572,482,431</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 5 Long-term borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Deferred payment liabilities (Unsecured)	25,262,443	38,628,896
Total	25,262,443	38,628,896

(i) Details of terms of repayment for the unsecured long-term borrowings (Excluding current maturities of long term borrowings) :

Particulars	Terms of repayment and security	As at 31 March, 2016	As at 31 March, 2015
		Unsecured	Unsecured
		Rs.	Rs.
<u>Deferred payment liabilities:</u>			
Deferred sales tax liability	The Company has availed deferment of Sales Tax collected, under the Package Scheme of Incentives, 1993, of the Government of Maharashtra, during the period 01.09.1998 to 31.08.2005. The Sales Tax liability of Rs. 85,838,000, deferred and classified under unsecured loans, is repayable in five equal annual installments after completion of 10 years commencing from the year of availment.	25,262,443	38,628,896
		25,262,443	38,628,896

(ii) Refer Note 8(a) for Current maturities of long-term debt:

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Deferred payment liabilities		
Unsecured	13,394,535	15,475,818
	13,394,535	15,475,818

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 6 Long-term provisions

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Provision for warranty (Refer Note 23.6)	86,994	963,750
Total	886,994	963,750

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 7 Short-term borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Loans repayable on demand from banks		
- Secured (Refer Note (i) below)	130,134,789	133,177,087
- Unsecured	100,000,000	50,000,000
<b>Total</b>	<b>230,134,789</b>	<b>183,177,087</b>

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
<u>Loans repayable on demand</u> <u>from banks:</u>			
HDFC Bank	Secured by exclusive first charge on Current Assets and Movable Fixed Assets (present and future) and all Immovable Fixed Assets of the Company.	72,452,695	133,177,087
Kotak Bank		57,682,094	-
<b>Total - from banks</b>		<b>130,134,789</b>	<b>133,177,087</b>

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 8 Other Current Liabilities**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Current maturities of long-term debt (Refer Note 5(ii))	13,394,535	15,475,818
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	13,532,681	11,219,297
(ii) Payables on purchase of fixed assets	43,342,335	23,907,320
(iii) Interest Accrued but not due on borrowing	2,149,099	-
(iv) Advances from customers	60,939,846	77,963,486
<b>Total</b>	<b>133,358,496</b>	<b>128,565,921</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 9 Short-term provisions

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(i) Provision for tax (net of advance tax of Rs.30,046,064 (As at 31 March, 2015 Rs. Nil))	561,463	109,934
(ii) Provision for warranty (Refer Note 23.6)	12,714,151	13,542,116
(iii) Provision for Line rejection (Refer Note 23.6)	-	-
(iv) Provision for gratuity (net) (Refer Note 23.1)	8,152,206	284,318
(v) Provision for Leave encashment (net)	2,374,907	5,719,314
<b>Total</b>	<b>23,802,727</b>	<b>19,655,682</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 10 Fixed assets

A. Tangible assets	Balance as at 1 April, 2015		Gross block		Accumulated depreciation		Net block		
	Rs.		Rs.		Rs.		Rs.		
			Balance as at 31 March, 2016	Disposals	Balance as at 1 April, 2015	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Freehold Land	1,944,030	(1,944,030)	1,944,030	-	-	-	-	1,944,030	1,944,030
(b) Lease hold Land	37,897,591	(37,897,591)	37,897,591	-	985,450	421,089	-	36,487,472	36,902,591
(c) Buildings	277,430,012	(274,559,102)	282,465,120	-	82,246,924	12,941,944	-	(36,908,501)	(30,754,939)
(d) Plant and Equipment	899,455,822	(752,593,958)	973,316,313	13,023,547	428,068,464	77,376,441	767,045	165,189,088	165,189,088
(e) Furniture and Fixtures	57,553,729	(54,202,783)	63,741,807	-	38,793,818	7,179,816	(2,354,337)	(205,385,195)	471,337,359
(f) Vehicles	36,609,524	(31,389,071)	36,646,388	8,521,712	13,855,294	1,717,168	-	17,768,173	18,854,911
(g) Office equipment	25,046,131	(22,142,455)	27,733,152	(37,097)	14,242,816	3,133,445	-	(18,864,911)	(22,152,364)
(h) Computer Hardware	28,085,776	(23,160,355)	29,370,278	1,822,305	17,069,000	2,466,913	1,689,439	26,538,415	15,754,230
Total	1,358,128,074	(1,191,645,163)	1,432,114,140	23,367,564	595,255,745	105,235,636	7,991,931	759,603,553	762,062,328
Previous year			(1,359,128,974)	(22,787,140)	(599,431,564)	(103,632,105)	(8,797,923)	(762,862,208)	(691,213,601)

B. Intangible assets	Balance as at 1 April, 2015		Gross block		Accumulated Amortisation		Net block		
	Rs.		Rs.		Rs.		Rs.		
			Balance as at 31 March, 2016	Disposals	Balance as at 1 April, 2015	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2015
Computer software	38,340,645	(31,914,793)	57,754,332	-	19,977,774	9,619,334	-	28,157,224	3,362,871
Total	38,340,645	(31,914,793)	57,754,332	-	19,977,774	9,619,334	-	(18,352,871)	(17,160,365)
Previous year			(38,340,645)	-	(14,754,407)	(5,223,367)	-	(18,352,871)	(17,160,365)

Note: Figures in brackets relates to the previous year

C. Depreciation and amortisation expense:

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.		Rs.	
Depreciation for the year on tangible assets as per Note 10 A	105,235,636		103,632,105	
Amortisation for the year on intangible assets as per Note 10 B	9,619,334		5,223,367	
Depreciation and amortisation	114,855,170		108,855,471	

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 11 Long-term loans and advances  
(Unsecured, considered good)

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Capital advances	1,530,386	8,028,344
(b) Security deposits	12,523,825	10,009,020
(c) Prepaid expenses	713,990	467,453
(d) MAT Credit	17,298,353	-
(e) Advance income tax (net of provisions Rs.58,582,327 (As at March 31, 2015 - Rs.127,939,860))	1,848,217	3,197,435
<b>Total</b>	<b>33,914,771</b>	<b>21,702,252</b>



**MINDA STONERIDGE INSTRUMENTS LIMITED**  
**Notes forming part of the financial statements**

**Note 12 Inventories**  
**(At lower of cost and net realisable value)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Raw materials	135,336,078	109,900,431
Goods-in-transit	48,607,821	20,262,906
	183,943,899	130,163,336
(b) Work-in-progress		
Raw Material	74,807,876	68,203,358
Tools under Development	4,580,855	22,297,574
	79,388,731	90,500,932
(c) Finished goods	114,616,045	10,889,566
Goods-in-transit	-	9,464,119
	114,616,045	20,353,685
(d) Packing Material	45,100	1,312,699
<b>Total</b>	<b>377,993,775</b>	<b>242,330,652</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 13 Trade receivables

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good (Refer Note 23.3)	9,771,502	10,359,094
Doubtful	-	-
	9,771,502	10,359,094
Less: Provision for doubtful trade receivables	-	-
	9,771,502	10,359,094
Other Trade receivables		
Unsecured, considered good (Refer Note 23.3)	735,453,478	575,349,597
Doubtful	-	-
	735,453,478	575,349,597
Less: Provision for doubtful trade receivables	-	-
	735,453,478	575,349,597
<b>Total</b>	<b>745,224,980</b>	<b>585,708,691</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 14 Cash and cash equivalents

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Cash on hand	503,183	381,624
(b) Balances with banks		
(i) In current accounts	2,586,184	9,051,434
(ii) In EEFC accounts	-	578,168
Total	3,089,367	10,011,226

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 15 Short-term loans and advances  
(Unsecured, considered good)

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Advances to suppliers	7,020,484	7,700,665
(b) Security deposits	-	1,315,143
(c) Loans and advances to employees	1,662,356	1,579,675
(d) Prepaid expenses	3,479,975	2,159,217
(e) Balances with government authorities- Unsecured, considered good		
(i) CENVAT Credit receivable	9,628,821	13,097,763
(ii) Service Tax credit receivable	1,676,173	293,974
Total	23,467,809	26,146,437

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 16 Revenue from operations

	Particulars	For the year ended	For the year ended
		31 March, 2016	31 March, 2015
		Rs.	Rs.
(a)	Sale of products (Refer note (i) below)	3,125,679,193	3,106,462,247
(b)	Other operating revenues (Refer note (ii) below)	109,670,193	31,948,674
		3,235,349,386	3,138,410,921
	<u>Less:</u>		
(c)	Excise duty	348,894,571	335,181,146
	<b>Total</b>	<b>2,886,454,815</b>	<b>2,803,229,775</b>

Note	Particulars	For the year ended	For the year ended
		31 March, 2016	31 March, 2015
		Rs.	Rs.
(i)	Sale of Products comprises:		
	<u>Manufactured goods</u>		
	Instrument Clusters	2,214,567,489	2,386,117,328
	Speedometers	264,374,637	302,078,299
	Sensor	191,530,303	210,198,070
	Others	455,206,764	208,068,550
	<b>Total - Sale of Products</b>	<b>3,125,679,193</b>	<b>3,106,462,247</b>
(ii)	Other operating revenues comprise:		
	Sale of scrap	7,738,108	9,161,302
	Design & Development	94,338,427	9,082,279
	Export incentives	5,530,627	10,808,758
	Discounts and Rebates	2,033,031	2,896,335
	<b>Total - Other operating revenues</b>	<b>109,670,193</b>	<b>31,948,674</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the condensed financial statements

Note 17 Other income

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Interest income (Refer Note (i) below)	-	292,696
(b)	Other non-operating income (Refer Note (ii) below)	11,323,687	16,787,756
	<b>Total</b>	<b>11,323,687</b>	<b>17,080,452</b>

Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(i)	Interest income comprises interest on loans and advances	-	292,696
(ii)	Other non-operating income comprises:		
	Package Scheme of Incentive under Sales Tax	6,307,000	9,139,000
	Liabilities no longer required written back	129,321	4,726,596
	Profit On Sale Of Assets	4,451,064	2,555,716
	Miscellaneous income	436,302	366,444
	<b>Total - Other non-operating income</b>	<b>11,323,687</b>	<b>16,787,756</b>

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 18.A Cost of materials consumed**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Opening stock	130,163,336	117,469,918
Add: Purchases	1,986,486,798	1,903,191,462
	2,116,650,134	2,020,661,380
Less: Closing stock	183,943,899	130,163,336
<b>Cost of material consumed</b>	<b>1,932,706,235</b>	<b>1,890,498,044</b>
<b>Material consumed comprises:</b>		
Raw Material and Components		
Switches	33,548,818	12,759,373
Others	1,899,157,417	1,877,738,671
<b>Total</b>	<b>1,932,706,235</b>	<b>1,890,498,044</b>

**Note 18.B Changes in inventories of finished goods and work-in-progress**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
<b>Inventories at the end of the year:</b>		
Finished goods	114,616,045	20,353,685
Work-in-progress	79,388,731	90,500,932
	194,004,776	110,854,617
<b>Inventories at the beginning of the year:</b>		
Finished goods	20,353,685	21,163,911
Work-in-progress	90,500,932	68,826,928
	110,854,617	89,990,839
<b>Net (increase) / decrease</b>	<b>(83,150,159)</b>	<b>(20,863,778)</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 19 Employee benefits expense

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Salaries and wages	428,871,986	372,168,841
Contributions to provident and other funds (Refer Note 23.1)	18,866,495	14,177,265
Gratuity Expenses	8,140,083	1,473,774
Staff welfare expenses	28,115,809	24,082,907
Total	483,994,373	411,902,787



MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 20 Finance costs

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	16,910,567	10,372,222
(ii) Others	406,674	919,999
(b) Other borrowing costs	427,843	10,844
Total	17,745,084	11,303,065

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 21 Other expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Consumption of stores and spare parts	12,908,194	13,540,797
Consumption of packing materials	44,267,269	50,693,410
Job work charges	432,454	389,353
Increase / (decrease) of excise duty on inventory	2,057,558	76,860
Design and development	11,183,871	4,246,704
Power and fuel	34,740,047	33,328,213
Rent including lease rentals	22,775,068	21,125,861
Repairs and maintenance - Buildings	851,095	1,476,081
Repairs and maintenance - Machinery	9,830,248	14,308,425
Repairs and maintenance - Others	3,486,524	3,502,253
Insurance	2,968,287	3,109,951
Rates and taxes	-	2,608,186
Communication	3,837,566	3,335,490
Travelling and conveyance	18,044,106	19,136,568
Printing and stationery	1,919,729	2,231,680
Freight and forwarding	43,879,894	38,101,667
Business promotion	1,113,879	2,135,616
Legal and professional	33,678,237	32,008,989
Payments to auditors (Refer Note (i) below)	2,060,750	1,750,000
Loss on foreign exchange fluctuation (net)	6,637,612	303,148
Provision for warranty (Refer Note 23.6)	11,991,199	12,121,333
Miscellaneous expenses	19,546,004	15,068,657
<b>Total</b>	<b>288,209,591</b>	<b>274,599,242</b>

Notes:

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	1,508,000	1,200,000
For taxation matters	201,000	200,000
For other attest services	351,750	350,000
<b>Total</b>	<b>2,060,750</b>	<b>1,750,000</b>

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 22 Additional information to the financial statements

Note	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
22.1 (a)	Contingent liabilities (to the extent not provided for):		
	(i) Guarantees issued by bank on behalf of the Company	1,325,000	1,995,000
	(ii) Bills discounted	32,275,736	31,492,661
	(iii) Sales tax / VAT Matters	700,000	-
	(iv) Bonus payable for financial year 2014-15 as per payment of Bonus Act, 1965	570,250	-
22.1 (b)	Commitments :		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (Tangible assets)	4,117,252	16,835,606
22.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	18,922,440	14,238,809
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
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.			

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes Forming part of the financial statements

Note 22 Additional information to the financial statements

22.3	Details of foreign currency exposures					
(a)	Expenses in foreign currencies which have been hedged and outstanding as at the balance sheet date - Rs. Nil (PY Rs. Nil).					
(b)	The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:					
	Particulars	As at 31 March, 2016		As at 31 March, 2015		
		Rs.	In Foreign currency	Rs.	In Foreign currency	
	Trade Payable	149,974,534	USD 2,266,161	98,544,698	USD 1,577,046	
	Trade Payable	344,071	EUR 4,565	-	EUR -	
	Trade Payable	5,836,435	JPY 9,907,808	-	JPY -	
	Trade Payable	169,625	CHF 2,644	1,137,404	CHF 17,729	
	Trade Receivable	125,505,431	USD 1,896,563	69,518,051	USD 1,115,224	
	Trade Receivable	5,654,065	EUR 75,020	1,578,304	EUR 23,569	
	Trade Receivable	339,372	JPY 576,575	162,037	JPY 311,850	
	EEFC Account	-	USD -	1,082,463	USD 17,365	
	PCFC Account	30,714,535	USD 464,106	-	-	
	Euro in Hand	-	EUR -	21,429	EUR 320	
	US Dollar in Hand	228,983	USD 3,460	76,361	USD 1,225	
	Singapore Dollar in Hand	-	SGD -	36,437	SGD 802	
	Yen in Hand	57,193	JPY 97,168	-	JPY -	
	Ruble Account	-	RUBLE -	17,931	RUBLE 16,742	
Note	Particulars					
22.4	Value of imports calculated on CIF basis :		For the year ended 31 March, 2016	For the year ended 31 March, 2015		
			Rs.	Rs.		
	Raw Material and Components		567,510,190	568,276,939		
	Capital goods		27,328,268	56,522,767		
	Other		1,801,004	1,895,352		
22.5	Expenditure in foreign currency :		For the year ended 31 March, 2016	For the year ended 31 March, 2015		
			Rs.	Rs.		
	Foreign Travel		1,499,541	2,239,152		
	Design and Development		-	2,602,639		
	Repairs and maintenance – Plant and Machinery		2,024,136	2,048,491		
	Russia Office Expenses		-	3,140,665		
	Board Meeting Expenses		-	813,258		
	Salary of Expats		6,489,576	1,569,504		

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
**Notes forming part of the financial statements**

**Note 22: Additional information to the financial statements**

22.6	Details of consumption of imported and indigenous items	For the year ended 31 March, 2016	
		Rs.	%
	<u>Imported</u>		
	Raw Material and Components	570,797,602 (565,430,106)	30% (30%)
	<u>Indigenous</u>		
	Raw Material and Components	1,361,908,632 (1,325,067,938)	70% (70%)
	Packing Material	44,267,269 (50,693,410)	100% (100%)
	Stores & Spares Consumed	12,908,194 (13,540,797)	100% (100%)
	<b>Total</b>	<b>1,419,084,096</b> <b>(1,389,302,145)</b>	
Note: Figures / percentages in brackets relates to the previous year			
		For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
22.7	Earnings in foreign exchange : Export of goods calculated on FOB basis	307,134,794	338,165,557



In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through					
Actuarial assumptions	Year ended 31 March, 2016		Year ended 31 March, 2015		
Discount rate	8.00%		7.75%		
Expected return on plan assets	8.00%		8.75%		
Salary escalation	6.50%		5.25%		
The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.					
Experience adjustments	Rs.	Rs.	Rs.	Rs.	Rs.
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Gratuity					
Present value of DBO	21,698,184	16,748,395	13,644,393	15,532,448	10,767,624
Fair value of plan assets	13,545,978	16,464,077	15,759,138	-	8,142,640
Funded status [Surplus / (Deficit)]	(8,152,206)	(284,318)	2,114,745	(15,532,448)	(2,624,984)
Experience gain / (loss) adjustments on plan liabilities	(183,759)	952,170	4,342,064	-	(1,338,547)
Experience gain / (loss) adjustments on plan assets	(1,336,198)	-	1,114,879	-	-
23.1 c					
Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015		
Cost of Compensated Absences expensed in the Statement of Profit and Loss	2,105,010		4,617,823		

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 23 Disclosures under Accounting Standards (contd.)**

Note	Particulars	
23.2.A	<b>Segment information</b>  <u>Primary Segments</u> The company is engaged mainly in the business of automobile components. This in context of Accounting Standard – 17 on segmental reporting is considered to constitute one single reportable primary segment.  <u>Secondary Segments</u> Two secondary segments have been identified based on the geographical locations of customers: domestic and export.	
	Geographic Segment	Revenue (Gross) For the year ended 31 March, 2016 Rs.
		Revenue (Gross) For the year ended 31 March, 2015 Rs.
	India	2,928,214,592
	Outside India	307,134,794
	The Company's tangible assets are located entirely in India.	
23.2.B	<b>Details of leasing arrangements</b>  The Company has entered into operating lease arrangements for factory premises. The lease is non-cancellable for a period of 9 years for the Chennai factory and for a period of 5 years for the Pune factory.	
		For the year ended 31 March, 2016 Rs.
		For the year ended 31 March, 2015 Rs.
	Future minimum lease payments not later than one year	15,074,400
	later than one year and not later than five years	62,970,600
	later than five years	48,133,800
		<b>126,178,800</b>
		<b>140,443,200</b>
	Lease payments recognised in the Statement of Profit and Loss	22,775,068
		21,125,861



**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 23 Disclosures under Accounting Standards (contd.)**

Note	Particulars				
23.3	Related party transactions				
23.3.a	Details of related parties where control exists:				
	Description of relationship	Names of related parties			
	Ultimate Holding Company	Minda Corporation (w.e.f. 1st October 2015)			
	Holding Company	Minda Sai Limited (w.e.f. 1st October 2015)			
23.3.b	Details of related parties with whom transactions during the year:				
	Description of relationship	Names of related parties			
	Joint Venturer	Stoneridge Inc. (upto 30th September 2015)			
	Entities in which individuals owning indirectly, an interest in the voting power of the reporting enterprise that gives them control/ significant influence over the enterprise.	Minda Automotive Solutions Wazirpur Minda Automotive Solutions Noida Minda Corporation Ltd., Chakan Minda Corporation Ltd., Noida Minda Corporation Ltd., Plastic division, Pune Minda Corporation Ltd., Rudrapur Minda Industries Ltd., Pant Nagar Minda Management Services Limited Minda Sai Ltd. Murbad Minda Sai Ltd., Haridwar Minda Sai Ltd., Tamilnadu Minda Valeo Security Systems Pvt. Ltd O'Z Minda LLC O'Z Minda Navoi Minda Sai Ltd (Delhi)			
	Key Management Personnel (KMP)	Mr. N.K. Modi Mr. Pankaj Gupta Mr. Divya Rai (w.e.f. 12th February, 2016) Mr. Vikram Dhanani (upto 10th June, 2015) Ms. Mukta Tamhankar (upto 30th October 2015)			
	Note: Related parties have been identified by the Management.				
23.3.c	Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:				
				Rs.	Rs.
	Name of the party	Nature of Relationship	Nature of Transaction	Transactions during the year	Balance outstanding as at March 31, 2016 (March 31, 2016)
	Stoneridge Inc. **	Joint Venturer	Sale of Finished Goods	7,567,551 (1,990,692)	3,889,372.26 Cr. (376,072 Dr.)
	Minda Management Services Ltd. **	Entities in which individuals owning indirectly, an interest in the voting power of the reporting enterprise that gives them control/ significant influence over the enterprise.	Expenses incurred on company's behalf 39594477.4 (PY Rs. 30,365,585)	39,594,477 (30,365,585)	5,057,635.01 Cr. (2,158,792 Cr.)
			Sale of Finished Goods	2,750,566 (Nil)	Nil (Nil)
	O'Z Minda LLC		Sale of Finished Goods	118,965,247 (Nil)	54,658,226.28 Dr. (Nil)
	O'Z Minda Navoi		Sale of Finished Goods	9,795,516 (Nil)	9,795,515.61 Dr. (Nil)
	PT Minda Automotive Trading		Sale of Finished Goods	23,314,961.7 (Nil)	32,781,659.43 Dr (Nil)

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

**Note 23 Disclosures under Accounting Standards (contd.)**

	Name of the party	Nature of Relationship	Nature of Transaction	Transactions during the year	Balance outstanding as at March 31, 2016 (March 31, 2015)	
	PT Minda Automotive Trading Tooling	Entities in which individuals owning indirectly, an interest in the voting power of the reporting enterprise that gives them control/ significant influence over the enterprise.	Sale of Finished Goods - Tooling	1,578,054.9 (Nil)	17,522,907.78 Cr (Nil)	
	Minda Corporation Ltd., Rudrapur **		Sale of Finished Goods	6,746,120 (9,654,621)	1,291,370.87 Dr. (2,873,663 Dr.)	
	Minda Corporation Ltd., Chakan **		Legal Services	47,817 (72,872)	136,034 Dr. (18,823 Cr.)	
	Minda Corporation Ltd., Plastic division, Pune		Travelling Expenses	155,162 (Nil)	Nil (Nil)	
	Minda Corporation Ltd., Noida **		Sale of Finished Goods	18,556 (Nil)	Nil (Nil)	
	Minda Corporation Ltd., Pantnagar **		Purchases of fixed assets and expenses incurred for repairs	(Nil) 177,649	Nil (Nil)	
	Minda Sai Ltd. Murbad **		Expenses incurred on company's behalf (Net of recovery Rs. Nil (PY Rs. 1,768,293))	(Nil) (Nil)	1,000 Dr. (1,000 Dr.)	
	Minda Sai Ltd., Tamilnadu **		Purchase of Raw Material	10,562,037.34 (8,563,240)	1,576,136.46 Cr (288,456 Cr.)	
	Minda Sai Ltd., Haridwar **		Purchase of Raw Material	10,887,507 (37,632)	1,576,082 Cr. ( Nil )	
	Minda Sai Ltd (Delhi)		Purchase of Raw Material & Other Expenses	3,330,048.20 (Nil)	4,145,677 Dr. (Nil)	
	Minda Sai Ltd (Component)		Sales	5,52,846.04 (Nil)	Nil (Nil)	
	Minda Sai Ltd, Chakan		Sale of Finished Goods	13,511,456 (13,306,770)	Nil (1,788,103 Dr.)	
	Minda Automotive Solutions Wazirpur **		Russia Office Expenses	735,317 (Nil)	493,805 Dr. (Nil)	
	Minda Automotive Solutions Nodia **		Purchase of Raw Material	640,467.95 (Nil)	435,507.95 Cr (Nil)	
	Minda Valeo Security Systems Pvt. Ltd **		Purchase of Raw Material	4,969,209.37 (Nil)	2,091,114.69 Cr. (Nil)	
	Mr. N.K. Modi		Key Management Personnel	Sale of raw material	Nil (488,470)	Nil (32,291 Dr.)
	Mr. Pankaj Gupta			Sale of Finished Goods	101,940,921 (80,338,302)	22,947,824.24 (16,196,002 Dr.)
	Mr. Vikram Dhanani	Car Rent		275,995 (858,541)	Nil. (69,725 Dr.)	
	Ms. Mukta Tamhankar	Managerial remuneration		23,147,914 (18,404,313)	7,357,701 (5,004,780 Cr.)	
	Ms. Divya Rai	Managerial remuneration		2,161,100 (1,858,369)	Nil (Nil)	
		Managerial remuneration		69,727 (471,110)	Nil (28,342 Cr.)	
			Managerial remuneration	166,600 (Nil)	Nil (Nil)	
			Managerial remuneration	62,832 (Nil)	Nil (Nil)	

Note: Figures in brackets denote previous year amount.  
\*\* Balances are subject to confirmation and reconciliation

MINDA STONERIDGE INSTRUMENTS LIMITED  
Notes forming part of the financial statements

Note 23 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended	For the year ended
		31 March, 2016	31 March, 2015
		Rs.	Rs.
23.4	<b>Earnings per equity share (Basic and Diluted)</b>		
	Net profit for the year attributable to the equity shareholders	121,289,799	110,540,950
	Weighted average number of equity shares	11,900,000	11,900,000
	Par value per share	10.00	10.00
	Earnings per share - Basic and Diluted	10.19	9.29
23.5	<b>Deferred tax liabilities</b>		
	Tax effect of items constituting deferred tax liabilities		
	On difference between book balance and tax balance of fixed assets	92,994,864	87,156,565
	Tax effect of items constituting deferred tax liabilities	92,994,864	87,156,565
	Tax effect of items constituting deferred tax assets		
	Provision for warranty rejection	4,495,947	1,249,490
	Sales Tax Deferral	12,781,157	16,390,192
	Provision for non moving inventories	386,915	757,433
	Tax effect of items constituting deferred tax assets	17,665,018	20,397,116
	<b>Net deferred tax (liabilities) / assets</b>	<b>(75,329,846)</b>	<b>(66,759,450)</b>
23.6	<b>Details of provisions</b>		
	The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:		
	<b>Provision for warranty</b>	<b>For the year ended</b>	<b>For the year ended</b>
		<b>31 March, 2016</b>	<b>31 March, 2015</b>
		Rs.	Rs.
	Opening as at 1st April	14,505,866	10,829,814
	Additions	11,991,199	12,121,333
	Utilisation	12,895,920	8,445,281
	Closing as at 31st March	13,601,145	14,505,866
	<b>Of the above, the following amounts are expected to be incurred within a year:</b>		
	<b>Particulars</b>	<b>As at 31 March, 2016</b>	<b>As at 31 March, 2015</b>
		Rs.	Rs.
	Provision for warranty	12,714,151	13,542,116
	<b>Provision for line rejection</b>	<b>For the year ended</b>	<b>For the year ended</b>
		<b>31 March, 2016</b>	<b>31 March, 2015</b>
		Rs.	Rs.
	Opening as at 1st April	-	944,418
	Additions	-	-
	Utilisation	-	944,418
	Closing as at 31st March	-	-
	<b>Of the above, the following amounts are expected to be incurred within a year:</b>		
	<b>Particulars</b>	<b>As at 31 March, 2016</b>	<b>As at 31 March, 2015</b>
		Rs.	Rs.
	Provision for Line Rejection	-	-
23.7	The company maintains the information and documents as required under the transfer pricing regulations under sections 92-92F of the Income Tax Act, 1961. The management is of the view that its international and domestic transactions to which the above regulations apply, are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.		

**MINDA STONERIDGE INSTRUMENTS LIMITED**  
Notes forming part of the financial statements

23.8 **Industrial Promotion Subsidy:**  
The Company received an Eligibility Certificate (EC) dated March 30, 2007 of Rs. 93,034,000 for Industrial Promotion Subsidy under the Package Scheme of Incentives 2007 ('the Scheme') in connection with the plant at Chakan, Pune. In terms of the Scheme and based on the EC received, the above incentives are to be sanctioned and disbursed by the relevant authorities on confirmation of compliance with conditions prescribed in the Scheme. During the year ended March 31, 2016, the Company has accrued Rs. 6,397,000 (PY Rs. 9,139,000) as income under Other Income (refer Note 17)

23.9 **Note for managerial Remuneration:**  
Pursuant to changes in its equity share holding as on October 1, 2015, the Company became a subsidiary of Minda Sai Limited by virtue of the latter holding 51% of the equity shares in the Company. Minda Sai Limited is a wholly owned subsidiary of Minda Corporation Limited whose equity shares are listed on the National stock exchange. The re-appointment and revised remuneration of the Managing Director of the Company has been fixed on 10th July 2014 for the period from 12th August 2014 to 11th August 2017 which was prior to the date when the Company became a step down subsidiary of Minda Corporation Limited. Based on the opinion obtained by the Company from an independent legal counsel, the re-appointment and the revised managerial remuneration of the managing director is in accordance with section 197 read with Schedule V to the Companies Act 2013 and unless there is any change in the terms of the appointment the approval from the Central Government is not required.

23.10 **Expenditure on Corporate Social Responsibility :-**


Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs.	Rs.
(a) Gross amount required to be spent by the Company during the Year	2,580,384	1,633,156
(b) Amount spent during the Year		
(i) Construction/acquisition of any asset	860,548	883,923
(ii) Other		

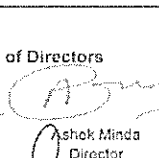
23.11 **The total research and development expenses incurred by the Company are as under :**

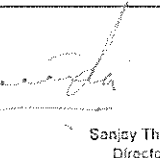
Particulars	For the year ended March 31, 2016
	Rs.
On Capital account	10,214,431
On revenue account	86,003,255
<b>Total</b>	<b>96,217,686</b>

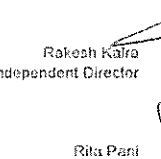
23.12 **Previous year's figures**  
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.


For and on behalf of the Board of Directors

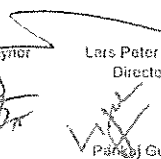
  
 N.K. Modi  
 Managing Director

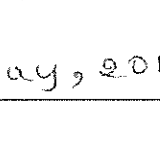
  
 Ashok Minda  
 Director

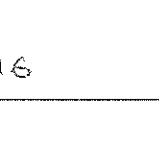
  
 Sanjay Thapar  
 Director

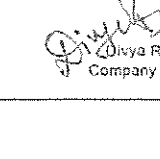
  
 Rakesh Kalra  
 Independent Director


  
 Jonathan Blair  
 Director

  
 Lars Peter Krus  
 Director

  
 Rita Pani  
 Independent Director

  
 Stephen C Fox  
 Director

  
 Pardeep Gupta  
 Chief Financial Officer

  
 Divya Rai  
 Company Secretary

Place :  
Date : 26<sup>th</sup> May, 2016