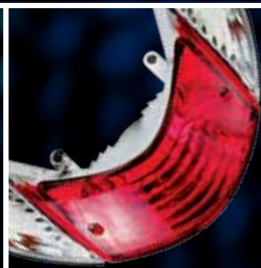




INSPIRED BY MOBILITY DRIVEN BY TECHNOLOGY

Minda Industries Limited 23rd Annual Report 2014-15



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Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Mobility is what defines the present world.
Automobile is what defines mobility.
And the quality of core components is
what defines the automobile.

Hence, global mobility boils down to getting the little parts right. From switches to horns, lighting to batteries, canisters to wheels. But keeping up with the times requires a lot more than efficient engineering. It requires constant innovation.

It demands the vision to broaden horizons and attempt certain things for the first time.

It needs new-age technical know-how combined with timeless knowledge and research.

Only then do the humble automotive parts transform into building blocks of tomorrow's vehicle.

We began with being
Inspired by Mobility.

But we've sustained
because we are Driven
by Technology.

UNO MINDA AT FIRST GLANCE



UNO MINDA follows a simple policy in realising its goal of being the leading manufacturer of auto components - create unparalleled value for the customers, employees and society. As the preferred supplier of customised auto component products to leading automotive players in India and the world, our prime focus is on manufacturing efficient, quality and innovative products.

Minda Industries Limited (MIL) is incorporated and headquartered at Manesar, Gurgaon in the state of Haryana. We are today among the country's leading suppliers of Proprietary Automotive Solutions to Original Equipment Manufacturers (OEMs).

MIL is the flagship Company of UNO MINDA Group. We are backed by four subsidiaries, two jointly controlled entities and two associates. With more than three decades of existence, we have steadily expanded our product profile across the automotive components value chain.



Group Vision

To be the global benchmark in QPCDSM and a pioneer in technology

To attain a Group turnover of 10K crore by 2017-18 ensuring group financial norms

To ensure 25% of the turnover from International Business

Group Mission

To continually enhance stakeholders' value through global competitiveness while contributing to the society

Values

Customer is Supreme

Live Quality

Encourage Creativity & Innovation to Drive 3P (People, Processes & Products)

Respect for Individual

Respect for Work-Place Ethics

MIL CONSOLIDATED: THE BIG NUMBERS

A **₹2227** crore consolidated turnover (during 2014-15)

Operations spread across **25** plants in India

More than **20** different products manufactured

Partnered with **9** global automotive technology players through joint ventures and partnerships

Global presence across **3** continents

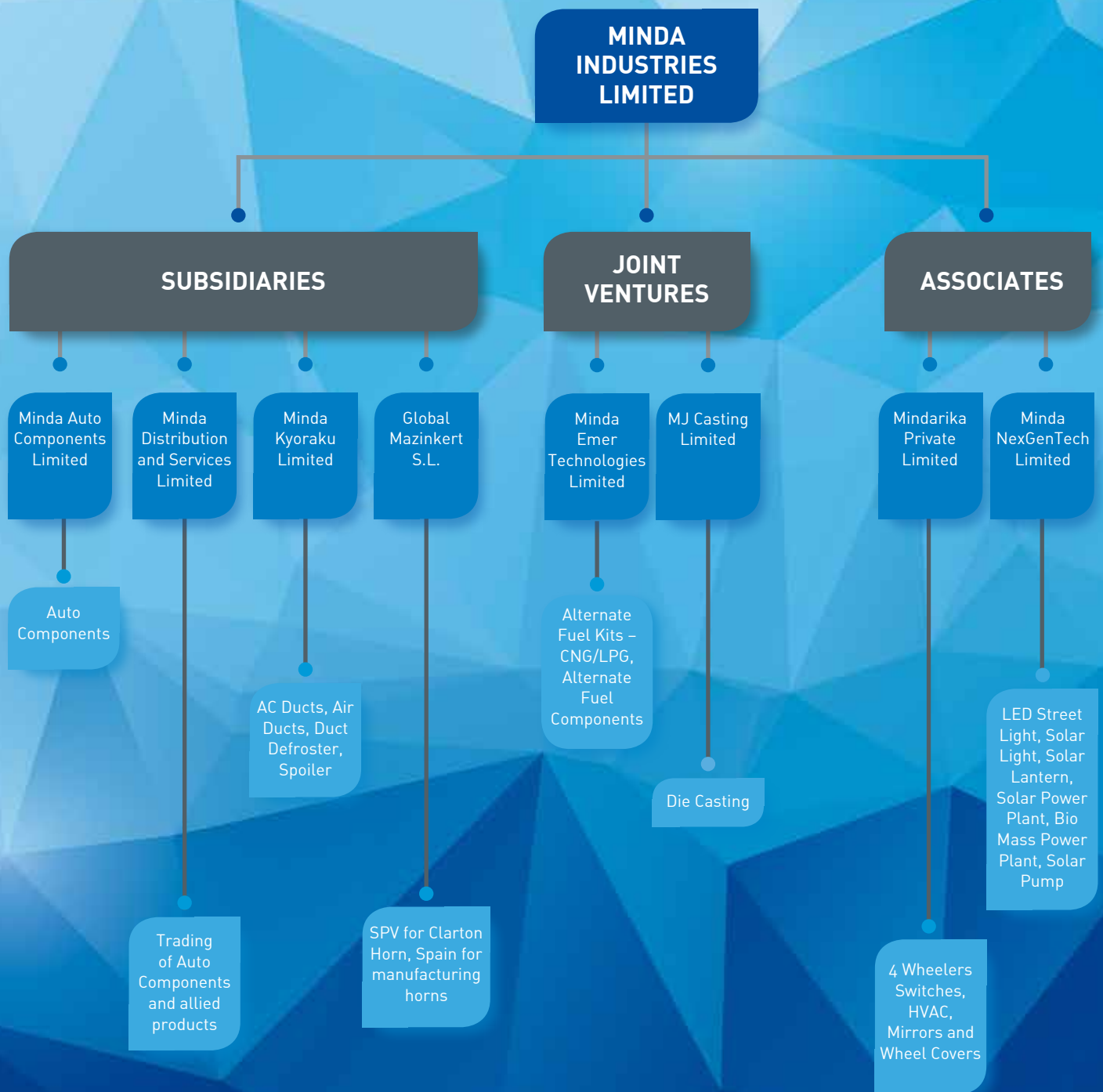
More than **100+** patents registered

Approximately **129** design registrations till date

3 R&D centres across the country

Employee base of **6200+** across all offices and locations

OUR BUSINESS VERTICALS A QUICK VIEW



BRAND LOYALTY: THOSE WHO BELIEVE IN US

Domestic



International



OUR JOURNEY IN MILESTONES



1958

- Started with manufacturing of Ammeter for Royal Enfield

1980

Diversified to manufacturing of Automotive Lighting products

1993

Expanded product portfolio with horns

1960

Started manufacturing Automotive Switches

1995

Started manufacturing of Automotive Four Wheeler Switches through associate company (Minda Rika Private Limited)

2001

- Established Switch manufacturing facility in Pune
- Set-up Kit Integration of CNG/LPG Kits

2008

Started manufacturing Blow Moulding at Bangalore site

2010

Started manufacturing Aluminium Die Casting products for Automobiles

2014

- Started manufacturing fuel caps
- Started with the development of Canisters
- Entered into joint venture agreement with Panasonic for Automotive and Industrial Batteries

2009

- Initiated the design and development of alternative Fuel Kits
- Established a manufacturing facility in Vietnam

2011

Expanded the blow moulded manufacturing at Bawal

2013

Acquired Clarton Horns (leading horn manufacturers in Europe) of Spain

2005

Established a
manufacturing facility
in Indonesia

2007

Started with
manufacturing of
batteries

2015

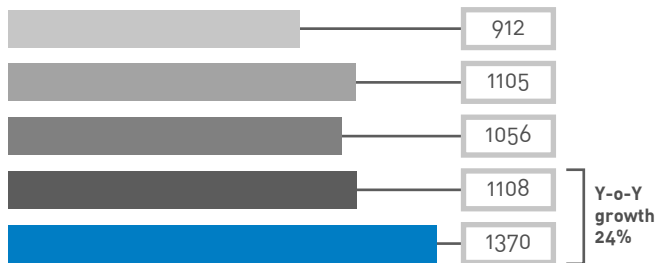
Entered into joint
venture with Kosei for
manufacturing of Alloy
Wheels for Passenger
vehicles

MIL STANDALONE FIGURES RISING UP THE CHARTS



Revenue (₹ in Crores)

● 2010-11 ● 2011-12 ● 2012-13 ● 2013-14 ● 2014-15



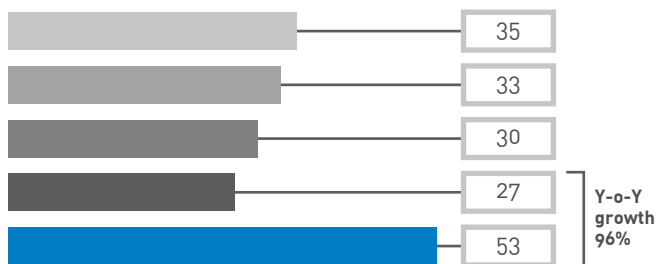
EBIDTA (₹ in Crores)

● 2010-11 ● 2011-12 ● 2012-13 ● 2013-14 ● 2014-15



Profit after tax (₹ in Crores)

● 2010-11 ● 2011-12 ● 2012-13 ● 2013-14 ● 2014-15



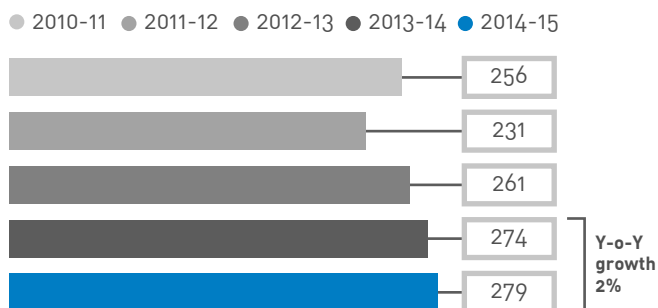
Cash profit (₹ in Crores)

● 2010-11 ● 2011-12 ● 2012-13 ● 2013-14 ● 2014-15

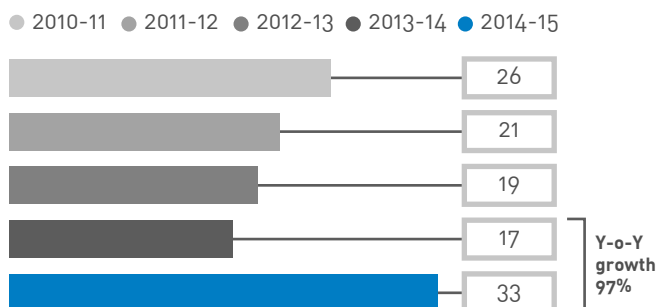


All figures are on standalone basis

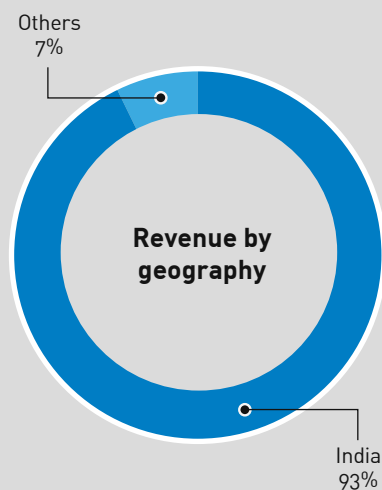
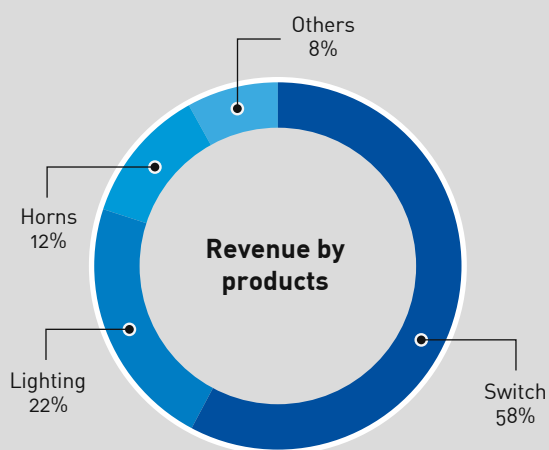
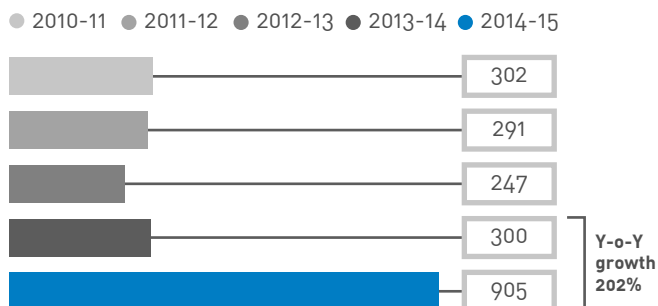
Net Block of Assets (₹ in Crores)



Earnings per share (₹)



Market Capitalisation (₹ in Crores)



CORPORATE INFORMATION

Board of Directors

Mr. Nirmal K. Minda
Chairman & Managing Director

Mr. Anand Kumar Minda
Director

Mr. Alok Dutta
Director

Mr. Satish Sekhri
Director

Mr. Rakesh Sony
Director

Ms. Renu Challu
Director

Auditors

B S R & Co. LLP
Chartered Accountants

Internal Auditors

Protiviti Consulting

Listed at

Bombay Stock Exchange
National Stock Exchange
Delhi Stock Exchange

Depositories

National Securities Depositories Ltd.
Central Depository Services (India) Ltd.

Company Secretary

H. C. Dhamija

Registered Office

B-64/1, Wazirpur Industrial Area,
Delhi – 110052

Corporate Office

Village Nawada Fatehpur, P.O.
Sikanderpur Badda, Distt.
Gurgaon (Haryana)

Bankers

Canara Bank

State Bank of India

Citibank

Axis Bank

HDFC Bank

Standard Chartered Bank

Kotak Mahindra Bank

Works

34-35 Km, G.T. Karnal Road,
Village Rasoi, Distt. Sonapat, Haryana

Village Naharpur Kasan, P.O.
Nakhrola, Distt. Gurgaon, Haryana

Village Nawada Fatehpur, P.O.
Sikanderpur Badda, Distt. Gurgaon,
Haryana

B-6, Chakan Industrial Area,
Village-Mahalunge, Taluka-khed,
Distt. Pune, Maharashtra

B-1/5, Chakan Industrial Area,
Village-Mahalunge, Taluka-khed,
Distt. Pune, Maharashtra

A-13, MIDC Waluj, Aurangabad,
Maharashtra

Plot No. 5, Sector-10, IIE,
Pant Nagar, Udham Singh Nagar,
Uttaranchal

Plot No. 5A, Sector-10, IIE,
Pant Nagar, Udham Singh Nagar,
Uttaranchal

Survey No. 209, Upparpally Village,
Mathagndapalli Post, Thally Road
Hosur, Tamil Nadu

37, Rajasthan Udyog Nagar, Delhi

QUICK VIEW OF DOMAINS



Mr. Pradeep Tewari, CEO



Mr. Ravi Mehra, CEO



Mr. J.K. Menon, CEO



Mr. Anand Minda, CEO

CHASSIS & MOTORS SYSTEMS

- Automotive horns

BODY & STRUCTURE

- Automotive lighting

ENGINE & EXHAUST

- Alternate Fuel Systems
- CNG /LPG Kits

ELECTRICAL & ELECTRONICS

- Switches (2W)
- General Casting
- Sensor, Body Electronics
- HLLM, Relay Actuators
- Accelerator Pedal Assembly

INTERIOR, CONTROLS & SAFETY

- Switches (4W)
- Wheel Covers
- Cigar Lighters
- Blow Molding
- Fuel Caps

CLEAN TECH, DISTRIBUTION & SERVICES

- Non Automotive LED Lighting
- Solar Renewable Energy
- After Market Distribution

THE BOARD OF DIRECTORS AN INTRODUCTION



Mr. Nirmal K. Minda



Mr. Nirmal K. Minda is an industrialist with rich business experience of more than 3 decades in Auto Components Sector. Under his dynamic leadership, the Group has grown manifold (UNO MINDA has revenue of US\$ 642 mn) and has received numerous awards and recognitions. He is the Chairman & Managing Director of the company. Under his dynamic leadership, the company has established footprints across the globe. He has been instrumental in forging new alliances and joint venture partnership with globally renowned names. "Haryana Ratna Award" has been bestowed upon him for his professional and social achievements. He is also the Chairman of ACMA Northern region.

Mr. Anand Kumar Minda is the Non-Executive Director of our Company. He has over 35 years of hands on experience in financial control, reviews, manufacturing, and project management. He has been appointed as member of the Board since 2011. He plays a pivotal role in new projects and strategy formulation. He is also the member of Audit Committee, Stakeholders Relationship Committee and CSR Committee of the Company.



Mr. Anand Kumar Minda

Mr. Satish Sekhri



Mr. Sekhri is an Engineering Graduate in Mechanical stream from Delhi College of Engineering and a Master of Business Administration (MBA). He has more than 40 years of experience in the field of automotive industry. He has held various senior positions, including Managing Director of Bosch Chassis Systems India Ltd. (from 1995 to March 2010). He has been a member of the Executive Committee of professional bodies like Automotive Components Manufacturers Association, Maharashtra Chamber of Commerce Industries and Agriculture and CII Pune Zone Council. After his retirement in 2010, he has been serving on the boards of Auto Component Companies and management institutes.

Mr. Alok Dutta



Mr. Dutta is a Mechanical engineer from IIT, Kharagpur and a Cost Accountant from ICWA, Kolkata. He has a work experience of over 40 years, including a long association of 25 years with the Eicher Group of Companies. He had held various senior leadership as well as Board positions while working with Eicher and his last assignment was as the Managing Director of one of the group companies. He has in depth experience in Greenfield projects, M&A, operational and financial turnaround, financial control and reviews, managing joint venture relationships, international business and organization building and talent development. Currently, he is also engaged in leadership development activities including executive coaching as an independent consultant.

Ms. Challu is a Gold Medallist in MA (Economics) and an Associate of the Indian Institute of Bankers, with nearly four decades of experience in banking and financial markets. She has held various senior positions in State Bank of India and its Subsidiaries, like President & COO of SBI Capital Markets Ltd., MD & CEO of SBIDFHI, Dy. Managing Director (Corporate Strategy and New Businesses) at SBI Corporate Centre and MD of State Bank of Hyderabad. She serves as an Independent Director on the Boards of Fullerton India Credit Co. Ltd, FAG Bearings India Ltd, Reliance Life Insurance Co Ltd, LT Foods Ltd, SMS Infrastructure Ltd, NCC Ltd, Graphite India Ltd and Torrent Cables Ltd. She is the Chairperson of the Audit and Stakeholders Committees in FAG Bearings India Ltd and is a member of various Committees of the Board of Directors (Audit, CSR, Nomination and Remuneration, etc) in other companies.



Ms Renu Challu

Mr. Rakesh Sony



Mr. Sony is a member of the Institute of Chartered Accountants of India and also a graduate from the prestigious St. Xavier's College, Kolkata

Joined MOPE in October 2008 and is actively involved in fund deployment and portfolio monitoring. With over 15 years of experience in capital market, he has expertise in enabling closely held businesses evolve into professionally run corporate organizations through pragmatic resolution of family ownership, succession planning, corporate governance and the delegation of management responsibilities. He has entrepreneurial experience as the co-founder and Managing Director of Microsec Capital.

At MOPE, Rakesh is responsible for deal sourcing, investments, portfolio monitoring and effectuating exit from the portfolio companies. He represents the Fund on the board of Parag Milk Foods, Power Mech, Mrs. Bector's Food and Minda Industries.



Dear Shareholders,

As each financial year comes to an end, I'm usually asked about the top highlights for the year gone by. There were quite a few remarkable achievements for Minda Industries in the year 2014-15. While the global and domestic economy continued to remain volatile, Minda Industries outperformed, by taking strides towards higher growth. We have achieved sustainable performance over the years, while living by our core values and philosophy.

Although we performed exceptionally well, we still believe there is huge opportunity yet to be tapped. We envisage Indian automotive sector to play a major role in the overall growth of the country. Several factors will contribute to this growth – higher disposable income, increasing capacities by OEMs, more global automobile players coming into India and increasing the choices on offer for the consumer. These factors will fuel the ambition of the recently launched initiative, 'Make in India' by the Government of India - transforming the country from a consumer-driven economy to a manufacturing-driven economy.

For India to make this a reality and emerge as a manufacturing power house, technology



Several government initiatives will help the Indian market to emerge as a leader in two wheeler and four wheeler automobile segments in the world by 2020

will be the most crucial factor. Technological advancements in the automobile sector have revolutionised the sector by a large extent. And major contribution to this has been made by the automotive components, which enrich the interface and functionality of automobile use. Products like switches, lighting, horns and other ancillary ones, which support the overall functionality of the vehicle, are critical. Evolving and transforming these core auto components will

further empower the auto sector.

We realise the quick transitions happening in the automotive sector. New model launches across vehicle segments are happening in a very short span of time. As expected, global automotive entrants (in all vehicle segments) have intensified the competition. This presents us with an opportunity to serve a wider OEM base, and showcase our core capabilities in technology and innovation.

Automotive sector has been a growth multiplier for the economy over the years. Expanding middle class, younger population base and increasing market share in rural region have further increased the sense of optimism for this sector. Several government initiatives will help the Indian market to emerge as a leader in two wheeler and four wheeler automobile segments in the world by 2020. As a part of our ambition, we see ourselves strengthening our position in this space of opportunity.

We have already laid the foundation to capitalise on the prospective growth opportunities. A diverse product profile, advanced technologies, innovative R&D team and being trusted by leading OEMs (in India and the world) gives us confidence to move ahead. One of the factors that have contributed to our success is continuous innovation. While

we have expanded our product profile, we remain committed to innovate and create products that will continue to solidify the trust of OEMs.

Besides continuing to strengthen our leadership in India, we are also establishing our footprint outside India. Our products are being widely exported to marquee global automotive players and are meeting their benchmarks. It is our endeavour to identify newer markets and take our brand to a wider, global customer base.

Going ahead, we shall continue to pursue our dream of being leaders and the partner of choice for automotive components for OEMs. Backed by our technological capabilities and commitment towards innovation, we believe the automotive future is going to be much more electronic. We intend to invest in capabilities that will enable us to be the suppliers of future concept cars. I would like to thank the Board, the management, the employees and the investors of the Company for their continued support and belief in us.

I look forward to another exciting year ahead!

Regards,

Nirmal K. Minda
Chairman and Managing Director

INSPIRED BY MOBILITY

Inspiration - the word, which became the catalytic force in beginning the journey of UNO MINDA. Five decades back, we began with the manufacturing of a single product. Today, we've grown it into a suite of automotive components for renowned OEMs across India and the world.

So, what is it that has kept our inspiration burning? First, the Indian auto industry is one of the largest in the world with an annual production of more than 21 million vehicles in FY 2013-14. Second, the automobile industry accounts for more than 20% of the country's GDP growth. Third, India is now fast becoming a manufacturing hub and a leading name in automotive exports, backed by its cost and technological competencies.

What the world sees today, we at UNO MINDA had envisioned earlier. Mobility being our sole inspiration, our journey is fittingly marked by continuous and sustainable growth across every business segment.

We are today the most preferred supplier for leading OEMs in automotive sector, both in domestic and international markets. Our product portfolio of 20+ products serves the customised needs of automotive products for OEMs across the four distinctive segments – two wheelers, three wheelers, four wheelers and off-road vehicles.

No great journey is made alone. Hence, we have strategically partnered with leading technology players through joint ventures and alliances. The aim has been to give our customers and clients the greatest experiences with the latest possible technology. With 9 technical collaborations for our entire product profile, we have

created modern and customised automotive components that have enriched and redefined the experience of mobility.

With changing end-user demands and preferences, OEMs (across two wheelers, four wheelers and off road vehicle segments) today are launching new models in relatively shorter time. We at UNO MINDA, work in tandem with our OEMs, understand their needs, and create automotive products that compliment their vehicle. It is this inspiration which in turn creates the magical experience of mobility and a joyous ride.

HAND IN HAND WITH THE INDUSTRY'S BEST

- Tokai Rika Co. Ltd. Japan
- Kyoraku Co. Ltd. Japan
- Nagase Co. Ltd. Japan
- Chiyoda, Japan
- Emer Spa, Italy
- Kosei Aluminum Co.Ltd. Japan
- JBM Group, India
- AMS Corporation, Korea
- Panasonic Corporation, Japan

50+
number of OEMs served in India and the world

9
joint venture partners and associates for technical collaboration

20+
years of relationship with OEMs

10+
OEMs added (both in domestic and international markets) in the last three years

DRIVEN BY TECHNOLOGY

Innovation by itself is just a concept. If combined with technology, however, it becomes a game changer. Hence at UNO MINDA, we fuse futuristic innovation with effective technology to create the products of tomorrow.

Over the years, we have produced novel products and pioneered new technologies that have redefined the automotive components industry. Our dedicated in-house R&D team has been continuously active, producing new products with additional features for our OEMs. Over the years we have attained more than 100 patents and 120+ designs registrations.

In 2014 we pioneered the launch of illuminated switches and acquired the patents for the same. The contemporary concept was one of its kind in India, launched for two leading automobile two-wheelers in the country. The illuminated switches provide more reliability

and visibility in the night. We provide customised color specification for the LED, enhancing the aesthetic looks.

Striking the right balance between functionality and look is the need of the hour for every automobile player. At UNO MINDA, we helped them achieve this with the launch of LED lamps (for both head and tail). The head and tail lamps today represent the identity of the particular automobile, thereby giving it a whole new appearance. Apart from the stunning design and looks, these LED lamps have a longer life, produce less heat and are more robust in functionality.

In 2014-15, we entered into a joint venture with Panasonic Corporation, Japan to form a new company - Panasonic Minda Storage Batteries India Private Limited. With this, the battery division being hived off, and the technical collaboration brought in by Panasonic would be leveraged to take the business segment to new heights.

Moving ahead, we remain committed to innovating products with the technology of tomorrow. Product development continues to be our area of focus, and we are determined to create new examples of benchmark for our sector.

24%

CAGR of revenues in the last five years (Consolidated basis)

ZERO

Defect production capability

150+

Members in R&D team

16.4%

CAGR of EBIDTA in the last five years (Consolidated basis)



Dear Friends,

Considering the volatile economic environment and challenges that hovered around, I am pleased to report that we have performed exceedingly well. The financial year under review was challenged by a difficult operating environment, and yet Minda Industries has successfully strengthened each parameter to achieve high growth and profitability.

Operational Review

We report another year of growth marked with enhanced profitability. We progressed to registering revenue of ₹ 1370 Crore and an EBIDTA of ₹ 113 Crore (EBIDTA margins stood at 8.3%). Our operational excellence was reflected in our bottom-line which rose by 96% to ₹ 53 Crore from ₹ 27 Crore in 2013-14. This translated into greater stakeholder wealth with EPS rising to ₹ 34 from ₹ 17 in 2013-14. These numbers reflect the philosophy and culture at Minda Industries – the bigger the challenges, the better we perform.

Our Foundations for Growth

At UNO MINDA, we believe it's futuristic thinking that drives sustainability. This foresightedness has helped us achieve growth in financials year after year. If one may recall, the last 3-4 years were the toughest for the country's economy, where growth declined from the all-time highs, and the sense of optimism was lost. The manufacturing sector, in particular, lost momentum with negative growth.

It was during these tough times that we saw opportunity and built capacities across our product verticals. We not only expanded capacities of

existing plant locations, but also set up Greenfield projects across automotive hubs in the country for new and existing products. We added a plant in Hosur for switch division; we added capacities at Manesar for lighting and we added fuel caps to our product profile, serving the country's largest four wheeler automotive company. These initiatives helped us build a foundation on which we could derive the results during the current fiscal.



“Our proactive approach reaped rewards during the year under review, when the economy kicked back towards higher growth trajectory.”

Our proactive approach reaped rewards during the year under review, when the economy kicked back towards higher growth trajectory. The average capacity utilization stood at 80% across our plants and across different product verticals. After two years of subdued and weak demand, the automotive sector reported positive growth in the current fiscal. Being a holistic player in automotive components, our wide range of products and expanded capacities, helped us report strong financial numbers.

Our Move to the Next-Level

Continuing with our aggressive drive in achieving the maximum on each of our business verticals, we acquired Clarton Horns S.A.U, Spain – one of the leading horn manufacturers in the European region. This acquisition makes us the world’s second largest manufacturer of automotive horns and aligns with our strategy to emerge as a technological player in automotive horns. As a part of our focused-strategy, we hived off our battery division in partnership with Panasonic Corporation, Japan to form a new joint venture company. With the expertise and technical excellence of Panasonic, we are confident of maximising our market share in the battery segment. In addition, we also added aluminium die casting and blow moulding to our product portfolio. The new

capacities for these have been added in Pantnagar and Bawal. These capacity additions will translate into additional top line and strengthen our profitability levels in coming years.

Our Outlook for Success

We are firm believers of long-term value creation. We endeavour to achieve this by maximising our operational efficiencies, optimising resource utilisation, driving for more value-added products, controlling the debt and enhancing the returns on equity. This will, in turn, boost the earnings for our stakeholders.

In order to maximise our operational achievements, we are working towards streamlining the cost structure. We continue to focus on improving the capacity utilisation levels and strengthening our product portfolio. These would help us strengthen the profitability levels and cash flows across our business verticals.

Our prudent risk management approach also plays a crucial role in building our future. These are substantially backed by adherence to corporate governance principles and evolving regulatory norms that form the keystone of our organisational sustainability.

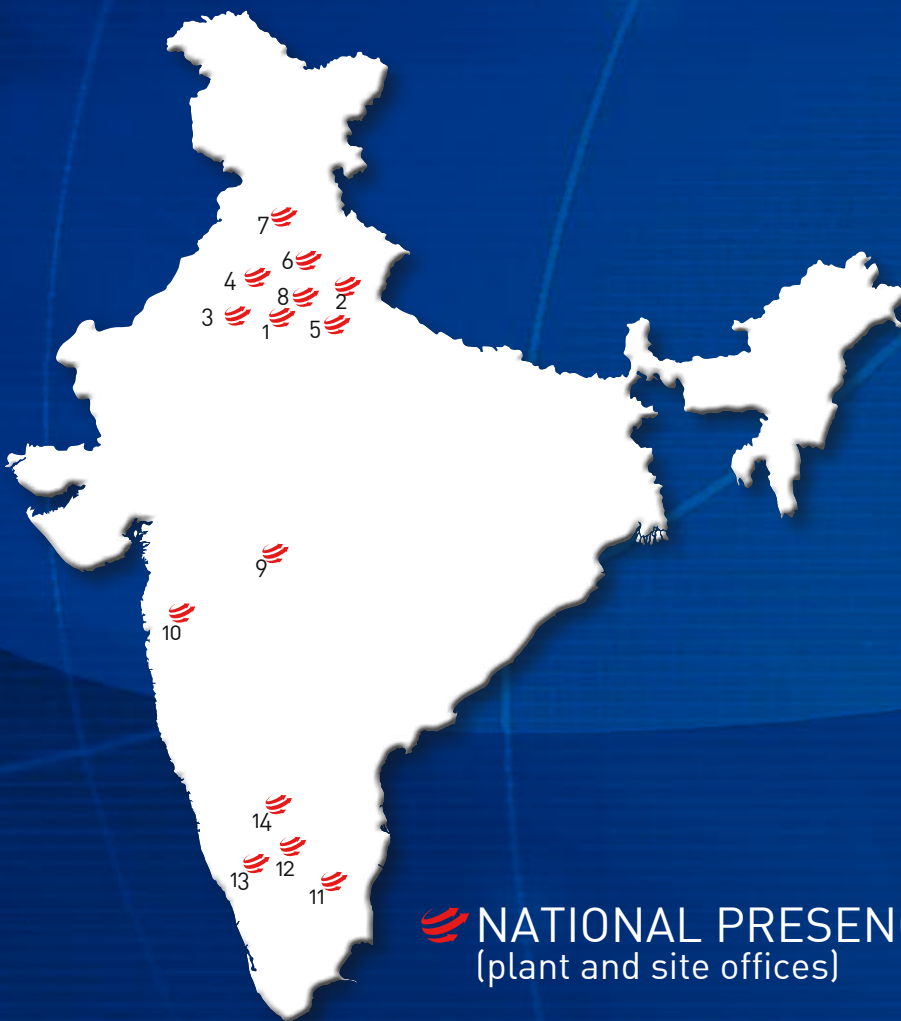
We continue to enhance our productivity levels, integrate technology into our operations, remove bottlenecks and enhance capabilities to further invest and expand our capacities. We shall focus on more value-added products, widen our OEM base, broaden our geographic presence and expand our margins.

Regards,

Sudhir Jain

Corp. Business Head & Group CFO

OUR NETWORK ACROSS THE WORLD



NATIONAL PRESENCE (plant and site offices)

- | | |
|-------------|--------------|
| 1 Manesar | 8 New Delhi |
| 2 Pantnagar | 9 Aurangabad |
| 3 Bawal | 10 Pune |
| 4 Sonepat | 11 Chennai |
| 5 Haridwar | 12 Hosur |
| 6 Surajpur | 13 Mysore |
| 7 Nalagarh | 14 Bangalore |



GLOBAL PRESENCE

- 1 Germany
- 2 France
- 3 Italy
- 4 Spain
- 5 Morocco
- 6 Mexico
- 7 USA
- 8 Japan
- 9 Taiwan
- 10 Vietnam
- 11 Indonesia
- 12 Brazil

Board Report

To the Members of
Minda Industries Limited

Your Directors are pleased to present the 23rd Annual Report and the Company's audited financial statements for the financial year ended on 31 March 2015.

Financial Results

(Rs. In Lacs)

| Particulars | For the Year 2014-15 | For the Year 2013-14 |
|---|----------------------|----------------------|
| Sales / Income from Operations | 137,038 | 110,806 |
| Other Income | 1,868 | 1,271 |
| Profit Before Tax | 6,969 | 3,367 |
| Provision for Taxation | 1596 | 606 |
| Minimum Alternate Tax | (279) | - |
| Deferred Tax Liability/(Asset) | 332 | 49 |
| Profit After Tax (PAT) | 5,320 | 2,712 |
| Brought Forward Profit from Previous Year | 20,643 | 18,800 |
| Profits Available for appropriation | 25,699 | 21,512 |
| Appropriation | | |
| - General Reserve | 300 | 300 |
| - Dividend on 3% Cumulative Redeemable Preference Shares. | 10.50 | - |
| - Proposed Final Dividend on 3% Cumulative Redeemable Preference Shares | - | 10.50 |
| - Interim Dividend on Equity Shares | 397 | - |
| - Proposed Final Dividend on Equity Shares | 555 | 476 |
| - Corporate Tax on Interim Dividend | 81 | - |
| - Corporate Tax on Final Dividend | 113 | 83 |
| - Balance on Profit carried forward | 24,242 | 20,643 |

Financial Highlights

The summary of financial achievements during the year under review are as under:-

- Revenue from operations on standalone basis for the Financial Year under review was Rs.137,038 Lacs as against Rs.110,806 Lacs for the previous year, registering a growth of 24%.
- Profit after Tax on standalone basis was Rs.5,320 Lacs as against Rs. 2,712 Lacs for the previous year, registering a growth of 96%.
- Consolidated revenue from operations was Rs.222,662 Lacs as against Rs.170,612 Lacs for the previous year, registering a growth of 31%.
- Consolidated Profit after Tax was Rs.6,797 Lacs as against Rs. 718 Lacs for the previous year, registering a growth of 847%.

Dividend

The Board of Directors have recommended a final dividend of Rs.3.50 per equity share (Face value Rs. 10/- per equity share) for 2014-15, amounting to Rs. 555 Lacs. This is in addition to the interim dividend of Rs. 2.50 per equity share, paid to the equity shareholders on 27 February, 2015, being the record date for the purpose.

The Total dividend for 2014-15 aggregates to Rs.6.00 per equity share, as compared to Rs. 3.00 per equity share for 2013-14. The same is in line with the financial strategy of the Company. The dividend payout is subject to approval of members at the ensuing Annual General Meeting

The dividend will be paid to members whose names appear in the Register of Members as on 1 August, 2015 and in respect of shares held in dematerialised form, it will be paid to members

whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

The dividend of 3% i.e. Rs. 0.30 per 3% Cumulative Redeemable Preference Shares of Rs. 10/- each on 35,00,000 3% Cumulative Redeemable Preference Shares, amounting to Rs. 10.50 Lacs was paid to the shareholders on 27 February, 2015, being the record date for the purpose (Previous Year Rs. 10.50 Lacs) is recommended to be declared and considered as the final dividend.

Transfer to Reserve

The Company proposes to transfer amount of Rs. 300 Lacs to the General Reserve out of amount available for appropriation and an amount of Rs. 24,242 Lacs to be retained in the Statement of Profit and Loss on Standalone basis.

Capacity Expansion

During the year under review, the Company's Lighting Division at Manesar, Haryana expanded its manufacturing capacity for production of Tail Lamp for K-10 Model for Maruti Suzuki India Limited (one of the major clients of the Company). The said expansion was completed on schedule and commercial production commenced from the month of September, 2014.

Hiving off Battery Division

During the year under review, a joint venture agreement (JVA) was signed with Panasonic Corporation, Japan. As per the terms of JVA, the running business of Battery division will be hived off on or before long stop date of 30 April, 2015. In this regard, the Board has reviewed and revised the hiving off date from 30 April, 2015 to 1 July, 2015. In the joint venture, the company will be having an equity of 40% and the remaining 60% will be held by Panasonic Group.

The necessary approval for hiving off Battery Division was obtained from the shareholders through Postal Ballot in the month of December, 2014. The Company is confident that under the technical support of Panasonic, the Battery business will reach new scales of success in the coming years.

Awards and Recognition

During the year, the Company was facilitated with several awards, some of them being as follows:-

1) Yamaha Motors awarded "Appreciation Certificate" to MIL

Switch, Manesar Division at their Annual Vendor Conference Meet.

- 2) Mahindra & Mahindra awarded "Supplier Business Capability" Award to MIL Switch Division.
- 3) HMSI awarded MIL Switch Division for New Part Development
- 4) TAFE awarded "Best Supplier" Award to MIL Switch Division for consistent performance in quality and reliability.
- 5) Bajaj Auto awarded "Gold Quality Award" to MIL Switch Division at their BAVA i.e. Bajaj Alliance Vendor Association Meet' 2014
- 6) General Motors awarded MIL Lighting Division for "Supplier Quality Excellence" Award.
- 7) UNO MINDA was recognised by Maruti Suzuki India Ltd. on various fields like Quality, Delivery, Technology Upgradation & Tier-II Upgradation Initiatives.
- 8) Tata Motors awarded / recognised UNO MINDA group for "Long Association" Award at their Annual Supplier Conference Meet' 2014.

Share Capital

The paid up Equity Share Capital as on 31 March, 2015 was Rs.1,586.54 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

Deposits

The Company has not accepted any fixed deposits under section 73 of the Companies Act, 2013 during the year and, as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

Listing

The equity shares of the Company are listed with BSE Limited, National Stock Exchange of India Limited and the *Delhi Stock Exchange Limited. There are no arrears on account of payment of listing fees to the Stock Exchanges.

*SEBI vide its order No. VTM/PS/45/MRD/DSA/NOV/2014 dated 18/11/2014 has withdrawn the recognition granted to DSE.

Particulars of Loan, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

Corporate Social Responsibility Initiatives

As part of its initiatives under "Corporate Social Responsibility (CSR), a CSR Committee was formed in the Board Meeting held on 24 May, 2014.

The CSR Committee formulated CSR Policy for the company, which was approved by the Board.

The CSR Committee has been entrusted with the prime responsibility of recommending to the Board and monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The Report on CSR activities is annexed herewith as Annexure-A.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as Annexure B.

Corporate Governance

The report on Corporate Governance together with the Certificate regarding the Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed and forms part of the Board Report as Annexure -C.

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements.

The Report on Corporate Governance, together with M/s. Sanjay Grover & Associates, Company Secretary in Practice regarding the Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed as Annexure-D.

Risk Management Policy

Effective risk management is essential to success of any business existence, and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be flexible and respond decisively

to the changing environment.

Our approach to risk management assists us in identifying risks at an early stage and address them in ways that help manage business uncertainties, minimise potential hazards, and maximise opportunities for all our stakeholders.

In accordance with the requirements of the Companies Act, 2013 and Listing Agreement Company has adopted Risk Management Policy, approved by Board and established a risk management framework to identify, mitigate and control the risk and threatens of risk.

Internal Financial Control

The Company has adequate internal financial controls with reference to financial statements., being examined by the management and internal auditors. During the year, no reportable material weakness in the design or operation were observed.

Human Resource Management

The management firmly believes that employees' motivation, development and engagement are key aspects of good human resource management. Several forum and communication channels are provided to our employees to share their views and give their feedback. Competency development and employee empowerment continues to be a key area of strategic focus for the Company.

Vigil Mechanism / Whistle Blower Policy

The Company promotes ethical behaviors in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The company has vigil mechanism and whistle blower policy under which the directors and the employees are free to report violation of the applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to sub- committee – Vigil Mechanism.

No personnel of the Company were denied access to the Audit Committee.

Directors

There are six (6) Directors on the Board of your company, consisting of three (3) Independent Directors, two (2) Non-Executive Directors and a Chairman & Managing Director (CMD) as on March 31, 2015.

Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a company shall have at least one Woman Director on the Board of the Company. The Board of Directors at their meeting held on December 19, 2014 appointed Ms. Renu Challu (DIN 00157204), as an

Additional Director.

Ms Renu Challu is a Gold Medalist in MA (Economics) and an Associate of the Indian Institute of Bankers, with nearly four decades of experience in banking and financial markets. She has held various senior positions in State Bank of India and its Subsidiaries, like President & COO of SBI Capital Markets Ltd., MD & CEO of SBIDFHI, Dy. Managing Director (Corporate Strategy and New Businesses) at SBI Corporate Centre and MD of State Bank of Hyderabad.

Independent Directors

In terms of definition of 'Independence' of Directors as prescribed under Clause 49 of the Listing Agreement, entered with the Stock Exchanges and Section 149(6) of the Companies Act, 2013 and based on the confirmation/ disclosures received from the Directors, the following Non-Executive Directors are Independent Directors:

1. Mr. Satish Sekhri
2. Mr. Alok Dutta
3. Ms. Renu Challu

Chairman & Managing Director (CMD)

Mr. Nirmal K Minda is on the Board of the Company since September 16, 1992 and he was appointed as Chairman and Managing Director on 25 May, 2010 and subsequently re-appointed with the consent of shareholders from time to time.

Appointments/ Resignations from the Board of Directors

Mr. Satish Sekhri and Mr. Alok Dutta were appointed as Independent Directors by the shareholders at the last Annual General Meeting of the Company held on 28 August, 2014, for a term of five (5) years.

The Board of Directors at their meeting held on 19 December, 2014 appointed Ms. Renu Challu, as an additional Director of the Company.

Mr. S.K. Arya, Non-Executive Director of the Company resigned from the Board with effect from August 8, 2014. The Board placed on records its appreciation for the outstanding contributions made by Mr. S.K. Arya during his tenure of office.

Appointments/ Resignations of the Key Managerial Personnel

Mr. Nirmal K Minda, Chairman & Managing Director, Mr. Sudhir Jain, Corp Business Head and Group CFO and Mr. H.C. Dhamija, Vice President-Group Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and were already in office before the commencement of the

Companies Act, 2013.

None of the Key Managerial Personnel have resigned or appointed during the year under review.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of Memorandum and Articles of Association of the Company, Mr. Nirmal K. Minda retires by rotation and is eligible for re-appointment.

Declaration by Independent Directors

The Independent directors have submitted the declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub section (6).

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committees, CSR Committee and Stakeholders Relationship Committee .

Familiarisation programmes for Board Members

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company alongwith business strategy. Detailed presentations on the Company's business were made before the Board members.

Nomination & Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Policy for Selection, Appointment, performance evaluation and remuneration of Directors, Key Managerial Personnel and Senior Management.

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with the industry practices. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives

Meetings

During the year eight (8) Board Meetings and seven (7) Audit Committee meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Committees of the Board

The Company has the following committees, which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during the year of relevant committees are given in detail in the Corporate Governance Report of the Company, which forms part of this Annual Report.

Directors' responsibility statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31 March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2015 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to Directors, Independent Directors and

Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company. A copy of the Code has been put on the Company's website (mindagroup.com). The Code has been circulated to Directors and Senior Management Personnel, and its compliance is affirmed by them annually.

Prevention of Insider Trading

The Securities and Exchange Board of India (SEBI) vide notification dated 15 January, 2015 has put in place a new framework for prohibition of Insider Trading in Securities and to strengthen the legal framework thereof. These new regulations of the SEBI under the above notification have become effective from 15 May, 2015. Accordingly, the Board at its meeting held on 26 May, 2015 has formulated the Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information in accordance with Regulation 8 of Insider Trading Regulations 2015 and the Code of Conduct, as per Regulation 9 for regulating, monitoring and reporting of Trading of Shares by Insiders.

The code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company.

Related Party Transactions

The related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business. In the following related party transactions, the company has obtained shareholders' approval through Postal Ballot :-

- 1) Special Resolution under Section 180(1)(a) and section 188 and other applicable provisions, if any, of the Companies Act, 2013 for sell/ dispose off/ transfer of Battery Division to Panasonic Minda Storage Batteries India Private Limited.
- 2) Special Resolution under Section 188(1)(f) of the Companies Act 2013 for Appointment of Mr. Vivek Jindal (Son in Law of Mr. Nirmal K. Minda, Chairman & Managing Director) as President and Business Head of Acoustic Division of the Company.
- 3) Special Resolution under Section 180(1)(a) & 188(1)(b) of the Companies Act, 2013 for sale and transfer of seven (7) acres land situated at Bawal, to the Joint Venture Company, Minda Kosei Aluminium Wheel Private Limited.

There are no materially significant related party transactions made by the company with promoters, directors, key managerial

personnel or other designated person which may have a potential conflict with the interest of the company at large.

The Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions, which are of a foreseen and repetitive nature.

The transactions entered into pursuant to the omnibus approval so granted are reviewed and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

In accordance with the requirements of Listing Agreement, the Company has also adopted the Policy on Related Party Transaction and the same has been uploaded on the website of the company.

Subsidiaries

Minda Auto Components Ltd., Minda Kyoraku Ltd., Minda Distribution and Services Ltd. are the Indian subsidiaries of the Company and Global Mazinkert, S.L., Spain is a foreign subsidiary and Clarton Horn S.A., Spain, Clarton Horn, Asia, Clarton Horn, Morocco and Clarton Horn, Signalkoustik, CH Mexico are the step down subsidiaries of Global Mazinkert S.L.,

The Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies, are not being attached with the Balance Sheet of the Company. Salient features of Financial Statements of Subsidiaries, Associates and Joint Ventures in the prescribed format, forming part of the Financial Statements. However, the financial statements of the subsidiary companies are available on the website of the company. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

Auditors and Auditors' Report

Statutory Auditors

M/s. B S R & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company at the Annual General Meeting (AGM) held on August 28, 2014 to hold office until the conclusion of 2nd Consecutive Annual General Meeting subject to the ratification by the Shareholders at next Annual General Meeting(s). They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. Therefore, ratification of appointment of

Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Board of Directors on the recommendation of the Audit Committee has appointed M/s. Jitender Navneet & Co., Cost Accountants, as a Cost Auditors for the financial year 2015-16.

Secretarial Auditor

The Board has appointed M/s Sanjay Grover & Associates, Practising Company Secretary, to conduct secretarial audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31 March, 2015 is annexed herewith as Annexure-E. The Secretarial audit report does not contain any qualification, reservation or adverse remarks.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

Significant and Material Orders

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure-F.

Management Discussion & Analysis Report

Pursuant to the provisions of Clause 49 of the Listing Agreement, Management Discussion & Analysis Report is annexed as part of this report separately as Annexure – G.

Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled there to, excluding the information on employees' particulars which is available for inspection by the Members at the registered office of the Company during business hours on working days of the company up to the

date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in term of sub-section 12 of section 197 of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as part of this report at Annexure- H.

Acknowledgements

Your Directors thank the various Central and State Government Departments, organisations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors
For MINDA INDUSTRIES LTD.

Place: Gurgaon
Date : 26 May, 2015

Nirmal K Minda
Chairman & Managing Director

Annexure - A to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1) A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes.

The Board of Directors of the Company has approved the CSR Policy on 1 July, 2014

UNO MINDA, NK Minda Group is committed to support various socio-economic causes. It is actively involved in running several charitable and social organizations under the support of S L Minda Charitable Trust (SLMCT) and Moga Devi Minda Charitable Trust (MDMCT). The group started Minda Bal Gram and Minda Schools with a vision to provide food, shelter, medical facilities, education and vocational trainings to the underprivileged children.

S.L. Minda Charitable Trust

S.L. Minda Charitable Trust through Samarth Jyoti is running centres at various places including Gurgaon, Bawal (Haryana), Pune (Maharashtra) and Udham Singh Nagar (Uttarakhand). These centres undertake various CSR activities including primary education, vocational trainings, computer courses, cutting and tailoring, beauty education, and embroidery courses.

S.L. Minda Charitable Trust is planning to expand CSR activities to 3 new locations namely Neemrana, Hosur and Chennai.

Moga Devi Charitable Trust

Moga Devi Minda Charitable Trust is carrying out various activities towards CSR including vocational trainings through S L Minda Seva Kendra, at 6 villages in Hissar, Haryana namely Bagla, Siswal, Mohabbatpur, Jakhod, Telanwali and Dobhi.

Weblink:

<http://www.mindagroup.com/corpgovpolicies>

- 2) Composition of the CSR Committee

| Name of the Member | Designation |
|-----------------------|-------------|
| Mr. Nirmal K. Minda | Chairman |
| Mr. Anand Kumar Minda | Member |
| Mr. Satish Sekhri | Member |
| Mr. Alok Dutta | Member |

- 3) Average Net Profit of the Company for the last three years

Average Net Profit : Rs. 44 Crores

- 4) Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)

The Company is required to spend Rs. 88 Lacs.

- 5) Details of CSR spend for the financial year :-

a) Total amount spent for the financial year : Rs. 88 Lacs

b) Amount unspent if any : NIL

c) Manner in which the amount spent during the financial year is detailed below :-

| Sr. No. | Projects/ Activities | Sector | Locations | Amount Outlay (Budget) Project or Programs-wise | Amount spent on the Project or programs | Cumulative Expenditure upto reporting period | Amount spent: Direct or through implementing agency |
|---------|---|---------------------------------|---|---|---|--|---|
| | | | District (State) | (Rs./Lacs) | (Rs./Lacs) | (Rs./Lacs) | (Rs./Lacs) |
| 1 | Vocational Trainings, Beauty Culture, Cutting & Tailoring, Computer Basic courses | Literacy & Vocational Trainings | Village Naharpur Kasan, P.O. Nakhrola, Distt. Gurgaon (Haryana) | 21.41 | 36.52 | 36.52 | Samarth Jyoti - A CSR Unit run by S L Minda Charitable Trust |
| 2 | Computer Basic Course & Coaching Classes I to VII. | Literacy & Vocational Trainings | Rudarpur, Pant Nagar, Udham Singh Nagar, Uttranchal | 10.24 | 7.26 | 7.26 | Samarth Jyoti - A CSR Unit run by S L Minda Charitable Trust |
| 3 | Computer Basic Course & Coaching Classes I to VII. | Literacy & Vocational Trainings | Mahalunge, Pune, Maharashtra. | 11.49 | 7.52 | 7.52 | Samarth Jyoti - A CSR Unit run by S L Minda Charitable Trust |
| 4 | Nursery & KG | Literacy & Vocational Trainings | Bawal, Rewari (Haryana) | 10.67 | 4.70 | 4.70 | Samarth Jyoti - A CSR Unit run by S L Minda Charitable Trust |
| 5 | Women Empowerment through vocational trainings, cutting & Tailoring, Embroidery, beauty culture, computer courses | Vocational Trainings | Village Bagla, Siswal, Mohabbatpur, Jakhod, Telanwali and Dobhi, Hissar (Haryana) | 34.19 | 32.00 | 32.00 | SL Minda Seva Kendra - A CSR Unit run by Moga Devi Minda Charitable Trust |



Samarth Jyoti



Moga Devi Minda Charitable Trust



Moga Devi Minda Charitable Trust

Annexure - B to Board's Report

For The Financial Year ended 31 March, 2015

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies Act (Accounts) Rules, 2014

A. Conservation of Energy

We continue to strengthen our energy conservation efforts. At units situated at Manesar, the Express Feeder from HSEB has been installed. The use of Solar Power has also been started in the units. VFD in Die Casting, Moulding Machines have been installed. At various places, tube lights have been replaced with LED lights. The Auto Controllers are also installed for Street Light.

The adoption of energy conservation measures indicated above resulted in the saving of electricity consumption and also brought awareness among the employees.

Form-A is not applicable, as the Company does not fall under the list of industries specified in the schedule.

B. Technology Absorption

R&D is a continuous process, presently, the R&D activities are carried out across several processes. Some of them were Integrated Dimmer with Pass Switch, Noise Suppressor Cap, LED Tail Lamps for Automobiles, Mobile Charger Socket, Non-Contact Sealed Type Boots Light Sensor, Intake Air Temperature Sensor and Crankshaft Position Sensor.

These R & D efforts have benefited the Company with various product innovations. One such innovation is the dipper with pass, designed with three wires using single moving contact, fully covered and with less number of parts. These innovations in products would benefit end user requirements with improved aesthetics, long operational life as compared to bulb and reduced power consumption.

Our future plans in R&D field includes:

- Designing and development of light weighted Front Fog Lamps meeting new regulations F03

- Fuel Injection System
- Lighting Control System
- Various ranges of Speed Sensor
- Power Socket
- Tactile Switching Technology
- Smart Switch System
- Integrated Blinker with Hazard Switching System
- Winker with Flasher and Engine Stop with Start.

Research and Development (R&D)

The R & D Center(s) of the Company are located at village Nawada Fatehpur, Manesar, Rasoi, Sonapat and Pune. These centres are approved by Department of Scientific and Industrial Research (DSIR).

During the year, carried out R&D activities were carried on intake air temperature sensor; sense engine temperature for two wheelers and four wheelers and temperature detection for motorcycles; Intelligent protected switch system controls various electrical loads of vehicle; easy integration of sensors with LIN Bus.

The Company showcased its R&D achievements and awareness, initiating the 'Innovation meet'.

In 2012-13 the Company had entered into Technical Assistance Agreement with AMS - M/s. AMS Company Ltd. (Korean Corporation) for manufacturing of automotive lighting Equipments and Component Parts for Combination as Head Lamps, Rear Combination Lamps and Small Exterior Lamps. The technology is being absorbed.

Expenditure on R&D

(Rs. In Lacs)

| Particulars | Year ended on March 31, 2015 | Year ended on March 31, 2014 |
|---|------------------------------|------------------------------|
| a) Capital | 585.47 | 195.02 |
| b) Recurring | 4,159.89 | 3,125.72 |
| c) Total | 4,745.36 | 3,320.74 |
| d) Total R&D expenditure as percentage of total turnover. | 3.46% | 2.99% |

Activities in Foreign Currency

Activities relating to exports, development of new export market for products and services and export plan.

Exports during the year 2014-15 was of Rs.9,539.19 Lacs
(Previous year was Rs. 10,483.19 Lacs).

Total Foreign Exchange used.

| Sr. No | Particulars | Current Year 2014-15 | Previous Year 2013-14 |
|--------|---------------------------------------|----------------------|-----------------------|
| 1 | CIF value of Imports | | |
| | - Raw Material | 6,391.27 | 5,771.23 |
| | - Capital Goods | 18.21 | 324.36 |
| | - Stores and Spares | 27.86 | 94.64 |
| | - Others | - | - |
| 2 | Expenditure in Foreign Currency. | 472.76 | 1,322.01 |
| | Total Foreign Exchange earned. | 10,654.37 | 11499.95 |

For and on behalf of
Minda Industries Ltd.

Place : Gurgaon (Haryana)

Date : 26 May, 2015

Nirmal K. Minda
Chairman & Managing Director

Annexure - C to Board's Report

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

Minda Industries Limited (MIL) is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes in the concept of good Corporate Governance involving transparency, empowerment, accountability, equity and integrity with a view to enhance stakeholder's value in order to achieve its mission as stated below :-

"To continually enhance the stakeholders' value through global competitiveness while contributing to society."

Our Corporate Governance framework ensures effective engagement with our stakeholders and helping us evolve with changing time.

Security and Exchange Board of India (SEBI) has made norms for stricter disclosures and protection of investor's rights, including equitable treatment of minority and foreign shareholders.

Many of the amendments issued by SEBI were effective from October 1, 2014. The amended rules require Companies, establish whistleblower mechanism, elaborate disclosure on pay packages and have at least one women Director on Board.

These amendments are aimed to encourage Companies to adopt best practices on Corporate Governance. We believe that an active, well informed independent Board is necessary to ensure the highest standard of Corporate Governance. We firmly believe that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

2. Board Composition and Particulars of Directors

i) The composition of the Board, category and particulars of attendance is given below:

| Name of Director | Category of Directorship | Attendance Record Total Board Meeting held during 2014-15 = 8 Nos. | | Number of other Directorships | Committee Membership/ Chairmanships | |
|-----------------------|---------------------------------------|--|---|-------------------------------|-------------------------------------|----------|
| | | Board Meetings attended | Last AGM held on 28/08/2014 Attended Yes/No | | Member | Chairman |
| Mr. Nirmal K. Minda | Executive Managing Director | 8 | Yes | 19 | 2 | - |
| Mr. Anand Kumar Minda | Non- Executive Director | 8 | Yes | 11 | 3 | - |
| Mr. S.K. Arya* | Non- Executive & Independent Director | - | No | 13 | 6 | 2 |
| Mr. Alok Dutta | Non- Executive & Independent Director | 7 | Yes | 1 | 3 | 1 |
| Mr. Rakesh Sony | Non- Executive Director | 5 | No | 4 | 7 | - |
| Mr. Satish Sekhri | Non- Executive & Independent Director | 8 | Yes | 4 | 7 | 1 |
| Ms. Renu Challu** | Non- Executive & Independent Director | 2 | No | 9 | 10 | 2 |

Leave of absence was granted to the Director(s) for the Board Meeting(s), which they did not attend and sought the leave of absence from the meeting.

*Mr. S.K. Arya resigned from the directorship w.e.f. 8 August, 2014, his resignation was accepted by the Board at its meeting held on 12 August, 2014.

**Ms. Renu Challu was appointed as Non-Executive & Independent Director, by the Board at their meeting held on 19 December, 2014.

ii) Number of Board Meetings held and the dates on which held:

| | |
|-------------------------------|-------------------|
| Number of Board meetings held | 8 (Eight) |
| Date(s) on which held | 1 April, 2014 |
| | 24 May, 2014* |
| | 1 July, 2014 |
| | 12 August, 2014 |
| | 11 November, 2014 |
| | 19 December, 2014 |
| | 14 February, 2015 |
| | 26 March, 2015 |

*meeting held on 24 May, 2014 was adjourned to 27 May, 2014

iii) Terms of reference to the Board of Directors

Apart from placing the statutory required information before the Board Members, it is the policy of the company to regularly place the information/ matter involving major decisions like Annual Budget, Technology Collaboration, Investments, Quarterly Results, Minutes of meeting of Subsidiary Companies, Audit Committee and other committee of the board and other material information. All the information relevant to the company as required under clause 49 of the listing agreement is also made available to the Board.

iv) Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all Directors, Independent Directors and Senior Management of the company. The Code gives guidance and

support needed for ethical conduct of business and compliance of law.

The copy of the Code has been uploaded on the website of the company www.mindagroup.com

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31 March, 2015.

The Annual Report of the Company contains a Certificate signed by the CEO and CFO in terms of Clause 49 of the listing agreement.

3. Board Level Committee(S)

a) Audit Committee

Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- i) The Audit Committee presently consists of the four Non-Executive Directors, out of which three are Independent Directors.
- ii) All members of the Committee are financially literate and having the requisite financial management expertise.
- iii) The Chairman of the Audit Committee is an Independent Director.
- iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 28 August, 2014.

Composition, Category and Attendance record during the year

| Name of the member | Category | Attendance Records (No. of meetings held = 7) | Date of Audit Committee Meetings |
|--------------------|----------|--|--------------------------------------|
| | | Meeting(s) attended | |
| Mr. Alok Dutta | Chairman | 6 | 1 April, 2014, 23 May, 2014*, |
| Mr. Satish Sekhri | Member | 7 | 1 July, 2014, 12 August, 2014, |
| Mr. Rakesh Sony | Member | 4 | 11 November, 2014, 14 February, 2015 |
| Ms. Renu Challu** | Member | 2 | and 27 March, 2015 |

*meeting held on 23 May, 2014 was adjourned to 27 May, 2014

**Ms. Renu Challu Non-Executive & Independent Director, appointed as Member of the Audit Committee, by the Board at their meeting held on 19 December, 2014.

Mr. H.C. Dhamija, Vice President- Group Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary, acts as a Secretary to the Committee.

Powers of the Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it

considers necessary

Role of the Audit Committee inter alia, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment.
- Approving payment to statutory auditors, including cost auditors for any other services rendered by them.
- Reviewing with the management, annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement, in terms of Section 134 (5) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates, based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related party.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors, any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board.
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO, after assessing the qualifications, experience and background etc. of the candidate.
- Carry out any other functions, as is mentioned in terms of reference of the audit committee.

b) Nomination and Remuneration Committee

All the matters relating to finalization of remuneration to Executive Directors are being taken in the meeting of said committee for their consideration and approval.

The composition of Nomination and Remuneration Committee is given below.

| Name of the member | Category | Attendance Records (No. of meetings held = 1) | Date on which meetings held |
|-----------------------|----------|---|-----------------------------|
| | | Meeting(s) attended | |
| Mr. Alok Dutta | Chairman | - | 14 February, 2015 |
| Mr. Satish Sekhri | Member | 1 | |
| Mr. Rakesh Sony | Member | 1 | |
| Mr. Anand Kumar Minda | Member | 1 | |

Mr. H.C. Dhamija, Vice President- Group Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary, acts as a Secretary to the Committee.

Terms of reference

- To identify persons, who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification,

amendment or modification, as may be applicable.

- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a Remuneration Policy which is uploaded on the website of the company.

The payment of remuneration to Executive Managing Director - Mr. Nirmal K. Minda is governed by the resolution passed at the Board/ Shareholders Meetings. The remuneration structure comprises Salary, Allowances, Perquisites and Contribution to Provident Fund etc.

Salary details of Mr. Nirmal K. Minda is given in this report under the heading "Disclosures"

c) Stakeholders Relationship Committee

The composition, category and attendance of Stakeholders Relationship Committee is given below.

| Name of the member | Category | Attendance Record meetings held = 4 Nos. | Date of Shareholders/Investor Grievance Committee Meetings |
|-----------------------|----------|---|---|
| | | Meeting(s) attended | |
| Mr. Alok Dutta | Chairman | 3 | 24 May, 2014, 1 July, 2014, |
| Mr. Rakesh Sony | Member | 3 | 12 November, 2014, |
| Mr. Anand Kumar Minda | Member | 4 | 14 February, 2015 |

Mr. H.C. Dhamija, Vice President- Group Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary, acts as a Secretary to the Committee.

Terms of reference

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share /debenture certificates.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation of the Company's Code of Conduct

for Prohibition of Insider Trading.

- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Share Transfer System

All the Share Transfers, received are being approved within 15 days of its receipts & are ratified/ approved by the Stakeholders relationship Committee on quarterly basis.

Your Company has 6154 shareholders as on March 31, 2015. The company and share transfer agent has received 36 complaints during the year, all of which have been attended to within a period of 15 days from the receipt of the same.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee was constituted by the Board on May 24, 2014 considering the requirements of the Companies Act, 2013.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring the implementation of the framework of 'Corporate Social Responsibility Policy'.

The composition, category and attendance of Corporate Social Responsibility Committee is given below.

| Name of the member | Category | Attendance records (No. of meetings held =3) | Date on which meetings held |
|-----------------------|----------|---|-----------------------------|
| | | Meeting(s) attended | |
| Mr. Nirmal K. Minda | Chairman | 3 | 1 July, 2014 |
| Mr. Anand Kumar Minda | Member | 3 | 12 November, 2014 |
| Mr. Alok Dutta | Member | 2 | 14 February, 2015 |
| Mr. Satish Sekhri | Member | 3 | |

Terms of reference

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on CSR activities and
- To monitor the Corporate Social Responsibility Policy of the company from time-to-time.

4. General Body Meeting

■ Venue and Time of last three Annual General Meetings

| Financial Year | Date of Meeting | Time | Venue | Number of Special Resolutions passed |
|---------------------|--------------------|------------|---|--------------------------------------|
| 2011-12 20th AGM | 25 September, 2012 | 2.30 p.m. | PHD House, Opposite Asian Games Village, New Delhi. | **OR-8 (Eight) |
| 2012-13 21st AGM | 18 September, 2013 | 11.30 a.m. | PHD House, Opposite Asian Games Village, New Delhi. | * SR-3 (Three) **OR-7(Seven) |
| 2013-14 22nd AGM | 28 August, 2014 | 11.30 a.m. | PHD House, Opposite Asian Games Village, New Delhi. | * SR-2 (Two) **OR-8(Eight) |

* "SR" means Special Resolution ** "OR" means Ordinary Resolution.

During the year under review, the following resolutions were passed through Postal Ballot:-

- 1) Special Resolution under Section 180(1)(a) and section 188 and other applicable provisions, if any, of the Companies Act, 2013 for sell/ dispose off/ transfer of Battery Division to Panasonic Minda Storage Batteries India Private Limited.
- 2) Special Resolution under Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 for creation of charge.
- 3) Special Resolution under Section 188(1)(f) of the Companies Act 2013 for Appointment of Mr. Vivek Jindal (Son in Law of Mr. Nirmal K. Minda, Chairman & Managing Director) as President and Business Head of Acoustic Division of the Company.

- 4) Special Resolution under Section 180(1)(a) &188(1)(b) of the Companies Act, 2013 for sale and transfer of seven (7) acres land situated at Bawal, to the joint venture Company Minda Kosei Aluminium Wheel Private Limited.

5. Holding/ Subsidiary Companies

Minda Auto Components Ltd., Minda Kyoraku Ltd., Minda Distribution and Services Ltd. are the Indian subsidiaries of the Company and Global Mazinkert, S.L., Spain is a foreign subsidiary and Clarton Horn S.A., Spain, Clarton Horn, Asia, Clarton Horn, Morocco, CH Mexico and Clarton Horn, Signalkoustik are the step down subsidiaries of Global Mazinkert S.L., which are non 'material non listed subsidiary companies', as per the listing agreement.

The term "material non-listed Indian subsidiary shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

At present the Company has no material Indian unlisted subsidiary company. Accordingly, the requirement of appointing at least one Independent director on the Board of Directors of the materially Indian unlisted subsidiary is not applicable.

A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies are placed before the Company's Board.

6. Disclosures

i) Related party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The policy on Related Party Transactions as approved by the

Board is uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

ii) Disclosure of Accounting Treatment

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

iii) Risk Management

The Management of the company regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

iv) Remuneration of Directors

■ Disclosure of Director's Interest in Transactions with the Company.

None of the non-executive directors had any pecuniary relationship or transaction with the company. However some commercial transactions have taken place where Company's directors also hold directorship. Such transactions have taken place on an arms length basis and have been disclosed to the Board of Directors in accordance with the provisions of the Companies Act, 2013 and have been entered in the register of contracts and approved by the Board in accordance with the Section 189 of the Companies Act, 2013.

Remuneration paid to the Chairman & Managing Director during the year 2014-15

(Rs. in Lacs)

| Name of the Managing Director/ Executive Director | Salary & Allowances | Commission | Medical, Lease Rent & Other Expenses | Contribution to Provident Fund etc. | Total |
|--|---------------------|------------|--------------------------------------|-------------------------------------|--------|
| Mr. Nirmal K Minda | 124.11 | 128.70 | 17.18 | 11.49 | 281.48 |

■ Remuneration policy for Non-Executive Directors

The non-executive independent director(s) of the Company were paid sitting fee of Rs. 4,75,000 for Board Meeting and Audit Committee Meeting attended by them. (Rs. 1,55,000 as sitting fee to Mr. Alok Dutta, Rs. 2,12,500 as sitting fee to Mr. Satish Sekhri and Rs. 1,07,500, as sitting fees to Ms. Renu Challu). The other non-executive directors have waived off their sitting fee from the Company.

■ Tenure and Notice Period

The tenure of office of the Chairman & Managing Director

is for three years from the date of appointment, and can be terminated by either party by giving three months notice in writing. There is no separate provision for payment of severance fees.

The details in respect of Director seeking re-appointment are provided as part of the notice convening the forthcoming Annual General Meeting.

■ Shareholding of Non-executive Director

Mr. Anand Kumar Minda non-executive Director of the Company is holding 3600 equity shares of the Company.

- v) **Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority.

- vi) **Insider Trading Code in terms of SEBI (Insider Trading) Regulations, 2015**

The Securities and Exchange Board of India (SEBI) vide notification dated 15 January, 2015 has put in place a new framework for prohibition of Insider Trading in Securities and to strengthen the legal framework thereof. These new regulations of the SEBI under the above notification have become effective from 15 May, 2015. Accordingly, the Board at its meeting held on 26 May, 2015 has formulated the Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information in accordance with Regulation 8 of Insider Trading Regulations 2015 and the Code of Conduct, as per Regulation 9 for regulating, monitoring and reporting of Trading of Shares by Insiders.

The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company.

7. CEO/CFO Certification

Chairman & Managing Director (CEO) and Chief Financial Officer of the Company in terms of clause 49 of the listing agreement, have furnished the requisite certificate to the Board of Directors. The copy of the same is annexed as Appendix-I

8. Means of Communication

Quarterly Results

The Company's quarterly results are published in Economic Times, Navbharat Times, Financial Express and Jansatta and are displayed on its website www.mindagroup.com

News Release and Presentations

Official news releases and official media releases are sent to stock exchanges.

Presentations to Investors / Analysts

Detailed presentations are made to the investors and financial analysts on the company's unaudited quarterly as well as audited annual financial results. These presentations are also

uploaded on the company's website www.mindagroup.com.

Website

The Company's website www.mindagroup.com contains a separate dedicated section "Investor Relations" where shareholders' information is available. The Company's Annual Report is also available in a user friendly and downloadable form.

Annual Report

The Annual Report containing, inter alia Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members. The Management's Discussion and Analysis Report forms part of the Annual report.

SEBI Complaints System (SCORES)

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

9. General Shareholders Information

Annual General Meeting

| | |
|---------|---|
| i) Date | : 10 August, 2015 |
| Time | : 4.00 p. m. |
| Venue | : PHD House, Opp. Asian Games Village, New Delhi-110016 |

ii) Financial Year 1st April, 2014 to 31st March, 2015

For the year ended on 31.03.2015, the results were announced on

| For quarter ending | Date |
|--------------------------|-------------------|
| 30 June, 2014 | 12 August, 2014 |
| 30 September, 2014 | 11 November, 2014 |
| 31 December, 2014 | 14 February, 2015 |
| 31 March, 2015 (Audited) | 26 May, 2015 |

For the year ended on 31.03.2016, the results will be announced on following tentative dates

| For quarter ending | On or before |
|--------------------------|-------------------|
| 30 June, 2015 | 14 August, 2015 |
| 30 September, 2015 | 14 November, 2015 |
| 31 December, 2015 | 14 February, 2016 |
| 31 March, 2016 (Audited) | 30 May, 2016 |

- iii) **Date of Book closure:** 3 August, 2015 to 10 August, 2015 (both days inclusive).

iv) **Dividend payment date:** Expected on or after 8 September, 2015.

v) **Listing on Stock Exchanges**

The Company's shares are listed at the Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSE) and Delhi Stock Exchange Ltd. (DSE)*

vi) **Stock Code**

Bombay Stock Exchange Ltd. : 532539
National Stock Exchange of India Ltd. : MINDAIND
Delhi Stock Exchange Ltd.* : 013315

*SEBI vide its order No. VTM/PS/45/MRD/DSA/NOV/2014 dated 18/11/2014 has withdrawn the recognition granted to DSE.

vii) **Stock Prices during 2014-15**

The performance of the company's scrip on BSE and NSE as compared to the SENSEX and NIFTY during the year 2014-15 are as under:-

| Month(s) | SENSEX | | MIL SHARE ON BSE (Amount in Rs.) | |
|-----------|----------|----------|----------------------------------|--------|
| | High | Low | High | Low |
| Apr 2014 | 22939.31 | 22197.51 | 206.95 | 183.15 |
| May 2014 | 25375.63 | 22277.04 | 260.00 | 185.00 |
| Jun 2014 | 25725.12 | 24270.20 | 344.80 | 215.00 |
| July 2014 | 26300.17 | 24892.00 | 377.00 | 302.00 |
| Aug 2014 | 26674.38 | 25232.82 | 401.00 | 283.10 |
| Sep 2014 | 27354.99 | 26220.49 | 565.00 | 365.00 |
| Oct 2014 | 27894.32 | 25910.77 | 569.25 | 478.00 |
| Nov 2014 | 28822.37 | 27739.56 | 655.00 | 505.15 |
| Dec 2014 | 28809.64 | 26469.42 | 637.00 | 490.00 |
| Jan 2015 | 29844.16 | 26776.12 | 638.00 | 526.00 |
| Feb 2015 | 29560.32 | 28044.49 | 568.55 | 507.50 |
| Mar 2015 | 30024.74 | 27248.45 | 540.25 | 520.00 |

| Month(s) | NIFTY | | MIL SHARE ON NSE (Amount in Rs.) | |
|-------------|---------|---------|----------------------------------|--------|
| | High | Low | High | Low |
| Apr 2014 | 6869.85 | 6650.40 | 207.85 | 175.15 |
| May 2014 | 7563.50 | 6638.55 | 290.90 | 187.50 |
| Jun 2014 | 7700.05 | 7239.50 | 346.55 | 211.05 |
| July 2014 | 7840.95 | 7422.15 | 381.00 | 301.00 |
| Aug 2014 | 7968.25 | 7540.10 | 399.00 | 259.70 |
| Sep 2014 | 8180.20 | 7841.80 | 565.00 | 336.05 |
| Oct 2014 | 8330.75 | 7723.85 | 574.80 | 470.00 |
| Nov 2014 | 8617.00 | 8290.25 | 654.95 | 528.55 |
| Dec 2014 | 8626.95 | 7961.35 | 639.80 | 490.00 |
| Jan 2015 | 8996.60 | 8065.45 | 638.00 | 528.00 |
| Feb 2015 | 8941.10 | 8470.50 | 636.00 | 511.10 |
| March, 2015 | 9119.20 | 8269.15 | 635.00 | 520.00 |

viii) **Registrar and Share Transfer Agent**

Link Intime India Pvt. Ltd.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR, Naraina, New Delhi-28.

ix) **Share Transfer System**

As per clause 3(c) of this report.

x) Distribution Schedule and Shareholding Pattern as on 31st March 2015

| DISTRIBUTION SCHEDULE | | |
|-----------------------|---------------------|-----------------|
| Category (shares) | No. of Shareholders | Shares |
| Upto 500 | 5749 | 398569 |
| 501 - 1000 | 215 | 174998 |
| 1001 - 2000 | 97 | 160536 |
| 2001 - 3000 | 36 | 91818 |
| 3001 - 4000 | 13 | 44271 |
| 4001 - 5000 | 5 | 23125 |
| 5001 - 10000 | 14 | 106459 |
| 10001 and above | 25 | 14865580 |
| TOTAL | 6154 | 15865356 |

| SHAREHOLDING PATTERN | | |
|--|-----------------|-------------------|
| Category of Shareholders | No. of Shares | % of Total Shares |
| Promoters and Promoters Group | 11248699 | 70.90 |
| Mutual Funds/UTI | 448723 | 2.83 |
| Banks, Financial Institutions, Insurance Companies | 3605 | 0.02 |
| Foreign Institutional Investors | 4650 | 0.03 |
| Private Bodies Corporate | 1208918 | 7.62 |
| Indian Public | 1498344 | 9.44 |
| Non-resident Individuals / Overseas Corporate Bodies | 1365516 | 8.61 |
| Others | 86901 | 0.55 |
| TOTAL | 15865356 | 100.00 |

xi) Dematerialization of Shares and Liquidity as on March 31, 2015: 15690749, 98.90% of shares of the company are in Dematerialised form.

xii) **Plant Location(s)**

- 34-35 K.M. G.T. Karnal Road Village Rasoi, Sonapat (Haryana)
- Village Naharpur Kasan P.O. Nakhrola Distt. Gurgaon (Haryana)
- Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon (Haryana)
- B-6, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra
- A-13, MIDC Waluj, Aurangabad, Maharashtra
- B-1/5, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharashtra
- Plot No. 5, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand
- Plot No. 5A Sector 10, 11E, Pant Nagar, Udham Singh Nagar, Uttrakhand
- Survey No. 209, Via Hosur, Denkanikottai (Taluk), Krishnagiri District, Tamilnadu
- 37, Rajasthan Udyog Nagar, Delhi-110033.

xiii) **Non-Mandatory requirement**

The Company has not adopted the non-mandatory requirements as specified in the Listing Agreement.

xiv) **Address for Correspondence:** Minda Industries Limited

Regd. Off.: B-64/1, Wazirpur Industrial Area, Delhi - 110 052.

Tel - 011-27374444, 0124-2291604

Fax - 0124-2290676

E-mail: hcdhamija@mindagroup.com

Annexure - D to Board's Report

Certificate On Corporate Governance

To The Members of Minda Industries Limited

We have examined the compliance of conditions of Corporate Governance by Minda Industries Limited (hereinafter referred to as "the Company") for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Sanjay Grover & Associates
Company Secretaries

Sanjay Grover
CP No. 3850

Date : 18 May, 2015
Place: New Delhi

Annexure - E to Board's Report

Secretarial Audit Report

For the financial year ended 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
Minda Industries Limited
 (CIN: L74899DL1992PLC050333)
 B-64/1 Wazirpur, Industrial Area
 Delhi-110052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Minda Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

* Not Applicable on the Company during the Audit period.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and Delhi Stock Exchange Limited. (SEBI vide its order No. WTM/PS/45/MRD/DSA/NOV/2014 dated 18/11/2014) has withdrawn the recognition granted to Delhi Stock Exchange Limited.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

- (vi) The Company is manufacturer of Automotive Switches, Lighting, Batteries, Horns, CNG/ LPG Kits, Fuel Caps and Electronic Components. It has nine manufacturing facilities located at Manesar and Sonapat (Haryana), Pune and Aurangabad (Maharashtra), Pantnagar (Uttarakhand), Hosur (Tamil Nadu) and Delhi. As informed by the Management, being an automotive components manufacturer, there is no sector specific law applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act subject to the reporting herein above.

Adequate seven days notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the members of the Company passed following special resolution(s):

- Under Section 180(1)(c) of the Act, for the borrowing for an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) in the Annual General Meeting dated 28th August, 2014.
- Under Section 180(1)(a) of the Act for creation of mortgage, charge and hypothecation, and creation of securities in such form and manner and such on terms and at such time(s) as the Board may deem fit, over the assets of the Company for amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores) through Postal Ballot on 29th December, 2014.
- Under Section 180(1)(a)/Section 188 of the Act for sell/dispose off/ transfer of Battery Division to M/s Panasonic Minda Storage Batteries India Private Limited, a joint venture between the Company and Panasonic Corporation, Japan in ratio of 40:60 for consideration not exceeding Rs. 64 Crores (Rupees Sixty Four Crores only) through Postal Ballot on 29th December, 2014.
- Under Section 180(1)(a)/ Section 188 of the Act for sale and transfer of Seven (7) acres land situated at Bawal, to M/s Minda Kosei Aluminum Wheel Private Limited, a joint venture between the Company and Kosei International Trade and Investment Company Limited, Hong Kong in ratio of 70:30 for consideration not exceeding Rs. 17.6715 Crores (Rupees Seventeen Crores Sixty Seven Lacs and Fifteen Thousand only) through Postal Ballot on 30th March, 2015.

We further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of shares/debentures/ sweat equity.
- (ii) Redemption/Buy Back of securities.
- (iii) Merger/Amalgamation/Reconstruction.
- (iv) Foreign technical collaborations.

For Sanjay Grover & Associates
Companies Secretaries

Sanjay Grover
CP No.: 3850

May 18, 2015
New Delhi

Annexure - F to Board's Report

Format No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

| | |
|--|--|
| CIN | L74899DL1992PLC050333 |
| Registration Date | 16 September, 1992 |
| Name of the Company | Minda Industries Ltd. |
| Category/Sub-Category of the Company | Public Company / Limited by Shares, Indian Non-Government Company |
| Address of the Registered Office and Contact details | B-64/1, Wazirpur Industrial Area, Delhi-110052 Phones: 011-27374444, 0124-2290427/28 Fax : 0124-2290676/95 |
| Whether listed company | Yes. |
| Name, Address and Contact details of Registrar and Transfer Agent, if any. | Link Intime India Private Ltd. 44, Community Centre, Near PVR Naraina, Naraina Industrial Area, Phase-I, New Delhi -110028 Phones : 011- 41410592 - 94 / 25896893, 25897309 Fax 011- 41410591 |

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the company shall be stated:-

| S.No. | Name and Description of main products / service | NIC Code of the Product/ Service | % to Total turnover of the Company |
|-------|---|----------------------------------|------------------------------------|
| 1 | Lightings for Automobiles | 2740 | 22% |
| 2 | Switches, Horns and Electronic Components for Automobiles | 2930 | 78% |

III. Particulars of Holding, Subsidiary and Associate Companies

| Name and Address of the Company | CIN/GLN | Holding/Subsidiary/ Associate | % of shares held | Applicable section |
|--|-----------------------|-------------------------------|------------------|--------------------|
| Minda Auto Components Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052 | U25209DL1996PLC083240 | Subsidiary | 100 | 2(87) |
| Minda Distribution & Services Ltd. 301/223, Mukandpur, New Delhi - 110042 | U34300DL2011PLC227272 | Subsidiary | 100 | 2(87) |
| Global Mazinkert S.L., Spain | | Subsidiary | 100 | 2(87) |
| Minda Kyoraku Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052 | U35122DL2011PLC223819 | Subsidiary | 71.66 | 2(87) |
| M J Casting Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052 | U28900DL2010PLC211731 | Joint Venture | 50 | 2(6) |
| Minda Emer Technologies Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052 | U35999DL2010PLC200859 | Joint Venture | 48.90 | 2(6) |
| Mindarika Pvt. Ltd. B-64/1, Wazirpur Industrial Area, Delhi-110052 | U74899DL1995PTC073692 | Associate Company | 27.08 | 2(6) |
| Minda NexGenTech Ltd. 37, Rajasthan Udyog Nagar, Delhi-110033 | U31900DL2011PLC217478 | Associate Company | 26 | 2(6) |

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | |
|---|---|------------|-----------------|-------------------|---|------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | % Change during the Year |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 6798129 | Nil | 6798129 | 42.85 | 6797483 | Nil | 6797483 | 42.84 | 0.004 |
| b) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) State Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corporate | 4429570 | Nil | 4429570 | 27.92 | 4429570 | Nil | 4429570 | 27.92 | Nil |
| e) Bank/Fl | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (i) Trust | 21646 | Nil | 21646 | 0.14 | 21646 | Nil | 21646 | 0.14 | Nil |
| Sub-Total (A) (1) | 11249345 | Nil | 11249345 | 70.91 | 11248699 | Nil | 11248699 | 70.90 | 0.004 |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other- Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corporate | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks/Fl | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (A) (2) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoters (A) = (A)(1) + (A)(2) | 11249345 | Nil | 11249345 | 70.91 | 11248699 | Nil | 11248699 | 70.90 | 0.004 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institution | | | | | | | | | |
| a) Mutual Fund/UTI | 458750 | Nil | 458750 | 2.89 | 448723 | Nil | 448723 | 2.83 | -0.06 |
| b) Banks/Fl | Nil | Nil | Nil | Nil | 3605 | Nil | 3605 | 0.02 | 0.02 |
| c) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) State Govt(s) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Venture Capital Fund | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) FIs | Nil | Nil | Nil | Nil | 4650 | Nil | 4650 | 0.03 | 0.03 |
| h) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Others (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (B) (1) | 458750 | Nil | 458750 | 2.89 | 456978 | Nil | 456978 | 2.88 | -0.01 |
| (2) Non-Institutions | | | | | | | | | |
| a) Body Corporate | | | | | | | | | |
| i) Indian | 1300798 | 11400 | 1312198 | 8.27 | 1203518 | 5400 | 1208918 | 7.62 | -0.65 |
| ii) Overseas | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | |
|---|---|---------------|-----------------|-------------------|---|---------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | % Change during the Year |
| b) Individuals | | | | | | | | | |
| i) individual shareholders holding nominal share capital upto 1 lakh | 441283 | 190299 | 631582 | 3.98 | 641864 | 167407 | 809271 | 5.10 | 1.12 |
| ii) individual shareholders holding nominal share capital in excess of 1 lakh | 769734 | Nil | 769734 | 4.85 | 687110 | Nil | 687110 | 4.33 | -0.52 |
| c) Others (Specify) | | | | | | | | | |
| i) Trust | 42185 | Nil | 42185 | 0.27 | 50575 | Nil | 50575 | 0.32 | 0.05 |
| ii) Non-Resident Indians | 13790 | Nil | 13790 | 0.09 | 19288 | Nil | 19288 | 0.12 | 0.03 |
| iii) Clearing Members | 9459 | Nil | 9459 | 0.06 | 36326 | Nil | 36326 | 0.23 | 0.17 |
| iv) Hindu Undivided Families | 163 | 1800 | 1963 | 0.01 | 163 | 1800 | 1963 | 0.01 | 0.00 |
| v) Foreign Corporate Bodies | 1376350 | Nil | 1376350 | 8.68 | 1346228 | Nil | 1346228 | 8.49 | -0.19 |
| Sub-Total (B) (2) | 3953762 | 203499 | 4157261 | 26.20 | 3985072 | 174607 | 4159679 | 26.22 | 0.02 |
| Total Public Shareholding (B) = (B1)+(B2) | 4412512 | 203499 | 4616011 | 29.09 | 4442050 | 174607 | 4616657 | 29.10 | Nil |
| TOTAL (A) + (B) | 15661857 | 203499 | 15865356 | 100 | 15690749 | 174607 | 15865356 | 100.00 | Nil |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| GRAND TOTAL (A) + (B) + (C) | 15661857 | 203499 | 15865356 | 100 | 15690749 | 174607 | 15865356 | 100.00 | Nil |

ii) Shareholding of Promoters

| Shareholders Name | Shareholding at the beginning of the Year (as on 01-04-2014) | | | Shareholding at the end of the year (as on 31-03-2015) | | | % change in shareholding during the year. |
|----------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
| | No. of Shares | % of total shares of the Company | % of Shares pledged/encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares pledged/encumbered to total shares | |
| Mr. Ashok Kumar Goel | 2022 | 0.01 | Nil | 2022 | 0.01 | Nil | Nil |
| Mr. Nirmal K. Minda | 2401869 | 15.14 | Nil | 2401869 | 15.14 | Nil | Nil |
| Nirmal Kr Minda (HUF) | 1502142 | 9.47 | Nil | 1502142 | 9.47 | Nil | Nil |
| Ms. Pallak Minda | 211480 | 1.33 | Nil | 211480 | 1.33 | Nil | Nil |
| Ms. Suman Minda | 2476140 | 15.61 | Nil | 2476140 | 15.61 | Nil | Nil |
| Mr. Vijay Kumar Jain | 62 | 0.00 | Nil | 62 | 0.00 | Nil | Nil |
| Mr. Amit Minda | 86814 | 0.55 | Nil | 86168 | 0.54 | Nil | 0.004 |
| Mr. Anand Kumar Minda | 3600 | 0.02 | Nil | 3600 | 0.02 | Nil | Nil |
| Minda Finance Ltd. | 248640 | 1.57 | Nil | 248640 | 1.57 | Nil | Nil |
| Minda Investments Ltd. | 4180930 | 26.35 | Nil | 4180930 | 26.35 | Nil | Nil |
| Ms. Paridhi Minda | 114000 | 0.72 | Nil | 114000 | 0.72 | Nil | Nil |
| Maa Vaishno Devi Endowment | 21646 | 0.14 | Nil | 21646 | 0.14 | Nil | Nil |
| TOTAL | 11249345 | 70.91 | Nil | 11248699 | 70.90 | Nil | 0.01 |

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| | Shareholding at the beginning of the year (as on 01.04.2014) | | Cumulative Shareholding during the year (01.04.2014 to 31.03.2015) | |
|---|--|----------------------------------|--|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | 11249345 | 70.91 | 1124395 | 70.91 |
| Date wise increase/(decrease) in Promoters Shareholders during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | Dated 04.07.2014 (646) | (0.004) | (646) | (0.004) |
| At the end of the year | 11248699 | 70.90 | 11248699 | 70.90 |

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs).

| S. No. | For each of the Top Shareholders | Shareholding at the beginning of the year (as on 01.04.2014) | | Shareholding at the end of the Year (as on 31.03.2015) | |
|--------|-----------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of Total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | India Business Excellence Fund I | 1376350 | 8.68 | 1346228 | 8.49 |
| 2 | Singhal Fincap Ltd. | 552706 | 3.48 | 496653 | 3.13 |
| 3 | IL & FC Trust Company Ltd. | 458750 | 2.89 | 448723 | 2.83 |
| 4 | Mr.Akshay Aggarwal | 267100 | 1.68 | 267100 | 1.68 |
| 5 | Mr.Viney Prakash | 268192 | 1.69 | 267053 | 1.68 |
| 6 | Zeal Impex & Traders Private Ltd. | 267000 | 1.68 | 267000 | 1.68 |
| 7 | Amity Infotech Pvt. Ltd. | 267000 | 1.68 | 267000 | 1.68 |
| 8 | Mr. Sanjeev Garg | 92730 | 0.58 | 16094 | 0.10 |
| 9 | Mr.Puneet Kumar Jakhodia | 75846 | 0.48 | 70346 | 0.44 |
| 10 | M.G. Portfolio Ltd. | 55000 | 0.35 | Nil | Nil |
| 11 | Mr. Kishan Kumar Jakhodia | 50866 | 0.32 | Nil | Nil |
| 12 | Ms. Shefali Narendra Kapadia | Nil | Nil | 23212 | 0.15 |
| 13 | Mr. Vijay Kumar Bhadu Aggarwal | Nil | Nil | 18056 | 0.11 |

v) Shareholding of Directors and Key Managerial Personnel

| For each of the Directors* | Shareholding at the beginning of the Year | | Shareholding at the end of the Year | |
|---|---|----------------------------------|-------------------------------------|----------------------------------|
| | No. of Shares | % of Total shares of the Company | No. of Shares | % of total shares of the Company |
| Mr. Nirmal K. Minda, Chairman & M.D. | | | | |
| At the beginning of the year | 2401869 | 15.14 | 2401869 | 15.14 |
| Datewise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | Nil | Nil | Nil | Nil |
| At the end of the year | 2401869 | 15.14 | 2401869 | 15.14 |
| Mr. Anand Kumar Minda, Director | | | | |
| At the beginning of the year | 3600 | 0.02 | 3600 | 0.02 |
| Datewise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | Nil | Nil | Nil | Nil |
| At the end of the year | 3600 | 0.02 | 3600 | 0.02 |

* except Mr. Nirmal K. Minda and Mr. Anand Kumar Minda, (whose shareholding is given above), none of the other Directors hold shares in the Company.

| For each of the KMP | Shareholding at the beginning of the Year | | Shareholding at the end of the Year | |
|---|---|----------------------------------|-------------------------------------|----------------------------------|
| | No. of Shares | % of Total shares of the Company | No. of Shares | % of total shares of the Company |
| Mr. Sudhir Jain, Corporate Business Head and Group CFO | | | | |
| At the beginning of the year | 91 | 0.0006 | 91 | 0.0006 |
| Datewise increase/(decrease) in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | Nil | Nil | Nil | Nil |
| At the end of the year | 91 | 0.0006 | 91 | 0.0006 |
| Mr. H.C. Dhamija, VP Group - Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary | | | | |
| At the beginning of the year | 446 | 0.0028 | 446 | 0.0028 |
| Datewise increase/decrease in Promoters Shareholders during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | Nil | Nil | Nil | Nil |
| At the end of the year | 446 | 0.0028 | 446 | 0.0028 |

V. Indebtedness

Indebtedness of the company including interest outstanding / accrued but not due for payment. (Refer Note 5 and 9 to Financial Statements).

The Company, Minda Industries Ltd. is not accepting any deposit under section 73 to 76 of the Companies Act, 2013 (herein after called the Act) read with Companies (Acceptance of Deposits) Rules, 2014.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Chairman & Managing Director and / or Key Managerial Personnel.

(Rs. in Lacs)

| S. No. | Particulars of Remuneration | Mr. Nirmal K. Minda, Chairman & M.D. |
|--------|--|--------------------------------------|
| | Gross Salary | |
| 1 | (a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961 | 224.46 |
| | (b) Value of perquisites under section 17(2) Income Tax Act, 1961 | 18.72 |
| | (c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961 | Nil |
| 2 | Stock options | Nil |
| 3 | Sweat Equity | Nil |
| 4 | Commission | |
| | - as % of profit | |
| | - others, specify.. | Nil |
| 5 | Others - please specify | Nil |
| | TOTAL (A) | 243.18 |

Ceiling as per Act Rs. 306.43 Lacs being 5% of the net profit of the Company, calculated as per section 198 of the Companies Act, 2013.

B. Remuneration to Independent Directors

| Description | Mr. Alok Dutta | Mr. Satish Sekhri | Ms. Renu Challu | Total (Amount in Rs./Lacs) |
|--|----------------|-------------------|-----------------|-------------------------------|
| Fees for attending Board/ Committee Meetings | 1.55 | 2.12 | 1.08 | 4.75 |
| - Commission | Nil | Nil | Nil | Nil |
| - Others, please specify | Nil | Nil | Nil | Nil |
| TOTAL (B) | 1.55 | 2.12 | 1.08 | 4.75 |
| TOTAL Managerial Remuneration (A) + (B) | | | | 247.93 |

C. Remuneration to Key Managerial other than MD/WTD

| S. No. | Particulars of Remuneration | Mr. Sudhir Jain, Corp Business Head & Group CFO | Mr. H.C. Dhamija, V.P. Group Accounts, Legal, Secretarial, Indirect Taxes & Co. Secretary | Total Amount (Rs. In Lacs) |
|--------|--|---|---|-------------------------------|
| | Gross Salary | | | |
| 1 | (a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 | 137.93 | 40.27 | 178.20 |
| | (b) Value of perquisites under section 17(2) Income Tax Act, 1961 | 3.96 | 6.57 | 10.53 |
| | (c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock options | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil |
| 4 | Commission | Nil | Nil | Nil |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify.. | Nil | Nil | Nil |
| 5 | Others - please specify | Nil | Nil | Nil |
| | TOTAL (A) | 141.89 | 46.84 | 188.73 |

VII Penalties / Punishment/ Compounding of Offences:

| TYPE | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/Compounding fees imposed | Authority (RD/ NCLT/ COURT) | Appeal made, if any (give details) |
|--------------------------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTOR | | | | | |
| Penalty | | | | | |
| Punishment | | | NIL | | |
| Compounding | | | | | |
| C. OTHERS OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

Annexure - G to Board's Report

Management Discussions and Analysis

Economic Review

Global Economy

Globally growth remained moderate at 3.4% in 2014-15, with uneven prospects across the main countries and regions. In comparison to last year, the outlook for advanced economies is improving, while growth in emerging market and developing economies was lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries.

The U.S. recovery was stronger than expected, but economic performance in many other parts of the world falling short of expectations. Japan witnessed near zero growth due to weak consumption and falling residential demand. Euro zone showed signs of recovery with increasing consumption backed by lower oil prices and higher net exports.

The investment cycle in China has showed decline and high frequency indicators are pointing to further slowdown, China is expected to grow at the rate of 6.8% per annum in 2015. The gradual slowdown in China and the partly related decline in commodity prices weakened the growth momentum to some extent in commodity-exporting countries and others with close trade links to China.

The table below reflects broad growth rate of economies across the globe.

| GDP Growth Rate (%) | 2014 | 2015 Projections |
|---------------------------------|------|------------------|
| World Output | 3.4 | 3.5 |
| Advanced Economies | 1.8 | 2.4 |
| Emerging & Developing Economies | 4.6 | 4.3 |

(Source: IMF- World Economic Outlook)

Indian Economy

India saw a new government take control in the centre, which could be the stage for next generation of reforms, which are likely to put the Indian economy back into a high growth trajectory. India being a major oil importer saw its currency strengthen by close to 10 percent in real effective terms in last fiscal year. The economy grew at the rate of 7.4 % in FY2014-15 as against 6.9% in FY 2013-14. The key challenge to the economy continues to be inflation and hardening of interest

rate, which is a challenge for new investments. However, Reserve Bank of India (RBI) in its monetary policy has taken some steps to bring down the interest rates. However, major infrastructure projects are still stalled and fresh investment in this sector has been few and far between.

Government of India has launched a mission of "Make in India", with a vision to make India a global hub for manufacturing. Indian economy has been riding the consumption story for last few years and a tactical shift to industrial growth would be key to achieving India's growth targets and build new demand.

Normal monsoons are key drivers of demand in the rural economy, some regions experienced unseasonal rainfall, which led to short term increase in food prices and decline in rural demand.

| GDP Growth Rate (%) | 2013-14 | 2014-15 Projections |
|---------------------|---------|---------------------|
| India | 6.9 % | 7.4%* |

*India has changed the definition of GDP calculation and base year was changed to Fiscal year 2011-12. (Source: RBI / CSO)

Industry Overview

Auto Components Sector

The Indian auto component sector is expected to become \$ 115 bn by 2021 on back of increased sale of automobiles and policy initiatives by the government. Electricals segment is expected to register highest CAGR among all the other segments during 2014-2019, due to the growing demand of electric start mechanism in two-wheeler segments and increasing penetration of electronic device to enhance fuel efficiency. Auto components industry has registered significant growth in volumes backed by increase sales by OEMs and evolving aftermarket segment, which is witnessing entry of organised player and consolidation. The turnover of the auto component industry is expected to be \$38.3bn in 2014-15.

| | 2013 | 2014 | 2015 projections |
|-------------------------|------|------|------------------|
| Turnover (INR '000 cr) | 216 | 226 | 241 |
| Growth | 5.6% | 4.7% | 7% |

The auto component sector has evolved during last few years

and the individual players have invested in technology to meet the requirement of automobile sector, which has seen entry of several global names in last few years. Some Indian players have become global suppliers to leading OEM names across the globe.

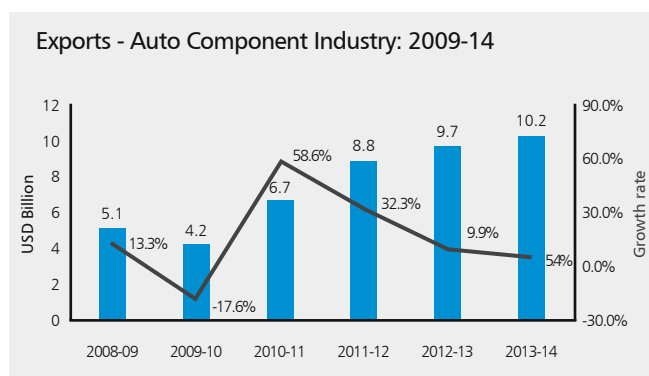
Policy initiative of government of India -Automotive Mission Plan (AMP) 2006-2016 and Technology Up gradation and Development Scheme (TUDS) etc. are contributing significantly to the growth of Indian auto component industry.

However, increase in prices of input materials such as plastic and aluminium could deeply impact the margins of auto-component sector in general. Some of Indian auto-component players have obsolete technologies which needs technology up-gradation. The low-cost advantages associated with Indian auto component industry are anticipated to continue attracting new investors.

Exports - Auto Component Industry

Indian Auto Component Industry is a vital contributor to the GDP of the Indian Economy and contributes over USD 10 bn in exports which has been growing at the rate of 15% CAGR over past five years. Rupee has appreciated by over 10% in last financial year, which lead to lower realization to auto component suppliers which were focused on exports. The exports are primarily done to countries in Europe, North America and Asia.

Imports- Auto Component Industry



Indian auto component industry has adopted/licensed various technologies from partners across the globe primarily with players from Japan, South Korea, USA, and Europe. This has been an enabler for production of state of the art technology, manufacturing processes and world class products. Free trade agreements have ensured access to raw materials at reasonable prices, which ensures that indigenous production is cost effective.

Growth Drivers of Auto Component Sector

- 1. GDP growth rate:** Auto and Auto component space contributes ~ 7% to the entire GDP. Auto component

sector has generally witnessed growth rate which is twice the GDP growth rate. The overall economic scenario and sentiment about the future growth play a major impact on buying decision for vehicle user is likely to impact the purchase decisions of buyers of automobile.

- 2. Infrastructure spending:** Indian infrastructure is likely to see increase in spending and new projects are likely to be taken up, which will drive demand for commercial and off-road application.
- 3. Falling Fuel prices:** Fiscal year 2014-15 witnessed fall in fuel prices by almost 50% leading to increase in demand of new vehicles.
- 4. Interest Rate:** Due to inflation RBI has not been able to bring down interest rates, in line with market expectation auto Component industry has to invest in developing and creating capacity to meet the future expectation of global and domestic markets. With new models being introduced, shortening of investment cycle and fresh investment in technology, manufacturing, sales and service network, is required. Much anticipated reduction in interest rate regime will eventually enable the growth of this sector.
- 5. Monsoon:** A normal monsoon and lack of unseasonal rain is key driver to rural demand. Auto sector is likely to see increase in sales of 2 Wheelers and off road application (tractors) with near normal monsoon, which is predicted for this year by Indian metrological department.

Source: ACMA Report

Business Operation Review

Switch Division

Minda Industries limited is the largest manufacturer of automotive switches in India. It provides end to end solution in switches, right from product development to production and aftermarket sales. The switches produced by the company are world class, which are widely used in two wheelers, three wheelers and off-road vehicles. Sales to OEM form the largest revenue segment, followed by aftermarket and exports. The vision of the company is to continuously encourage innovation and position itself as a technology leader and preferred supplier of 2W, 3W switches, Off-Road switches and Handle Bar System across the globe. End to end solution ensures that final product is innovative, state of the art technology, reliable, and cost effective.

Presently six plants are operating across India catering to marquee OEM customers like Bajaj, Yamaha, Suzuki, Hero Motorcorp, HMSI, TVS, New Holland, Eicher, Mahindra, TAFE, Royal Enfield etc. by the MIL's Switch Division. It has more than 100 patents

and 129 design registrations. The switch division holds a lion's share of the company's turnover, contributing to 58% of the aggregate sales of Minda Industries Limited (standalone). The company, being a leader in this product segment is increasing its product portfolio and enhancing feature(s). Export constitutes to 7.1% of the sales of this business division.

Lighting Division

Lighting Division of the company caters to the four wheelers, two wheelers, three wheelers, and off road vehicles with focus on OEMs. A major part of the sales is derived from offering lighting products to distinguished OEM clients who includes Maruti Suzuki, Tata Motors, M&M, GMIL and Volkswagen among others. Lighting Division contributes to 22% of the company's sales. Of this, OEM sales constitute 85%, while exports offer 7% and replacement market gives a modest 8%.

Acoustic Division

Minda Industries Limited is among the leaders in India and globally second largest supplier of horns. This division has a strong thrust on design, product development and produces Automobile Horns for optimum sound performance & high durability. It has manufacturing units at Manesar and Pantnagar which are fully automatic/ semi-automatic set up with a world class lab facility and quality control processes. With a 43% market share, the company is the most preferred supplier of horns to Indian OEMs. Export constitutes 20% of overall sales of horn from its horn division.

Minda industries acquired Clarton Horns, Spain, a leading manufacturer of automotive electronic horns having customer base all major OEMs in Europe. The company has been working with Clarton Horns to realize synergies in European and other markets. Cost synergies have resulted in enhanced margins at the European entity level. The company is also exploring options to introduce electronic horns in India.

Battery Division

The Battery Division of the company is being hived off to Joint venture Company, Panasonic Minda Storage Batteries India Pvt. Ltd, with Panasonic holding 60% stake in the new entity and Minda Industries will hold 40% stake. The new joint venture company will address the growing market of lead acid storage batteries for two & four wheeler vehicles and UPS in India with leveraging knowhow and technology owned by Panasonic as well as customer bases of both companies. The planned capacity is 2mn units by FY2017-18.

In the fiscal year 2014-15, it manufactured batteries for 2W under the brand 'Ultimo for VRLA & Power Plus for Flooded batteries, currently the company is focused in the aftermarket segment.

Fuel Cap Division

Fuel Cap Division of the company is manufacturing fuel tank cap for 4 wheelers. OEMs have heavily depended on imported products which are gradually changing with certain OEMs opting for localizing the product. Fuel Cap Division is likely to see improved sales and margins backed by OEM demand and import substitution. Certain OEM are gradually replacing their imported fuel tank cap with the product of UNO MINDA.

Auto Gas Division

The Auto Gas Division of the company manufactures LPG/CNG kits and components for OEMs as well as for aftermarkets. The OEMs client profile includes MSIL, TAFE, TML and M&M. It also supplies kits & components to Honda Power for Industrial Genset.

Financial Performance

Net Operational Income

The Company, on a consolidated basis, mopped up net operational income of Rs. 222,662 Lacs in FY 2014-15, up by ~ 30% against net operational income of Rs. 170,612 Lacs posted in the fiscal year FY2013-14. Export Overseas business constitutes ~7% of overall sales at the consolidated level.

Operating Expenses

The Company, on a consolidated basis, incurred operating expenses of Rs. 2,18,077 Lacs in FY 2015, up 28% against FY 2013-14 corresponding operating expenses of Rs. 1,71,156 Lacs. The rise was primarily on account of improved sales and cost optimization.

Net Profit

The Consolidated net profit was Rs. 6,797. Lacs in FY 2014-15, as against Rs. 718 Lacs in FY 2013-14 which has been achieved by cost rationalization and operating leverage.

Segmental Profitability

The Company has one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. The secondary segment is geographical, which is given as under:

(Rs. in Lacs)

| Particulars | | Current year | Previous year |
|--|---------------|--------------|---------------|
| Revenue | Within India | 173,052 | 138,102 |
| | Outside India | 49,610 | 32,511 |
| Assets | Within India | 83,637 | 82,771 |
| | Outside India | 16,024 | 15,371 |
| Cost incurred on acquisition of fixed assets | Within India | 6,162 | 14,887 |
| | Outside India | 1,380 | 1,503 |

Internal Control Systems

The Company has a proper and effective system of internal controls for financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statute and regulations. It has a structured system of audit which is an ongoing basis to review the adequacy of internal control systems. The internal control is well-designed to ensure that financial and other records are reliable for preparing financial information and other data.

The Company also has an exhaustive budgetary monitoring control system in place. Actual performance is evaluated with reference to budgeted performance by the management review committee as on-going basis. The discrepancies of actual performance with the budgets are analysed on a regular basis and possible remedial actions are suggested by the management review committee, in consultation with the audit review committee.

The internal audit is being carried out by the internal team as well as by M/s. Protiviti Consulting, internal Auditors of the Company. Their reports are being reviewed in the audit committee meeting and the counter measures, if any, to strengthen the internal controls are also taken in this regard. Further, the suggestions made by internal audit committees are reviewed and considered by audit committees on a quarterly basis for improvement of internal controls and systems within the Group.

Further the suggestions made by the Internal Audit Committee is presented to the Board. The Board reviews and approves the same from time to time. The action taken report(s) are also reviewed by the audit committee members as well as the Board members.

Human Resources

Minda Industries is committed to maintain harmonious industrial relationship with its employees. We also believe that employee participation and contributions are key enablers for success and growth of the company.

“Pathshala” is the evolved concept of the company for the employees under which, training programs are organized for skill enhancement in various spheres of work.

The Company imparts training to all fresh recruits, to ensure

that they join hands with the Company and work in sync to achieve Company’s goal and scale to new heights. Recruiting, retaining and motivating the best talent in the industry, ensure their development is one of the foremost challenges in today’s business environment.

The Company focuses on grooming the existing talent base as well as new talent, to enable them to take positions of greater responsibility within the Company. All the new recruits are trained to become socially, professionally and culturally integrated. The Company also follows a robust performance management system to encourage all the employees achieve their targets and perform their responsibilities.

The UNO MINDA group companies have a strong thrust on quality which is achieved through activities like kaizen and quality circle. 5S is being done at all level to improve the productivity and efficiency of the employees. All employees are made aware of and have access to the central database of HR policies covering all aspects of welfare, benefits and administration.

Outlook

Indian auto component industry is one of the few sectors in the economy that has a distinct global competitive advantage in terms of cost and quality. UNO MINDA is focused on end on end product solutions to the OEMs, right from product development to manufacturing reliable products at the state of the art manufacturing facilities delivered to OEMs and aftermarket at cost effective price in both in India and abroad. UNO MINDA is clearly positioned as technology leader in various product line, backed by strong R&D and Jointed Ventures with leading technology partners in the respective product lines. Innovation and constant up gradation of products with enhanced features would be key to our business strategy.

Indian Automotive market is seeing increased participation of global automotive players and shortening of product life cycle which is throwing up big opportunity for Indian OEMs to become global player in true sense and India becoming a global hub for automotive components. UNO MINDA would seize the opportunity by investing in technology, processes and people to achieve its goal to become renowned automotive component player across the globe.

Annexure - H to Board's Report

Details Pertaining to Remuneration as required under Section 197(12) of The Companies Act, 2013

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| S. No. | Name of Director/KMP and Designation | Remuneration of Director/ KMP for financial year 2014-15 (Rs. In Lacs) | % increase in Remuneration in the Financial Year 2014-15 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the company PAT Growth |
|--------|---|--|--|---|---|
| 1 | Mr. Nirmal K Minda (Chairman & Managing Director) | 243.18 | 22% | 138:1 | 96% |
| 2 | Mr. Sudhir Jain (Corp. Business Head & Group CFO) | 141.89 | 9% | N.A. | 96% |
| 3 | Mr. H.C. Dhamija (V.P. Group-A/cs, Legal, Secretarial, Indirect Taxes & Company Secretary) | 46.84 | 13% | N.A. | 96% |

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.76 Lacs
- iii) In the financial year, there was an increase of 17.33% in the median remuneration of employees;
- iv) There were 4453 permanent employees on the roll of Company as on March 31, 2015;
- v) Relationship between average increase in remuneration and company performance: The Profit Before Tax for the financial year ended March 31, 2015 increased by 96% whereas the increase in median remuneration was 17%. The increase in remuneration is not solely based on the Company performance but also includes various other factors like individual performance, experience, skill sets, industry trend, economic situation and future growth prospects etc. All these factors are considered for revision of remuneration.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel increased by 16.23 % from Rs. 371.61 Lacs in 2013-14 to Rs. 431.91 Lacs in 2014-15, whereas the Profit before Tax increased by 96% to Rs.5320 Lacs in 2014-15 to Rs.2711 Lacs in 2013-14.
- vii) a) Variations in the market capitalization of the Company : The market capitalization as on March 31, 2015 was Rs.90528 Lacs (Rs.31365 Lacs as on March 31, 2014)
- b) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year:

The Company had come out with initial public offer (IPO) in 1996. An amount of Rs.30 (face value Rs. 10 at a premium of Rs. 20) invested in the said IPO would be worth Rs.1141.20 (after considering bonus of 1:1) as on March 31, 2015 indicating a Compounded Annual Growth Rate of 21.7%.

- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 10.44% whereas the increase in the managerial remuneration for the same financial year was 16.23%.
- ix) The key parameters for the variable component of remuneration availed by the directors Commission in the variable component in the remuneration of CMD.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and senior management.

Appendix - I

Certificate by Chief Executive Officer and Group Chief Financial Officer

We hereby certify that we, the undersigned have reviewed the Financial Statements and the Cash Flow Statement of Minda Industries Ltd. (the Company) for the year ended March 31, 2015 and that to the best of our knowledge and belief we state that:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-15, which are fraudulent, illegal or violate the Company's Code of Conduct;

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.

- 1) We further certify that: -
 - a) there have been no significant changes in internal control over financial reporting during this year.
 - b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and.
 - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.
- 2) We further declare that all Board Members and Senior Management have affirmed Compliance with the Code of Conduct for the Year 2014-15

(Sudhir Jain)
Corp. Business Head & Group Chief Financial Officer

Nirmal K. Minda
Chairman & Managing Director (CEO)

Independent Auditors' Report

To the Members of Minda Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Minda Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 2015, 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 the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act and
 - (f) 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 33 to the financial statements;
 - (ii) the Company did not have any long-term contracts for which there were any material foreseeable losses and has disclosed derivative contracts in its financial statements – Refer Note 52 to the financial statements;
 - (iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Gurgaon
Date: 26 May 2015

Vikram Advani
Partner
Membership No.: 091765

Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (ii) (a) The inventory, except stocks lying with third parties and goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.
(b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories and of obtaining confirmations for stock lying with third parties followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured and unsecured, to or from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories and fixed assets are for the Company's specialized requirements and similarly certain goods sold and services rendered are for the specialized requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules specified by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable have generally been regularly deposited during the year by the Company with the appropriate authorities,

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, cess, value added tax and any other material statutory dues, as applicable were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable except for change of land use (CLU) charges amounting to ` 65.93 lacs to Town and Country Planning, Chandigarh.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate

authorities on account of any dispute except mentioned below:

| S. No. | Name of the statute | Nature of dues | Amount (Rs. In lacs) | Financial year to which matter pertains | Forum where dispute is pending |
|--------|-----------------------------------|---|----------------------|---|--|
| 1 | Income Tax Act, 1961 | Income Tax | 169.94 | 2001-02 & 2006-2007 | Referred back to AO by Delhi High Court |
| 2 | Income Tax Act, 1961 | Income Tax | 310.44 | 2005-2006 & 2008-2012 | Commissioner (Appeals) of Income Tax |
| 3 | Income Tax Act, 1961 | Income Tax | 250.00 | 2001-2003 & 2005-2008 | Income Tax Appellate Tribunal |
| 4 | Income Tax Act, 1961 | Transfer Pricing- Against Section 143(3) and Section 144C | 686.00 | 2005-2006 | Referred back to Dispute Resolution Panel by Income Tax Appellate Tribunal |
| 5 | Cenvat Credit Rules, 2004 | Credit on input service | 6.97 | 2010-2011 to 2013-2014 | Deputy Commisiioner of Central Excise |
| 6 | Cenvat Credit Rules, 2004 | Credit on input service | 72.92 | 2008-2009 to 2013-2014 | Additional Commisioner of Central Excise |
| 7 | Cenvat Credit Rules, 2004 | Credit on input service | 32.96 | 2005-2006 to 2009-2010 | Commissioner (Appeals) of Central Excise |
| 8 | Cenvat Credit Rules, 2004 | Credit on input service | 105.84 | 2005-2006 to 2009-2010 | Appeal before CESTAT |
| 9 | Central Excise Act, 1944 | Sales Tax Subsidy | 35.61 | 2004-2005 to 2007-2008 | Appeal before CESTAT |
| 10 | Haryana Value Added Tax Act, 2003 | Credit on input services | 18.91 | 2010-2011 | Additional Commisioner of Central Excise |
| 11 | Haryana Value Added Tax Act, 2003 | Variance on stock verification | 68.35 | 2011-2012 | Appeal before CESTAT |

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company did not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or financial institutions. The Company did not have any outstanding debentures or dues to any financial institutions during the year.
- (x) The Company has given guarantees for loans taken by others from banks. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others are not prejudicial to the interest of the Company. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from financial institutions.
- (xi) Based on our examination of books of account and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xii) Based on our examination of the books of account and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

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

Vikram Advani
 Partner
 Membership No.: 091765

Place: Gurgaon
 Date: 26 May 2015

Balance Sheet

As at 31 March 2015

₹ in Lac

| Particulars | Note | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---------------------------------|------|----------------------|----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 1,936.54 | 1,936.54 |
| Reserves and surplus | 4 | 35,334.06 | 31,435.32 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 3,276.85 | 4,192.62 |
| Deferred tax liabilities (net) | 6 | 31.23 | - |
| Other long-term liabilities | 7 | 9.77 | 9.50 |
| Long-term provisions | 8 | 2,330.22 | 1,877.02 |
| Current liabilities | | | |
| Short-term borrowings | 9 | 6,944.93 | 9,153.17 |
| Trade payables | 10 | 18,320.63 | 15,409.93 |
| Other current liabilities | 11 | 5,610.22 | 6,655.47 |
| Short-term provisions | 12 | 1,416.73 | 939.93 |
| | | 75,211.18 | 71,609.50 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 13 | 27,287.34 | 25,096.47 |
| Intangible assets | 13 | 517.52 | 436.32 |
| Capital work-in-progress | | 56.64 | 1,823.06 |
| Non-current investments | 14 | 8,220.19 | 9,350.11 |
| Deferred tax assets (net) | 15 | - | 164.86 |
| Long term loans and advances | 16 | 1,597.56 | 1,780.52 |
| Other non-current assets | 17 | 1,139.21 | 819.92 |
| Current assets | | | |
| Inventories | 18 | 9,003.48 | 7,408.83 |
| Trade receivables | 19 | 21,032.59 | 18,777.37 |
| Cash and bank balances | 20 | 2,074.35 | 1,443.05 |
| Short-term loans and advances | 21 | 3,821.07 | 3,864.36 |
| Other current assets | 22 | 461.23 | 644.63 |
| | | 75,211.18 | 71,609.50 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For and on behalf of the Board of Directors of
Minda Industries Limited

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Vikram Advani

Partner
Membership No. 091765

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Place : Gurgaon
Date : 26 May 2015

Statement of Profit and Loss For the year ended 31 March 2015

₹ in Lac

| Particulars | Note | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|---|-----------|---------------------------|---------------------------|
| Revenue from operations | | | |
| Sale of products (gross) | | 145,357.73 | 118,003.29 |
| Less: Excise duty | | 11,979.55 | 9,992.39 |
| Sale of products (net) | | 133,378.18 | 108,010.90 |
| Sale of services | | 1,326.40 | 1,467.34 |
| Other operating revenues | | 2,333.44 | 1,327.96 |
| Total | 23 | 137,038.02 | 110,806.20 |
| Other income | 24 | 1,867.56 | 1,270.67 |
| Total revenue | | 138,905.58 | 112,076.87 |
| Expenses | | | |
| Cost of materials consumed | 25 | 89,026.26 | 73,950.44 |
| Purchase of stock in trade | | 4,133.51 | 2,304.22 |
| Increase in inventories of finished goods, work-in-progress and stock-in-trade | 26 | (390.31) | (711.51) |
| Employee benefits | 27 | 16,250.92 | 13,984.88 |
| Finance costs | 28 | 1,255.76 | 1,503.10 |
| Depreciation and amortization | 29 | 5,370.96 | 4,173.02 |
| Other expenses | 30 | 16,676.22 | 13,655.37 |
| Total expenses | | 132,323.32 | 108,859.52 |
| Profit before exceptional items and tax | | 6,582.26 | 3,217.35 |
| Exceptional items | 31 and 35 | 387.05 | 149.64 |
| Profit for the year before tax | | 6,969.31 | 3,366.99 |
| Profit before tax from continuing operations | | 5,381.04 | 3428.75 |
| Income tax expense from continuing operations | | | |
| Current tax (including Minimum Alternate Tax) | | 1,596.00 | 606.33 |
| Minimum alternate tax utilised/ (created) | | (279.00) | - |
| Deferred tax | | 332.25 | 48.80 |
| Profit from continuing operations for the year after tax | | 3731.79 | 2773.62 |
| Profit before tax from dis-continuing operations | | 1588.27 | (61.76) |
| Income tax expense from dis-continuing operations | | - | - |
| Profit from dis-continuing operations for the year after tax | | 1,588.27 | (61.76) |
| Profit for the year after tax | | 5,320.06 | 2,711.86 |
| Earnings per equity share | | | |
| [nominal value of share ₹10 (Previous year ₹10)] | 32 | | |
| Basic | | 33.45 | 17.01 |
| Diluted | | 33.45 | 17.01 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For and on behalf of the Board of Directors of
Minda Industries Limited

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Vikram Advani

Partner
Membership No. 091765
Place : Gurgaon
Date : 26 May 2015

Sudhir Jain
Corporate Business Head
and Group CFO
Place : Gurgaon
Date : 26 May 2015

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Cash Flow Statement For the year ended 31 March 2015

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit before tax | 6,969.31 | 3,366.99 |
| Adjustments for: | | |
| Depreciation and amortisation (including additional depreciation charged to Reserves and Surplus Account) | 5,771.61 | 4,173.02 |
| Interest expense | 1,167.66 | 1,363.32 |
| Interest income | (107.91) | (140.36) |
| Dividend income | (80.67) | (40.61) |
| Share of profit from partnership firm | (592.23) | (550.21) |
| Liabilities / provisions no longer required written back | (327.46) | (121.77) |
| Unrealised foreign exchange (gain)/ loss | 25.93 | 218.07 |
| Fixed assets scrapped/ written off | - | 5.09 |
| Doubtful trade and other receivables provided for | - | 65.76 |
| Amounts written off | 22.21 | 38.57 |
| Profit on sale of fixed assets | (487.92) | (198.56) |
| Impairment on investment | 1,216.80 | |
| Impairment of fixed assets (Profit) | (1,576.33) | (149.64) |
| Provision for warranty | 388.60 | 208.12 |
| | 5,420.29 | 4,870.80 |
| Operating profit before working capital changes | 12,389.60 | 8,237.79 |
| Adjustments for working capital changes: | | |
| (Increase)/decrease in inventories | (1,594.65) | (1,573.32) |
| (Increase)/decrease in trade and other receivables | (2,281.15) | (1,639.89) |
| (Increase)/decrease in short-term loans and advances | 21.08 | 136.99 |
| (Increase)/decrease in long-term loans and advances | 447.04 | 170.29 |
| (Increase)/decrease in other non-current assets | (320.51) | (181.26) |
| (Increase)/decrease in other current assets | 192.41 | (421.97) |
| Increase/(decrease) in trade payables | 3,238.16 | 544.89 |
| Increase/(decrease) in other current liabilities | (125.86) | 1,521.48 |
| Increase/(decrease) in short-term provisions | (7.65) | (346.06) |
| Increase/(decrease) in other long term liability | 0.27 | 9.50 |
| Increase/(decrease) in long-term provisions | 453.20 | 280.99 |
| | 22.34 | (1,498.36) |
| Cash generated from operations | 12,411.94 | 6,739.43 |
| Income tax paid | (1,332.02) | (715.55) |
| Income tax refund | - | - |
| Wealth tax refund/(paid) | (3.35) | (3.84) |
| Net Cash flow from operating activities | 11,076.57 | 6,020.04 |
| B. Cash flow from investing activities | | |
| Non-current investments | (49.50) | (1,797.48) |
| Purchase of fixed assets | (5,749.39) | (5,318.37) |
| Proceeds from sale of fixed assets | 807.68 | 679.53 |
| Interest received/ (paid) | 98.90 | 206.86 |
| Share of profit from partnership firm | 554.85 | 550.21 |
| Dividend income | 80.67 | 40.61 |
| Increase in deposits | (639.70) | (649.00) |
| Net cash used in investing activities | (4,896.49) | (6,287.64) |

Cash Flow Statement

For the year ended 31 March 2015

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| A. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from/ (repayment of) short term borrowings | (2,208.24) | 1,423.38 |
| Proceeds from long term borrowings | 600.00 | 1,100.00 |
| Repayment of long term borrowings | (1,912.10) | (2,463.84) |
| Interest paid | (1,199.64) | (1,408.45) |
| Dividend paid (including corporate dividend tax) | (1,047.16) | (569.13) |
| Net cash used in financing activities | (5,767.14) | (1,918.04) |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 412.94 | (2,185.64) |
| Cash and cash equivalents as at opening | 1,023.76 | 3,209.40 |
| Cash and cash equivalents as at closing | 1,436.70 | 1,023.76 |
| Cash in hand | 42.09 | 48.11 |
| With banks: | | |
| Current accounts | 1,317.38 | 954.24 |
| Deposit accounts | 53.58 | - |
| Unpaid dividend accounts | 23.65 | 21.41 |
| Cash and cash equivalents at the end of the year | 1,436.70 | 1,023.76 |

- 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', as specified under the section 133 of the Companies Act, 2013
- Cash and cash equivalents consist of cash in hand and balances with scheduled banks. Refer note 20.
- Balance with banks includes deposit amounting to ₹861.86 (previous year ₹344.35) which are under lien.
- Balance with banks includes balance in Escrow account amounting to ₹344.89 (previous year ₹17.07).
- Balance in unpaid dividend account is ₹23.65 (previous year ₹21.41)
- The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

Vikram Advani

Partner

Membership No. 091765

Place : Gurgaon

Date : 26 May 2015

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda

Chairman & Managing Director

DIN No. 00014942

Sudhir Jain

Corporate Business Head

and Group CFO

Place : Gurgaon

Date : 26 May 2015

Anand Kumar Minda

Director

DIN No. 00007964

H.C. Dhamija

VP Group - Accounts, Legal, Secretarial,

Indirect Taxes & Co. Secretary

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 1 ► COMPANY OVERVIEW

Minda Industries Limited is a public company domiciled and headquartered in India. It was incorporated on 16 September 1992 under the Companies Act, 1956 and its shares are listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE)*

*SEBI vide its order number VTM/PS/45/MRD/DSA/NOV/2014 dated 18th November 2014 has withdrawn the recognitions granted to Delhi Stock Exchange.

Company is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories. The Company caters to both domestic and international markets.

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

A. Basis of preparation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

B. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

C. 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:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) 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:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Operating cycle

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

D. Fixed assets and depreciation

a) Tangible fixed assets

Tangible fixed assets except revalued assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. 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; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets acquired wholly or partly with specific grant/subsidy from government, if any, are recorded at the net acquisition cost to the Company.

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Exchange differences (favourable as well as unfavorable) arising in respect of translation/settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on plant & machinery and tools & dies is provided as per WDV basis and on other tangible fixed assets as per SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of opening block and 6 years in case of additions during the year.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Company will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Company are applied.

Assets costing upto ₹5,000 are fully depreciated in the year of purchase.

Depreciation for the year is recognised in the Statement of Profit and Loss.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal..

Assets retired from active use and held for disposal, if any, are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

b) Intangible fixed assets and amortization

(i) Goodwill

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life or five years whichever is shorter. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

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

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

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Company follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

Technical knowhow: Amortised over the period of agreement.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

c) Capital work-in-progress

Fixed assets under construction and cost of assets not put to use before the year-end, are disclosed as capital work-in-progress.

E. Impairment

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset, or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there is a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent the carrying amount of the asset that does not exceed the carrying amount that would have been determined net off depreciation or amortisation, if no impairment loss had been recognised.

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

F. Leases

a) Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

b) Finance leases

Assets acquired under finance leases are recognised as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Statement of Profit and Loss.

G. 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 realized 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 scheme of Schedule III.

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.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the balance sheet date. The Company's share of profit or loss in a partnership firm is recognised in the Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/current/any other account of the company in the books of the partnership firm.

H. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

I. Revenue recognition

- a) Revenue from sale of goods in the course of ordinary activities is recognised when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT) and is net of returns, trade discounts and quantity discounts.
- b) Management fees, Designing and service revenue is recognised on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.
- c) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.
- d) Dividend income is recognised when the right to receive dividend is established.
- e) Royalty income is recognised based on the terms of the underlying agreement.
- f) Claims lodged with insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.
- g) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognised on accrual basis and when the right to entitlement has been established.
- h) Share of profit from partnership firms is recognised on accrual basis.

J. Government grants

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Grants from State Government towards revenue expenditure are recognised as income either till the period of benefit expires or the financial cap is reached, whichever occurs earlier.

K. Research and development

- a) Revenue expenditure on research and development is charged off under the respective heads of account in the year in which it is incurred.
- b) Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Company's policy as stated above.

L. Foreign currency transactions

- a) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the closing rates of exchange prevailing on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss except exchange differences pertaining to long term foreign currency monetary items that are related to acquisition of depreciable assets and are adjusted in the carrying amount of the related fixed assets.
- b) In the cases of exchange difference on reporting long term monetary items, the company has opted to avail the option provided under paragraph 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" inserted vide notification dated 29 December 2011. Consequently, the exchange differences arising on reporting of long term foreign currency monetary items on account of a depreciable asset is adjusted in the cost of depreciable asset and would be depreciated over the balance life of the asset.

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

In cases other than the depreciable assets exchange differences is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of such long term asset or liability.

- c) The Company uses forward contracts to hedge its foreign currency risk relating to an existing asset/ liability, which are covered under Accounting Standard 11 – ‘Accounting for the effects of changes in foreign exchange rates’.

Exchange difference on a forward exchange contract is the difference between:

- (i) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period; and
- (ii) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date;

and is recognised in the Statement of Profit and Loss over the period of the contract.

The forward exchange contracts taken to hedge existing assets/ liabilities are translated at the closing exchange rates and the resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability. Any profit or loss arising on cancellation/ renewal of such contracts is recognised in the Statement of Profit and Loss for the year.

The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the contract.

- d) Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investments.
- e) Foreign currency loans covered by forward exchange contracts are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.

- f) Derivative Transactions

The Company has entered into cross currency cum interest swap to hedge foreign currency risk and interest risk. In respect of forward contracts, which are covered under Accounting Standard (AS) 11, ‘Effects of Changes in Foreign Exchange Rates’, the difference between the spot rate and forward rate on the date the forward exchange contract is entered into, is amortised over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Statement of Profit and Loss. In respect of derivative contract, which are not covered by AS 11, pursuant to the announcement on “Accounting for Derivatives” made by the Institute of Chartered Accountants of India (‘ICAI’) on 29 March 2008, such contracts are marked to market and provision for loss, if any, is recognised in the Statement of Profit and Loss and resultant gains, if any, on account of mark to market are ignored. The Company does not enter into derivative transactions for trading or speculative purposes.

- g) Commodity hedging

In case of hedging contracts for metals used as raw materials entered into with commodity exchanges, the changes in the fair value of these contracts are recorded through the statement of profit and loss.

- h) Increase or decrease in non-current liabilities on account of exchange rate fluctuations has been adjusted in the cost of tangible fixed assets.

M. Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods 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.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

N. Contingent liabilities and contingent assets

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

O. Employee Benefits

a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b) Post employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and ESI to Government administered fund which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Company makes specified monthly contribution towards superannuation fund to Superannuation Trust which is managed by the Life Insurance Corporation of India ("LIC").

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The Company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC"). Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service

Notes Forming Part of the Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit to such extent is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognised in the Statement of Profit and Loss.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

P. Income Taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in Statement of Profit or Loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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 (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent, the aforesaid convincing evidence no longer exists.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate.

Q. 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 numbers 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 to be converted as of the beginning of the period, unless they have been issued at a later date.

R. Cash and cash equivalent

Cash and cash equivalent include cash in hand, cash balance at bank, demand deposits with banks with original maturities of three months or less and highly liquid investments.

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | | As at 31-Mar-2014 | |
|---|----------------------|------------------|----------------------|------------------|
| | Number | Amount | Number | Amount |
| NOTE 3 ► SHARE CAPITAL | | | | |
| (a) Authorised | Number | Amount | Number | Amount |
| Equity shares of ₹10 each with voting rights | 6,35,00,000 | 6,350.00 | 6,35,00,000 | 6,350.00 |
| Preference share capital | | | | |
| 9% Cumulative redeemable preference shares of ₹10 each (Class 'A') | 30,00,000 | 300.00 | 30,00,000 | 300.00 |
| 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B') | 1,83,500 | 4,013.14 | 1,83,500 | 4,013.14 |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | 35,00,000 | 350.00 | 35,00,000 | 350.00 |
| 1% Non-cumulative fully convertible preference shares of ₹10 each (Class 'D') | 100,00,000 | 1,000.00 | 100,00,000 | 1,000.00 |
| | 8,01,83,500 | 12,013.14 | 80,183,500 | 12,013.14 |
| (b) Issued, subscribed and fully paid up | Number | Amount | Number | Amount |
| Equity share capital | | | | |
| Equity shares of ₹10 each with voting rights | 1,58,65,356 | 1,586.54 | 1,58,65,356 | 1,586.54 |
| Preference share capital | | | | |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | 35,00,000 | 350.00 | 35,00,000 | 350.00 |
| | 1,93,65,356 | 1,936.54 | 1,93,65,356 | 1,936.54 |
| (c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: | Number | Amount | Number | Amount |
| Equity shares of ₹10 each with voting rights | | | | |
| Opening balance | 1,58,65,356 | 1,586.54 | 1,58,65,356 | 1,586.54 |
| Movement during the year | - | - | - | - |
| Closing balance | 1,58,65,356 | 1,586.54 | 1,58,65,356 | 1,586.54 |
| 3% Cumulative Redeemable Preference Shares of ₹10 each (Class 'C') | | | | |
| Opening balance | 35,00,000 | 350.00 | 3,500,000 | 350.00 |
| Movement during the year | - | - | - | - |
| Closing balance | 35,00,000 | 350.00 | 3,500,000 | 350.00 |

(d) (i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

(ii) Rights, preferences and restrictions attached to preference shares

The Company has issued 3% cumulative redeemable preference shares of class 'C' having par value of ₹10 per share. Each Shareholder has right to receive fixed preferential dividend at a rate of 3% on the paid up capital of the Company. Preference shareholders also have right to receive all notices of general meetings of the Company but no right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 2013. Preference shareholders neither have right to participate in any offer or invitation by way of right or otherwise to subscribe additional shares nor they have right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves. 3,500,000 3% Cumulative Redeemable Preference Shares of ₹10 each have been allotted on 17 February 2010, redeemable at par, after seven years from the date of allotment. However, same can be redeemed earlier in view of availability of profitability / surplus fund.

Notes Forming Part of the Financial Statements

NOTE 3 ► SHARE CAPITAL (Contd...)

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

| Class of shares / Name of shareholder | As at 31-Mar-2015 | | As at 31-Mar-2014 | |
|---|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Mr. Nirmal K. Minda | 24,01,869 | 15.14% | 24,01,869 | 15.14% |
| Nirmal K. Minda (HUF) | 15,02,142 | 9.47% | 15,02,142 | 9.47% |
| Mrs. Suman Minda | 24,76,140 | 15.61% | 24,76,140 | 15.61% |
| Minda Investments Limited | 41,80,930 | 26.35% | 41,80,930 | 26.35% |
| India Business Excellence Fund -I | 13,46,228 | 8.49% | 13,46,228 | 8.67% |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | | | | |
| Mr. Nirmal K. Minda | 15,00,000 | 42.86% | 15,00,000 | 42.86% |
| Mrs. Suman Minda | 20,00,000 | 57.14% | 20,00,000 | 57.14% |

(f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the Balance Sheet date:

Equity shares includes

- 2,405,128 equity shares of ₹10 each fully paid up issued during the year 2010-11 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.
- 1,120,164 Equity Shares of ₹10 each fully paid up issued during the year 2011-12 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.
- 1,835,000 equity shares of ₹10 each fully paid up issued during the year 2011-12 on conversion of 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B').

(g) The Company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

₹ in Lac

| Particulars | Year Ended 31-Mar-2015 | Year Ended 31-Mar-2014 |
|---|---------------------------|---------------------------|
| NOTE 4 ► RESERVES AND SURPLUS | | |
| Capital reserve | | |
| At the commencement and at the end of the year | 227.59 | 227.59 |
| Capital redemption reserve | | |
| At the commencement and at the end of the year | 300.00 | 300.00 |
| Securities premium account | | |
| At the commencement and at the end of the year | 4,461.13 | 4,461.13 |
| General reserve | | |
| Opening balance | 5,803.30 | 5,503.30 |
| Add: Transferred from surplus in Statement of Profit and Loss | 300.00 | 300.00 |
| Closing balance | 6,103.30 | 5,803.30 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 4 ► RESERVES AND SURPLUS (Contd...) | | |
| Surplus in Statement of Profit and Loss | | |
| Opening balance brought forward | 20,643.30 | 18,800.46 |
| Less: Additional depreciation net of deferred tax due to revision in depreciation rates. Refer note 12 | 264.46 | - |
| Add: | | |
| Net Profit for the year | 5,320.06 | 2,711.86 |
| Less: | | |
| Interim dividend ₹2.5 per share (previous year nil) | 396.63 | - |
| Final proposed dividend ₹3.50 per share (previous year ₹3 per share) | 555.29 | 475.96 |
| Proposed dividend on 3% Cumulative redeemable preference shares | 10.50 | 10.50 |
| Tax on equity dividend and preference dividend | 194.44 | 82.67 |
| Transfer to general reserve | 300.00 | 300.00 |
| Closing balance | 24,242.04 | 20,643.30 |
| Total reserves and surplus | 35,334.06 | 31,435.32 |

| | | |
|---|-----------------|-----------------|
| NOTE 5 ► LONG-TERM BORROWINGS* | | |
| Term loans | | |
| From banks (Secured) | 2,612.65 | 2,979.09 |
| Deferred payment liabilities | | |
| For acquisition of fixed assets (Secured) | - | 262.97 |
| Deferred sales tax liability (Unsecured) | 664.20 | 950.56 |
| | 664.20 | 1,213.53 |
| | 3,276.85 | 4,192.62 |

* For current portion refer Note 11, "other current liabilities"

| Nature of security (including current portion of term loan): | Terms of repayment and rate of interest |
|--|--|
| - from Axis Bank amounting to ₹Nil (previous year ₹208.33) is secured by first pari passu charge over fixed assets, including plant and machinery, furniture and fixtures, both present and future installed at factory premises and goods purchased under Letter of Credit. | Total loan sanctioned amounting to ₹2,500 (previous year ₹2,500), repayable in 24 quarterly instalments of ₹104.17 each. Rate of interest- 12.50% |
| - from Axis Bank amounting to ₹75 (previous year ₹375) is secured by first pari passu charge over fixed assets and second pari passu charge over current assets and equitable mortgage of Company's immovable property at Gurgaon, Pune Sonapat and Pantnagar. | Total loan sanctioned amounting to ₹1,200 (previous year ₹1,200), repayable in 16 quarterly instalments of ₹75 each. Rate of interest- 12.50% |

Notes Forming Part of the Financial Statements

| Nature of security (including current portion of term loan): | Terms of repayment and rate of interest |
|---|--|
| <p>- from HDFC Bank amounting to ₹150 (previous year ₹225) and is secured by first pari passu charge on all the present and future immovable assets and movable plant and machinery consisting of furniture and fixtures, electrical fittings, vehicles, etc. property at Manesar, Rasoi Sonapat, Plot No. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal, Negative Lien on property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. Second pari passu charge on all the book debts and stock in trade both present and future.</p> | <p>Total loan sanctioned amounting to ₹2,000 (previous year ₹2,000). Disbursed amount of ₹375 (previous year ₹375) repayable in 20 quarterly instalments of ₹18.75 each. Rate of interest- HDFC Base rate + 1.50%</p> |
| <p>- External Commercial Borrowings from Standard Chartered Bank amounting to ₹1,767.17 (previous year ₹2,392.43), is secured by first pari passu charge over all present and future movable fixed assets of the Company. Second pari passu charge over all present and future book debts, outstanding moneys receivables, claims and bills due and all present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise etc.</p> | <p>Total loan sanctioned amounting to USD 50 lac (previous year USD 50 lac), repayable in 16 quarterly instalments of USD 3.13 lac Rate of interest- LIBOR + 3%</p> |
| <p>- from HDFC Bank amounting to ₹600 (previous year ₹600) and is secured by Exclusive charge on current assets of the company arising out of the Chennai Plant. Exclusive charge on movable and immovable fixed assets of the company arising out of the Chennai Plant. Exclusive charge on land and building (Chennai) standing in the name of the Company.</p> | <p>Total loan sanctioned amounting to ₹600 (previous year ₹600). Disbursed amount of ₹nil (previous year ₹600) repayable in 15 equal quarterly instalments of ₹40 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate + 1.70%</p> |
| <p>- from HDFC Bank amounting to ₹1000 (previous year ₹500) and is secured by First Pari passu charge on all movable fixed assets of the company. Second pari passu charge on all immovable fixed assets of the Company as below;</p> <ol style="list-style-type: none"> Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon. <p>Second Pari passu charge on all present and future current assets of the company</p> | <p>Total loan sanctioned amounting to ₹1,500 (previous year ₹1,500). Disbursed amount of ₹500 (previous year ₹500) repayable in 15 equal quarterly instalments of ₹100 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate + 1.7%</p> |
| <p>- Vehicle loans from banks amounting to ₹20.96 (previous year ₹76.38) are secured against hypothecation of respective vehicles financed by them.</p> | |
| <p>- from HSIIDC amounting to ₹261.42 (previous year ₹525.94) and is secured by charge on land at Bawal (Disclosed under deferred payment liabilities -Secured)</p> | <p>Total loan sanctioned amounting to ₹1,051.88 (previous year ₹1,051.88). Disbursed amount of ₹1,051.88 (previous year ₹1,051.88) repayable in 8 half yearly instalments of ₹131.48 each. Rate of interest- 11% p.a.</p> |
| <p>- Sales tax incentive amounting to ₹949.65 (previous year ₹1,236.01) from the State Government of Maharashtra, received in 2003-04 (Disclosed under deferred payment liabilities -Unsecured)</p> | <p>Total loan sanctioned amounting to ₹1,427.25 (previous year ₹1,427.25), repayable in 8 annual instalments from 2013-14 Rate of interest- Interest free</p> |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 6 ► DEFERRED TAX LIABILITIES (NET) | | |
| Deferred tax liabilities | | |
| Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/amortisation provided in accounts | 1,219.31 | - |
| | 1,219.31 | - |
| Deferred tax assets | | |
| Provision for employee benefits | 984.85 | - |
| Others | 203.23 | - |
| | 1,188.08 | - |
| Deferred tax liabilities (Net) | 31.23 | - |

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 7 ► OTHER LONG-TERM LIABILITIES | | |
| Others | 9.77 | 9.50 |
| | 9.77 | 9.50 |

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 8 ► LONG-TERM PROVISIONS | | |
| Provision for employee benefits | | |
| Gratuity | 1,491.23 | 1,240.41 |
| Compensated absences | 722.55 | 584.50 |
| | 2,213.78 | 1,824.91 |
| Others | | |
| Provision for warranty | 116.44 | 52.11 |
| | 2,330.22 | 1,877.02 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---------------------------------------|----------------------|----------------------|
| NOTE 9 ► SHORT-TERM BORROWINGS | | |
| Loans repayable on demand | | |
| Secured | | |
| from banks* | 5,203.14 | 6,902.12 |
| Other loans and advances | | |
| from others (unsecured)** | 1,741.79 | 2,251.05 |
| | 6,944.93 | 9,153.17 |

*** Nature of security:**

| S. No. | Bank Name (facility) Details of security | Term of repay ment | Outstanding as on 31-Mar-2015 | Outstanding as on 31-Mar-2014 |
|--------|---|---|----------------------------------|----------------------------------|
| 1 | HDFC (Cash Credit) * First Pari Passu charge on entire current assets of the Company * Second pari passu charge on entire movable fixed assets and immovable assets of the Company | Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time. | 2,038.90 | 2,557.34 |
| 2 | Axis Bank (Cash Credit) * First Pari Passu charge by way of hypothecation of entire current assets of the company, both present and future. * Second pari passu charge on entire fixed assets of the company, both present and future." | | 672.89 | 277.89 |
| 3 | Citi Bank (Cash Credit) * First Pari Passu charge on present and future stocks and book debts of the Borrower. * Second pari passu charge on the Fixed Assets of the borrower | | 2.74 | 4.75 |
| 4 | SBI (Cash Credit) * Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/ receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at Village Navada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon. c) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal Negative lien on the following properties: e) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. f) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. | | 489.44 | 1,894.68 |

Notes Forming Part of the Financial Statements

* Nature of security:

| S. No. | Bank Name (facility) Details of security | Term of repayment | Outstanding as on 31-Mar-2015 | Outstanding as on 31-Mar-2014 |
|--------|---|--|----------------------------------|----------------------------------|
| 5 | <p>SBI (Cash Credit) -WCTL</p> <p>* Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future)</p> <p>* Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below:</p> <p>a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat</p> <p>b) Immovable property at village navada fatehpur, Manesar</p> <p>c) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.</p> <p>d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.</p> <p>Negative lien on the following properties:</p> <p>e) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.</p> | Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time. | 1,009.00 | - |
| 6 | <p>Canara Bank (Cash Credit)</p> <p>* Primary: First charge on pari passu basis by way of hypothecation with WC lenders under MBA i.e. Stocks and Receivables (present and future) and other current assets of the company.</p> <p>* Collateral: Second charge on pari passu basis with WC lender under MBA by way of hypothecation/EMT. i.e. Fixed Assets of the company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes:</p> <p>i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonapat, Haryana.</p> <p>ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana.</p> <p>iii) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.</p> <p>Negative lien on the following properties:</p> <p>iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune.</p> <p>v) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.</p> | | 672.71 | 1,748.28 |
| 7 | <p>Canara Bank (Buyers Credit EUR1.98 Lac)</p> <p>* First charge on pari passu basis by way of hypothecation with WC lenders under Multiple Banking Arrangement i.e. Stocks and Receivables (present and future) and other current assets of the company.</p> | 182 days -12 months Eurobor+57 bps | 142.45 | 169.19 |
| 8 | <p>Kotak Mahindra Bank</p> <p>* Subservient charge on all existing and future current assets and moveable fixed assets of the borrower (excluding assets which are specifically charged to other lenders)"</p> | after 90 days -12.90% | 175.00 | 249.99 |
| | Total | | 5,203.14 | 6,902.12 |

** Loan from Bajaj Finance Limited carries interest @ 10.65% p.a. and is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan respectively.

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---------------------------------|----------------------|----------------------|
| NOTE 10 ► TRADE PAYABLES | | |
| Trade payables* | 18,320.63 | 15,409.93 |
| | 18,320.63 | 15,409.93 |

* For dues to micro and small suppliers refer to note 48.

| | | |
|--|-----------------|-----------------|
| NOTE 11 ► OTHER CURRENT LIABILITIES | | |
| Current maturities of long-term debts* | 1,000.17 | 1,398.05 |
| Interest accrued but not due on long term borrowings | 27.53 | 59.51 |
| Advance from customers | 2,287.20 | 2,713.05 |
| Capital creditors | 6.83 | 494.81 |
| Unpaid dividend | 23.65 | 21.40 |
| Other payables | | |
| - Statutory dues | | |
| TDS payable | 209.73 | 162.11 |
| Service tax payable | 18.90 | 31.76 |
| Excise payable | 63.72 | 49.40 |
| Sales tax payable | 699.67 | 402.53 |
| PF and ESI payable | 139.69 | 114.35 |
| - Payable to Employees | 586.26 | 660.08 |
| Current maturities of deferred payment liabilities* | 546.87 | 548.42 |
| | 5,610.22 | 6,655.47 |

*For details refer Note 5

| | | |
|---|-----------------|---------------|
| NOTE 12 ► SHORT-TERM PROVISIONS | | |
| Provision for employee benefits | | |
| Gratuity | 86.09 | 38.76 |
| Compensated absences | 108.03 | 30.76 |
| | 194.12 | 69.52 |
| Others | | |
| Provision for wealth tax (net of advances ₹nil, previous year ₹3.57) | 3.40 | 0.05 |
| Provision for Income Tax (net of advance income tax ₹2,570.66, previous year ₹1,171.51) | 250.34 | 53.49 |
| Provision for warranty | 300.54 | 247.74 |
| Provision for dividend | - | - |
| - Provision for proposed equity dividend | 555.29 | 475.96 |
| - Provision for proposed preference dividend | - | 10.50 |
| - Provision for tax on proposed dividends | 113.04 | 82.67 |
| | 1,222.61 | 870.41 |
| | 1,416.73 | 939.93 |

Notes Forming Part of the Financial Statements

NOTE 13 ► FIXED ASSETS As at 31 March 2015

₹ in Lac

| Particulars | Gross block | | | | Accumulated depreciation/ amortisation | | | | | Net block | | |
|------------------------|-----------------------------|----------------------------|-----------|------------------------------|--|--|--|----------------------------------|--|------------------------------|------------------------------|------------------------------|
| | Balance as at 1 April, 2014 | Additions/ Transfers ***** | Disposals | Balance as at 31 March, 2015 | Balance as at 1 April, 2014 | Depreciation / amortisation expense for the year *** | Additional depreciation transferred to reserves and surplus*** | Eliminated on disposal of assets | Impairment losses reversed in statement of profit and loss**** | Balance as at 31 March, 2015 | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 |
| Tangible | | | | | | | | | | | | |
| Land | | | | | | | | | | | | |
| Land- Freehold* | 2,613.33 | - | - | 2,613.33 | - | - | - | - | - | - | 2,613.33 | 2,613.33 |
| Land- Leasehold | 1,404.24 | - | - | 1,404.24 | 160.44 | 14.68 | - | - | 75.37 | 99.75 | 1,304.49 | 1,243.80 |
| Buildings | 7,208.69 | 1,773.61 | 0.09 | 8,982.21 | 2,014.99 | 267.65 | 8.27 | - | 341.65 | 1,949.26 | 7,032.95 | 5,193.70 |
| Plant and Machinery** | 40,085.38 | 4,755.07 | 548.24 | 44,292.21 | 25,534.49 | 4,539.68 | 199.97 | 291.00 | 1,001.68 | 28,981.46 | 15,310.75 | 14,550.89 |
| Furniture and Fixtures | 548.23 | 51.56 | 1.78 | 598.01 | 285.98 | 46.19 | 16.34 | 1.68 | 7.81 | 339.02 | 258.99 | 262.25 |
| Vehicles | 800.71 | 69.18 | 100.29 | 769.60 | 255.23 | 183.93 | 1.81 | 39.43 | 5.44 | 396.10 | 373.50 | 545.48 |
| Office Equipment | 622.77 | 39.03 | 10.18 | 651.62 | 244.67 | 118.60 | 98.52 | 9.56 | 9.03 | 443.20 | 208.42 | 378.10 |
| Computers | 1,095.62 | 44.21 | 4.06 | 1,135.77 | 786.70 | 99.73 | 75.74 | 3.19 | 8.12 | 950.86 | 184.91 | 308.92 |
| | 54,378.97 | 6,732.66 | 664.64 | 60,446.99 | 29,282.50 | 5,270.46 | 400.65 | 344.86 | 1,449.10 | 33,159.65 | 27,287.34 | 25,096.47 |
| Intangible | | | | | | | | | | | | |
| Goodwill | 21.94 | - | - | 21.94 | 21.94 | - | - | - | - | 21.94 | - | - |
| Technical Knowhow | 278.89 | - | - | 278.89 | 266.08 | 2.29 | - | - | 118.83 | 149.54 | 129.35 | 12.81 |
| Computer Software | 2,501.09 | 54.45 | - | 2,555.54 | 2,077.58 | 98.21 | - | 0.02 | 8.40 | 2,167.37 | 388.17 | 423.51 |
| | 2,801.92 | 54.45 | - | 2,856.37 | 2,365.60 | 100.50 | - | 0.02 | 127.23 | 2,338.85 | 517.52 | 436.32 |

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the company.

** includes borrowing cost capitalised during the year of ₹29.43 (previous year ₹28.62).

*** Pursuant to the requirement of the Companies Act, 2013 ("the Act") effective from 1st April, 2014, the company has revised depreciation rates on certain fixed assets as per the useful life specified in Part "C" of Schedule II of the Act or as per the management's estimate based on internal technical evaluation. As a result of this change, the depreciation charge for the year ended 31 March, 2015 is higher by ₹1,141.11. In respect of assets whose useful life is already exhausted as on 1 April, 2014, depreciation of ₹264.46 (net of tax impact of ₹136.17) has been adjusted in Reserves and Surplus in accordance with the requirement of Schedule II of the Act.

**** refer note 35 on 'Impairment Loss'

***** addition to assets Includes ₹ 585.46 towards R&D capital assets (previous year ₹ 134.37)

FIXED ASSETS As at 31 March 2014

₹ in Lac

| Particulars | Gross block | | | | Accumulated depreciation/ amortisation | | | | | Net block | | |
|------------------------|-----------------------------|----------------------|-----------|------------------------------|--|--|---|----------------------------------|--|------------------------------|------------------------------|------------------------------|
| | Balance as at 1 April, 2013 | Additions/ Transfers | Disposals | Balance as at 31 March, 2014 | Balance as at 1 April, 2013 | Depreciation / amortisation expense for the year | Additional depreciation transferred to reserves and surplus | Eliminated on disposal of assets | Impairment losses reversed in statement of profit and loss | Balance as at 31 March, 2014 | Balance as at 31 March, 2014 | Balance as at 31 March, 2013 |
| Tangible | | | | | | | | | | | | |
| Land | | | | | | | | | | | | |
| Land- Freehold* | 2,408.59 | 204.74 | - | 2,613.33 | - | - | - | - | - | - | 2,613.33 | 2,408.59 |
| Land- Leasehold | 1,404.24 | - | - | 1,404.24 | 140.72 | 19.72 | - | - | - | 160.44 | 1,243.80 | 1,263.52 |
| Buildings | 6,677.98 | 530.71 | - | 7,208.69 | 1,877.19 | 220.30 | - | - | 82.50 | 2,014.99 | 5,193.70 | 4,800.79 |
| Plant and Machinery** | 36,601.07 | 4,217.77 | 733.46 | 40,085.38 | 22,343.02 | 3,559.44 | - | 300.83 | 67.14 | 25,534.49 | 14,550.89 | 14,258.05 |
| Furniture and Fixtures | 520.73 | 27.80 | 0.30 | 548.23 | 253.00 | 33.04 | - | 0.06 | - | 285.98 | 262.25 | 267.73 |
| Vehicles | 819.81 | 51.65 | 70.75 | 800.71 | 208.97 | 72.76 | - | 26.50 | - | 255.23 | 545.48 | 610.84 |
| Office Equipment | 549.81 | 73.07 | 0.11 | 622.77 | 216.39 | 31.87 | - | 3.59 | - | 244.67 | 378.10 | 333.42 |
| Computers | 1,067.89 | 54.99 | 27.26 | 1,095.62 | 721.31 | 88.88 | - | 23.49 | - | 786.70 | 308.92 | 346.58 |
| | 50,050.12 | 5,160.73 | 831.88 | 54,378.97 | 25,760.60 | 4,026.01 | - | 354.47 | 149.64 | 29,282.50 | 25,096.47 | 24,289.52 |
| Intangible | | | | | | | | | | | | |
| Goodwill | 21.94 | - | - | 21.94 | 21.94 | - | - | - | - | 21.94 | - | - |
| Technical Knowhow | 278.89 | - | - | 278.89 | 253.30 | 12.78 | - | - | - | 266.08 | 12.81 | 25.59 |
| Computer Software | 2,424.68 | 86.65 | 10.24 | 2,501.09 | 1,944.94 | 134.23 | - | 1.59 | - | 2,077.58 | 423.51 | 479.74 |
| | 2,725.51 | 86.65 | 10.24 | 2,801.92 | 2,220.18 | 147.01 | - | 1.59 | - | 2,365.60 | 436.32 | 505.33 |

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the company.

** includes borrowing cost capitalised during the year of ₹28.62 (previous year ₹65.14).

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 14 ► NON-CURRENT INVESTMENTS | | |
| (Trade, unquoted investments at cost) | | |
| Investment in equity instruments | | |
| (i) Subsidiaries | | |
| Minda Auto Components Limited - 210,200 equity shares (previous year 210,200 equity shares) of ₹10 each | 21.02 | 21.02 |
| Minda Kyoraku Limited - 29,550,000 equity shares (previous year 29,550,000 equity shares) of ₹10 each (Out of the above 8,740,000 equity shares (previous year 8,740,000 equity shares) issued at a premium of ₹2.5 each) | 3,173.50 | 3,173.50 |
| Minda Distribution and Services Limited - 1,987,600 equity shares (previous year 1,987,600 equity shares) of ₹10 each | 198.76 | 198.76 |
| Global Mazinkert, S.L. - 153,600 equity shares (previous year 153,600 equity shares) of €1 each (Out of the above 150,000 equity shares (previous year 150,000 equity shares) issued at a premium of €9 each) | 1,090.26 | 1,090.26 |
| (ii) Associates | | |
| Mindarika Private Limited - 2,707,600 equity shares (previous year 2,707,600 equity shares) of ₹10 each | 700.73 | 700.73 |
| Minda NexGenTech Limited - 3,120,000 equity shares (previous year 3,120,000 equity shares) of ₹10 each | 312.00 | 312.00 |
| (iii) Joint Ventures | | |
| Minda Emer Technologies Limited - 2,725,000 equity shares (previous year 2,230,000 equity shares) of ₹10 each | 272.50 | 223.00 |
| M J Casting Limited - 29,250,000 equity shares (previous year 29,250,000 equity shares) of ₹10 each | 2,925.00 | 2,925.00 |
| (iv) Other Entities | | |
| PT Minda Asean Automotive (Indonesia) - 20,250 equity shares (previous year 20,250 equity shares) of US\$10 each | 88.85 | 88.85 |
| Minda Industria E Comerico De Autopecsa Ltd - 25,000 equity shares (previous year 25,000 equity shares) of Brazilian \$ 1 each | 7.11 | 7.11 |
| Investments in preference shares | | |
| M J Casting Limited - 750,000 8% non cumulative redeemable preference shares (previous year 750,000 preference shares) of ₹10 each | 75.00 | 75.00 |
| Investments in partnership firms** | | |
| - Auto Component | 686.85 | 670.31 |
| - Yogendra Engineering | 197.41 | 176.57 |
| | 9,748.99 | 9,662.11 |
| Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited and MJ casting Limited* | 1,528.80 | 312.00 |
| | 8,220.19 | 9,350.11 |

Notes Forming Part of the Financial Statements

* Aggregate provision for diminution of non current investment is ₹1,528.80 (previous year ₹312) Refer Note no.35

**Investment in Partnership Firms

| Partnership Firm | Name of the Partners | Share in Profit (%) | Share in Profit (%) |
|---------------------------|--------------------------|---------------------|---------------------|
| Auto Component | Minda Industries Limited | 48.90% | 48.90% |
| | Nirmal K. Minda | 25.55% | 25.55% |
| | Palak Minda | 25.55% | 25.55% |
| Yogendra Engineering | Minda Industries Limited | 48.90% | 48.90% |
| | Sanjeev Garg | 12.50% | 12.50% |
| | Birender Garg | 12.50% | 12.50% |
| | Suman Minda | 26.10% | 26.10% |
| Total Capital of the firm | | Amount | Amount |
| Auto Component | | 1,404.60 | 1,362.70 |
| Yogendra Engineering | | 403.71 | 361.07 |

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 15 ► DEFERRED TAX ASSETS (NET) | | |
| Deferred tax liabilities | | |
| Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/amortisation provided in accounts | - | 866.13 |
| | - | 866.13 |
| Deferred tax assets | | |
| Provision for employee benefits | - | 746.05 |
| Others | - | 284.94 |
| | - | 1,030.99 |
| Deferred tax assets (Net) | - | 164.86 |

| | | |
|--|-----------------|-----------------|
| NOTE 16 ► LONG TERM LOANS AND ADVANCES | | |
| (Unsecured and considered good) | | |
| To parties other than related parties | | |
| Capital advances | 139.66 | 388.72 |
| Advance income tax (net of provision for tax ₹4,344.50, previous year ₹4,344.50) | 817.13 | 802.11 |
| Security deposits | 640.77 | 589.69 |
| | 1,597.56 | 1,780.52 |

| | | |
|---|-----------------|---------------|
| NOTE 17 ► OTHER NON-CURRENT ASSETS | | |
| Foreign currency receivable | 201.58 | 303.77 |
| Bank deposits (due to mature after 12 months from the reporting date) | 289.25 | 287.20 |
| Retention money with customers | 648.38 | 228.95 |
| | 1,139.21 | 819.92 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 18 ► INVENTORIES | | |
| (At lower of cost and fair value, unless otherwise stated) | | |
| Raw materials [Goods in transit ₹50.14 (previous year ₹106.37)] | 5,307.47 | 4,014.24 |
| Work-in-progress | 1,408.31 | 914.12 |
| Finished goods [Goods in transit ₹49.71 (previous year ₹136.29)] | 889.19 | 997.15 |
| Stock-in-trade | 148.62 | 144.54 |
| Stores and spares | 844.07 | 874.47 |
| Loose tools | 405.82 | 464.31 |
| | 9,003.48 | 7,408.83 |

| | | |
|---|------------------|------------------|
| NOTE 19 ► TRADE RECEIVABLES* | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Trade receivables outstanding for a period exceeding six months from due date | | |
| Unsecured considered good | 307.92 | 242.56 |
| Doubtful | 130.86 | 196.22 |
| | 438.78 | 438.78 |
| Less: Provision for doubtful debts | (130.86) | (196.22) |
| | 307.92 | 242.56 |
| Other receivables | | |
| Unsecured considered good | 20,724.67 | 18,534.81 |
| | 21,032.59 | 18,777.37 |

* Trade receivables (unsecured, considered good) include ₹180.26 (previous year ₹270.37) due from private companies in which a director is a director and ₹ 48.29 (previous year ₹48.07) due from firms in which director is a partner.

| | | |
|--|-----------------|-----------------|
| NOTE 20 ► CASH AND BANK BALANCES | | |
| Cash and cash equivalents | | |
| Cash in hand | 26.19 | 33.24 |
| Balances with banks | | |
| - on current accounts* | 1,317.38 | 954.24 |
| - on deposit accounts (with original maturity of 3 months or less) | 53.58 | - |
| | 1397.15 | 987.48 |
| Other Bank Balances | | |
| Cash on imprest accounts | 15.90 | 14.87 |
| Bank deposits (due for realisation within 12 months of the reporting date) | 637.65 | 419.29 |
| Unpaid dividend accounts | 23.65 | 21.41 |
| | 677.20 | 455.57 |
| | 2,074.35 | 1,443.05 |

* includes Escrow account amounting to ₹344.89 (previous year ₹17.07)

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 20 ► CASH AND BANK BALANCES (Contd...) | | |
| Detail of bank deposits | | |
| - On deposit accounts with original maturity of 3 months or less included under 'Cash and cash equivalents' | 53.58 | - |
| - On deposit accounts due to mature within 12 months of reporting date included under 'Other bank balances' | 637.65 | 419.29 |
| - On deposit accounts due to mature after 12 months of reporting date included under 'Other non-current assets' | 289.25 | 287.20 |
| Total** | 980.48 | 706.49 |

** Deposit accounts amounting to ₹861.86 (previous year ₹344.35) is lien under banks and other government authorities.

| | | |
|--|-----------------|-----------------|
| NOTE 21 ► SHORT-TERM LOANS AND ADVANCES | | |
| (unsecured, considered good unless otherwise stated) | | |
| To parties other than related parties | | |
| Security deposits | 155.05 | 36.52 |
| Prepaid expenses | 296.99 | 269.31 |
| Advance to suppliers | 2,133.27 | 2,478.76 |
| Doubtful advances | 24.27 | 24.37 |
| Provision for bad/doubtful loans and advances | (24.27) | (24.37) |
| Others | | |
| Advances to employees | 137.74 | 138.27 |
| MAT credit entitlement | 279.00 | - |
| Balances with government authorities | 819.02 | 941.50 |
| | 3,821.07 | 3,864.36 |

| | | |
|---|---------------|---------------|
| NOTE 22 ► OTHER CURRENT ASSETS | | |
| (unsecured, considered good) | | |
| Unbilled revenue | 41.06 | 342.53 |
| Interest income accrued on fixed deposits | 48.57 | 39.56 |
| Duty entitlement available | 172.22 | 111.22 |
| Forward currency receivable | 173.76 | 146.23 |
| Insurance claims receivable | 21.70 | 1.60 |
| Silver coins/items | 3.92 | 3.49 |
| | 461.23 | 644.63 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 23 ► REVENUE FROM OPERATIONS | | |
| Sale of products* | | |
| Finished goods | 1,39,565.21 | 1,15,617.81 |
| Traded goods | 5,792.52 | 2,385.48 |
| Sale of products (gross) | 1,45,357.73 | 1,18,003.29 |
| Less: Excise duty | 11,979.55 | 9,992.39 |
| Sale of products (net) | 1,33,378.18 | 1,08,010.90 |
| Sale of services | 1,326.40 | 1,467.34 |
| Other operating revenues | 2,333.44 | 1,327.96 |
| | 1,37,038.02 | 1,10,806.20 |

* refer note 45

| | | |
|--|-----------------|-----------------|
| NOTE 24 ► OTHER INCOME | | |
| Interest income | 107.91 | 140.36 |
| Dividend income | 80.67 | 40.61 |
| Share of profit from partnership firms | 592.23 | 550.21 |
| Net gain on foreign currency transactions and translation (other than considered as finance cost) (net of loss on foreign currency transaction ₹nil (previous year ₹1,803.32)) | - | 161.63 |
| Profit on sale of fixed assets (net of loss ₹42.03 (previous year ₹29.19)) | 487.92 | 198.56 |
| Income under Package Scheme of Incentives | 208.25 | - |
| Other non-operating income | | |
| Liabilities / provisions no longer required written back | 327.46 | 121.77 |
| Miscellaneous income | 63.12 | 57.53 |
| | 1,867.56 | 1,270.67 |

| | | |
|--|------------------|------------------|
| NOTE 25 ► COST OF MATERIALS CONSUMED* | | |
| Raw materials (including purchased components and packing material consumed) | | |
| Opening inventories | 4,014.24 | 3,347.06 |
| Purchases | 90,319.49 | 74,617.57 |
| Closing inventories | 5,307.47 | 4,014.24 |
| | 89,026.26 | 73,950.44 |

* refer note 46

| | | |
|--|-----------------|-----------------|
| NOTE 26 ► CHANGES IN INVENTORIES | | |
| Inventories at the end of the year: | | |
| Work-in-progress | 1,408.31 | 914.12 |
| Finished goods (other than those acquired for trading) | 889.19 | 997.15 |
| Stock-in-trade (acquired for trading) | 148.62 | 144.54 |
| | 2,446.12 | 2,055.81 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 26 ► CHANGES IN INVENTORIES (Contd...) | | |
| Inventories at the beginning of the year: | | |
| Work-in-progress | 914.12 | 736.50 |
| Finished goods (other than those acquired for trading) | 997.15 | 604.99 |
| Stock-in-trade (acquired for trading) | 144.54 | 2.81 |
| | 2,055.81 | 1,344.30 |
| Net (increase) / decrease in stocks | (390.31) | (711.51) |

| | | |
|--|------------------|------------------|
| NOTE 27 ► EMPLOYEE BENEFITS | | |
| Salaries, wages and bonus | 13,276.94 | 11,345.46 |
| Gratuity | 418.13 | 176.28 |
| Compensated absences | 395.28 | 333.97 |
| Contribution to provident and other funds (refer to note 41) | 903.66 | 807.53 |
| Staff welfare and other expenses | 1,256.91 | 1,321.64 |
| | 16,250.92 | 13,984.88 |

| | | |
|--------------------------------|-----------------|-----------------|
| NOTE 28 ► FINANCE COSTS | | |
| Interest expense on borrowings | 1,167.66 | 1,363.32 |
| Other finance costs | 88.10 | 139.78 |
| | 1,255.76 | 1,503.10 |

| | | |
|--|-----------------|-----------------|
| NOTE 29 ► DEPRECIATION AND AMORTISATION | | |
| Depreciation on tangible assets | 5,270.46 | 4,026.01 |
| Amortisation on intangible assets | 100.50 | 147.01 |
| | 5,370.96 | 4,173.02 |

| | | |
|---|----------|----------|
| NOTE 30 ► OTHER EXPENSES | | |
| Consumption of stores and spare parts (refer note 46) | 3,015.64 | 1,576.31 |
| Job work charges | 2,199.15 | 1,405.91 |
| Power and fuel | 2,993.95 | 2,715.54 |
| Rent | 1,061.08 | 1,020.24 |
| Repairs and maintenance: | | |
| Buildings | 292.25 | 277.79 |
| Machinery | 823.08 | 756.10 |
| Others | 73.87 | 67.22 |
| Insurance | 93.93 | 96.04 |
| Rates and taxes | 85.80 | 65.04 |
| Travelling and conveyance | 1,517.21 | 1,657.59 |
| Legal and professional | 582.11 | 1,047.85 |
| Payments to auditors* | 66.48 | 53.48 |

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 30 ► OTHER EXPENSES (Contd...) | | |
| Fixed assets scrapped/ written off | - | 5.09 |
| Provision for doubtful trade and other receivables, loans and advances (net) | - | 65.76 |
| Doubtful trade and other receivables, loans and advances written off | 116.95 | - |
| Royalty expenses | 97.44 | 120.40 |
| Freight and other distribution overheads | 1,618.31 | 1,139.95 |
| Warranty rejection | 388.60 | 208.14 |
| Printing and stationery | 186.62 | 167.53 |
| CSR Contribution & Donations | 102.40 ** | 104.28 |
| Net loss on foreign currency transactions and translation (other than considered as finance cost) (net of gain on foreign currency transaction ₹430.56 (previous year ₹nil)) | 36.16 | - |
| Miscellaneous expenses | 1,325.19 | 1,105.11 |
| | 16,676.22 | 13,655.37 |
| Note: | | |
| * Payments to the auditors (excluding service tax) | | |
| Statutory audit | 36.00 | 26.00 |
| Limited review of quarterly results | 16.00 | 16.00 |
| Consolidation fees | 3.00 | 3.00 |
| Certification Fee | 3.00 | |
| Reimbursement of expenses | 8.48 | 8.48 |
| | 66.48 | 53.48 |

** As per section 135 of The Companies Act, 2013, CSR committee was formed by the company. The area for CSR activities is promoting education and self employment enhancement. A sum of ₹88 was contributed to Corpus Fund of S.L.Minda Charitable Trust and Moga Devi Charitable Trust, the same has been utilised on CSR activities.

Note 30.1

Details of Research & Development Expenses booked in the respective heads

The Company has incurred following expenses on its in-house research and development centers at Manesar, Pune, Sonipat approved and recognized by the Ministry of Science & Technology, Government of India. Above expenses are included in under respective account heads.

(i) Revenue Expenses

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|---------------------------------------|---------------------------|---------------------------|
| Salaries, Allowances and Bonus | 1,746.50 | 1,405.34 |
| Financial costs | 27.16 | 23.50 |
| Depreciation & amortization | 601.24 | 538.60 |
| Consumption of stores and spare parts | 477.75 | 443.06 |
| Power and fuel | 267.11 | 248.35 |
| Rent | 2.86 | 6.04 |
| Other repairs and maintenance | 6.33 | 7.88 |
| Insurance | 4.16 | 0.33 |
| Rates and taxes | 7.52 | 8.68 |
| Travel & conveyance | 265.49 | 289.22 |
| Legal & professional | 251.89 | 294.01 |
| Printing & Stationery | 14.74 | 17.13 |

Notes Forming Part of the Financial Statements

Note 30.1 (Contd...)

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|-------------------------|---------------------------|---------------------------|
| Miscellaneous Expenses | 487.14 | 596.38 |
| | 4,159.89 | 3,878.50 |
| R&D Center wise details | | |
| Switch Manesar | 2,006.81 | 2,101.34 |
| Switch Pune | 325.91 | 165.50 |
| Lighting Sonapat | 1,827.17 | 1,611.66 |
| | 4,159.89 | 3,878.50 |
| (ii) Capital Expenses | | |
| R&D Center wise details | | |
| Switch Manesar | 221.73 | 104.67 |
| Switch Pune | 112.68 | 1.95 |
| Lighting Sonapat | 252.38 | 27.76 |
| | 586.79 | 134.38 |

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 31 ► EXCEPTIONAL ITEMS | | |
| Impairment of fixed assets reversed (refer to note 35) | 1,576.33 | 149.64 |
| Diminution in value of investments (refer to note 36) | (1,216.80) | - |
| Insurance claim received (Net gain) (refer to note 53) | 27.52 | - |
| | 387.05 | 149.64 |

| | | |
|---|----------|----------|
| NOTE 32 ► EARNINGS PER SHARE | | |
| Net profit after tax as per Statement of Profit and loss | 5,320.06 | 2,711.86 |
| Adjustment to net profit after tax: | | |
| Dividend on Preference Shares and Dividend Tax thereon. | (12.60) | (12.28) |
| Net profit attributable to equity shares | 5,307.46 | 2,699.58 |
| Weighted average number of Equity Shares (in Nos.): | | |
| for Basic EPS | 158.65 | 158.65 |
| for Diluted EPS | 158.65 | 158.65 |
| Basic earnings per share in rupees (Face value ₹10 per share) (In rupees) | 33.45 | 17.01 |
| Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees) | 33.45 | 17.01 |
| Calculation of weighted average number of shares for basic/diluted earnings per share | | |
| For basic earnings per share | | |
| Opening and closing balance of Equity Shares | 158.65 | 158.65 |

Notes Forming Part of the Financial Statements

NOTE 33 ► CONTINGENT LIABILITIES

(a) Claims made against the Company not acknowledged as debts (including interest, wherever applicable):

| Particulars | Nature of the dues | Amount 2014-15 | Amount 2013-14 | Period to which the amount relates | Forum where dispute is pending |
|----------------------|--|----------------|----------------|------------------------------------|--|
| Income Tax Act, 1961 | Income Tax | 7.48 | 7.48 | Assessment year 2002-2003 | Referred back to AO by Delhi High Court |
| Income Tax Act, 1961 | Transfer pricing – Against Section 143(3) and Section 144C | - | 686.00 | Assessment year 2006-2007 | Referred back to Dispute Resolution Panel by Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 9.97 | 10.33 | Assessment year 2007-2008 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 30.40 | 30.40 | Assessment year 2009-2010 | Commissioner (Appeals) of Income Tax |
| Income Tax Act, 1961 | Income Tax | 1.52 | 1.52 | Assessment year 2010-2011 | Commissioner (Appeals) of Income Tax |

Contingent liabilities relating to other cases ₹11.30 (previous year ₹17.00).

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

- (b) Corporate guarantee given by the Company and outstanding as at 31 March 2015 amounting to ₹7,625 (previous year ₹8,450) in respect of loans borrowed by related party. Further, the Company has also provided a 'letter of comfort' amounting to ₹4,477 (previous year ₹4,477) in respect of a loan taken by a related party from banks.
- (c) As per an agreement executed with Maruti Suzuki India Ltd (MSIL) under the 'Maruti Car Scheme', a loan facility was granted to the Company's employees and other associates, whereby the Company has guaranteed to repay the loan in case of any default. The amount outstanding as at 31 March 2015 is ₹ Nil (previous year ₹3.49).
- (d) The export obligations outstanding as at 31 March 2015 amount to ₹904.45 (previous year ₹2,207.63).
- (e) The Company has availed sales tax incentives for its unit at Gurgaon, Haryana, from the Government of Haryana as sales tax capital subsidy amounting to ₹225.65 (previous year ₹225.65). In accordance with Scheme of Government of Haryana for Development of Industries, the amount may be refundable to the government, if specified conditions are not fulfilled, within the prescribed time.

NOTE 34 ► CAPITAL AND OTHER COMMITMENTS (NET OF ADVANCE)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances ₹139.66) as at 31 March 2015 aggregates to ₹867.03 (previous year ₹1,012.61, net of advances ₹388.72).

NOTE 35 ► IMPAIRMENT

- (i) During the previous years, management had recorded an impairment charge amounting to ₹2,213.79 up to 31 March 2014, for the Battery division located at Pantnagar, which was incurring continuous losses. During the year, the binding sale agreement for transfer of business was concluded on 1 October 2014. Accordingly, based on the net selling price (lump sum consideration) and the fact that the Company has entered into a binding sale agreement, impairment charge to the extent of ₹1,576.33 (net of depreciation of ₹637.46) has been reversed as on 30 September 2014. The same has been disclosed as income under 'exceptional item' in the Statement of Profit and Loss.

Notes Forming Part of the Financial Statements

NOTE 35 ► IMPAIRMENT (Contd...)

(ii) Relevant information for discontinuing operations for Battery division

| | | ₹ in Lac | |
|-------|--|----------------------|----------------------|
| S No. | Particulars | As on 31-Mar-2015 | As on 31-Mar-2014 |
| 1 | Total assets | 3,981.90 | 2,160.56 |
| 2 | Total liabilities | 447.99 | 276.11 |
| 3 | Total revenue | 3,899.18 | 1,783.69 |
| 4 | Total expenditure | 3,887.24 | 1,995.11 |
| 5 | Exceptional item | 1,576.33 | 149.64 |
| 6 | Profit/ (loss) before tax from ordinary activities | 1,588.27 | (61.78) |
| 7 | Tax expense | - | - |
| 8 | Profit/ (loss) after tax | 1,588.27 | (61.78) |

(iii) The net cash flows attributable to the battery division are as follows

| | | ₹ in Lac | |
|-------|---|----------------------|----------------------|
| S No. | Particulars | As on 31-Mar-2015 | As on 31-Mar-2014 |
| 1 | Net cash inflow/(outflow) from operating activities | (71.33) | 113.46 |
| 2 | Net cash inflow/(outflow) from investing activities | (16.63) | (27.23) |
| 3 | Net cash inflow/(outflow) from financing activities | 92.04 | (84.94) |
| 4 | Net cash inflow/ (outflow) attributable to battery division | 4.08 | 1.29 |

NOTE 36 ► DIMINUTION IN THE VALUE OF INVESTMENT

The company has recorded diminution other than temporary in value of investment amounting to ₹1,216.80 based on report of independent valuer in respect of investment in MJ Casting Limited, a joint venture entity.

NOTE 37 ► ADDITIONAL INVESTMENT

The company has made an additional investment of ₹49.50 in Minda Emer Technologies Limited by acquiring 4, 95,000 equity shares of ₹10 each at par. The paid up capital of the Minda Emer Technologies Limited is ₹555 (previous year ₹456).

NOTE 38 ►

During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the Company amounting to ₹39.51 towards revised CLU (change of land use) charges for the land situated at Village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurgaon, and Haryana. The Company paid ₹1.58 and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further, the Company had deposited ₹9.50 as under protest with the authorities. During the earlier year, the Company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the Company had withdrawn the petition and accordingly had agreed to pay the total liability of ₹39.51 and the interest thereon amounting to ₹37.51, towards revised CLU charges after adjusting the amount of ₹9.50 paid earlier.

During previous year, the Company has applied for grant of license under 'Affordable housing Policy- 2013' on the land measuring 9.9625 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurgaon and paid scrutiny fee (non-refundable) amounting to ₹15.35 in this respect.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable housing policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

Notes Forming Part of the Financial Statements

NOTE 39 ► SEGMENT INFORMATION

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Company has one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. The secondary segment is geographical, which is given as under:

₹ in Lac

| Particulars | | Current year | Previous year |
|--|---------------|--------------|---------------|
| Revenue | Within India | 1,27,863 | 1,00,121 |
| | Outside India | 9,175 | 10,686 |
| Assets | Within India | 71,852 | 69,515 |
| | Outside India | 3,359 | 2,095 |
| Cost incurred on acquisition of fixed assets | Within India | 4,961 | 4,703 |
| | Outside India | - | - |

Assets used in the Company's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above reportable segments as the assets and liabilities contracted are used interchangeably between the segments. Accordingly, except for trade receivables, no disclosure relating to other segment assets and liabilities have been made.

NOTE 40 ► RELATED PARTY DISCLOSURES

(i) Related parties where control exists:

Subsidiaries

Minda Auto Components Limited
 Minda Kyoraku Limited
 Minda Distribution and Services Limited
 Global Mazinkert S.L., Spain
 Clarton Horn S.A. Spain
 Clarton Horn, Morocco
 Clarton Horn, Asia
 Clarton Horn, Signalakustik
 Clarton Horn, Mexico

(ii) Other related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Associates

Auto Component (Firm)
 Yogendra Engineering (Firm)
 Mindarika Private Limited
 Minda NexGenTech Limited

Joint ventures(jointly controlled entities)

M J Casting Limited
 Minda Emer Techonologies Limited

Key management personnel

Mr. Nirmal K. Minda, Chairman and Managing Director('CMD')

Relatives of key management personnel

Mrs. Suman Minda (wife of CMD)
 Mrs. Paridhi Minda Jindal (daughter of CMD)
 Mrs. Palak Minda (daughter of CMD)

Other entities over which key management personnel is able to exercise significant influence

Minda Investments Limited
 Minda International Limited
 Minda Corporation Limited
 Nirmal K. Minda (HUF)
 Minda Industries (Firm)
 Minda Automotive Limited
 Minda Spectrum Advisory Limited
 Samaira Engineering (Firm)
 S.M.Auto Industries (Firm)
 Shankar Moulding Ltd.
 Minda Stoneridge Instruments Ltd.

Notes Forming Part of the Financial Statements

NOTE 40 ► RELATED PARTY DISCLOSURES (Contd...)

(iii) Transactions with related parties

| Transactions with related parties | Subsidiaries | | Associates | | Joint Venture Companies | | Entities over which key management personnel exercises significant influence | | Key management personnel and relatives | |
|--|--------------|-------------|-------------|-------------|-------------------------|-------------|--|-------------|--|-------------|
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Sale of goods | 13,424 | 11,985 | 581 | 736 | 6 | 51 | 99 | 132 | - | - |
| Purchase of goods | 293 | 198 | 2,608 | 1,611 | 29 | 12 | 5,647 | 3,929 | - | - |
| Sale of fixed assets | - | 158 | 11 | 7 | - | - | 1 | - | - | - |
| Purchase of fixed assets | 54 | 195 | 93 | 12 | - | - | - | - | - | - |
| Expenses recovered | 60 | 157 | 21 | 12 | 16 | 22 | 18 | 21 | - | - |
| Re-imbusement of expenses | 70 | 24 | 7 | 2 | 1 | 3 | 169 | 259 | - | - |
| Services rendered | 223 | 262 | 481 | 528 | 50 | 79 | 52 | - | - | - |
| Services received | 4 | - | 10 | 7 | - | - | 517 | - | - | - |
| Remuneration | - | - | - | - | - | - | - | - | 325 | 131 |
| Rent paid | - | - | - | - | - | - | 349 | 683 | 70 | 57 |
| Rent received | - | - | - | 2 | - | - | - | - | - | - |
| Utility Services paid | - | - | - | - | - | - | 539 | 603 | - | - |
| Dividend received | - | - | 41 | 41 | - | - | - | - | - | - |
| Interest received | - | - | - | - | - | 24 | - | - | - | - |
| Share of profits | - | - | 592 | 550 | - | - | - | - | - | - |
| Royalty received | - | - | 71 | 64 | - | - | 42 | 36 | - | - |
| Dividend paid on equity share Capital | - | - | - | - | - | - | 244 | 155 | 286 | 156 |
| Dividend paid on 3% cumulative redeemable preference share capital | - | - | - | - | - | - | - | - | 11 | 11 |
| Investment in shares | - | 1,088 | - | - | 50 | 616 | - | - | - | - |
| Credit balance outstanding at the end of the year | | | | | | | | | | |
| Balance outstanding | | | | | | | | | | |
| Receivable/(payable) | 221 | 974 | (672) | (84) | 18 | 225 | (283) | 117 | - | - |
| Guarantee / Letter of comfort during the year | 675 | 5,250 | - | - | - | 600 | - | - | - | - |
| Reduction during the year | - | - | 1500 | - | - | - | - | - | - | - |
| Guarantee / Letter of comfort end of the year | 7,625 | 6,950 | - | 1,500 | 4,477 | 4,477 | - | - | - | - |

Notes Forming Part of the Financial Statements

NOTE 40 ► RELATED PARTY DISCLOSURES (Contd...)

(iv) Details of related parties with whom transactions exceed 10% of the class of transaction:

₹ in Lac

| Related party | Nature of transaction | For the year ended 31-Mar-2015 # | For the year ended 31-Mar-2014 * |
|---|-------------------------------|-------------------------------------|-------------------------------------|
| Minda Auto Components Limited | Sale of goods | 3,520 | 4,552 |
| Minda Distribution and Services Limited | Sale of goods | 9,593 | 7,286 |
| Minda NexGenTech Limited | Purchase of goods | 2,497 | 1,479 |
| Minda Corporation Limited | Purchase of goods | 4,529 | 3,929 |
| Shankar Moulding Limited | Purchase of goods | 1,115 | - |
| Minda Auto Components Limited | Sale of fixed assets | 1,021 | 158 |
| Auto Component (Firm) | Sale of fixed assets | 10 | - |
| Minda Auto Components Limited | Purchase of fixed assets | 54 | 195 |
| Minda Distribution and Services Limited | Receivables | 994 | 900 |
| M J Casting Limited | Receivables | - | 194 |
| Minda Kyoraku Limited | Receivables | 81 | - |
| Minda NexGenTech Limited | Payable | 783 | - |
| Auto Component (Firm) | Receivables | 31 | - |
| Minda Auto Components Limited | Expenses recovered | 59 | 70 |
| Minda Kyoraku Limited | Rent received | 4 | - |
| M J Casting Limited | Expenses recovered | 16 | - |
| Mindarika Private Limited | Expenses recovered | 16 | - |
| Minda International Limited | Expenses recovered | 18 | - |
| Minda Auto Components Limited | Re-imbusement of expenses | 47 | - |
| Minda International Limited | Re-imbusement of expenses | 169 | - |
| Minda Investments Limited | Services Received | 517 | - |
| Mindarika Private Limited | Services Rendered | 458 | 508 |
| Minda Kyoraku Limited | Services Rendered | 120 | 109 |
| Global Mazinkert S.L., Spain | Services Rendered | 103 | 139 |
| Mindarika Private Limited | Dividend received | 41 | 41 |
| Auto Component (Firm) | Share of Profits | 248 | 183 |
| Yogendra Engineering (Firm) | Share of Profits | 344 | 367 |
| Minda Kyoraku Limited | Guarantee Given | 675 | 650 |
| Minda Kyoraku Limited | Guarantee at year end | 3,025 | 2,350 |
| Global Mazinkert SL, Spain | Guarantee at year end | 4,600 | 4,600 |
| M J Casting Limited | Letter of comfort given | - | 600 |
| M J Casting Limited | Letter of comfort at year end | 4,477 | 4,477 |
| Auto Component (Firm) | Royalty Received | 19 | 15 |
| Yogendra Engineering (Firm) | Royalty Received | 52 | 50 |
| Samaira Engineering | Royalty Received | 42 | 36 |
| MindaEmer technologies Limited | Investment in Shares | 50 | - |
| Mr. Nirmal K Minda | Remuneration | 281 | 131 |
| Minda Investments Limited | Equity Dividend | 230 | 102 |
| Mr. Nirmal K Minda | Equity Dividend | 132 | 77 |
| Mrs. Suman Minda | Equity Dividend | 136 | 80 |
| Mr. Nirmal K Minda | Preference Dividend | 4.50 | 4.50 |
| Mrs. Suman Minda | Preference Dividend | 6.00 | 6.00 |
| Minda Investments Limited | Rent | 343 | 683 |
| Minda Investments Limited | Utility Services paid | 539 | 603 |

Nil in previous year column represent transaction less than 10% of the class of transaction.

* Nil in current year column represent transaction less than 10% of the class of transaction.

Notes Forming Part of the Financial Statements

NOTE 41 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"

a) Defined contribution plan

An amount of ₹755.76 (previous year ₹671.55) for the year, has been recognized as an expense in respect of the Company's contribution towards Provident Fund, deposited with the government authorities and has been included under employee benefit expense in the Statement of Profit and Loss. An amount of ₹36.67 (previous year ₹35.42) for the year, has been recognized as an expense in respect of the Company's contribution towards Superannuation Fund, and has been included under employee benefit expense in the Statement of profit and loss. Further an amount of ₹111.23 (previous year ₹100.56) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI Fund, and has been included under employee benefit expense in the Statement of profit and loss.

b) Defined benefit plans

Gratuity is payable to all eligible employees of the Company on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act.

The obligation for compensated absences is recognized in the same manner as Gratuity.

(i) Changes in present value of obligation:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Present value of obligation as at the beginning of the year | 1,429.24 | 1,365.55 | 615.26 | 519.42 |
| Acquisition adjustment | - | - | - | - |
| Interest cost | 130.06 | 112.66 | 55.99 | 42.85 |
| Past service cost | - | - | - | - |
| Current service cost | 246.59 | 175.09 | 188.16 | 216.44 |
| Curtailment cost/(credit) | - | - | - | - |
| Settlement cost/(credit) | - | - | - | - |
| Benefits paid | (146.85) | (131.47) | 179.97 | (238.14) |
| Actuarial (gain)/loss on obligation | 243.72 | (92.59) | 151.14 | 74.68 |
| Present value of obligation as at the end of year | 1,902.76 | 1,429.24 | 830.57 | 615.26 |
| - Long term | 1,816.67* | 1,390.48* | 722.54 | 577.98 |
| - Short term | 86.09 | 38.76 | 108.03 | 37.28 |
| | 1,902.76 | 1,429.24 | 830.57 | 615.26 |

The company is maintaining its gratuity trust with L.I.C. by the name Minda Industries Limited Gratuity Trust. Accumulated contribution by the company as on 31 March 2015 is ₹325.44 (previous year ₹150.07). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹26.87 (previous year ₹18.88). Contribution by the company during the current year is ₹nil (previous year ₹nil)

(ii) Changes in the fair value of plan assets:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|--|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Fair value of plan assets at the beginning of the year | 298.57 | 279.69 | - | - |
| Acquisition adjustment | - | - | - | - |
| Expected return on plan assets | 26.87 | 18.88 | - | - |
| Employer contributions | - | - | - | - |
| Benefits paid | - | - | - | - |
| Actuarial gain/ (loss) on plan assets | - | - | - | - |
| Fair value of plan assets at the end of the year | 325.44 | 298.57 | - | - |

Notes Forming Part of the Financial Statements

NOTE 41 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"(Contd...)

(iii) Actuarial gain/ loss recognized is as follows:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Actuarial gain/(loss) for the year – obligation | (243.72) | 92.59 | (151.14) | (74.68) |
| Actuarial (gain)/loss for the year - plan assets | - | - | - | - |
| Total (gain)/loss for the year | 243.72 | (92.59) | 151.14 | 74.68 |
| Actuarial (gain)/ loss recognized in the year | 243.72 | (92.59) | 151.14 | 74.68 |
| Unrecognized actuarial (gain)/losses at the end of year | - | - | - | - |

(iv) The amounts recognized in the Balance Sheet are as follows:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Present value of obligation as at the end of the year | 1,902.76 | 1,429.24 | 830.58 | 615.26 |
| Fair value of plan assets as at the end of the year | 325.44 | 298.57 | - | - |
| Unfunded status | (1,577.32) | (1,130.67) | (830.58) | (615.26) |
| Excess of actual over estimated | - | - | - | - |
| Unrecognized actuarial (gains)/losses | - | - | - | - |
| Net asset/(liability)recognized in balance sheet | (1,577.32) | (1,130.67) | (830.58) | (615.26) |

(v) Expenses recognized in the Statement of Profit and Loss:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Current Service Cost | 246.59 | 175.09 | 188.16 | 216.44 |
| Past Service Cost | - | - | - | - |
| Interest cost | 130.06 | 112.66 | 55.99 | 42.85 |
| Expected return on plan assets | (26.87) | (18.88) | - | - |
| Curtailement cost / (Credit) | - | - | - | - |
| Settlement cost / (credit) | - | - | - | - |
| Net actuarial (gain)/ loss recognized in the year | 243.72 | (92.59) | 151.14 | 74.68 |
| Expenses recognized in the statement of profit and losses | 593.50* | 176.28 | 395.28 | 333.97 |

*Net of fair value of plan assets of ₹175.37 considered in Profit and Loss Account

Notes Forming Part of the Financial Statements

NOTE 41 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS" (Contd...)

(vi) Experience on actuarial Gain/(Loss) for PBO and Plan Assets

₹ in Lac

| Particulars | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2013 | 31-Mar-2012 | 31-Mar-2011 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| On Plan PBO | 56.19 | (75.13) | (42.16) | (112.39) | (40.53) |
| On Plan assets | 6.72 | (4.20) | - | (1.29) | - |

(vii) Enterprise best estimate of contribution during the next year is

₹ in Lac

| Particulars | Amount |
|----------------------|--------|
| Compensated absences | 253.58 |
| Gratuity | 476.88 |

(viii) Principal actuarial assumptions at the Balance Sheet date are as follows:

a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate taking account of inflation, seniority, promotion and other relevant factors on long term basis.

| Particulars | For the year ended 31-Mar-2015 | For the year ended 31-Mar-2014 |
|--|-----------------------------------|-----------------------------------|
| Discount rate per annum | 7.80% | 9.10% |
| Future Salary Increase | 8.00% | 8.00% |
| Expected rate of Return on Plan Assets | 9.00% | 6.75% |

b) Demographic assumptions:

| Particulars | Assumptions as at 31-Mar-2015 | Assumptions as at 31-Mar-2014 |
|---------------------------|----------------------------------|----------------------------------|
| i) Retirement Age (Years) | 58 | 58 |
| ii) Mortality Table | IALM (2006-08) | IALM (2006-08) |
| iii) Ages | Withdrawal Rate (%) | Withdrawal Rate (%) |
| Up to 30 years | 3.00 | 3.00 |
| From 31 to 44 years | 2.00 | 2.00 |
| Above 44 years | 1.00 | 1.00 |

c) Transfer of employees

During the current year certain employees of MindaEmer Technologies Limited (METL) were transferred to Minda Industries Limited (the Company). As per the terms of the agreement, the liability on account of gratuity and compensated absences for employee upto date of transfer will be borne by METL. The amount receivable from METL towards gratuity is ₹7.25 (previous year ₹7.25).

Notes Forming Part of the Financial Statements

₹ in Lac

| Particulars | For the Year ended 31-Mar-2015 | For the Year ended 31-Mar-2014 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| NOTE 42 ► CIF VALUE OF IMPORTS | | |
| Raw material | 6,391.27 | 5,751.23 |
| Stores and spares | 27.86 | 94.64 |
| Capital goods | 18.21 | 324.36 |
| Others | - | - |
| Total | 6,437.34 | 6,170.23 |

₹ in Lac

| Particulars | For the Year ended 31-Mar-2015 | For the Year ended 31-Mar-2014 |
|---|-----------------------------------|-----------------------------------|
| NOTE 43 ► EARNINGS IN FOREIGN CURRENCY | | |
| FOB value of exports | 9,536.64 | 10,483.19 |
| Royalty/design fee/management fee | 1,117.72 | 966.76 |
| Total | 10,654.37 | 11,499.95 |

₹ in Lac

| Particulars | For the Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|-----------------------------------|---------------------------|
| NOTE 44 ► EXPENDITURE IN FOREIGN CURRENCY | | |
| Travelling | 67.69 | 71.54 |
| Royalty | 95.25 | 115.11 |
| Technical know how | - | 12.10 |
| Others | 309.82 | 1,123.26 |
| Total | 472.76 | 1,322.01 |

NOTE 45 ► DETAILS FOR FINISHED GOODS

₹ in Lac

| Manufactured Goods | Sale value for the year ended 31-Mar-2015 | Sale value for the year ended 31-Mar-2014 | Closing inventory | Opening inventory |
|--------------------------------------|---|---|----------------------|----------------------|
| Finished Goods | | | | |
| Switches | 76,983.76 | 64,781.35 | 596.95 | 537.45 |
| Head Lamps, Tail Lamps and Spares | 29,764.20 | 24,139.19 | 31.30 | 211.96 |
| Horns | 16,500.71 | 14,540.18 | 254.48 | 210.23 |
| Batteries | 3,885.65 | 1,749.37 | - | 1.53 |
| LPG/CNG kits | 314.58 | 295.72 | 6.35 | 20.90 |
| Others | 1,610.79 | 119.61 | 0.11 | 15.08 |
| Traded Goods | | | | |
| LED/Street light | 4,318.49 | 2,385.48 | 148.62 | 144.54 |
| Total | 133,378.18 | 108,010.90 | 1,037.81 | 1,141.69 |

Notes Forming Part of the Financial Statements

NOTE 45 ► DETAILS FOR FINISHED GOODS (Contd...)

| Work in Progress | ₹ in Lac | |
|-----------------------------------|-----------------------------------|-----------------------------------|
| | For the Year ended 31-Mar-2015 | For the Year ended 31-Mar-2014 |
| Switches | 587.67 | 458.50 |
| Head lamps, Tail lamps and Spares | 176.77 | 160.45 |
| Horns | 104.35 | 87.67 |
| Batteries | 528.00 | 192.55 |
| LPG/CNG kits | 8.69 | 11.39 |
| Others | 2.83 | 3.56 |
| Total | 1,408.31 | 914.12 |

NOTE 46 ► DETAILS OF CONSUMPTION

(a) Details of Raw materials/Packing materials consumed during the year exceeding 10% individually

| Particulars | For the year ended 31-Mar-2015 | | For the year ended 31-Mar-2014 | |
|--------------|-----------------------------------|------------|-----------------------------------|------------|
| | Amount | % | Amount | % |
| Handle Bar | 8,006.71 | 8.99 | 10,779.28 | 14.58 |
| Plastics | 14,198.43 | 15.95 | 14,425.54 | 19.51 |
| Die Castings | 12,717.47 | 14.29 | 8,828.83 | 11.94 |
| Others | 54,103.65 | 60.77 | 39,916.79 | 53.97 |
| Total | 89,026.26 | 100 | 73,950.44 | 100 |

(b) Value of Imported and indigenous materials consumed

| Particulars | For the year ended 31-Mar-2015 | | For the year ended 31-Mar-2014 | |
|------------------------|-----------------------------------|------------|-----------------------------------|------------|
| | Amount | % | Amount | % |
| Raw material | | | | |
| Imported | 5,824.94 | 6.54 | 5,734.79 | 7.75 |
| Indigenous | 83,201.32 | 93.46 | 68,215.65 | 92.25 |
| Total | 89,026.26 | 100 | 73,950.44 | 100 |
| Stores and spare parts | | | | |
| Imported | 51.01 | 1.69 | 24.10 | 1.53 |
| Indigenous | 2,964.63 | 98.31 | 1,552.21 | 98.47 |
| Total | 3,015.64 | 100 | 1,576.31 | 100 |

(c) No item in purchase of stock in trade exceeds 10% of total purchases.

Notes Forming Part of the Financial Statements

NOTE 47 ► PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE

| Particulars | As at 31-Mar-2015 | | | As at 31-Mar-2014 | | |
|-----------------------------|---------------------------------|----------------------|----------------|---------------------------------|----------------------|----------------|
| | Foreign currency Amount in lacs | Exchange rate (in ₹) | Rupees in lacs | Foreign currency Amount in lacs | Exchange rate (in ₹) | Rupees in lacs |
| Trade Receivables | | | | | | |
| USD | 61.07 | 61.66 | 3,765.36 | 81.78 | 58.94 | 4,820.11 |
| EUR | 14.23 | 66.34 | 944.11 | 9.65 | 80.97 | 781.36 |
| JPY | 21.53 | 0.51 | 10.98 | 245.34 | 0.57 | 139.79 |
| GBP | 0.01 | 90.94 | 0.95 | 0.04 | 97.98 | 3.92 |
| CHF | 0.05 | 63.50 | 3.18 | - | - | - |
| Trade Payables | | | | | | |
| USD | 6.40 | 63.48 | 406.07 | 8.82 | 60.76 | 535.90 |
| JPY | 13.29 | 0.53 | 7.04 | 11.01 | 0.59 | 6.54 |
| EUR | 3.64 | 68.96 | 251.08 | 1.99 | 83.59 | 166.34 |
| GBP | - | - | - | 0.01 | 101.10 | 1.01 |
| TWD | 7.11 | 1.99 | 14.15 | 2.07 | 2.07 | 4.29 |
| KRW | - | - | - | 10.48 | 0.05 | 0.54 |
| IDR | 55.08 | .01 | 0.31 | 55.08 | 0.01 | 0.31 |
| Short Term Borrowing | | | | | | |
| EUR | - | - | - | 1.98 | 83.59 | 165.51 |

NOTE 48 ►

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the yearend has been made based on information received and available with the Company.

₹ in Lac

| Particulars | 31-Mar-2015 | 31-Mar-2014 |
|--|-------------|-------------|
| The amounts remaining unpaid to micro and small suppliers as at the end of the year | | |
| - Principal | 354.21 | 818.01 |
| - Interest | 1.12 | 9.94 |
| The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) | - | - |
| The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year | 2,156.75 | 7,341.35 |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006 | 16.34 | 80.64 |
| The amount of interest accrued and remaining unpaid at the end of the year | 17.46 | 90.58 |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006 | - | - |

Notes Forming Part of the Financial Statements

NOTE 49 ▶

The following disclosures have been made in accordance with the provisions of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets

| Particulars | ₹ in Lac | |
|-------------------------------------|----------------------|----------------------|
| | As at 31-Mar-2015 | As at 31-Mar-2014 |
| Balance as at beginning of the year | 299.86 | 316.31 |
| Add: Provision made during the year | 388.60 | 208.14 |
| Less: Utilized during the year | 271.48 | 224.59 |
| Balance as at the end of the year | 416.98 | 299.86 |

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

NOTE 50 ▶ LEASES

The Company has taken offices on cancellable operating leases. The lease rentals recognised in the Statement of Profit and Loss for the year 31 March 2015 is ₹1,061.08 (Previous Year ₹1,020.24)

NOTE 51 ▶ JOINT VENTURES

(a) The Company has the following investment in the jointly controlled entities:

| Name of Joint Venture | ₹ in Lac | |
|---------------------------------|-----------------------------|-------------------------------------|
| | Country of incorporation | Proportion of ownership interest |
| Minda Emer Technologies Limited | India | 49.10% |
| M J Casting Limited | India | 50.00% |

(b) In respect of jointly controlled entities, the Company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

| Particulars | ₹ in Lac | |
|---|----------------------|----------------------|
| | As at 31-Mar-2015 | As at 31-Mar-2014 |
| Non-current assets | 6,888.90 | 6,750.07 |
| Current assets | 2,064.78 | 2,274.83 |
| Non-current liabilities | 2,182.36 | 2,977.03 |
| Current liabilities | 3,633.31 | 3,544.62 |
| Revenue (including other income) | 10,197.90 | 6,930.46 |
| Expenses (including income tax expense) | 10,389.33 | 7,549.04 |
| Capital commitment | 15.54 | 14.70 |

Notes Forming Part of the Financial Statements

NOTE 52 ► DERIVATIVE INSTRUMENTS

The Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates.

| Nature of contracts | Currency Hedged | Outstanding as at 31-Mar-2015 | | Outstanding as at 31-Mar-2014 | |
|---|-----------------|-------------------------------|-------------------------|-------------------------------|-------------------------|
| | | Number of contracts | Foreign currency amount | Number of contracts | Foreign currency amount |
| Forward exchange contracts | USD | 5 | 175,000 | 5 | 125,000 |
| Forward exchange contracts | EURO | - | - | 2 | 50,000 |
| Currency options (to hedge the ECB loan) | USD | 1 | 26,87,000 | 1 | 39,37,500 |

The purpose of entering into a forward exchange contract is to hedge the foreign currency exposure on payment from debtors. During the current year, the Company has not entered into any derivative instrument for speculation purpose.

NOTE 53 ►

During the year ended 31 March 2012, one of the manufacturing facilities of the Light division at Pune had incurred loss of fixed assets and inventory on account of fire. During the year, the Company has received final claim of ₹27.52 as full and final settlement of the insurance claim. The same has been disclosed as an 'Exceptional item' in the Statement of Profit and Loss.

NOTE 54 ►

Capital Work in Progress includes borrowing cost capitalised during the year amounting to ₹ Nil (previous year ₹28.62)

NOTE 55 ►

The Company has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises 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.

NOTE 56 ►

Previous year figures have been reclassified/ regrouped, wherever required, to confirm to current year classification.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani

Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda

Chairman & Managing Director
DIN No. 00014942

Sudhir Jain

Corporate Business Head
and Group CFO

Place : Gurgaon
Date : 26 May 2015

Anand Kumar Minda

Director
DIN No. 00007964

H.C. Dhamija

VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Independent Auditors' Report

To the Members of Minda Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Minda Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), associates and jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements, Accounting Standard 23, Accounting for investments in Associates in Consolidated Financial Statements and Accounting Standard 27, Financial Reporting of Interest in Joint Ventures). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. These financial statements have been prepared on the basis of separate financial statements and other financial information regarding subsidiaries, jointly controlled entities and associates.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Companies Act, 2013 ("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.

We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration

of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and a jointly controlled entity as noted in the other matter paragraph below, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- 1) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group and its associates and jointly controlled entity as at 31 March 2015;
- 2) in the case of the Consolidated Profit and Loss Account, of the consolidated profits for the year ended on that date; and
- 3) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of 3 subsidiaries and 1 jointly controlled entity, whose financial statements reflect total assets of Rs. 24,106 lacs as at 31st March, 2015 (previous year Rs. 28,247 lacs) and total revenues of Rs. 90,942 lacs (previous year Rs. 67,600 lacs), as considered in the annual consolidated financial results. Of the above:

- (a) The financial statements of some of the subsidiaries, jointly controlled entities and associates incorporated in India have been audited by other auditors. These subsidiaries and jointly controlled entity account for Rs. 12,805 lacs (previous year Rs. 14,849 lacs) of total assets and Rs. 51,016 lacs (previous year Rs. 45,569 lacs) of total revenues and other income as shown in these annual consolidated financial results. The audit reports of the other auditors have been furnished to us by the management, and our opinion on the annual consolidated financial results, in so far as it relates to these entities, is based solely on the reports of the other auditors.
- (b) The financial statements and other financial information of the subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') have been audited by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for Rs. 11,301 lacs (previous year Rs. 13,398 lacs) of total assets and Rs. 39,926 lacs (previous year Rs. 22,031 lacs) of total revenues and other income as shown in these annual consolidated financial results. The audit reports of the other auditors on local GAAP financial statements and other information of the above entities have been furnished to us. For purposes of preparation of annual consolidated financial results, the aforesaid local GAAP financial statements have been restated by the management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the company and examined by us which covers accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The adjustments made in this behalf have been examined by the other auditors for compliance with the reporting package and reports on such compliance have been furnished to us. Our opinion on the consolidated financial statements, in so far as it relates to these entities, is based on the aforesaid audit reports of these other auditors.

The annual consolidated financial results also include the Holding Company's share of net profit of Rs. 238.51 lacs for the year ended 31st March, 2015 (previous year Rs. 81.90 lacs), as considered in the annual consolidated financial results in respect of 2 associates, whose financial statements have not been audited by us.

Our opinion on the consolidated financial statements is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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

Vikram Advani
 Partner
 Membership No.: 091765

Place: Gurgaon
 Date: 26 May 2015

Consolidated Balance Sheet

As at 31 March 2015

₹ in Lac

| Particulars | Note | As at 31-Mar-2015 | As at 31-Mar-2014 |
|-------------------------------------|------|----------------------|----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 1,936.54 | 1,936.54 |
| Reserves and surplus | 4 | 34,591.39 | 29,196.39 |
| Minority interest | 5 | 2,132.55 | 1,380.81 |
| Deferred revenue income | | - | 85.58 |
| Non-current liabilities | | | |
| Long-term borrowings | 6 | 9,720.11 | 13,764.36 |
| Other long-term liabilities | 7 | 302.61 | 194.83 |
| Long-term provisions | 8 | 2,636.31 | 2,367.35 |
| Current liabilities | | | |
| Short-term borrowings | 9 | 11,155.95 | 14,023.25 |
| Trade payables | 10 | 26,699.87 | 24,734.77 |
| Other current liabilities | 11 | 8,926.83 | 9,352.96 |
| Short-term provisions | 12 | 1,558.49 | 1,105.27 |
| | | 99,660.65 | 98,142.11 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 13 | 40,270.46 | 39,285.02 |
| Intangible assets | 13 | 853.96 | 769.09 |
| Capital work-in-progress | | 898.62 | 2,179.98 |
| Intangible assets under development | | 33.82 | 7.47 |
| Non-current investments | 14 | 2,633.04 | 2,442.18 |
| Deferred tax assets (net) | 15 | 23.68 | 161.66 |
| Long-term loans and advances | 16 | 1,856.29 | 2,056.13 |
| Other non-current assets | 17 | 1,187.45 | 855.32 |
| Current assets | | | |
| Current investments | 18 | 202.95 | 2,304.72 |
| Inventories | 19 | 14,059.37 | 12,466.71 |
| Trade receivables | 20 | 28,945.55 | 26,104.04 |
| Cash and bank balances | 21 | 2,802.33 | 2,775.85 |
| Short-term loans and advances | 22 | 5,425.07 | 5,985.65 |
| Other current assets | 23 | 468.06 | 748.29 |
| | | 99,660.65 | 98,142.11 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

Vikram Advani

Partner

Membership No. 091765

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda

Chairman & Managing Director

DIN No. 00014942

Sudhir Jain

Corporate Business Head
and Group CFO

Anand Kumar Minda

Director

DIN No. 00007964

H.C. Dhamija

VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Place : Gurgaon
Date : 26 May 2015

Consolidated Statement of Profit and Loss

For the year ended 31 March 2015
₹ in Lac

| Particulars | Note | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|--------------|---------------------------|---------------------------|
| REVENUE FROM OPERATIONS | | | |
| Sale of Product (Gross) | | 232,741.09 | 180,062.42 |
| Less: Excise duty | | 14,796.17 | 12,803.05 |
| Sale of Product (Net) | | 217,944.92 | 167,259.37 |
| Sale of Services | | 2,086.27 | 1,788.34 |
| Other Operating Income | | 2,630.39 | 1,564.79 |
| | 24 | 222,661.58 | 170,612.50 |
| Other income | 25 | 2,291.51 | 1,686.78 |
| Total revenue | | 224,953.09 | 172,299.28 |
| EXPENSES: | | | |
| Cost of materials consumed | 26 | 123,572.89 | 91,635.58 |
| Purchase of stock in trade | | 24,949.44 | 26,336.25 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 27 | (747.35) | (856.27) |
| Employee benefits | 28 | 28,785.00 | 22,484.71 |
| Finance costs | 29 | 2,500.90 | 2,417.79 |
| Depreciation and amortization | 30 | 8,349.41 | 5,907.75 |
| Other expenses | 31 | 30,667.26 | 23,230.61 |
| Total expenses | | 218,077.55 | 171,156.42 |
| Profit before exceptional items and tax, share in profit of associates (net) and minority interest | | 6,875.54 | 1,142.86 |
| Exceptional items | 32 and 35 | 1,595.67 | 149.64 |
| Profit for the year before tax | | 8,471.21 | 1,292.50 |
| Profit before tax from continuing operations | | 6,882.94 | 1354.26 |
| Income tax expense from continuing operations | | | |
| Current tax (including Minimum Alternate Tax) | | 1,961.74 | 779.93 |
| Minimum alternate tax utilised/ (created) | | (297.73) | - |
| Deferred tax | | 274.14 | (20.97) |
| Profit from continuing operations after tax | | 4,944.79 | 595.30 |
| Profit before tax from dis-continuing operations | | 1,588.27 | (61.76) |
| Income tax expense from dis-continuing operations | | - | - |
| Profit from dis-continuing operations after tax | | 1,588.27 | (61.76) |
| Profit for the year after tax, before share in profit of associates (net) and minority interest (A+B) | | 6,533.06 | 533.54 |
| Add: Minority Interest (share in loss) | | 25.26 | 102.23 |
| Add : Share of profit of associates | | 238.51 | 81.90 |
| Profit for the year after tax, share in profit of associates (net) and minority interest | | 6,796.83 | 717.67 |
| Earnings per equity share | 33 | | |
| Basic | | 42.76 | 4.45 |
| Diluted | | 42.76 | 4.45 |
| Significant accounting policies | 2 | | |

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

As per our report of even date attached

For and on behalf of the Board of Directors of
Minda Industries Limited

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Vikram Advani

Partner
Membership No. 091765

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Place : Gurgaon
Date : 26 May 2015

Consolidated Cash Flow Statement For the year ended 31 March 2015

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit before tax | 8,471.21 | 1,292.50 |
| Adjustments for: | | |
| Depreciation and amortisation (including additional depreciation charged to Reserves and Surplus Account) | 8,750.06 | 5,907.75 |
| Interest expense | 2,317.85 | 2,250.48 |
| Interest income | (200.74) | (241.93) |
| Foreign currency translation reserve | - | 201.91 |
| Dividend income | (80.67) | (40.61) |
| Share of profit from partnership firm | (592.23) | (550.21) |
| Liabilities / provisions no longer required written back | (327.46) | (279.88) |
| Unrealised foreign exchange loss | 25.93 | 210.76 |
| Fixed assets scrapped/ written off | 10.54 | 5.09 |
| Doubtful trade and other receivables provided for | 48.45 | 74.62 |
| Provision for inventory | - | 58.30 |
| Amounts written off | 22.21 | 45.84 |
| Profit on sale of fixed assets (net) | (481.33) | (198.60) |
| Impairment of fixed assets -Reversal | (1,576.33) | (149.64) |
| Provision for labor case | - | 280.01 |
| Warranty Rejection | 993.64 | 385.55 |
| | 8,909.91 | 7,959.44 |
| Operating profit before working capital changes | 17,381.12 | 9,251.94 |
| Adjustments for working capital changes: | | |
| (Increase) in inventories | (1,592.66) | (3,575.98) |
| (Increase) in trade receivables | (2,915.89) | (4,665.51) |
| (Increase)/decrease in short-term loans and advances | 538.37 | (1,379.80) |
| (Increase)/decrease in long-term loans and advances | (34.54) | 136.29 |
| (Increase)/decrease in other non-current assets | (322.43) | (181.26) |
| (Increase)/decrease in other current assets | 279.70 | (510.40) |
| Increase/(decrease) in trade payables | 2,292.56 | 3,376.14 |
| Increase/(decrease) in other current liabilities | 87.61 | 2,705.24 |
| Increase/(decrease) in short-term provisions | (642.90) | (510.24) |
| Increase/(decrease) in other long term liability | 107.78 | 70.31 |
| Increase/(decrease) in long-term provisions | 268.96 | 319.87 |
| | (1,933.44) | (4,215.34) |
| Cash generated from operations | 15,447.67 | 5,036.60 |
| Income tax paid | (1,687.09) | (869.07) |
| Wealth tax refund/(paid) | 3.28 | (3.89) |
| Net Cash flow from operating activities | 13,763.86 | 4,163.64 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Current investments | 2,101.77 | (2,304.72) |
| Non-current investments | (153.48) | (174.05) |
| Purchase of fixed assets | (7,797.22) | (12,210.13) |
| Proceeds from sale of fixed assets | 939.99 | 784.37 |
| Interest received/ (paid) | 201.28 | 284.47 |
| Share of profit from partnership firm | 554.85 | 550.21 |
| Dividend income | 80.67 | 40.61 |
| Increase in deposits | (242.00) | (648.26) |
| Net cash used in investing activities | (4,314.14) | (13,677.50) |

Consolidated Cash Flow Statement

For the year ended 31 March 2015

₹ in Lac

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from grant in Global | - | 85.58 |
| Proceeds from issue of preference shares | 527.00 | 250.00 |
| Proceeds from/ (repayment of) short term borrowings | (2,867.30) | 5,940.11 |
| Proceeds from long term borrowings | - | 7,374.69 |
| Repayment of long term borrowings | (3,875.85) | (2,734.66) |
| Interest paid | (2,392.23) | (2,328.91) |
| Dividend paid (including corporate dividend tax) | (1,047.16) | (569.13) |
| Net cash used in financing activities | (9,655.54) | 8,017.68 |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | (205.82) | (1,496.18) |
| Cash and cash equivalents as at opening | 2,356.56 | 3,852.74 |
| Cash and cash equivalents as at closing | 2,150.74 | 2,356.56 |
| Cash in hand | 33.28 | 46.33 |
| With banks: | | |
| Current accounts | 1,764.36 | 1,818.63 |
| Deposit accounts | 310.71 | 455.32 |
| Unpaid dividend account | 23.65 | 21.41 |
| Cash on imprest account | 18.74 | 14.87 |
| Cheques, drafts in hand | | |
| Cash and cash equivalents at the end of the year | 2,150.74 | 2,356.56 |

- 1 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', as specified under the section 133 of the Companies Act, 2013
- 2 Cash and cash equivalents consist of cash in hand and balances with scheduled banks. Refer note 21.
- 3 Balance with banks includes deposit amounting to ₹ 864.06 (previous year ₹346.85) which are under lien.
- 4 Balance with banks includes balance in Escrow account amounting to ₹344.89 (previous year ₹17.07).
- 5 Balance in unpaid dividend account is ₹23.65 (previous year ₹21.41)
- 6 The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani

Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda

Chairman & Managing Director
DIN No. 00014942

Sudhir Jain

Corporate Business Head
and Group CFO

Place : Gurgaon
Date : 26 May 2015

Anand Kumar Minda

Director
DIN No. 00007964

H.C. Dhamija

VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 1 ► PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with AS-21 on "Consolidated Financial Statements", AS-23 "Accounting for investments in Associates in Consolidated Financial Statements", AS-27 "Financial reporting of interest in Joint Ventures in Consolidated Financial Statements" as prescribed under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

As per the Accounting Standard Interpretation (ASI-15) on "Notes to the Consolidated Financial Statements", only the notes involving items which are material, need to be disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries or of the parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

The consolidated financial statements include the financial statements of Minda Industries Limited, ("the company" or "the parent company"), its subsidiaries, joint ventures and associates (collectively known as "the Group").

| Name of subsidiaries / joint venture/ associates | Country of incorporation | % of interest | |
|--|--------------------------|-------------------|-------------------|
| | | As at 31-Mar-2015 | As at 31-Mar-2014 |
| Subsidiaries | | | |
| Minda Auto Components Limited | India | 100.00 | 100.00 |
| Minda Kyoraku Limited | India | 71.66 | 71.66 |
| Minda Distribution and Services Limited | India | 100.00 | 100.00 |
| Global Mazinkert,S.L. | Spain | 100.00 | 100.00 |
| Downstream subsidiaries | | | |
| Clarton Horn, Spain | Spain | 100.00 | 100.00 |
| Clarton Horn, Asia | Switzerland | 100.00 | 100.00 |
| Clarton Horn, Morocco | Morocco | 100.00 | 100.00 |
| Clarton Horn, Signalkoustik | Germany | 100.00 | 100.00 |
| Clarton Horn, Mexico | Mexico | 100.00 | 100.00 |
| Joint ventures | | | |
| MJ Casting Limited | India | 50.00 | 50.00 |
| Minda Emer Technologies Limited | India | 49.10 | 48.90 |
| Associates | | | |
| Mindarika Private Limited | India | 27.08 | 27.08 |
| Minda NexGenTech Limited | India | 26.00 | 26.00 |
| Yogendra Engineering (partnership firm) | India | 48.90 | 48.90 |
| Auto Components (partnership firm) | India | 48.90 | 48.90 |

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the parent company and its subsidiary companies are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealized profits in full in accordance with Accounting Standard (AS-21)-"Consolidated Financial Statements". The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 1 ► PRINCIPLES OF CONSOLIDATION (Contd...)

- (b) The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognized in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.
- (c) Entities acquired/ sold during the year have been consolidated from/ up to the respective date of their acquisition/ disposal.
- (d) Minority interest's share of net profit / (loss) of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.
- (e) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Group's shareholders.
- (f) Interest in joint ventures has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
- (g) An investment in an associate has been accounted for by the equity method of consolidation from the date on which it falls within the definition of associates in accordance with AS-23 "Accounting for investments in Associates in Consolidated Financial Statements".
- (h) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be.
- (i) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the parent company's standalone financial statements.
- (j) The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian rupees as follows:-
- i. Share capital and opening reserves and surplus are carried at historical cost.
 - ii. All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.
 - iii. Profit and loss items are translated at the respective weighted average rates or the exchange rate that approximates the actual exchange rate on date of specific transactions.
 - iv. Contingent liabilities are translated at the closing rate.
 - v. The resulting net exchange difference is credited or debited to the foreign currency translation reserve.
- (k) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company's i.e. year ended 31 March 2015. However, the financial statements of Global Mazinkert S.L. (Subsidiary) and Minda Emer Technologies Limited (Joint Venture) are made for fifteen months ended 31 March, 2015. Hence, to that extent previous year numbers for these entities are not comparable.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

A. Basis of preparation of financial statements

These consolidated financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

B. Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the consolidated financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

C. 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:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) 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:

- (a) it is expected to be settled in the group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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.

D. Fixed assets and depreciation

a) Tangible fixed assets

Tangible fixed assets except revalued assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. 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

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets acquired wholly or partly with specific grant/subsidy from government, if any, are recorded at the net acquisition cost to the Group.

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Exchange differences (favourable as well as unfavourable) arising in respect of translation/settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on plant & machinery and tools & dies is provided as per WDV basis and on other tangible fixed assets as per SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of opening block and 6 years in case of additions during the year.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Group will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Group are applied.

Assets costing up to ₹5,000 are fully depreciated in the year of purchase.

Depreciation for the year is recognized in the Statement of Profit and Loss.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Assets retired from active use and held for disposal, if any, are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

b) Intangible fixed assets and amortization

(i) Goodwill

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset.

Goodwill arising from amalgamation is measured at cost less accumulated amortization and any accumulated

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

impairment loss. Such goodwill is amortized over its estimated useful life or five years whichever is shorter. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

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

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Group follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

Technical knowhow: Amortized over the period of agreement.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

c) Capital work-in-progress

Fixed assets under construction and cost of assets not put to use before the year-end are disclosed as capital work-in-progress.

d) The differences in depreciation and amortization policies followed by the Group entities are mentioned below-

| Name of subsidiaries / joint venture / associates | Difference in accounting policies |
|---|--|
| Joint ventures | |
| (a) Minda Emer Technologies Limited | <ul style="list-style-type: none"> - Tools and dies : on written down value method on all tools (over the useful life of 8 years). - Furniture & fixtures : on written down value method (over the useful life of 10 years). - Office equipments : on written down value method (over the useful life of 5 years) - Computer hardware : on written down value method (over the useful life of 3 years) - Vehicles : on written down value method (over the useful life of 8 years) - Technical knowhow: Straight Line Basis method (over the useful life of 4 years) - Computer software : Straight Line Basis method (over the useful life of 6 years) |

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

| Name of subsidiaries / joint venture / associates | Difference in accounting policies |
|--|---|
| (b) M J Casting Limited | <ul style="list-style-type: none"> - Plant and machinery on straight line method at the rates prescribed as under: <ul style="list-style-type: none"> Electrical Installations: 10 years Bins/crates/trolleys etc.: 3 years Tools and dies: Period over which expected to be available for use Others: 15 years - The intangible assets is amortized over a period of 4 years |
| Associates | |
| (a) Mindarika Pvt. Limited | <ul style="list-style-type: none"> - Furniture and Fixtures, computer hardware and office equipment are depreciated on WDV method as per Schedule II to Companies Act, 2013. - Tools and dies on WDV method over a period of five years. - Computer software is amortized over the estimated useful life of 3 years. - Expenses incurred on technical know-how are amortized over a period of six years from the date of commencement of commercial production of the products. |
| (b) Minda NexGenTech Limited | <ul style="list-style-type: none"> - Plant and machinery on straight line basis over the period of life as prescribed in Schedule II of the Companies Act, 2013. - The intangible assets is amortized over a period of 4 years |
| Subsidiaries | |
| (a) Minda Kyoraku Limited | <ul style="list-style-type: none"> - Technical knowhow is amortized over the period of 5/6 years. |
| (b) Minda Distribution & Services Limited | <ul style="list-style-type: none"> - All assets are depreciated on straight line basis over the period of life prescribed in Companies Act, 2013 except as under: <ul style="list-style-type: none"> Electrical fitting: 10 years Plant and equipment: 7 years - The intangible assets are amortized over a period of 4 years. - All assets costing ₹5,000 or below are depreciated fully by way of one time depreciation after retaining 5% residual value. |
| (c) Minda Auto Components Limited | <ul style="list-style-type: none"> - Tools and dies on straight line method over the useful life of 5 years. |
| (d) Global Mazinkert, S.L. (and its subsidiaries) | <ul style="list-style-type: none"> - Tangible assets are depreciated on straight line basis, distributing the cost of assets on the basis of their useful lives in years as mentioned below:- <ul style="list-style-type: none"> Machinery: 8 years 4 months Tooling: 2 years Other installations: 10 years Furniture: 10 years Computer equipments: 3 years Other property, plant, and equipment: 10 years Computer software: 3 years |

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

E. Impairment of assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Consolidated 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 amortisation, if no impairment loss had been recognized.

F. Leases

(a) Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

(b) Finance lease

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Consolidated Statement of Profit and Loss.

G. 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 realized 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 scheme of revised schedule III.

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.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Consolidated Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the balance sheet date. The parent company's share of profit or loss in a partnership firm is recognized in the Consolidated Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/current/any other account of the parent company in the books of the partnership firm.

H. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares; and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

In determining the cost, moving average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventory based on management's current best estimate.

I. Revenue recognition

- a) Revenue from sale of goods in the course of ordinary activities is recognized when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT) and is net of returns and trade discounts and quantity discount.

Below mentioned are the differences in revenue recognition of the group companies with the Parent

| Name of the company | Difference in accounting policy |
|-------------------------------|--|
| Minda Auto components limited | Revenue from sale of goods to overseas customers is recognized on the goods being shipped on board |
| Mindarika Private limited | Revenue from sale of goods to overseas customers is recognized on the goods being shipped on board |

- b) Management fees, Designing and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.
- c) Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.
- d) Dividend income is recognized when the right to receive dividend is established.
- e) Royalty income is recognized based on the terms of the underlying agreement.
- f) Claims lodged with Insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.
- g) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.
- h) Share of profit from partnership firms is recognized on accrual basis.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

J. Government grants

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Grants from State Government towards revenue expenditure are recognized as income either till the period the benefit expires or the financial cap is reached, whichever occurs earlier.

| Name of the subsidiary | Difference in accounting policy |
|---|--|
| Global Mazinkert, S.L. (and its subsidiaries) | Government grants for acquiring fixed assets are considered as Deferred income which is recognized in the Consolidated statement of Profit and Loss on a systematic and rational basis over the life of the asset. |

K. Research and development

- Revenue expenditure on research and development is charged off under the respective heads of account in the year in which it is incurred.
- Capitalized development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Group's policy as stated above.

L. Foreign currency transactions

- Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. The resultant exchange differences are recognized in the Consolidated Statement of Profit and Loss except exchange differences pertaining to long term foreign currency monetary items that are related to acquisition of depreciable assets are adjusted in the carrying amount of the related fixed assets
- In the cases of exchange difference on reporting long term monetary items, the Group has opted to avail the option provided under paragraph 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" inserted vide notification dated 29 December 2011. Consequently, the exchange differences arising on reporting of long term foreign currency monetary items on account of a depreciable asset is adjusted in the cost of depreciable asset and would be depreciated over the balance life of the asset.

In cases other than the depreciable assets exchange differences is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of such long term asset or liability.

- The Group uses forward contracts to hedge its foreign currency risk relating to an existing asset/ liability, which are covered under AS 11 – Accounting for the effects of changes in foreign exchange rates'.

Exchange difference on a forward exchange contract is the difference between:

- the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period; and
- the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date;

and is recognized in the Consolidated Statement of Profit and Loss.

The forward exchange contracts taken to hedge existing assets/ liabilities are translated at the closing exchange rates and the resultant exchange differences are recognized in the same manner as those on the underlying foreign currency asset or liability. Any profit or loss arising on cancellation/ renewal of such contracts is recognized in the Consolidated Statement of Profit and Loss for the year.

The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the contract.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

- d) Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investments.
- e) Foreign currency loans covered by forward exchange contracts are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.
- f) **Derivative Instruments**
The Group has entered into cross currency cum interest swap to hedge foreign currency risk and interest risk. In respect of forward contracts, which are covered under Accounting Standard (AS) 11, 'Effects of Changes in Foreign Exchange Rates', the difference between the spot rate and forward rate on the date the forward exchange contract is entered into, is amortised over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Consolidated Statement of Profit and Loss. In respect of derivative contract, which are not covered by AS 11, pursuant to the announcement on "Accounting for Derivatives" made by the Institute of Chartered Accountants of India ('ICAI') on 29 March 2008, such contracts are marked to market and provision for loss, if any, is recognized in the Consolidated Statement of Profit and Loss and resultant gains, if any, on account of mark to market are ignored. The Group does not enter into derivative transactions for trading or speculative purposes.
- g) **Commodity hedging**
In case of hedging contracts for metals used as raw materials entered into with commodity exchanges, the changes in the fair value of these contracts are recorded through the statement of profit and loss.
- h) Increase or decrease in non-current liabilities on account of exchange rate fluctuations has been adjusted in the cost of tangible fixed assets.

M. Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

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

Below mentioned are the differences in warranty provision of Group with Parent -:

| Name of the Subsidiary | Difference in accounting policy |
|-------------------------------|---|
| Minda Auto Components Limited | Recognized on lodgment of claim by customers. |

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

N. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

O. Employee benefits

(a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

b) Post employment benefits

Defined contribution plans

Provident Fund and ESI: Eligible employees of Indian entities receive benefits from the provident fund and ESI, which is a defined contribution plan. Both the employees and the Indian entity make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The entities have no further obligation under the plan beyond its monthly contributions.

Eligible employees of certain overseas entities receive benefits from the social security contribution plans, which is a defined contribution plan. These entities have no further obligation under the plan beyond its monthly contribution.

Defined benefit plan

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. The calculation of the Group's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Group recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Consolidated Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Consolidated Statement of Profit and Loss. The Group recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The parent company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC"). Actuarial gains and losses are recognized immediately in the Consolidated Statement of Profit and Loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Consolidated Statement of Profit and Loss.

| Name of the Subsidiary | Difference in accounting policy |
|-------------------------------|--|
| Minda Auto Components Limited | The company has made provision for retirement benefits during the year on an estimate basis. |

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ► SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

| Name of the Subsidiary | Difference in accounting policy |
|---|--|
| Global Mazinkert, S.L. (and its subsidiaries) | Clarton Horn, S.A. (Sole Shareholder Company) has different commitments for pensions and other long term remuneration for some of its employees. As a general rule these commitments are externalized with various non-related insurance entities. |

P. Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in consolidated statement of profit or loss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws 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, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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 (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

Q. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers 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 to be converted as of the beginning of the period, unless they have been issued at a later date.

R. Cash and cash equivalent

Cash and cash equivalent include cash in hand, cash balance at bank, demand deposits with banks with original maturities of three months or less and highly liquid investments.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at | | As at | |
|---|-------------------|------------------|-------------------|------------------|
| | 31-Mar-2015 | | 31-Mar-2014 | |
| NOTE 3 ▶ SHARE CAPITAL | | | | |
| (a) Authorised | Number | Amount | Number | Amount |
| Equity shares of ₹10 each with voting rights | 63,500,000 | 6,350.00 | 63,500,000 | 6350.00 |
| Preference share capital | | | | |
| 9% Cumulative redeemable preference shares of ₹10 each (Class 'A') | 3,000,000 | 300.00 | 3,000,000 | 300.00 |
| 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B') | 183,500 | 4,013.14 | 183,500 | 4013.14 |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | 3,500,000 | 350.00 | 3,500,000 | 350.00 |
| 1% Non-cumulative fully convertible preference shares of ₹10 each (Class 'D') | 10,000,000 | 1,000.00 | 10,000,000 | 1000.00 |
| | 80,183,500 | 12,013.14 | 80,183,500 | 12,013.14 |
| (b) Issued, subscribed and fully paid up | Number | Amount | Number | Amount |
| Equity share capital | | | | |
| Equity shares of ₹10 each with voting rights | 15,865,356 | 1,586.54 | 15,865,356 | 1,586.54 |
| Preference share capital | | | | |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | 3,500,000 | 350.00 | 3,500,000 | 350.00 |
| | 19,365,356 | 1,936.54 | 19,365,356 | 1,936.54 |
| (c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: | Number | Amount | Number | Amount |
| Equity shares of ₹10 each with voting rights | | | | |
| Opening balance | 15,865,356 | 1,586.54 | 15,865,356 | 1,586.54 |
| Movement during the year | - | - | - | - |
| Closing balance | 15,865,356 | 1,586.54 | 15,865,356 | 1,586.54 |
| 3% Cumulative Redeemable Preference Shares of ₹10 each (Class 'C') | | | | |
| Opening balance | 3,500,000 | 350.00 | 3,500,000 | 350.00 |
| Movement during the year | - | - | - | - |
| Closing balance | 3,500,000 | 350.00 | 3,500,000 | 350.00 |

(d) (i) Rights, preferences and restrictions attached to equity shares

The parent company has only one class of equity shares having par value of ₹10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the parent company after distribution of all preferential assets, in proportion to their shareholding.

(ii) Rights, preferences and restrictions attached to preference shares

The parent company has issued 3% cumulative redeemable preference shares of class 'C' having par value of ₹10 per share. Each Shareholders have right to receive fixed preferential dividend at a rate of 3% on the paid up capital of the Company. Preference shareholders also have right to receive all notices of general meetings of the Company but no right to vote at any meetings of the parent company save to the extent and in the manner provided in the Companies Act, 2013.

Preference shareholders neither have right to participate in any offer or invitation by way of right or otherwise to subscribe additional shares nor they have right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves.

3,500,000 3% Cumulative Redeemable Preference Shares of ₹10 each have been allotted on 17 February 2010, redeemable at par, after seven years from the date of allotment. However, same can be redeemed earlier in view of availability of profitability / surplus fund.

Notes Forming Part of the Consolidated Financial Statements

NOTE 3 ► SHARE CAPITAL (Contd...)

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

| Class of shares / Name of shareholder | As at 31-Mar-2015 | | As at 31-Mar-2014 | |
|---|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Mr. Nirmal K. Minda | 2,401,869 | 15.14% | 2,401,869 | 15.14% |
| Nirmal K. Minda (HUF) | 1,502,142 | 9.47% | 1,502,142 | 9.47% |
| Mrs. Suman Minda | 2,476,140 | 15.61% | 2,476,140 | 15.61% |
| Minda Investments Limited | 4,180,930 | 26.43% | 4,180,930 | 26.43% |
| India Business Excellence Fund -I | 1,346,228 | 8.49% | 1,376,250 | 8.67% |
| 3% Cumulative redeemable preference shares of ₹10 each (Class 'C') | | | | |
| Mr. Nirmal K. Minda | 1,500,000 | 42.86% | 1,500,000 | 42.86% |
| Mrs. Suman Minda | 2,000,000 | 57.14% | 2,000,000 | 57.14% |

(f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the Balance Sheet date:

Equity shares with voting right includes

- 2,405,128 equity shares of ₹10 each fully paid up issued during the year 2010-11 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.
- 1,120,164 Equity Shares of ₹10 each fully paid up issued during the year 2011-12 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.
- 1,835,000 equity shares of ₹10 each fully paid up issued during the year 2011-12 on conversion of 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B')

(g) The parent company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|-------------------|-------------------|
| NOTE 4 ► RESERVES AND SURPLUS | | |
| Capital reserve | | |
| Opening balance | 339.28 | 324.90 |
| Add: Capital Reserve on investment in Global Mazinkert S.L. | - | 14.38 |
| Closing balance | 339.28 | 339.28 |
| Capital redemption reserve | | |
| At the commencement and at the end of the year | 300.00 | 300.00 |
| Securities premium account | | |
| At the commencement and at the end of the year | 4,472.78 | 4,472.78 |
| General reserve | | |
| Opening balance | 5,803.31 | 5,503.31 |
| Add: Transferred from surplus in Statement of Profit and Loss | 300.00 | 300.00 |
| Closing balance | 6,103.31 | 5,803.31 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 4 ► RESERVES AND SURPLUS (Contd...) | | |
| Foreign currency translation reserve | | |
| Opening balance | 201.91 | - |
| Additions during the year | 60.69 | 201.91 |
| Closing balance | 262.60 | 201.91 |
| Surplus in Statement of Profit and Loss | | |
| Opening balance brought forward | 18,079.11 | 18,344.55 |
| "Less: Additional depreciation net of deferred tax due to revision in depreciation rates. Refer note 12" | 264.46 | - |
| Adjustment on account of change in shareholding | 0.30 | - |
| Less: Adjustment for reclassification and rectification of previous year reserves | 40.89 | - |
| Less: Adjustment for preacquisition tax liability of subsidiary | - | 113.98 |
| Add: Net Profit for the year | 6,796.83 | 717.67 |
| Less: | | |
| Interim dividend ₹2.5per share (previous year nil) | 396.63 | - |
| Final proposed dividend ₹3.50 per share (previous year ₹3 per share) | 555.29 | 475.97 |
| Dividend paid on 3% Cumulative redeemable preference shares | 10.50 | - |
| Proposed dividend on 3% Cumulative redeemable preference shares | - | 10.50 |
| Tax on equity dividend and preference dividend | 194.44 | 82.66 |
| Transfer to general reserve | 300.00 | 300.00 |
| Closing balance | 23,113.42 | 18,079.11 |
| Total reserves and surplus | 34,591.39 | 29,196.39 |

| | | |
|-----------------------------------|-----------------|-----------------|
| NOTE 5 ► MINORITY INTEREST | | |
| Opening balance | 1,380.81 | 1,233.04 |
| Additions during the year* | 777.00 | 250.00 |
| Share in loss for the year | (25.26) | (102.23) |
| | 2,132.55 | 1,380.81 |

* Minority interest includes ₹ 1,027 (previous year ₹ 250) on account of issue of non- cumulative redeemable preference shares amounting to ₹ 2,204 of which Minda Industries Limited was allotted shares amounting to ₹ 75 and the balance being held by parties other than the J.V. partner.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 6 ► LONG-TERM BORROWINGS* | | |
| Term loans | | |
| Secured | | |
| from banks | 8,345.35 | 11,654.85 |
| from other parties | 19.85 | 27.72 |
| | 8,365.20 | 11,682.57 |
| Unsecured | | |
| from other parties | 690.71 | 868.26 |
| | 9,055.91 | 12,550.83 |
| Deferred payment liabilities | | |
| For acquisition of fixed assets (Secured) | - | 262.97 |
| Deferred sales tax liability (Unsecured) | 664.20 | 950.56 |
| | 664.20 | 1,213.53 |
| | 9,720.11 | 13,764.36 |

| Nature of security (including current portion of term loan): | Terms of repayment and rate of interest |
|--|---|
| - from Axis Bank amounting to ₹Nil (previous year ₹208.33) is secured by first pari passu charge over fixed assets, including plant and machinery, furniture and fixtures, both present and future installed at factory premises and goods purchased under Letter of Credit. | "Total loan sanctioned amounting to ₹2,500 (previous year ₹2,500), repayable in 24 quarterly instalments of ₹104.17 each. Rate of interest- 12.50% |
| - from Axis Bank amounting to ₹75 (previous year ₹375) is secured by first pari passu charge over fixed assets and second pari passu charge over current assets and equitable mortgage of Company's immovable property at Gurgaon, Pune Sonapat and Pantnagar. | "Total loan sanctioned amounting to ₹1,200 (previous year ₹1,200), repayable in 16 quarterly instalments of ₹75 each. Rate of interest- 12.50% |
| - from HDFC Bank amounting to ₹600 (previous year ₹600) and is secured by Exclusive charge on current assets of the company arising out of the Chennai Plant. Exclusive charge on movable and immovable fixed assets of the company arising out of the Chennai Plant. Exclusive charge on land and building (Chennai) standing in the name of the Company. | "Total loan sanctioned amounting to ₹600 (previous year ₹600). Disbursed amount of ₹nil (previous year ₹600) repayable in 15 equal quarterly instalments of ₹40 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate + 1.70%" |

| Nature of security: | Terms of repayment and rate of interest |
|---|--|
| - from HDFC Bank amounting to ₹1000 (previous year ₹500) and is secured by First Pari passu charge on all movable fixed assets of the company. First pari passu charge on all immovable fixed assets of the Company as below; | "Total loan sanctioned amounting to ₹1,500 (previous year ₹1,500). Disbursed amount of ₹500 (previous year ₹500) repayable in 15 equal quarterly instalments of ₹100 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate + 1.7% |
| i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. | |
| ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. | |
| iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal | |
| iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. | |
| v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon. | |
| Second Pari passu charge on all present and future current assets of the company | |

Notes Forming Part of the Consolidated Financial Statements

| Nature of security: | Terms of repayment and rate of interest |
|---|---|
| - from Axis Bank amounting to ₹2,360.54 (previous year ₹3,000.54), is primary secured by equitable mortgage over land and building situated at 323, phase-ii/iv, sector 3 Industrial Growth centre Bawal, Distt. Rewari, (Haryana) and a collateral charge on the entire current assets of the joint venture company- M J Casting Limited, both present and future. Out of which 50% amounting to ₹1,180.27 (previous year ₹1,500.27) is proportionately consolidated. | Total Loan sanctioned amounting to ₹3,554 (previous year ₹3,554). Disbursed amount of ₹3,540.54 (previous year ₹3,540.54) repayable in - 4 installments during 2013-14 of ₹135 each - 4 installments during 2014-15 of ₹160 each - 4 installments during 2015-16 of ₹185 each - 4 installments during 2016-17 of ₹190 each - 4 installments during 2017-18 of ₹215 each Rate of interest- Base rate +2.50% |
| - from Axis Bank amounting to ₹3,290 (previous year ₹4,200.00), is primary secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of the joint venture company M.J.Casting Limited. The loan is further secured by a letter of comfort by the parent company and M/S Neel Metal Product Limited duly backed by the board resolution and undated cheques for the term loan of ₹42,00. Out of which 50% amounting to ₹1,645 (previous year ₹2,100.00) is proportionately consolidated. | Total Loan sanctioned amounting to ₹4,200 (previous year ₹4,200). Disbursed amount of ₹4,200 (previous year ₹3304.30) repayable in - 3 installments during 2014-15 of ₹233.33 each - 4 installments during 2015-16 of ₹210 each - 4 installments during 2016-17 of ₹210 each - 4 installments during 2017-18 of ₹210 each - 4 installments during 2018-19 of ₹210 each - 4 installments during 2019-20 of ₹140 each Rate of interest- Base rate +2.50% |
| - from HDFC Bank amounting to ₹150 (previous year ₹225) and is secured by first pari passu charge on all the present and future immovable assets and movable plant and machinery consisting of furniture and fixtures, electrical fittings, vehicles, etc. Second pari passu charge on all the book debts and stock in trade both present and future. | Total loan sanctioned amounting to ₹2,000 (previous year ₹2,000). Disbursed amount of ₹375 (previous year ₹375) repayable in 20 quarterly instalments of ₹18.75 each. Rate of interest- HDFC Base rate + 1.50% |
| - from Kotak Bank Ltd. amounting to ₹212.34 (previous year ₹Nil), is secured by first and exclusive equitable mortgage charge on immovable properties being land and building situated at village Naharpur Kasan, Tehsil & Distt. Gurgaon, haryana belonging to Minda Investment Ltd.. Also first and exclusive charge by way of hypothecation on the entire current assets and movable fixed assets of Minda Emer Technologies Ltd, both present and future for securing overall credit facilities of ₹650. Out of which 49.10% amounting to ₹104.26 (previous year ₹Nil) is proportionately consolidated. | Total loan sanctioned amounting to ₹450 (previous year ₹Nil). repayable in 48 equal monthly instalments starting from 13th month following the month of first disbursement of term loan. |
| - External Commercial Borrowings from Standard Chartered Bank amounting to ₹1,767.17 (previous year ₹2,392.43), is secured by first pari passu charge over all present and future movable fixed assets of the Company. Second pari passu charge over all present and future book debts, outstanding moneys receivables, claims and bills due and all present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise etc. | Total loan sanctioned amounting to USD 50 lac (previous year USD 50 lac), repayable in 16 quarterly instalments of USD 3.13 lac Rate of interest- LIBOR + 3% |
| -from Citi Bank amounting to ₹2,256.33 (previous year ₹4,412.08) (Euro 5.19million) secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L. | Total loan sanctioned amounting to ₹4,412.08 (previous year ₹Nil) (Euro 5.19million) (previous year Euro Nil) repayable in 17 equal quarterly instalments. Rate of Interest 2.89% |
| Subsidised loan amounting to ₹373.43 (previous year ₹469.42) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured) | Total loan sanctioned amounting to ₹469.42 (previous year ₹Nil) (Euro 5.52lac) (previous year Euro Nil) repayable in 7 equal annual instalments of Euro 78,857 from year 2016-17. Rate of Interest 3.95% |
| Subsidised loan amounting to ₹317.28 (previous year ₹398.84) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured) | Total loan sanctioned amounting to ₹398.84 (previous year ₹Nil) (Euro 4.69 lac) (previous year Euro Nil) repayable in 10 equal annual instalments of Euro 46,900 from year 2017-18. Rate of Interest 0% |

Notes Forming Part of the Consolidated Financial Statements

| Nature of security: | Terms of repayment and rate of interest |
|---|---|
| Term loan from Yes Bank amounting to ₹1,352.04 (previous year ₹ 1,333.41 (inclusive of buyer's credit amounting to USD 4.22) (previous year USD 1.94) are secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company. | "The principal amount of ₹ 975.74 is repayable in quarterly instalments of ₹ 54.21 each. Loan maturity date is 16 November 2018 & ₹ 447 is repayable in quarterly instalments of ₹ 22.35 each. Loan repayment date 2 September 2019 (including buyer's credit amounting to USD 421,955 (previous year USD 194,200)) Rate of Interest on term loan ranges from 12% - 12.50% Rate of Interest on buyers credit 1.75% - 2.74%" |
| - Vehicle loans from banks amounting to ₹20.96 (previous year ₹76.38) are secured against hypothecation of respective vehicles financed by them. | |
| - Vehicle loans from Kotak Mahindra primary Limited amounting to ₹39.42 (previous year ₹ 44.17) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited | |
| - Vehicle loans from Kotak Mahindra primary Limited amounting to ₹39.42 (previous year ₹ 44.17) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited | |
| - from HSIIDC amounting to ₹261.42 (previous year ₹525.94) and is secured by charge on land at Bawal (Disclosed under deferred payment liabilities -Secured) | "Total loan sanctioned amounting to ₹1,051.88 (previous year ₹1,051.88). Disbursed amount of ₹1,051.88 (previous year ₹1,051.88) repayable in 8 half yearly instalments of ₹131.48 each. Rate of interest- 11% p.a." |
| - Sales tax incentive amounting to ₹949.65 (previous year ₹1,236.01) from the State Government of Maharashtra, received in 2003-04 (Disclosed under deferred payment liabilities -Unsecured) | Total loan sanctioned amounting to ₹1,427.25 (previous year ₹1,427.25), repayable in 8 annual instalments from 2013-14 Rate of interest- Interest free |

* For current portion of long term borrowings refer note no.12 'other current liabilities'

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 7 ► OTHER LONG-TERM LIABILITIES | | |
| Others | | |
| Deferred revenue income | 47.20 | - |
| Trade / security deposits received | - | 185.33 |
| Others | 255.41 | 9.50 |
| | 302.61 | 194.83 |
| NOTE 8 ► LONG-TERM PROVISIONS | | |
| Provision for employee benefits | | |
| Gratuity | 1,669.41 | 1,370.40 |
| Compensated absences | 837.27 | 664.83 |
| Provision for labour case | 13.19 | 280.01 |
| | 2,519.87 | 2,315.24 |
| Others | | |
| Provision for warranty | 116.44 | 52.11 |
| | 2,636.31 | 2,367.35 |
| NOTE 9 ► SHORT-TERM BORROWINGS | | |
| Secured | | |
| from banks* | 8,669.56 | 11,452.97 |
| Unsecured | | |
| from related parties | 150.00 | 119.23 |
| from others | 2,336.39 | 2,451.05 |
| | 11,155.95 | 14,023.25 |

Notes Forming Part of the Consolidated Financial Statements

* Nature of security:

₹ in Lac

| S. No. | Bank Name (facility) Details of security | Term of repayment | Outstanding as on 31-Mar-2015 | Outstanding as on 31-Mar-2014 |
|--------|--|--|----------------------------------|----------------------------------|
| 1 | HDFC (Cash Credit) * First Pari Passu charge on all present and future current assets of the Company along with member banks * Second pari passu charge on all present and future movable and immovable assets of the Company along with member banks | | 2,038.90 | 2,557.34 |
| 2 | Axis Bank (Cash Credit) * Primary: First Pari Passu charge by way of hypothecation of entire current assets of the company, both present and future. * Collateral: Second pari passu charge on entire fixed assets of the company, both present and future including pari passu equitable mortgage over company's immovable property at Gurgaon, Pune, Sonapat and Pantnagar. | | 672.89 | 277.89 |
| 3 | Citi Bank (Cash Credit) * First Pari Passu charge on present and future stocks and book debts of the Borrower. * Second pari passu charge on the Fixed Assets of the borrower | | 2.74 | 4.75 |
| 4 | SBI (Cash Credit) -WCTL * Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immoveable property at village navada fatehpur, Manesar c) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. d) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. e) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. f) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. | Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time. | 1,009.00 | - |
| 5 | SBI (Cash Credit) * Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immoveable property at Village Navada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon. c) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. d) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. e) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. f) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. | | 489.44 | 1,894.68 |

Notes Forming Part of the Consolidated Financial Statements

* Nature of security:

₹ in Lac

| S. No. | Bank Name (facility) Details of security | Term of repayment | Outstanding as on 31-Mar-2015 | Outstanding as on 31-Mar-2014 |
|--------|--|--|----------------------------------|----------------------------------|
| 6 | Canara Bank (Cash Credit) * Primary: First charge on pari passu basis by way of hypothecation with WC lenders under MBA i.e. Stocks and Receivables (present and future) and other current assets of the company. * Collateral: Second charge on pari passu basis with WC lender under MBA by way of hypothecation/EMT. i.e. Fixed Assets of the company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes: i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonapat, Haryana. ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana. iii) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. v) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. | Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time. | 672.71 | 1,748.28 |
| 7 | Canara Bank (Buyers Credit EUR1.98 Lac) * First charge on pari passu basis by way of hypothecation with WC lenders under Multiple Banking Arrangement i.e. Stocks and Receivables (present and future) and other current assets of the company. | -182 days -12 months Eurobor + 57 bps | 142.45 | 169.19 |
| 8 | Kotak Mahindra Bank * Subservient charge on all existing and future current assets and moveable fixed assets of the borrower (excluding assets which are specifically charged to other lenders)" | -after 90 days -12.90% | 175.00 | 249.99 |
| 9 | Axis Bank (Cash Credit) * Secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire moveable fixed assets and current assets of the joint venture company- M J Casting Limited. | -Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time. | 38.35 | 279.40 |
| 10 | BBVA Bank Global Mazinkert, S.L. | within 1 year -4% | 143.42 | - |
| 11 | La Caixa Bank Global Mazinkert, S.L. | 7/3/2014 -4% | | 207.44 |
| 12 | La Caixa Bank Global Mazinkert, S.L. | within 1 year -4% | 319.88 | - |
| 13 | La Caixa Bank Global Mazinkert, S.L. | within 1 year -4% | 1,014.53 | 762.77 |
| 14 | Deutsche Bank Global Mazinkert, S.L. | 5/3/2015 -2% | 1,028.28 | 1,181.99 |
| 15 | Citi Bank * Loan secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L. | within 1 year -3% | 456.77 | 992.88 |
| 16 | ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹87.88) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated. | 1/7/2014 -Euribor+0.7% | - | 42.97 |
| 17 | ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 86.18) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated. | 1/17/2014 -Euribor+0.7% | - | 42.14 |

Notes Forming Part of the Consolidated Financial Statements

* Nature of security:

₹ in Lac

| S. No. | Bank Name (facility) Details of security | Term of repayment | Outstanding as on 31-Mar-2015 | Outstanding as on 31-Mar-2014 |
|--------|---|---|----------------------------------|----------------------------------|
| 18 | ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 82.67) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated. | 1/28/2014 -Euribor+0.7% | - | 40.43 |
| 19 | ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 86.18) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated. | 2/21/2014 -Euribor+0.7% | - | 42.14 |
| 20 | ICICI Bank (Cash credit) * Cash credit and overdraft facility is repayable on demand and is secured by first charge on all current assets and second charge on all movable fixed assets of the joint venture company Minda Emer Technologies Ltd. Proportionate amount of ₹nil has been consolidated. | Payable on demand -ICICI Bank B.R.+ 1.90% | - | 4.10 |
| 21 | Yes Bank (Buyer's Credit) * Buyer's credit loan amounting to ₹nil (USD 4.78 lacs) (previous year ₹ 290.29) is secured by exclusive (both present and future) and second charge on all fixed assets (both present and future) of the subsidiary company M/s Minda Kyoraku Ltd. and corporate guarantee from the parent company. | Payable on demand -13% | - | 290.29 |
| 22 | Yes Bank * Secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company | Payable on demand -13% | - | 207.33 |
| 23 | Yes Bank (Cash Credit) * Term loan amounting to ₹ (inclusive of Buyer's credit amounting to USD 1.18 lacs) (previous year ₹ 456.97) are secured by exclusive charge on all the fixed assets of subsidiary company Minda Kyoraku limited second charge on all future), (both present and future) and a current assets (both present and future) of said subsidiary company Minda Kyoraku limited and corporate guarantee from the parent company. | Payable on demand -13% | 465.20 | 456.97 |
| | Unsecured | | | |
| 24 | Neel Metal Industries Limited Loan taken by the joint venture company M/s M.J.Casting Limited | within 1 year -13% | 150.00 | 75.00 |
| 25 | Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited | 4/27/2014 -14% | - | 50.03 |
| 26 | Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited | 4/27/2014 -14% | - | 50.00 |
| 27 | Pioneer Finset Ltd. Loan taken by the joint venture company M/s M.J.Casting Limited | within 1 year -13% | 175.00 | 75.00 |
| 28 | Bajaj Finance Limited Loan is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan respectively. | 60-180 days -11% | 1,741.79 | 2,251.05 |
| 29 | Pioneer Finset Ltd. Bills discounting facility taken by joint venture company M/s. M.J.Casting Ltd. | within 90 days -13% | - | 50.00 |
| 30 | Aditya Birla Finance Ltd Unsecured loan taken by joint venture company M/s. M.J.Casting Ltd. | 60-180 days -12% | 419.60 | - |
| 31 | Minda Investment Limited Unsecured loan taken by the subsidiary M/s Minda Kyoraku Limited | 3/5/2015 -13% | - | 19.20 |
| | Total | | 11,155.95 | 14,023.25 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---------------------------------|----------------------|----------------------|
| NOTE 10 ► TRADE PAYABLES | | |
| Trade payables* | 26,699.87 | 24,734.77 |
| | 26,699.87 | 24,734.77 |

* For dues to micro and small suppliers (refer to note 40)

| | | |
|--|-----------------|-----------------|
| NOTE 11 ► OTHER CURRENT LIABILITIES | | |
| Current maturities of long-term debts* | 1,824.95 | 2,084.50 |
| Current maturities of deferred payment liabilities* | 976.38 | 548.42 |
| Interest accrued but not due on long term borrowings | 28.58 | 60.18 |
| Interest accrued and due on borrowings | - | 42.79 |
| Advance from customers | 2,481.25 | 2,864.42 |
| Capital Creditors | 91.23 | 698.99 |
| Unpaid dividend | 23.65 | 21.40 |
| Book overdraft | - | 54.56 |
| Statutory dues | | |
| TDS payable/ Withholding tax | 435.59 | 373.48 |
| Service tax payable | 29.74 | 39.18 |
| Excise payable | 80.86 | 76.34 |
| Sales tax payable/ VAT payable | 1,122.13 | 773.26 |
| PF and ESI payable | 166.56 | 157.53 |
| Payable to employees | 1,592.42 | 1,469.87 |
| Other payables | 73.51 | 88.04 |
| | 8,926.83 | 9,352.96 |

* Refer note 6 for security details

| | | |
|---|-----------------|----------------|
| NOTE 12 ► SHORT-TERM PROVISIONS | | |
| Provision for employee benefits | | |
| Gratuity | 100.99 | 51.97 |
| Compensated absences | 116.97 | 39.38 |
| | 217.96 | 91.35 |
| Others | | |
| Provision for wealth tax (net of advances ₹nil, previous year ₹3.57) | 3.45 | 0.17 |
| Provision for Income Tax (net of advance income tax ₹3,007.74, previous year ₹1,217.32) | 368.21 | 196.88 |
| Provision for warranty | 300.54 | 247.74 |
| Provision for dividend | | |
| - Provision for proposed equity dividend | 555.29 | 475.97 |
| - Provision for proposed preference dividend | - | 10.50 |
| - Provision for tax on proposed dividends | 113.04 | 82.66 |
| | 1,340.53 | 1013.92 |
| | 1,558.49 | 1105.27 |

Notes Forming Part of the Consolidated Financial Statements

NOTE 13 ► FIXED ASSETS As at 31 March 2015

₹ in Lac

| Particulars | Gross block | | | | Accumulated depreciation/ amortisation | | | | | | Net block | | |
|------------------------|-----------------------------|-----------------------------------|---------------------------|-----------|--|-----------------------------|-----------------------------------|---|---|----------------------------------|--|------------------------------|------------------------------|
| | Balance as at 1 April, 2014 | Additions pursuant to acquisition | Additions/ Transfers **** | Disposals | Balance as at 31 March, 2015 | Balance as at 1 April, 2014 | Additions pursuant to acquisition | Depreciation / amortisation expense for the year **** | Additional depreciation transferred to reserves and surplus**** | Eliminated on disposal of assets | Impairment losses reversed in statement of profit and loss**** | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 |
| Tangible | | | | | | | | | | | | | |
| Land | | | | | | | | | | | | | |
| Land- Freehold* | 3,880.58 | - | 48.58 | - | 3,929.16 | - | - | - | - | - | - | 3,929.16 | 3,880.58 |
| Land- Leasehold | 1,453.51 | - | - | - | 1,453.51 | 160.44 | 14.68 | - | - | - | 75.37 | 1,353.76 | 1,293.07 |
| Buildings | 13,478.52 | - | 1,802.60 | 9.22 | 15,271.90 | 5,401.62 | 413.02 | 8.27 | - | - | 341.65 | 9,790.64 | 8,076.90 |
| Plant and Machinery** | 79,643.65 | 0.27 | 6,371.38 | 748.83 | 85,266.47 | 55,650.93 | 7,034.25 | 199.97 | - | 376.40 | 1,001.68 | 23,759.33 | 23,992.72 |
| Furniture and Fixtures | 1,243.94 | - | 56.48 | 14.61 | 1,285.81 | 836.21 | 82.86 | 16.34 | - | 3.04 | 7.81 | 361.25 | 407.73 |
| Vehicles | 1,187.62 | 0.01 | 83.51 | 109.33 | 1,161.81 | 506.00 | 208.75 | 1.81 | - | 41.92 | 5.44 | 492.61 | 681.62 |
| Office Equipment | 762.58 | 0.02 | 77.80 | 16.52 | 823.88 | 265.71 | 156.88 | 98.52 | - | 12.02 | 9.03 | 323.81 | 496.87 |
| Computers | 1,966.13 | - | 73.86 | 16.41 | 2,023.57 | 1,510.59 | 198.06 | 75.74 | - | 12.60 | 8.12 | 259.90 | 455.53 |
| | 103,616.52 | 0.30 | 8,514.21 | 914.92 | 111,216.11 | 64,331.50 | 8,108.50 | 400.65 | - | 445.98 | 1,449.10 | 40,270.46 | 39,285.02 |
| Intangible | | | | | | | | | | | | | |
| Goodwill | 124.38 | - | - | - | 124.38 | 79.15 | - | - | - | - | - | 45.23 | 45.23 |
| Technical Knowhow | 417.64 | 0.10 | 106.44 | - | 524.18 | 325.40 | 46.32 | - | - | - | 118.83 | 271.26 | 92.23 |
| Computer Software | 3,187.48 | 0.01 | 92.28 | 0.55 | 3,279.22 | 2,555.86 | 194.59 | - | - | 0.30 | 8.40 | 537.47 | 631.63 |
| | 3,729.50 | 0.11 | 198.72 | 0.55 | 3,927.78 | 2,960.41 | 240.91 | - | - | 0.30 | 127.23 | 3,073.82 | 769.09 |

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the parent company.

** includes borrowing cost capitalised during the year of ₹29.42 (previous year ₹26.63).

*** refer note 35 on 'Impairment Loss'

**** Pursuant to the requirement of the Companies Act, 2013 ("the Act") effective from 1st April, 2014, the group has revised depreciation rates on certain fixed assets as per the useful life specified in Part "C" of Schedule II of the Act or as per the respective management's estimate based on internal technical evaluation. As a result of this change, the depreciation charge for the year ended 31 March, 2015 is higher by ₹1,481.90. In respect of assets whose useful life is already exhausted as on 1 April, 2014, depreciation of ₹264.46 (net of tax impact of ₹136.17) has been adjusted in Reserves and Surplus in case of parent company in accordance with the requirement of Schedule II of the Act.

***** addition to assets includes ₹ 585.46 towards R&D capital assets (previous year ₹ 134.37)

Notes Forming Part of the Consolidated Financial Statements

NOTE 13 ► FIXED ASSETS As at 31 March 2014

₹ in Lac

| Particulars | Gross block | | | | | | Accumulated depreciation/ amortisation | | | | | | Net block | | |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|------------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|---|------------------------------|------------------------------|
| | Balance as at 1 April, 2014 | Balance as at 1 April, 2013 | Balance as at 1 April, 2014 | Balance as at 1 April, 2013 | Balance as at 1 April, 2014 | Balance as at 1 April, 2013 | Disposals | Balance as at 31 March, 2015 | Balance as at 1 April, 2014 | Balance as at 1 April, 2013 | Balance as at 31 March, 2014 | Balance as at 31 March, 2014 | Impairment losses reversed in statement of profit and loss*** | Balance as at 31 March, 2014 | Balance as at 31 March, 2013 |
| Tangible | | | | | | | | | | | | | | | |
| Land | | | | | | | | | | | | | | | |
| Land- Freehold* | 1,657.31 | 854.36 | 90.58 | 1,278.33 | - | 3,880.58 | - | 3,880.58 | - | - | - | - | 3,880.58 | 2,511.67 | |
| Land- Leasehold | 2,527.08 | - | - | (1,073.57) | - | 1,453.51 | - | 1,453.51 | 140.72 | - | 160.44 | - | 1,293.07 | 2,386.36 | |
| Buildings | 7,999.57 | 426.28 | 3,420.74 | 1,631.93 | - | 13,478.52 | - | 13,478.52 | 1,905.00 | 18.02 | 3,237.92 | 323.18 | 5,401.62 | 6,502.83 | |
| Plant and Machinery** | 38,765.09 | 1,904.04 | 30,323.86 | 9,639.29 | 988.63 | 79,643.65 | 988.63 | 79,643.65 | 22,685.96 | 185.36 | 28,305.72 | 5,006.54 | 55,650.93 | 17,797.81 | |
| Furniture and Fixtures | 600.17 | 9.51 | 585.29 | 49.31 | 0.34 | 1,243.94 | 0.34 | 1,243.94 | 274.32 | 1.21 | 505.36 | 55.38 | 836.21 | 334.15 | |
| Vehicles | 964.39 | 16.17 | 218.53 | 73.53 | 85.00 | 1,187.62 | 85.00 | 1,187.62 | 226.74 | 1.85 | 214.62 | 91.57 | 506.00 | 751.97 | |
| Office Equipment | 641.99 | 20.03 | - | 100.78 | 0.22 | 762.58 | 0.22 | 762.58 | 225.74 | 1.43 | - | 41.93 | 265.71 | 434.85 | |
| Computers | 1,180.62 | 14.88 | 699.83 | 104.24 | 33.45 | 1,966.12 | 33.45 | 1,966.12 | 746.74 | 4.52 | 652.54 | 134.48 | 1,510.59 | 444.24 | |
| | 54,336.22 | 3,245.27 | 35,338.83 | 11,803.84 | 1,107.64 | 103,616.52 | 1,107.64 | 103,616.52 | 26,205.22 | 212.39 | 32,916.16 | 5,672.80 | 64,331.50 | 31,163.88 | |
| Intangible | | | | | | | | | | | | | | | |
| Goodwill | 21.94 | - | - | - | - | 21.94 | - | 21.94 | 21.94 | - | - | - | 21.94 | - | |
| Goodwill on account of consolidation | 102.44 | - | - | - | - | 102.44 | - | 102.44 | 57.21 | - | - | - | 57.21 | 45.23 | |
| Technical Knowhow | 347.40 | 15.81 | - | 54.42 | - | 417.63 | - | 417.63 | 287.03 | 1.32 | - | 37.05 | 325.40 | 74.86 | |
| Computer Software | 2,530.55 | 18.82 | 430.47 | 217.89 | 10.24 | 3,187.49 | 10.24 | 3,187.49 | 1,965.93 | 4.45 | 389.17 | 197.90 | 2,555.86 | 578.99 | |
| | 3,002.33 | 34.63 | 430.47 | 272.31 | 10.24 | 3,729.50 | 10.24 | 3,729.50 | 2,332.11 | 5.77 | 389.17 | 234.95 | 2,960.41 | 699.08 | |

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the parent company.

** includes borrowing cost capitalised during the year of ₹26.63 (previous year ₹65.14).

*** refer note 35 on 'Impairment Loss'

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 14 ► NON-CURRENT INVESTMENTS | | |
| (Unquoted investments at cost) | | |
| Investment in equity instruments | | |
| (i) Associates (Trade) | | |
| Mindarika Private Limited - 2,707,600 equity shares (previous year 2,707,600 equity shares) of ₹10 each | 1,652.82 | 1414.30 |
| Minda NexGenTech Limited - 3,120,000 equity shares (previous year 2,470,000 equity shares) of ₹10 each | 312.00 | 312.00 |
| (ii) Others | | |
| Investment in Government bonds by Clarton Horn, Spain - BBVA 2015 II 20 bonds @ Euro 5,000 each amounting to Euro -Nil (previous year Euro 100,000) (Non Trade)" | - | 85.04 |
| Minda Industria E Comerico De Autopeca Ltd - 25,000 equity shares (previous year 25,000 equity shares) of Brazilian \$ 1 each (Trade) | 7.11 | 7.11 |
| PT Minda Asean Automotive (Indonesia) - 20,250 equity shares (previous year 20,250 equity shares) of US\$10 each (Trade) | 88.85 | 88.85 |
| Investments in partnership firms (Trade)** | | |
| - Auto Component | 686.85 | 670.31 |
| - Yogendra Engineering | 197.41 | 176.57 |
| | 2,945.04 | 2,754.18 |
| Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited* | (312.00) | (312.00) |
| | 2,633.04 | 2,442.18 |

* Aggregate provision for diminution of non current investment is ₹312 (previous year ₹312)

** Investment in Partnership Firms

| Partnership Firm | Name of the Partners | Share in Profit (%) | Share in Profit (%) |
|---------------------------|--------------------------|---------------------|---------------------|
| Auto Component | Minda Industries Limited | 48.90% | 48.90% |
| | Nirmal K. Minda | 25.55% | 25.55% |
| | Palak Minda | 25.55% | 25.55% |
| Yogendra Engineering | Minda Industries Limited | 48.90% | 48.90% |
| | Sanjeev Garg | 12.50% | 12.50% |
| | Birender Garg | 12.50% | 12.50% |
| | Suman Minda | 26.10% | 26.10% |
| Total Capital of the firm | | Amount | Amount |
| Auto Component | | 1,404.60 | 1,362.70 |
| Yogendra Engineering | | 403.71 | 361.07 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|---|----------------------|----------------------|
| NOTE 15 ► DEFERRED TAX ASSETS (NET) | | |
| Deferred tax liabilities | | |
| Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation / amortisation provided in accounts | 2,258.24 | 879.91 |
| | 2,258.24 | 879.91 |
| Deferred tax assets | | |
| Provision for employee benefits | 1,005.34 | 749.73 |
| Unabsorbed depreciation/ carry forward business losses | 1,027.46 | - |
| Others | 249.11 | 291.84 |
| | 2,281.92 | 1,041.57 |
| Deferred tax liabilities/ (assets) | 23.68 | 161.66 |

| | | |
|--|-----------------|-----------------|
| NOTE 16 ► LONG TERM LOANS AND ADVANCES | | |
| (Unsecured and considered good) | | |
| To parties other than related parties | | |
| Capital advances | 172.42 | 429.87 |
| Advance income tax (net of provision for tax ₹ 4,434.51, previous year ₹ 4,344.51) | 944.32 | 921.25 |
| Security deposits | 749.57 | 694.26 |
| Less: Provision for doubtful deposits | 15.85 | - |
| Advance to vendors | 5.83 | 10.75 |
| | 1,856.29 | 2,056.13 |

| | | |
|--|-----------------|---------------|
| NOTE 17 ► OTHER NON-CURRENT ASSETS | | |
| Foreign currency receivable | 201.58 | 303.77 |
| Bank deposits (due to mature after 12 months from the reporting date) (refer note no 21) | 332.30 | 322.60 |
| Interest accrued on deposits (due to mature after 12 months from the reporting date) | 5.19 | - |
| Retention money with customers | 648.38 | 228.95 |
| | 1,187.45 | 855.32 |

| | | |
|---|---------------|-----------------|
| NOTE 18 ► CURRENT INVESTMENTS | | |
| (Non trade, unquoted investments, at cost) | | |
| Investment in Government bonds by Clarton Horn, Spain | 202.95 | 2,296.22 |
| - Aragon Govt. bonds amounting to Euro-Nil (previous year Euro 2,700,000) | | |
| Investment in Government bonds by Clarton Horn, Spain | - | 8.50 |
| - Mixto convertible bonds amounting to Euro-Nil (previous year Euro 10,000) | | |
| | 202.95 | 2,304.72 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 19 ► INVENTORIES | | |
| (At lower of cost and fair value, unless otherwise stated) | | |
| Raw materials [Goods in transit ₹260.28 (previous year ₹258.39)] | 7,013.97 | 5,920.65 |
| Work-in-progress | 1,816.72 | 1,349.28 |
| Finished goods [Goods in transit ₹51.84 (previous year ₹136.29)] | 1,516.70 | 1,602.40 |
| Stock-in-trade | 1,991.93 | 1,626.15 |
| Stores and spares | 1,283.74 | 1,453.69 |
| Loose tools | 436.29 | 514.54 |
| | 14,059.37 | 12,466.71 |

| | | |
|---|------------------|------------------|
| NOTE 20 ► TRADE RECEIVABLES* | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Trade receivables outstanding for a period exceeding six months from due date | | |
| Unsecured considered good | 331.86 | 490.61 |
| Doubtful | 199.30 | 268.77 |
| | 531.16 | 759.38 |
| Less: Provision for doubtful debts | (199.30) | (268.77) |
| | 331.86 | 490.61 |
| Other receivables | | |
| Unsecured considered good | 28,613.69 | 25,613.43 |
| | 28,945.55 | 26,104.04 |

* Trade receivables (unsecured, considered good) include ₹180.26 (previous year ₹270.37) due from private companies in which a director is a director and ₹ 48.29 (previous year ₹48.07) due from firms in which director is a partner.

| | | |
|--|-----------------|-----------------|
| NOTE 21 ► CASH AND BANK BALANCES | | |
| Cash and cash equivalents | | |
| Cash in hand | 33.28 | 46.33 |
| Balances with banks | | |
| - on current accounts* | 1,764.36 | 1,818.63 |
| - on deposit accounts (with original maturity of 3 months or less)** | 310.71 | 455.32 |
| Other bank balance | | |
| Cash on imprest accounts | 18.74 | 14.87 |
| Bank deposits (due for realisation within 12 months of the reporting date)** | 651.59 | 419.29 |
| Unpaid dividend accounts | 23.65 | 21.41 |
| | 2,802.33 | 2,775.85 |

* Includes Escrow account amounting to ₹344.89 (previous year ₹ 17.07)

| | | |
|--|---------------|-----------------|
| Detail of bank deposits | | |
| - On deposit accounts with original maturity of 3 months or less included under 'Cash and cash equivalents' | - | 455.32 |
| - On deposit accounts due to mature within 12 months of reporting date included under 'Other bank balances' | 651.59 | 419.29 |
| - On deposit accounts due to mature after 12 months of reporting date included under 'Other non-current assets' (refer note no 17) | 343.15 | 322.60 |
| Total | 994.74 | 1,197.21 |

** Deposit accounts amounting to ₹864.06 (previous year ₹346.85) is lien under banks and other government authorities.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | As at 31-Mar-2015 | As at 31-Mar-2014 |
|--|----------------------|----------------------|
| NOTE 22 ► SHORT-TERM LOANS AND ADVANCES | | |
| (unsecured, considered good unless otherwise stated) | | |
| Loans to related parties | | - |
| To parties other than related parties | | |
| Security deposits | 160.42 | 44.93 |
| Prepaid expenses | 374.05 | 310.09 |
| Advance to suppliers | 2,286.48 | 2,631.72 |
| Advances to employees | 181.74 | 170.82 |
| MAT credit entitlement | 297.72 | - |
| Balances with government authorities | 2,124.66 | 2,827.98 |
| Others | - | 0.11 |
| Doubtful advances | 29.09 | 24.37 |
| Provision for bad/doubtful loans and advances | (29.09) | (24.37) |
| | 5,425.08 | 5,985.65 |

| | | |
|---|---------------|---------------|
| NOTE 23 ► OTHER CURRENT ASSETS | | |
| (unsecured, considered good) | | |
| Unbilled revenue | 41.06 | 430.83 |
| Interest income accrued on fixed deposits | 52.67 | 53.21 |
| Duty entitlement available | 174.46 | 112.30 |
| Forward currency receivable | 173.76 | 146.23 |
| Insurance claims receivable | 21.70 | 1.66 |
| Silver coins/items | 4.41 | 4.06 |
| | 468.06 | 748.29 |

| Particulars | Year Ended 31-Mar-2015 | Year Ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 24 ► REVENUE FROM OPERATIONS | | |
| Sale of products | | |
| Finished goods | 200,642.24 | 149,044.52 |
| Traded goods | 32,098.85 | 31,017.90 |
| Sale of products (gross) | 232,741.09 | 180,062.42 |
| Less: Excise duty | 14,796.17 | 12,803.05 |
| Sale of products (net) | 217,944.92 | 167,259.37 |
| Sale of services | 2,086.27 | 1,788.34 |
| Other operating revenues | 2,630.39 | 1,564.79 |
| | 222,661.58 | 170,612.50 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | Year Ended 31-Mar-2015 | Year Ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 25 ► OTHER INCOME | | |
| Interest income | 200.74 | 241.93 |
| Dividend income | 80.67 | 40.61 |
| Share of profit from partnership firms | 592.23 | 550.21 |
| Net gain on foreign currency transactions and translation (other than considered as finance cost) (net of loss on foreign currency transaction ₹256.59 (previous year ₹ 1,804.02)) | 7.24 | 168.94 |
| Profit on sale of fixed assets (net of loss ₹42.03 (previous year ₹ 29.19)) | 481.33 | 198.60 |
| Income under Package Scheme of Incentives | 208.25 | - |
| Other non-operating income | | |
| Liabilities / provisions no longer required written back | 327.46 | 279.88 |
| Miscellaneous income | 393.59 | 206.61 |
| | 2,291.51 | 1,686.78 |
| NOTE 26 ► COST OF MATERIALS CONSUMED | | |
| Raw materials (including purchased components and packing material consumed) | | |
| Opening inventories | 5,920.65 | 4,299.13 |
| Purchases | 124,666.21 | 93,257.10 |
| Closing inventories | 7,013.97 | 5,920.65 |
| | 123,572.89 | 91,635.58 |
| NOTE 27 ► CHANGES IN INVENTORIES | | |
| Inventories at the end of the year: | | |
| Work-in-progress | 1,816.72 | 1,349.28 |
| Finished goods (other than those acquired for trading) | 1,516.70 | 1,602.40 |
| Stock-in-trade (acquired for trading) | 1,991.93 | 1,626.15 |
| | 5,325.36 | 4,577.83 |
| Inventories at the beginning of the year: | | |
| Work-in-progress | 1,349.28 | 966.61 |
| Finished goods (other than those acquired for trading) | 1,602.40 | 821.02 |
| Stock-in-trade (acquired for trading) | 1,626.15 | 1,425.54 |
| | 4,577.83 | 3,213.17 |
| Stock Adjustment* | 0.18 | 508.39 |
| Net (increase) / decrease in stocks | (747.35) | (856.27) |
| * Includes stock adjustment relating to inventory acquired on acquisition of METL amounting to ₹ 0.18 Lac (Previous Year ₹ 760.59 in respect of acquisition of Clarton Horn, S.A Spain). Other inventory adjustment amounting to nil (Previous Year ₹ 252.20). | | |
| NOTE 28 ► EMPLOYEE BENEFITS | | |
| Salaries, wages and bonus | 22,878.49 | 18,025.54 |
| Gratuity | 491.41 | 220.40 |
| Compensated absences | 476.65 | 381.27 |
| Contribution to provident and other funds (refer to note 41) | 3,210.77 | 2,282.48 |
| Staff welfare and other expenses | 1,727.69 | 1,575.02 |
| | 28,785.00 | 22,484.71 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | Year Ended 31-Mar-2015 | Year Ended 31-Mar-2014 |
|--------------------------------|---------------------------|---------------------------|
| NOTE 29 ► FINANCE COSTS | | |
| Interest expense on borrowings | 2,317.85 | 2,250.48 |
| Other finance costs | 183.05 | 167.31 |
| | 2,500.90 | 2,417.79 |

| | | |
|--|-----------------|-----------------|
| NOTE 30 ► DEPRECIATION AND AMORTISATION | | |
| Depreciation on tangible assets | 8,108.50 | 5,672.80 |
| Amortisation on intangible assets | 240.91 | 234.95 |
| | 8,349.41 | 5,907.75 |

| | | |
|--|------------------|------------------|
| NOTE 31 ► OTHER EXPENSES | | |
| Consumption of stores and spare parts | 3,891.73 | 2,417.32 |
| Job work charges | 4,765.34 | 2,680.25 |
| Casual Labour | 140.53 | 125.57 |
| Power and fuel | 4,810.92 | 4,329.59 |
| Rent | 1,286.51 | 1,272.55 |
| Repairs and maintenance: | | |
| Buildings | 501.95 | 456.59 |
| Machinery | 1,060.76 | 878.17 |
| Others | 288.40 | 241.44 |
| Insurance | 168.38 | 149.04 |
| Rates and taxes | 254.37 | 304.92 |
| Travelling and conveyance | 2,307.79 | 2,341.57 |
| Legal and professional | 1,227.87 | 1,962.05 |
| Payments to auditors* | 126.74 | 99.89 |
| Fixed assets scrapped/ written off | 10.54 | 5.09 |
| Provision for doubtful trade and other receivables, loans and advances (net) | 48.45 | 74.62 |
| Doubtful trade and other receivables, loans and advances written off | 116.95 | - |
| Royalty expenses | 105.17 | 128.21 |
| Freight and other distribution overheads | 3,058.87 | 2,093.10 |
| Warranty rejection | 993.64 | 385.55 |
| Printing and stationery | 186.62 | 146.20 |
| *** CSR Contribution & Donations | 102.40 | 104.28 |
| Miscellaneous expenses | 5,213.33 | 3,034.61 |
| | 30,667.26 | 23,230.61 |

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

| Particulars | Year Ended 31-Mar-2015 | Year Ended 31-Mar-2014 |
|--|---------------------------|---------------------------|
| NOTE 31 ► OTHER EXPENSES (Contd...) | | |
| Note: | | |
| * Payments to the auditors (excluding service tax) | | |
| Statutory audit | 92.66 | 59.03 |
| Limited review of quarterly results | 16.00 | 16.00 |
| Consolidation fees | 3.00 | 3.00 |
| Certification Fee | 5.00 | |
| Reimbursement of expenses | 9.96 | 8.48 |
| Other services | 2.12 | 13.38 |
| | 128.74 | 99.89 |

** Paid to other firms of Chartered accountants ₹50.85 (previous year ₹ 29.97)

*** As per section 135 of The Companies Act, 2013, CSR committee was formed by the parent company. The area for CSR activities is promoting education and self employment enhancement. A sum of ₹88 was contributed to Corpus Fund of S.L.Minda Charitable Trust and Moga Devi Charitable Trust, the same has been utilised on CSR activities.

| Particulars | Year ended 31-Mar-2015 | Year ended 31-Mar-2014 |
|---|---------------------------|---------------------------|
| NOTE 32 ► EXCEPTIONAL ITEMS | | |
| Impairment of fixed assets- Reversal/ (Loss) (refer to note 36) | 1,576.33 | 149.64 |
| Preliminary share issue expenses | (8.18) | - |
| Insurance claim received (Net gain) (refer to note 48) | 27.52 | - |
| | 1595.67 | 149.64 |

| | | |
|---|---------------|---------------|
| NOTE 33 ► EARNINGS PER SHARE | | |
| Net profit after tax as per Statement of Profit and loss | 6,796.83 | 717.67 |
| Adjustment to net profit after tax: | | |
| Dividend on Preference Shares and Dividend Tax thereon. | 12.28 | 12.28 |
| Net profit attributable to equity shares | 6,784.55 | 705.39 |
| Weighted average number of Equity Shares (in Nos.): | | |
| for Basic EPS | 158.65 | 158.65 |
| for Diluted EPS | 158.65 | 158.65 |
| Basic earnings per share in rupees (Face value ₹10 per share) (In rupees) | 42.76 | 4.45 |
| Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees) | 42.76 | 4.45 |
| Calculation of weighted average number of shares for basic/diluted earnings per share | | |
| Opening and closing balance of Equity Shares | 158.65 | 158.65 |

Notes Forming Part of the Consolidated Financial Statements

NOTE 34 ► CONTINGENT LIABILITIES

(a) Claims made against the Group not acknowledged as debts (including interest, wherever applicable):

| Particulars | Nature of the dues | Amount 2014-15 | Amount 2013-14 | Period to which the amount relates | Forum where dispute is pending |
|----------------------|--|----------------|----------------|------------------------------------|--|
| Income Tax Act, 1961 | Income Tax | 7.48 | 7.48 | Assessment year 2002-2003 | Referred back to AO by Delhi High Court |
| Income Tax Act, 1961 | Transfer pricing – Against Section 143(3) and Section 144C | - | 686.00 | Assessment year 2006-2007 | Referred back to Dispute Resolution Panel by Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 9.97 | 10.33 | Assessment year 2007-2008 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 30.40 | 30.40 | Assessment year 2009-2010 | Commissioner (Appeals) of Income Tax |
| Income Tax Act, 1961 | Income Tax | 1.52 | 1.52 | Assessment year 2010-2011 | Commissioner (Appeals) of Income Tax |

Contingent liabilities relating to other cases ₹11.30 (previous year ₹17.00). Under current legal provisions of Spain, the tax returns may not be considered as definitive until they have been inspected by the tax authorities or the statute-barred period of four years have elapsed, except for VAT for the year 2010, which has already been subject to a total inspection by the tax agency. On 14 November 2014, the tax agency commenced inspection of Clarton Horn for the years 2012 and 2013 in respect of Value Added Tax and Corporate Income Tax. There may, therefore, arise additional liabilities to those recorded by Clarton Horn, which, at the date of preparation of these annual accounts cannot be objectively be quantified as the inspection is in its initial phase.

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

- (b) Corporate guarantee: Corporate guarantee given by the Group and outstanding as on 31 March 2015 amounting to ₹7,625 (previous year ₹8,450) in respect of loans borrowed by related parties. Further, the Group has also provided a 'letter of comfort' amounting to ₹4,477 (previous year ₹4,477) in respect of a loan taken by a related party from banks.
- (c) As per an agreement executed with Maruti Suzuki India Ltd (MSIL) under the 'Maruti Car Scheme', a loan facility was granted to the Group's employees and other associates, whereby the parent company has guaranteed to repay the loan in case of any default. The amount outstanding at the 31 March 2015 amounting to ₹ Nil (previous year ₹3.49).
- (d) The export obligations outstanding of the parent company as at 31 March 2015 amount to ₹950.80 (previous year ₹2,207.63).
- (e) The parent company has availed salestax incentives for its unit at Gurgaon, Haryana, from the Government of Haryana as sales tax capital subsidy amounting to ₹225.65 (previous year ₹225.65). In accordance with scheme of Government of Haryana for Development of Industries, the amount may be refundable to the Government, if specified conditions are not fulfilled, within the prescribed time.

NOTE 35 ► IMPAIRMENT

- (i) During the previous years, management of parent company had recorded an impairment charge amounting to ₹2,213.79 up to 31 March 2014, for the Battery division located at Pantnagar, which was incurring continuous losses. During the year, the binding sale agreement for transfer of business was concluded on 1 October 2014. Accordingly, based on the net selling price (lump sum consideration) and the fact that the Company has entered into a binding sale agreement, impairment charge to the extent of ₹1,576.33 (net of depreciation of ₹637.46) has been reversed as on 30 September 2014. The same has been disclosed as income under 'exceptional item' in the Statement of Profit and Loss.

Notes Forming Part of the Consolidated Financial Statements

NOTE 35 ► IMPAIRMENT (Contd...)

(ii) Relevant information for discontinuing operations for Battery division

| | | ₹ in Lac | |
|-------|--|----------------------|----------------------|
| S No. | Particulars | As on 31-Mar-2015 | As on 31-Mar-2014 |
| 1 | Total assets | 3,981.90 | 2,160.56 |
| 2 | Total liabilities | 447.99 | 276.11 |
| 3 | Total revenue | 3,899.18 | 606.99 |
| 4 | Total expenditure | 3,887.24 | 784.79 |
| 5 | Exceptional item | 1,576.33 | - |
| 6 | Profit/ (loss) before tax from ordinary activities | 1,588.27 | (177.75) |
| 7 | Tax expense | - | - |
| 8 | Profit/ (loss) after tax | 1,588.27 | (177.75) |

(iii) The net cash flows attributable to the battery division are as follows

| | | ₹ in Lac | |
|-------|---|----------------------|----------------------|
| S No. | Particulars | As on 31-Mar-2015 | As on 31-Mar-2014 |
| 1 | Net cash inflow/(outflow) from operating activities | (71.33) | 113.46 |
| 2 | Net cash inflow/(outflow) from investing activities | (16.63) | (27.23) |
| 3 | Net cash inflow/(outflow) from financing activities | 92.04 | (84.94) |
| 4 | Net cash inflow/ (outflow) attributable to battery division | 4.08 | 1.29 |

NOTE 36 ►

During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the parent company amounting to ₹39.51 towards revised CLU (change of land use) charges for the land situated at village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurgaon and Haryana. The parent company paid ₹1.58 and had also filed a Special Leave Petition (SLP) with the Honourable Supreme Court of India, basis which a leave had been granted. Further, the parent company had deposited ₹9.50 as under protest with the authorities. During the earlier years, the parent company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the parent company had withdrawn the petition and accordingly had agreed to pay the total liability of ₹39.51 and the interest thereon amounting to ₹37.51, towards revised CLU charges after adjusting the amount of ₹9.50 paid earlier.

During previous year, the Company has applied for grant of license under 'Affordable housing Policy- 2013' on the land measuring 9.9625 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurgaon and paid scrutiny fee (non-refundable) amounting to ₹15.35 in this respect.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable housing policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

Notes Forming Part of the Consolidated Financial Statements

NOTE 37 ► SEGMENT INFORMATION

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

The Group has one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. The secondary segment is geographical, which is given as under:

₹ in Lac

| Particulars | | Current year | Previous year |
|--|---------------|--------------|---------------|
| Revenue | Within India | 173,052 | 138,102 |
| | Outside India | 49,610 | 32,511 |
| Assets | Within India | 83,637 | 82,771 |
| | Outside India | 16,024 | 15,371 |
| Cost incurred on acquisition of fixed assets | Within India | 6,162 | 14,887 |
| | Outside India | 1,380 | 1,503 |

Assets used in the Company's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above reportable segments as the assets and liabilities contracted are used interchangeably between the segments. Accordingly, except for trade receivables, no disclosure relating to other segment assets and liabilities have been made.

NOTE 38 ► RELATED PARTY DISCLOSURES

(i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

| | |
|--|---|
| Key management personnel | Mr. Nirmal K. Minda, Chairman and Managing Director('CMD') |
| Relatives of key management personnel | Mrs. Suman Minda (wife of CMD) Mrs. Paridhi Minda Jindal (daughter of CMD) Mrs. Palak Minda (daughter of CMD) |
| Other entities over which key management personnel is able to exercise significant influence | Minda Investments Limited Minda International Limited Minda Corporation Limited Nirmal K. Minda (HUF) Minda Industries (Firm) Minda Automotive Limited Minda Spectrum Advisory Limited Samaira Engineering (Firm) S.M.Auto Industries (Firm) Shankar Moulding Ltd. MindaStoneridge Instruments Ltd. |
| Associates | Auto Component (Firm) Yogendra Engineering (Firm) Mindarika Private Limited Minda NexGenTech Limited |
| Joint ventures(jointly controlled entities) | M J Casting Limited Minda Emer Techonologies Limited |

Notes Forming Part of the Consolidated Financial Statements

NOTE 38 ► RELATED PARTY DISCLOSURES (Contd...)

(ii) Transactions with related parties

| Transactions with related parties | Joint Venture Companies | | Associates | | Entities over which key personnel are able to exercise significant influence | | Key management personnel and relatives | |
|--|-------------------------|---------------|---------------|---------------|--|---------------|--|---------------|
| | 31 March 2015 | 31 March 2014 | 31 March 2015 | 31 March 2014 | 31 March 2015 | 31 March 2014 | 31 March 2015 | 31 March 2014 |
| Sale of goods | 3 | 26 | 581 | 736 | 99 | 132 | - | - |
| Purchase of goods | 15 | 6 | 2,608 | 1611 | 5,647 | 3,929 | - | - |
| Sale of Fixed Assets | - | - | 11 | 7 | 1 | - | - | - |
| Purchase of fixed assets | - | - | 93 | 12 | - | - | - | - |
| Expenses recovered | 8 | 11 | 21 | 12 | 18 | 21 | - | - |
| Reimbursements of expenses | 1 | 2 | 7 | 12 | 169 | 259 | - | - |
| Services rendered | 25 | 40 | 481 | 528 | 52 | - | - | - |
| Services Received | - | - | 10 | 7 | 517 | - | - | - |
| Remuneration | - | - | - | - | - | - | 329 | 152 |
| Rent paid | - | - | - | - | 371 | 683 | 70 | 57 |
| Rent received | - | - | - | 2 | - | - | - | - |
| Utility Services paid | - | - | - | - | 539 | 603 | - | - |
| Dividend received | - | - | 41 | 41 | - | - | - | - |
| Interest received | - | 12 | - | - | - | - | - | - |
| Share of profits | - | - | 592 | 550 | - | - | - | - |
| Royalty received | - | - | 71 | 64 | 42 | 36 | - | - |
| Dividend paid on equity share capital | - | - | - | - | 244 | 155 | 286 | 156 |
| Dividend paid on 3% cumulative redeemable preference share capital | - | - | - | - | - | - | 11 | 11 |
| Balance outstanding | | | | | | | | |
| Receivable/(payable) | 18 | 113 | (672) | (84) | (283) | 117 | (129) | - |
| Guarantee/Letter of comfort end of the year | - | 300 | - | - | - | - | - | - |

Notes Forming Part of the Consolidated Financial Statements

NOTE 38 ► RELATED PARTY DISCLOSURES (Contd...)

(iii) Related party transactions within the group

₹ in Lac

| Parties involved | | Nature of transaction | 31-Mar-2015 | 31-Mar-2014 |
|--|--|---|-------------|-------------|
| Yogendra Engineering | Auto Components | Sale of goods | 1 | 1 |
| Auto Components | Yogendra Engineering | Purchase of goods | 1 | 1 |
| Yogendra Engineering | Samaira Engineering | Sale of goods | 54 | 55 |
| Samaira Engineering | Yogendra Engineering | Purchase of goods | 54 | 55 |
| Yogendra Engineering | S.M.Auto Industries | Sale of goods | 16 | 17 |
| S.M.Auto Industries | Yogendra Engineering | Purchase of goods | 16 | 17 |
| Yogendra Engineering | S.M.Auto Industries | Purchase of goods | 204 | 168 |
| S.M.Auto Industries | Yogendra Engineering | Sale of goods | 204 | 168 |
| Yogendra Engineering | S.M.Auto Industries | Services received | 4 | 10 |
| S.M.Auto Industries | Yogendra Engineering | Services rendered | 4 | 10 |
| Auto Components | S.M.Auto Industries | Purchase of goods | 34 | 1 |
| S.M.Auto Industries | Auto Components | Sale of goods | 34 | 1 |
| Auto Components | Minda Distributions and Services Limited | Sale of goods | 3,835 | 3,007 |
| Minda Distributions and Services Limited | Auto Components | Purchase of goods | 3,835 | 3,007 |
| M J Casting Limited | Minda Investment Limited | Issue of non convertible 8% preference shares | - | 250 |
| Minda Investment Limited | M J Casting Limited | Investment in shares | - | 250 |
| M J Casting Limited | Minda Investment Limited | Unsecured loan taken/ bill discounting | - | 250 |
| Minda Investment Limited | M J Casting Limited | Unsecured loan given/ bill discounting | - | 250 |
| M J Casting Limited | Minda Investment Limited | Repayment of unsecured loan | - | 250 |
| Minda Investment Limited | M J Casting Limited | Recovery of unsecured loan | - | 250 |
| M J Casting Limited | Minda Investment Limited | Interest paid | - | 13 |
| Minda Investment Limited | M J Casting Limited | Interest received | - | 13 |
| M J Casting Limited | Minda Finance Limited | Issue of non convertible 8% preference shares | 150 | - |
| Minda Finance Limited | M J Casting Limited | Investment in shares | 150 | - |
| M J Casting Limited | Minda Finance Limited | Unsecured loan taken/ bill discounting | 150 | 200 |
| Minda Finance Limited | M J Casting Limited | Unsecured loan given/ bill discounting | 150 | 200 |
| M J Casting Limited | Minda Finance Limited | Interest paid | 2 | 10 |
| Minda Finance Limited | M J Casting Limited | Interest received | 2 | 10 |
| M J Casting Limited | Minda Finance Limited | Repayment of unsecured loan | 350 | - |
| Minda Finance Limited | M J Casting Limited | Recovery of unsecured loan | 350 | - |
| M J Casting Limited | Minda Finance Limited | Interest accrued and due | - | 4 |
| Minda Finance Limited | M J Casting Limited | Interest accrued and due | - | 4 |
| MindaEmer Technologies Limited | Minda Investment Limited | Rent paid | 84 | 77 |

Notes Forming Part of the Consolidated Financial Statements

NOTE 38 ► RELATED PARTY DISCLOSURES (Contd...)

(iii) Related party transactions within the group

₹ in Lac

| Parties involved | | Nature of transaction | 31-Mar-2015 | 31-Mar-2014 |
|--|--|---|-------------|-------------|
| Minda Investment Limited | MindaEmer Technologies Limited | Rent received | 84 | 77 |
| MindaEmer Technologies Limited | Minda Investment Limited | Electricity and business support services | 16 | 16 |
| Minda Investment Limited | MindaEmer Technologies Limited | Electricity and business support services | 16 | 16 |
| MindaEmer Technologies Limited | Minda Investment Limited | Rent payable | 3 | 1 |
| Minda Investment Limited | MindaEmer Technologies Limited | Rent receivable | 3 | 1 |
| Mindarika Private Limited | Minda Kyoraku Limited | Services rendered | - | 8 |
| Minda Kyoraku Limited | Mindarika Private Limited | Services received | - | 8 |
| Mindarika Private Limited | Minda Distributions and Services Limited | Sale of goods | 259 | - |
| Minda Distributions and Services Limited | Mindarika Private Limited | Purchase of goods | 259 | - |
| Mindarika Private Limited | Minda Kyoraku Limited | Expenses recovered | - | 5 |
| Minda Kyoraku Limited | Mindarika Private Limited | Reimbursement of expenses | - | 5 |
| Mindarika Private Limited | MindaNexGentech Limited | Purchase of goods | - | 1 |
| MindaNexGentech Limited | Mindarika Private Limited | Sale of goods | - | 1 |
| Mindarika Private Limited | Minda Kyoraku Limited | Services received | 2 | - |
| Minda Kyoraku Limited | Mindarika Private Limited | Services rendered | 2 | - |
| Mindarika Private Limited | Minda Investment Limited | Dividend paid | 5 | 5 |
| Minda Investment Limited | Mindarika Private Limited | Dividend received | 5 | 5 |
| Balance Outstanding | | | | |
| Mindarika Private Limited | Minda Distributions and Services Limited | Amount receivable | 33 | - |
| Minda Distributions and Services Limited | Mindarika Private Limited | Amount payable | 33 | - |
| Mindarika Private Limited | MindaEmer Technologies Limited | Amount payable | 1 | - |
| MindaEmer Technologies Limited | Mindarika Private Limited | Amount receivable | 1 | - |
| Mindarika Private Limited | Minda Kyoraku Limited | Amount payable | 2 | - |
| Minda Kyoraku Limited | Mindarika Private Limited | Amount receivable | 2 | - |
| M J Casting Limited | Minda Finance Limited | Unsecured loan | - | 200 |
| Minda Finance Limited | M J Casting Limited | Unsecured loan | - | 200 |
| Minda Kyoraku Limited | Minda Investments Limited | Unsecured loan | - | 19 |
| Minda Investments Limited | Minda Kyoraku Limited | Unsecured loan | - | 19 |
| Mindarika Private Limited | Minda Kyoraku Limited | Loans and advance receivable | - | 6 |
| Minda Kyoraku Limited | Mindarika Private Limited | Loans and advance payable | - | 6 |

Notes Forming Part of the Consolidated Financial Statements

NOTE 38 ► RELATED PARTY DISCLOSURES (Contd...)

(iv) Details of related parties with whom transactions exceed 10% of the class of transaction:

₹ in Lac

| Related party | Nature of transaction | For the year ended 31-Mar-2015 # | For the year ended 31-Mar-2014 * |
|--------------------------------------|---------------------------|-------------------------------------|-------------------------------------|
| Auto Component Firm | Sale of goods | 96 | - |
| MindaNexGenTech Limited | Sale of goods | 199 | - |
| Mindarika Private Limited | Sale of goods | 285 | - |
| Minda Stoneridge Instruments Limited | Sale of goods | 83 | - |
| MindaNexGenTech Limited | Purchase of goods | 2,497 | 1,479 |
| Minda Corporation Limited | Purchase of goods | 4,529 | 3,929 |
| Shankar Moulding Limited | Purchase of goods | 1,115 | - |
| Auto Component Firm | Sale of fixed assets | 10 | - |
| SM Auto Industries | Sale of fixed assets | 1 | - |
| MindaNexGenTech Limited | Purchase of fixed assets | 90 | - |
| MindaNexGenTech Limited | Amount due to | 783 | - |
| M J Casting Limited | Expenses recovered | 8 | - |
| Mindarika Private Limited | Expenses recovered | 16 | - |
| Minda International Limited | Expenses recovered | 18 | - |
| Minda International Limited | Re-imbusement of expenses | 169 | - |
| Mindarika Private Limited | Dividend received | 41 | 41 |
| Minda Investments Limited | Services received | 517 | - |
| Mindarika Private Limited | Services rendered | 458 | 508 |
| Mindarika Private Limited | Services received | - | 7 |
| Auto Component Firm | Share of profits | 248 | 183 |
| Yogendra Engineering Firm | Share of profits | 344 | 367 |
| Auto Component Firm | Royalty received | 19 | 15 |
| Yogendra Engineering Firm | Royalty received | 52 | 50 |
| Samaira Engineering | Royalty received | 42 | 36 |
| Mr. Nirmal K. Minda | Remuneration | 281 | 131 |
| Mr. Nirmal K. Minda (HUF) | Equity dividend | - | 45 |
| Minda Investment Limited | Equity dividend | 230 | 102 |
| Mr. Nirmal K. Minda | Equity dividend | 132 | 72 |
| Mrs. Suman Minda | Equity dividend | 136 | 74 |
| Mr. Nirmal K. Minda | Preference dividend | 5 | - |
| Mrs. Suman Minda | Preference dividend | 6 | - |
| Minda Investment Limited | Rent | 343 | 683 |
| Minda Investment Limited | Utility Services paid | 539 | 603 |

Nil in previous year column represent transaction less than 10% of the class of transaction.

* Nil in current year column represent transaction less than 10% of the class of transaction.

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"

a) Defined contribution plan

For Indian entities

An amount of ₹881.37(Previous year:₹812.24) for the year, has been recognized as an expense in respect of the Group's contribution towards Provident Fund, deposited with the government authorities and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹36.67 (Previous year: ₹35.42) for the year, has been recognized as an expense in respect of the Group's contribution towards Superannuation Fund, and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹160.77 (previous year ₹121.88) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI and other funds, and has been included under employee benefit expense in the Statement of profit and loss.

For overseas entities

The group's employee social security contribution are defined contributions plans. ₹2,131.98(previous year ₹1,312.94) has been recognized as expense for the year in the Consolidated Statement of Profit and Loss and shown under employee benefits expense in note no.28.

b) Defined benefit plans –for Indian entities

Gratuity is payable to all eligible employees of the Group on retirement/exit,death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

The obligation for compensated absences is recognized in the same manner as Gratuity.

(i) Changes in present value of obligation:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|--|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Present value of obligation as at the beginning of the year | 1,572.44 | 1,468.79 | 704.21 | 585.88 |
| Present value of obligation at the beginning of the year on account of consolidation | - | - | - | - |
| Acquisition adjustment | - | 3.49 | - | (1.21) |
| Interest cost | 142.26 | 121.72 | 63.56 | 48.76 |
| Past service cost | | | | |
| Current service cost | 287.81 | 208.45 | 230.38 | 259.71 |
| Curtailement cost/(credit) | - | - | - | - |
| Settlement cost/(credit) | - | - | - | - |
| Benefits paid | (155.85) | (139.56) | (223.58) | (271.90) |
| Actuarial (gain)/loss on obligation | 258.97 | (90.45) | 179.64 | 78.46 |
| Present value of obligation as at the end of year | 2,105.62 | 1,572.44 | 954.22 | 704.21 |
| -Long term | 2,004.63* | 1,520.47 | 837.25 | 658.32 |
| -Short term | 100.99 | 51.97 | 116.97 | 45.89 |
| | 2,105.62 | 1,572.44 | 954.18 | 704.21 |

The parent company is maintaining its gratuity trust with L.I.C. by the name Minda Industries Limited Gratuity Trust. Accumulated contribution by the company as on 31 March 2015 is ₹335.22 (previous year ₹150.07). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹27.38 (previous year ₹19.34). Contribution by the company during the current year is ₹nil (previous year ₹nil)

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"(Contd...)

(ii) Changes in the fair value of plan assets:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|--|--------------------|-------------|----------------------|---------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31 March 2014 |
| Fair value of plan assets at the beginning of the year | 303.45 | 284.11 | - | - |
| Acquisition adjustment | | | - | - |
| Expected return on plan assets | 27.38 | 19.34 | - | - |
| Employer contributions | 9.16 | - | - | - |
| Benefits paid | (4.26) | - | - | - |
| Excess of actual over estimated return on plan assets | (0.51) | - | - | - |
| Fair value of plan assets at the end of the year | 335.22 | 303.45 | - | - |

(iii) Actuarial gain/ loss recognized is as follows:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Actuarial gain/(loss) for the year – obligation | (258.46) | 90.45 | (179.64) | 70.90 |
| Actuarial (gain)/loss for the year - plan assets | (0.51) | - | - | - |
| Total (gain)/loss for the year | 258.97 | (90.45) | 179.64 | (70.90) |
| Actuarial (gain)/ loss recognized in the year | 258.97 | (90.45) | 179.64 | (70.90) |
| Unrecognized actuarial (gain)/losses at the end of year | - | - | - | - |

(iv) The amounts recognized in the consolidated balance sheet are as follows:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|---|-------------|-------------|----------------------|-------------|
| | As at | | As at | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Present value of obligation as at the end of the year | 2105.62 | 1,572.44 | 954.22 | 704.21 |
| Fair value of plan assets as at the end of the year | 346.82 | 303.45 | - | - |
| Funded status | (1,758.80) | (1,268.99) | (954.22) | (704.21) |
| Excess of actual over estimated | - | - | - | - |
| Unrecognized actuarial (gains)/losses | - | - | - | - |
| Net asset/(liability) recognized in balance sheet | (1,758.80) | (1,268.99) | (954.22) | (704.21) |

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS" (Contd...)

(v) Expenses recognized in the Consolidated Statement of Profit and Loss:

₹ in Lac

| Particulars | Gratuity | | Compensated absences | |
|--|--------------------|-------------|----------------------|-------------|
| | For the year ended | | For the year ended | |
| | 31-Mar-2015 | 31-Mar-2014 | 31-Mar-2015 | 31-Mar-2014 |
| Current service cost | 287.81 | 208.45 | 230.37 | 254.09 |
| Past service cost | - | - | - | - |
| Interest cost | 142.26 | 121.72 | 63.55 | 48.76 |
| Expected return on plan assets | (27.36) | (19.34) | - | - |
| Curtailement cost / (credit) | - | - | - | - |
| Settlement cost / (credit) | - | - | - | - |
| Net actuarial (gain)/ loss recognized in the year | 262.48 | (90.45) | 180.22 | 78.46 |
| Expenses recognized in the Consolidated Statement of Profit and Loss | 665.19 | 220.37 | 474.14 | 381.31 |

*Net of fair value of plan assets of ₹175.37 considered in Profit and Loss Account.

(vi) Experience on actuarial Gain/(Loss) for PBO and Plan Assets

₹ in Lac

| Particulars | Gratuity | | | |
|----------------|-------------|---------------|---------------|---------------|
| | 31-Mar-2015 | 31 March 2014 | 31 March 2013 | 31 March 2012 |
| On Plan PBO | 65.48 | (81.95) | (55.98) | (115.79) |
| On Plan assets | 6.21 | (4.20) | - | (1.29) |

(vii) Enterprise best estimate of contribution during next year is:

₹ in Lac

| Particulars | Amount |
|----------------------|--------|
| Compensated absences | 299.82 |
| Gratuity | 545.58 |

(viii) Principal actuarial assumptions at the Balance Sheet date are as follows:

a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Assumptions used for the Group are as follows:

Assumptions for the parent company

| Particulars | For the year ended 31-Mar-2015 | For the year ended 31-Mar-2014 |
|--|-----------------------------------|-----------------------------------|
| Discount rate per annum | 7.80% | 9.10% |
| Future Salary Increase | 8.00% | 8.00% |
| Expected rate of Return on Plan Assets | 9.10% | 6.75% |

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ► DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS" (Contd...)

Assumptions for Minda Kyoraku Limited, M.J.Casting Limited

| Particulars | For the year ended 31-Mar-2015 | For the year ended 31-Mar-2014 |
|--|-----------------------------------|-----------------------------------|
| Discount rate per annum | 7.80% | 9.10% |
| Future Salary Increase | 8.00% | 8.00% |
| Expected rate of Return on Plan Assets | - | - |

Assumptions for Minda Distribution and Services Limited

| Particulars | For the year ended 31-Mar-2015 | For the year ended 31-Mar-2014 |
|--|-----------------------------------|-----------------------------------|
| Discount rate per annum | 7.75% | 8.50% |
| Future Salary Increase | 5.50% | 5.50% |
| Expected rate of Return on Plan Assets | - | - |

Assumptions for MindaEmer Technologies Limited

| Particulars | For the year ended 31-Mar-2015 | For the year ended 31-Mar-2014 |
|--|-----------------------------------|-----------------------------------|
| Discount rate per annum | 7.88% | 9.30% |
| Future Salary Increase | 8.00% | 8.00% |
| Expected rate of Return on Plan Assets | - | - |

b) Demographic assumptions:

| Particulars | Assumptions as at 31-Mar-2015 | Assumptions as at 31-Mar-2014 |
|---------------------------|----------------------------------|----------------------------------|
| i) Retirement Age (Years) | 58 | 58 |
| ii) Mortality Table | IALM (2006-08) | IALM (2006-08) |
| iii) Ages | Withdrawal Rate (%) | Withdrawal Rate (%) |
| Up to 30 years | 3.00 | 3.00 |
| From 31 to 44 years | 2.00 | 2.00 |
| Above 44 years | 1.00 | 1.00 |

c) Transfer of employees

During the previous year certain employees of MindaEmer Technologies Limited (METL) were transferred to Minda Industries Limited (the Parent Company). As per the terms of the agreement, the liability on account of gratuity and compensated absences for employee uptill date of transfer will be borne by METL. The amount receivable from METL towards gratuity is ₹7.25 lacs (previous year ₹7.25).

Notes Forming Part of the Consolidated Financial Statements

NOTE 40 ►

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Group

| Particulars | ₹ in Lac | |
|--|----------------------|----------------------|
| | As at 31-Mar-2015 | As at 31-Mar-2014 |
| The amounts remaining unpaid to micro and small suppliers as at the end of the year | | |
| - Principal | 354.21 | 818.01 |
| - Interest | 1.12 | 9.94 |
| The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) | - | - |
| The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year | 2,156.75 | 7341.35 |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006 | 16.34 | 80.64 |
| The amount of interest accrued and remaining unpaid at the end of the year | 17.46 | 90.58 |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006 | - | - |

NOTE 41 ►

The following disclosures have been made in accordance with the provisions of Accounting Standard 29- 'Provisions, Contingent Liabilities and Contingent Assets'

(i) Provision for Warranty

| Particulars | ₹ in Lac | |
|-------------------------------------|----------------------|----------------------|
| | As at 31-Mar-2015 | As at 31-Mar-2014 |
| Balance as at beginning of the year | 299.85 | 316.32 |
| Add: Provision made during the year | 993.64 | 385.55 |
| Less: Utilisation during the year | 876.51 | 402.02 |
| Balance as at the end of the year | 416.98 | 299.85 |

The Group companies have made a warranty provision on account of sale of components. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Unused provision is reversed on expiry of the warranty period.

(ii) Provision for Labour case

| Particulars | ₹ in Lac | |
|---|----------------------|----------------------|
| | As at 31-Mar-2015 | As at 31-Mar-2014 |
| Balance as at the beginning of the year | 280.01 | - |
| Add:- Provision made during the year | - | 280.01 |
| Less: Written back during the year | 266.82 | - |
| Balance as at the end of the year | 13.19 | 280.01 |

This provision has been made by the subsidiary company Global Mazinkert, S.L. (Clarton Horn, S.A.) on account of probable compensation for an injured worker during his working day attributable to the company pending resolution by the competent public administration.

Notes Forming Part of the Consolidated Financial Statements

NOTE 42 ► LEASES

The Group has taken offices on cancellable operating leases. The lease rentals recognised in the Consolidated Statement of Profit and Loss for the year 31 March 2015 are ₹1,286.51 (Previous Year ₹1,272.55).

NOTE 43

Capital Work in Progress includes borrowing cost capitalised during the year amounting to ₹ Nil (previous year ₹28.62)

NOTE 44 ► DERIVATIVE INSTRUMENTS

The Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates.

| Nature of contracts | Currency Hedged | Outstanding as at 31-Mar-2015 | | Outstanding as at 31-Mar-2014 | |
|---|-----------------|-------------------------------|-------------------------|-------------------------------|-------------------------|
| | | Number of contracts | Foreign currency amount | Number of contracts | Foreign currency amount |
| Forward exchange contracts | USD | 5 | 175,000 | 5 | 125,000 |
| Forward exchange contracts | EURO | - | - | 2 | 50,000 |
| Currency options (to hedge the ECB loan) | USD | 1 | 26,87,000 | 1 | 39,37,500 |

The purpose of entering into a forward exchange contract is to hedge the foreign currency exposure on payment from trade receivables. During the current year, the Group has not entered into any derivative instrument for speculation purpose.

NOTE 45 ►

The Group has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises 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.

NOTE 46 ►

Previous year figures have been reclassified/ regrouped, wherever required, to confirm to current year classification.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani

Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda

Chairman & Managing Director
DIN No. 00014942

Sudhir Jain

Corporate Business Head
and Group CFO

Place : Gurgaon
Date : 26 May 2015

Anand Kumar Minda

Director
DIN No. 00007964

H.C. Dhamija

VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Notes Forming Part of the Consolidated Financial Statements

Additional information as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associate / Joint Ventures

| S No. | Name of the enterprise | Net Assets i.e. Total assets - Total Liabilities | | Share in profit or loss | |
|-------|---|--|----------------|---------------------------------------|----------------|
| | | As a % of consolidated net assets | Amount in lacs | As a % of consolidated profit or loss | Amount in lacs |
| 1 | Parent Company | | | | |
| | Minda Industries Limited | 75.15% | 37,270.60 | 83.56% | 4,727.83 |
| 2 | Subsidiary Companies | | | | |
| | Indian | | | | |
| | Minda Autocomponents Limited | 2.29% | 1,134.47 | 4.27% | 241.34 |
| | Minda Distribution & Services Limited | 0.89% | 443.32 | 1.42% | 80.24 |
| | Minda Kyoraku Limited | 7.83% | 3,882.18 | -1.58% | (89.13) |
| | Foreign | | | | |
| | Global Mazinkert, S.L. | 0.21% | 104.56 | 0.59% | 33.35 |
| | Minority interest in all subsidiaries | 2.23% | 1,105.55 | 0.45% | 25.26 |
| 2 | Associate Companies (Investment as per Equity method) | | | | |
| | Indian | | | | |
| | Mindarika Private Limited | 3.29% | 1,633.54 | 4.22% | 238.51 |
| | Minda NexGentech Limited | 0.00% | - | 0.00% | - |
| | Yogendra Engineering (Firm) | 0.40% | 197.41 | 6.08% | 344.11 |
| | Auto Component (Firm) | 1.38% | 686.85 | 4.39% | 248.12 |
| 3 | Joint Venture Companies (As per proportionate consolidation) | | | | |
| | Indian | | | | |
| | M J Casting Limited | 5.64% | 2,799.66 | -5.83% | (330.05) |
| | Minda Emer Technologies Limited | 0.68% | 338.27 | 2.45% | 138.62 |

Notes Forming Part of the Consolidated Financial Statements

Salient Features of Financial Statements of Subsidiaries / Associates / Joint Ventures as per Companies Act, 2013 (as at 31 March 2015)

Part "A": Subsidiaries

| Sl No. | Name of the subsidiary company | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover/ Total Income | Profit before Taxation | Provision for Taxation | Profit after Taxation | Proposed Dividend | Foreign currencies in Lacs | |
|--------|---|--------------------|---------------|--------------------|--------------|-------------------|-------------|------------------------|------------------------|------------------------|-----------------------|-------------------|----------------------------|-----------|
| | | | | | | | | | | | | | % of Shareholding | ₹ in Lacs |
| 1 | Minda Distribution and Services Limited | INR | 198.76 | 244.56 | 5,047.11 | 4,603.79 | - | 36,086.48 | 132.62 | 52.38 | 80.24 | | 100.00% | |
| 2 | Minda Kyoraku Limited | INR | 4,123.70 | (241.51) | 7,060.73 | 3,178.54 | - | 6,716.63 | (89.13) | - | (89.13) | | 71.66% | |
| 3 | Minda Auto Component Limited | INR | 21.02 | 1,113.45 | 1,384.04 | 249.57 | - | 7,108.30 | 333.68 | 92.35 | 241.33 | | 100.00% | |
| 4 | Global Mazinkert, S.L. | INR | 104.18 | 388.99 | 4,621.17 | 4,128.00 | - | 2.37 | (361.36) | - | (361.36) | | 100.00% | |
| | | Euro | 1.54 | 5.75 | 68.31 | 61.02 | - | 0.03 | (4.58) | - | (4.58) | | 100.00% | |
| 5 | Clarton Horn Spain ® | INR | 650.79 | 4,161.83 | 12,095.14 | 7,282.52 | 202.95 | 39,842.13 | 643.04 | 20.51 | 622.52 | | 100.00% | |
| | | Euro | 9.62 | 61.52 | 178.79 | 107.65 | 3.00 | 504.97 | 8.15 | 0.26 | 7.89 | | 100.00% | |
| 6 | Clarton Horn Signalkoustic ® | INR | 16.91 | 51.41 | 115.01 | 46.68 | - | 467.09 | 14.20 | 4.73 | 9.47 | | 100.00% | |
| | | Euro | 0.25 | 0.76 | 1.70 | 0.69 | - | 5.92 | 0.18 | 0.06 | 0.12 | | 100.00% | |
| 7 | Clarton Horn Morocco ® | INR | 0.68 | (42.62) | 202.88 | 244.83 | - | 309.29 | (22.41) | - | (22.41) | | 100.00% | |
| | | Moroccan Dirhum | 11.67 | (6.75) | 32.20 | 27.28 | - | 37.06 | (1.84) | - | (1.84) | | 100.00% | |
| 8 | Clarton Horn Asia ® | INR | 55.48 | (55.50) | 1.35 | 1.37 | - | - | (0.79) | - | (0.79) | | 100.00% | |
| | | Euro* | 0.82 | (0.82) | 0.02 | 0.02 | - | - | (0.01) | - | (0.01) | | 100.00% | |
| 9 | Clarton Horn Mexico ® | INR | 331.49 | (18.27) | 342.99 | 29.77 | - | 1.58 | (20.51) | - | (20.51) | | 100.00% | |
| | | Euro* | 4.90 | (0.27) | 5.07 | 0.44 | - | 0.02 | (0.26) | - | (0.26) | | 100.00% | |

® Step down subsidiaries, * Converted into Euro.

Notes Forming Part of the Consolidated Financial Statements

Part B: Associates and Joint Ventures

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture Companies

| Sl No. | Name of Associates/ Joint Venture | Latest Audited Balance Sheet date | Shares of Associate/ Joint Venture held by the company on the year end | | | | Profit/Loss for the year | | | |
|----------------------|-----------------------------------|-----------------------------------|--|--|---------------------|---|---|---------------------------------|---|--|
| | | | No. | Amount of Investment in Associate/ Joint Venture (₹ In lacs) | Extend of holding % | Networth attributable to shareholding as per latest audited balance sheet (₹ In Lacs) | Considered in consolidation (₹ In Lacs) | Not considered in consolidation | Description of how there is significant influence | Reasons why the Associate/ Joint Venture is not consolidated |
| Associate | | | | | | | | | | |
| 1 | Mindarika Private Limited | 31-Mar-15 | 2,707,600 | 700.73 | 27.08% | 1,633.54 | 238.51 | - | Note A | N.A. |
| 2 | Minda NexGentech Limited | 31-Mar-15 | 3,120,000 | 312.00 | 26.00% | - | - | - | Note A | N.A. |
| Joint Venture | | | | | | | | | | |
| 1 | M J Casting Limited | 31-Mar-15 | 29,250,000 | 2,925.00 | 50.00% | 2,799.66 | (330.06) | - | Note A | N.A. |
| 2 | Minda Emer Technologies Limited | 31-Mar-15 | 2,725,000 | 272.50 | 49.10% | 338.37 | 138.61 | - | Note A | N.A. |

Note:

A. There is significant influence due to percentage (%) of Share Capital.

The above statement also indicates performance and financial position of each of the associates.

For and on behalf of the Board of Directors of
Minda Industries Limited

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015



MINDA INDUSTRIES LIMITED

(CIN: L74899DL1992PLC050333)

Corporate Office

Village Nawada Fatehpur, P.O. Sikanderpur

Badda, Disstt. Gurgaon (Haryana)

Website: www.mindagroup.com

Tel.: 0124-2290427/28