



MINDA CORPORATION LIMITED
Annual Report 2009-10

Contents

Remembering Babuji	2
Corporate Social Responsibility	4
Safety, Health & Environment	6
Research & Development	7
Awards & Recognitions	8
Financial Highlights	9
Corporate Information	10
Directors' Report	11
Management Discussion and Analysis Report	16
Corporate Governance Report	18
CEO and CFO Certification	24
Auditors' Certificate on Corporate Governance	26
Auditors' Report	27
Balance Sheet	30
Profit and Loss Account	31
Cash Flow Statement	32
Schedules forming part of Balance Sheet	34
Schedules forming part of Profit and Loss Account	40
Notes to Accounts	43
Balance Sheet Abstract	54
Consolidated Financial Statements	
Auditors' Report	55
Consolidated Balance Sheet	56
Consolidated Profit and Loss Account	57
Consolidated Cash Flow Statement	58
Schedules forming part of Consolidated Balance Sheet	59
Schedules forming part of Consolidated Profit and Loss Account	66
Notes to Consolidated Accounts	69
Statement under Section 212(8) of the Companies Act, 1956	77

Remembering **BABUJI**

Sh. Shadi Lal Minda, popularly known as Babuji, the founder of the Minda Group, passed away on April 17, 2010 in New Delhi. Born on March 08, 1930, Sh. Shadi Lal Minda was a distinguished business leader and philanthropist. Apart from founding the Minda Group in 1958, he was personally involved in many social development projects.

Minda Group began as a small auto parts trading firm from Kolkata and Siliguri in 1958. Sh. Shadi Lal Minda chose to get into manufacturing of locks and switches for cars and scooters, from Delhi's Kamla Nagar area. Soon it had customers like Bajaj Auto and Hindustan Motors and opened a manufacturing unit in the Wazirpur Industrial Area, New Delhi.

The Minda Group was later handed over to the two sons, with the switches business going to the elder son, Sh. Nirmal K Minda and the locks business to the younger son, Sh. Ashok Minda. Today, the Minda Group (comprising of the NK Minda Group and Ashok Minda Group) is a recognized leader in the auto component arena and has a combined turnover of around Rs.3,000 crores.

Right from the start, in the 1950s, Sh. Shadi Lal Minda strongly felt the need for Corporate Social Responsibility (CSR) as an inherent component of the manufacturing business. The Moga Devi Minda Charitable Trust (MDMCT), the body that handles all CSR projects in India, under his guidance setup projects that continue to benefit the underprivileged, directly or indirectly. Minda Balgram, an initiative for homeless children set up by Sh. Shadi Lal Minda is recognized as one of the finest children homes in the country. As a model Minda Balgram operates on self-reliance. It has its own agricultural land, own dairy farm etc that caters to the needs of the homeless children even while minimizing the dependence on the market. In addition, Sh. Shadi Lal Minda was associated with several charities and social initiatives.

Sh. Shadi Lal Minda is survived by two sons, Sh. Nirmal K. Minda, CMD, NK Minda Group, Sh. Ashok Minda, Chairman, Ashok Minda Group and a daughter, Mrs. Rekha Bansal married to Shri Rajesh Bansal, CMD, Mars Industries Private Limited and Dorset Kaba.



Sh. Shadi Lal Minda
1930-2010

मन निर्मल कर आज चला
मैं वापिस अपने घर

हँसते गाते आज चला मैं वापिस अपने घर
सत्य मार्ग अपना लिया अब नहीं किसी का डर

कर्मों ने लाकर छोड़ा मुझको इस दर पे
भोग भोगने तो थे ही चाहे रोकर या हँसके
चुका दिया ऋण सबका मैंने अब छूट रहा ये घर
हँसते गाते आज चला मैं वापिस अपने घर

आगे की सुविधाओं का भी मैंने रखा ध्यान
सबको गले लगाकर रखा दिया सभी को मान
सबके दिल में बना लिया है मैंने अपना घर
हँसते गाते आज चला मैं वापिस अपने घर

सदविचारों ने इस जग में जन जन तक पहुँचायां
धर्म आचरण ने जीवों से करना प्यार सिखाया
सतकर्मों ने इस जीवन में खुशियाँ दीनी भर
हँसते गाते आज चला मैं वापिस अपने घर

आभारी हूँ दुनिया वालों मुझको गले लगाया
जैसा भी भला बुरा था सबने अपनाया
कभी ना दिल से दूर किया मुझे प्यार दिया भरपूर
हँसते गाते आज चला मैं वापिस अपने घर

क्षमा याचना करता हूँ जो मुझसे हुआ कुसूर
अब ना कभी मिलना होगा मैं जा रहा तुमसे दूर
सुखमय जीवन होवे सबका रहो आनंद विभोर
हँसते गाते आज चला मैं वापिस अपने घर

*Some precious couplets by Babuji
Three days before his soul merged with the divine*



Minda Bal Gram



Minda Seva Kendra

Minda Vidya Niketan



Moga Devi Minda Memorial School

Corporate Social Responsibility

Activities at The Minda Group

Corporate Social Responsibility is of utmost concern at the Ashok Minda Group. While Group Companies undertakes several CSR initiatives at a localized level the Group undertakes its major CSR initiatives through the Moga Devi Minda Charitable Trust (MDMCT) that was established in 1987. Over the years MDMCT has implemented several CSR projects that have been acclaimed at the state and the national level. Following are the projects of MDMCT that are under various stages of completion:

1. Minda Bal Gram (MBG) MBG caters to children who have lost their parents or have been abandoned. The institute is located in Alipur, New Delhi, and provides for holistic development of children so that they grow to become balanced individuals in the society. MBG is a completely self-reliant organization that is acclaimed by the Government of Delhi. MBG is equipped with world-class in-house facilities such as medical treatment, agriculture, sports, library, cultural activities, and

preparatory school for nursery kids

2. Minda Vidya Niketan (MVN)

This is a Preparatory School that trains Nursery Kids from poor families so that they become eligible for admission in such various schools. Minda Vidya Niketan attempts to lay a strong base for grooming children through value-based training. Ever since its inception, MVN has helped hundreds of children from poor families to realize a healthy childhood.



Minda Sanjivani Kendra



Minda Vidya Vihar



Camp for physically handicapped people



T.B. Camp



Relief material kits for Tsunami hit area

3. Minda Seva Kendra (MSK) MSK is a unique endeavour for social change in India. The project was launched in January 2007 in Bagla village of Hisar District in Haryana. This project is aimed at enabling villages to become idealistic places based on rich Indian cultural heritage. Several villages in Haryana have benefited from this project and more are in the process of doing so. The MSK got an impetus this year when some of its projects such as the Computer Learning Center and the Vocational Training Center was inaugurated by the Hon'ble Chief Minister of Haryana, Mr Bhupender Singh Hooda at Bagla, Hisar. These centers offer free professional courses for the underprivileged and poor children from the villages around Bagla, Hisar.

4. Minda Vidya Vihar (MVV) This is a unique school that is being established in Bagla, Haryana, where school-going children from the villages will be provided holistic education so that they are able to compete with the children in the urban areas, who study in affluent schools. Minda Vidya Vihar is being constructed over an area of 14 acres that is surrounded by the villages of Bagla, Kabrel, Ghudsal, Siswal, Mohabbatpur, Salemgarh, Balsamnad and Adampur in Hisar, Haryana.

5. Minda Sanjivani Kendra (MSK) This Kendra is meant to cater to the treatment needs of women in Bagla and adjoining villages who suffer during pregnancy for want of medical interventions. This center will ensure proper care of women during pregnancy and also offer post-natal treatment.

6. Moga Devi Minda Memorial School (MDMMS) This is a world-class residential school that is being developed under the aegis of MDMCT management. This school will benefit hundreds of villagers around Hisar whose children do not have access to quality education. The MDMMS will be different from other schools in the way it will focus on instilling Indian values in children and provide latest educational facilities such as computer labs etc., all at a nominal fee. This school will be one of its kind in the country that will provide tremendous impetus to rural education.

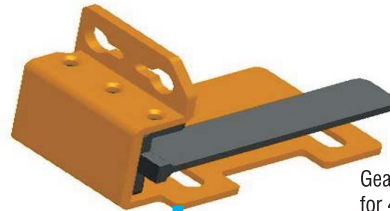
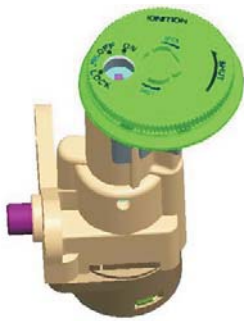


Safety, Health & Environment

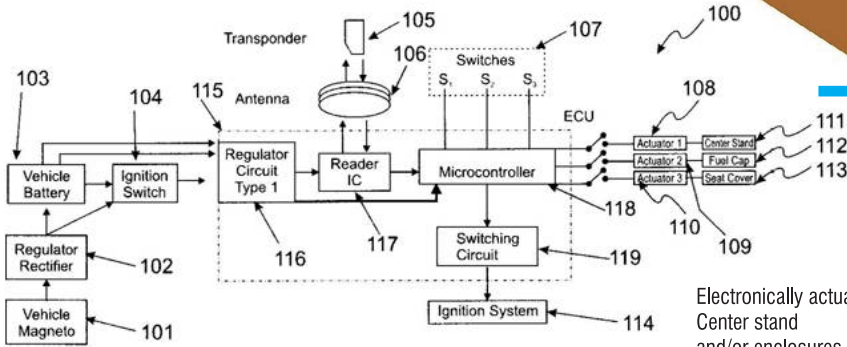
The Company spends lot of its resources on the Safety and Health of its employees. Regular education of Safety and health check-ups are important and mandatory for each employee.

The Company is sensitive to the Environment and has taken steps to conserve Electricity and Water. It has Effluent Treatment Plants and conserves water by way of Water Harvesting as well as reuse the treated water for horticulture. At all plants utmost importance is given to zero water discharge.

Protective Device for Cylinder Locks



Gear Lock Mounting for 4W



Electronically actuating Center stand and/or enclosures of 2W



Transponder Immobilizer System

Research & Development

Minda Corporation Limited has kept pace and grown with technology. The Company is focused on developing new products and has a dedicated cell which is working day and night to develop new technology products for its customers.

A team of 75 engineers are working on Mechanical & Electronic Security Systems, Door Systems & Window regulators, Electronic Controllers & Plastic Interiors. The engineers are competent to design new products.

Latest technological advancements are tracked and the products are benchmarked with the best in its class of products. The design teams of the group companies in Germany and Japan are very much integrated with our design team in India.

The R&D not only works for its Indian operations but also develops products for its manufacturing companies in Indonesia and Vietnam.

The Company has all types of Design Software like Pro-E, CATIA, ANSYS, MDO, AutoCAD etc.

The Company is very sensitive to

IPR and has a cell which continuously keeps track of the advancements around the globe. Minda Corporation Limited has filed 10 patents on Magnetic Shutter technology and Immobilizers. Some of the patents are applicable in Indonesia, Vietnam, Philippines, Thailand and Japan besides India.

The R&D team jointly undertakes specific development projects with premium technical institutes in Indian and also has Japanese advisors on its panel to update its technology and be a market Leader.



Mr. Jeevan Mahaldar, MD receiving 'BAL - Quality Silver Award' on behalf of MCL Pantnagar from Mr. Pradeep Shrivastava, COO, Bajaj Auto



MCL- Noida Quality Circle Team 'Prayas' winner of 'Distinguished Presentation Award' in 20th Quality Circle Competition Organized by QCFI

BAL Quality Platinum Award on less than 250 PPM for continuous 36 months to MCL Aurangabad



MCL Moida 'Lakshay' Q.C. Team Winner 2nd position, 7th ACMA Quality Circle Convention

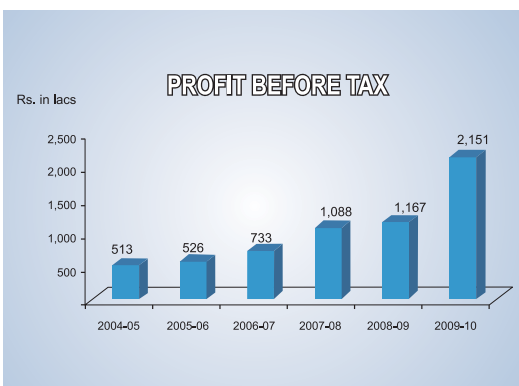
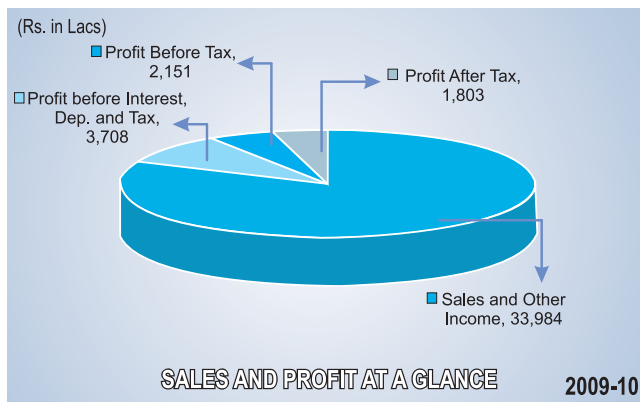
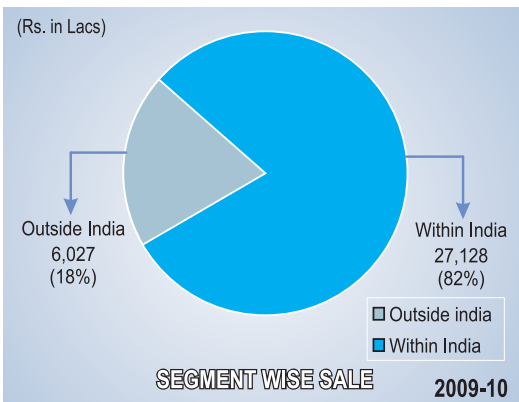


BAL TPM Award to MCL Pant Nagar

Awards and Recognitions

FINANCIAL HIGHLIGHTS

Details	Rs. in Lacs					
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Sales and other income	15,533	17,794	22,409	18,409	20,771	33,984
Profit Before Int, Dep and Tax	1,395	1,655	1,889	2,192	2,507	3,708
Profit before Tax	513	526	733	1,088	1,167	2,151
Profit after tax	340	293	440	791	919	1,803
Net fixed assets	5400	5059	6463	6008	6505	9,637
Share capital	247	247	247	864	864	864
Reserves and Surplus	2,216	2,466	2,849	2,821	3,538	5,090
Networth	2,463	2,713	3,095	3,684	4,402	5,953
Dividend	15%	15%	20%	20%	20%	25%



CORPORATE INFORMATION



Ashok Minda
Chairman



Nirmal K. Minda
Director



A.P. Gandhi
Director



S.C. Gupta
Director



Jeevan Mahaldar
Managing Director



Rakesh Chopra
Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ajay Sancheti

AUDITORS

M/s. R.N. Saraf & Co.

Chartered Accountants,

2659/2, Gurudwara Road,

Karol Bagh, New Delhi-110005

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

123, Vinobha Puri, Lajpat Nagar,

Phase-II, New Delhi-110024

BANKERS

State Bank of India

Indian Overseas Bank

State Bank of Patiala

Axis Bank Ltd

Standard Chartered Bank

Kotak Mahindra Bank Ltd

Karnataka Bank Ltd

REGISTERED OFFICE

36A, Rajasthan Udyog Nagar, Delhi - 110033

CORPORATE OFFICE

D, 6-11, Sector-59, Noida, U.P. - 201301

WEBSITE

www.minda.co.in

PLANTS

1. D, 6-11, Sector-59, Noida
U.P. - 201301
2. 5/2, Nanekarwadi, Chakan, Pune
Maharashtra-410501
3. Gut No. 307, Nanekarwadi, Chakan
Tel-Khed, Dist. Pune,
Maharashtra-410501
4. Plot No. 9, Sec-10, IIE Pantnagar,
Udham Singh Nagar,
Uttarakhand-263153
5. Plot No. 9A, Sec-10, IIE Pantnagar,
Udham Singh Nagar,
Uttarakhand-263153
6. 2D/1, Udyog Kendra, Ecotech-III
Greater Noida, U.P.-201306
7. 2D/2, Udyog Kendra, Ecotech-III
Greater Noida, U.P.-201306
8. E-87, MIDC, Waluj, Aurangabad, Maharashtra - 431136
9. Plot no. G1, Phase-III, Chakan Industrial Area,
Chakan Pune, Maharashtra-410501

SUBSIDIARIES

1. Minda Europe B.V.
2. Minda KTSN Plastic Solutions GmbH & Co. KG.

DIRECTORS' REPORT

The Shareholders,

The Directors have pleasure in submitting their 25th Annual Report on the business and operations of the Company, together with Audited Statement of Accounts for the year ended March 31, 2010.

I. FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	2009-10	2008-09
Sales and Other Income	33984.48	20771.26
Profit before Interest, Depreciation & Tax	3708.40	2507.04
Interest	730.66	647.85
Depreciation	826.63	692.00
Profit before Tax	2151.11	1167.19
Provision for Tax	385.00	195.00
Provision for Fringe Benefit Tax	--	28.00
Provision for Deferred Tax	(26.00)	25.00
Profit after Taxation	1803.32	919.19
Brought forward Profit	2165.30	1548.18
Total Profit available for appropriation	3968.62	2467.37

APPROPRIATION

(i) Proposed Dividend	215.90	172.72
(ii) Transfer to General Reserve	190.00	100.00
(iii) Corporate Dividend Tax	35.86	29.35
(iv) Surplus carried to Balance Sheet	3526.86	2165.30

2. INDUSTRIAL GROWTH vis-à-vis COMPANY PERFORMANCE

During the year 2009-10, the Indian economy in general and industrial sector in particular has shown excellent growth. This is in sharp contrast to previous year in which the global recession has impacted the performance of all the sectors including the auto sector. The current trends indicate a smooth run for the auto component industry. The cumulative production data for April-March 2010 shows production growth of 25.76% for the same period last year.

In line with the revival of the economy, your Company has shown excellent performance during the year under review. During the year under review your Company has achieved a turnover of Rs.33154.91 Lacs as compared to Rs.20042.94 Lacs during the previous year, thereby showing an increase by 65.42 %. The Net Profit of the Company has increased by over 96.19 % from Rs.919.19 Lacs in previous year to Rs.1803.32 Lacs in the current year.

3. FUTURE OUTLOOK

In the current scenario, the 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. Your Company is taking all necessary steps to minimize its cost at all level of operations to meet the stiff competition. In order to expand its business, the Company has acquired die casting, surface finishing and other market business for four wheelers during the year. In order to remain competitive and being a global leader in the Auto Ancillary Sector Company has taken various initiatives towards product enrichment, diversification and consolidation. The Company remains committed to adding new product ranges as per the global market surge. Continuous innovation and Research and Development on the existing product range were carried out throughout the year under review. The Company is taking various steps to enhance its product range and capacity.

4. APPROPRIATION OF PROFIT:- DIVIDEND

Your Directors are pleased to recommend the payment of dividend @ 25% (i.e. Rs.2.50/- per share) on 8,635,990 fully paid-up Equity Shares of Rs.10 each for the financial year 2009-10 subject to the approval of Shareholders in the forthcoming Annual General Meeting.

TRANSFER TO RESERVE

Your Company proposes to transfer Rs.190 Lacs to the General Reserve out of the amount of profit available for appropriations.

RETAINED EARNINGS

An amount of Rs.3526.86 Lacs is proposed to be retained in the Profit and Loss Account.

5. CORPORATE GOVERNANCE

A separate section on Corporate Governance, forming a part of the Directors' Report and the certificate from the Company's auditors confirming compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in this Annual Report. The Managing Director and Chief Financial Officer of the Company have issued necessary certificate to the Board in terms of clause 49 (V) of listing agreement with Stock Exchanges for the Financial Year ended March 31, 2010.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

7. FIXED DEPOSITS

During the year under review your Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

8. BOARD OF DIRECTORS

During the year under review the Board has co-opted Mr. Rakesh Chopra as an Additional and Independent Director w.e.f. May 27, 2010, who shall hold office up to the date of ensuing Annual General Meeting. The requisite notice along with required deposit

has been received by the Company under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Rakesh Chopra as a Director liable to retire by rotation at the ensuing Annual General Meeting. The Board of Directors recommends the appointment of Mr. Rakesh Chopra in the best interest of your Company.

In accordance with the requirement of the Companies Act, 1956, Mr. Nirmal K. Minda and Mr. Ashok Minda, Directors retiring by rotation at the ensuing Annual General Meeting being eligible, offer themselves for re-appointment.

The details of Directors being recommended for appointment as well as re-appointment, pursuant to Clause 49 of the Listing Agreement are contained in the accompanying Notice of the ensuing Annual General Meeting of the Company.

9. STATUTORY STATEMENTS :- DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure was made for the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on March 31, 2010;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) That they have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in the Annexure - I to this report.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, are given in the Annexure - II to this report.

10. AUDITORS

M/s R.N. Saraf & Co., Chartered Accountants, retires at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from them pursuant to Section 224(1B) of the Companies Act 1956, confirming their eligibility for re-appointment.

11. AUDITORS' REPORT

All observations made in the Auditors' Report and notes to the accounts are self-explanatory and do not call for any further comments under section 217 of the Companies Act, 1956.

12. LISTING

The Equity Shares of your Company are continued to be listed at Delhi Stock Exchange Limited and Madras Stock Exchange Limited and the Company has paid the listing fees for the year 2010 -11.

13. PARTICULARS REQUIRED AS PER SECTION 212 OF THE COMPANIES ACT, 1956

The Company has obtained exemption from the Government of India, Ministry of Corporate Affairs from attaching the financial accounts of subsidiary company to this report pursuant to section 212 of the Companies Act, 1956. A statement pursuant to exemption received u/s 212(8) of the Companies Act, 1956 relating to subsidiary company for the year ended March 31, 2010 is forming part of the Annual Report. The annual accounts of the subsidiary company and related detailed

information will be made available to the holding and subsidiary companies investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor in its head office and that of subsidiary companies concerned. The investors, if they desire, may write to the Company to obtain a copy of the financials of the subsidiary companies.

14. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

There is consistent focus on development of Human Resources (HR). HR plans have been defined with appropriate measurement indicators keeping in mind both long term goals and short term requirements. Employees' voices are captured through 'Open Houses', the forum through which employees are encouraged to voice their concerns, suggest innovative ideas and also seek answers from the top management on issues of common interest. The Company constantly reviews facilities and benefits to enhance overall employee well being. Employee Satisfaction/ Engagement Surveys have been done through external agency to formally assess the voice of employees.

15. ACKNOWLEDGEMENT

The Board of Directors admirably recognizes the continued teamwork, confidence and support of shareholders and would like to place on record its appreciation for the dedicated services rendered by the employees at all levels. Your Directors further articulate their gratitude to the Financial Institutions, Bankers, Customers, Suppliers and the Governments of Delhi, Uttaranchal, Uttar Pradesh and Maharashtra as well for the assistance and confidence reposed by them in the Company.

For and on behalf of the Board of
Minda Corporation Limited

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

**ANNEXURE I TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS
INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956**

A. CONSERVATION OF ENERGY

a) Energy Conservation Measures taken

The Company is not engaged in the high power intensive industry. However, keeping in mind the growing importance of conservation of energy, management reviews from time to time the measures taken as well as proposed to be taken for conservation of energy.

The important measures taken are as under:

- (i) Started using star rated AC's.
- (ii) Provided push pull switches to start tube lights (For Noida Plant)
- (iii) Cooling tower water temperature controller provided to reduce energy cost.
- (iv) Power factor benefit achieved.
- (v) Energy efficient furnaces provided in die casting plant.
- (vi) Diesel fired furnace converted into LPG fired in Pant Nagar Plant.
- (vii) Auto cut off provided in die casting machine.
- (viii) Regular Energy Audit by the external specialized agency is a regular feature in all the units.

b) Additional Investments and proposals if any being implemented for reduction of consumption of energy:

- (i) In die casting unit at Pune, Company has installed energy efficient compressor for energy conservation. The control system consists of flow control modules selected to operate at the required flow rate.
- (ii) All DOL starters are being converted into soft starters.
- (iii) All street lights to be converted in CFL.

c) Impact of the measures (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

The adoption of energy conservation measures indicated above has resulted in reasonable amount of saving in energy consumption.

d) Total energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in the schedule thereto.

Form "A" is not applicable, as the Company does not fall under the list of Industries specified

in the Schedule amount of saving in energy consumption.

B. TECHNOLOGY ABSORPTION

(i) Research and Development (R & D) - FORM "B"

1. Specific areas in which R & D carried out by the Company

R & D was carried out by the Company in all the product segment, it caters to in the mechanical security systems, focus was on feature addition, e.g. cable actuation mechanism was integrated with lock, which added value to the product. To address growing demand for various types of magnetic lock modules, new design was made to meet various customers demand. Also, to be more competitive re-engineering of existing products was done to reduce cost. In Electronic Security Systems, development of transponder based immobilizers was carried out. The USP of this immobilizer is that it can be used on two-wheelers which either do not have batteries or the battery is discharged. This product is an innovation and the Company has filed a patent for the same. For Window Regulators segment, design and development was carried out for dual rail Window Regulators. These have been developed for commercial vehicles. In the E-bike segment, controllers for BLDC motors were designed and developed to suit various types of E-bikes

2. Benefit derived as a result of above R&D

- a) Development of lock sets, with additional features like cable actuation feature has given break through entry in to Japanese OEM's scooters segment requiring such type of feature.
This will result into substantial business for this segment.
- b) Introduction of new type of magnetic module has helped the Company to establish its image as Company driving innovation. This has resulted in giving strong competition to Japanese manufacturers of mechanical security systems, who were having monopoly so far in this segment.
- c) Development of low cost ignition lock will help in addressing customers

requirement to develop products for their low end vehicle. Also, this will help in the Company in keeping the competition away.

- d) Design and Development of dual rail window regulators has resulted in to the Company entry in commercial vehicle segment. New orders have been booked for commercial vehicles.
- e) E-bikes are going to have substantial volumes in future. By developing controllers for various vehicle models, the Company has secured business from major customers. This will also help in addressing requirement of product for various electric vehicles as the focus of government increases on making emission norms stricter and providing focus to green vehicles.

3. Future Plan of Action.

Innovation will be the key word for all future developments. In Mechanical and Electronic Security Systems, products with innovative features will be developed. Company will focus on filing patents to protect its IPR. Besides OEM's market, focus will also be given to after market, especially for motor cycles and car accessories, electronic securities systems with advanced features.

In window regulator segment, the design and development initiated in 2009-10 will be established for commercial production and new order bookings will be done based on technologies available. In Electric Vehicle segment, focus will be on addressing requirement for high end bikes requiring more power. Besides development of controllers for cars and other four wheelers will be initiated.

4. Expenditure on Research and Development

	(Rs. in Lacs)	
	2009-10	2008-09
a) Capital Expenditure	289.64	170.19
b) Recurring Expenditure	372.33	176.16
c) Total	661.97	346.35
d) Total R & D expenditure as a percentage of total turnover	1.91%	1.59%

ii) **Technology absorption, adaptation and innovation**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
 - a) Exposure given to Engineers to design innovative products through guidance provided by expert consultants.
 - b) Guidance provided to Electronics Engineers through Technical Assistance Agreement with Orbital Corporation of Australia on immobilizer design.
2. Benefit derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.
 - a) Capacity of Engineers has been enhanced to design more innovative products, which are resulting in getting break through businesses for the organization
 - b) For Immobilizer design, Engineers are now better trained as the designs have been refined under guidance of Engineers from Orbital Corporation of Australia. This has also resulted in greater customer confidence in the Company to source Electronic security systems.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.
 - a) Technology Imported
 - a. Design of electronic regulators from Castellon, Spain.
 - b. Design of immobilizer system for Motorcycle/two wheelers from Orbital Corporation of Australia
 - c. Design of development of Brush less direct current motors for bikes and Electric scooters (E-Bike Controller) from NEC, Japan.
 - b) Year of Import
 - a. 2007
 - b. 2009
 - c. 2009
 - c) Has technology been fully absorbed? :- Absorbed except minor clarifications.
 - d) If not fully absorbed areas where this has not taken place, reasons there for and future plans of action. :- Software programme to be implemented

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

i) **EXPORT ACTIVITIES**

Activities relating to exports; initiative taken to increase exports; development of new export markets for products and services and export plans.

- a) Added many Two-wheeler customers in European & ASEAN markets.
- b) Addition of new customers in Europe through Subsidiary Company

ii) **TOTAL FOREIGN EXCHANGE USED AND EARNED**

Foreign Exchange Used

- a) Traveling - Rs.26.36 Lacs
(Previous year Rs.13.92 Lacs)
- b) CIF value of import Rs.1464.65Lacs
(Previous year Rs.423.53 Lacs)
- c) Commission on sales Rs.33.48 Lacs
(Previous year Rs.39.43 Lacs)
- d) Legal & Professional Rs. 4.34 Lacs
(Previous year Rs.12.05 Lacs)

- e) Repair & Maintenance (P&M) Rs.12.67 Lacs
(Previous Year Rs.3.82 Lacs)
- f) Technical Know how fee Rs.265.31 Lacs
(Previous year Rs.24.91 Lacs).
- g) Testing Charges Rs.2.08 Lacs
(Previous year Nil)
- h) Sales Promotion Rs.269.01 Lacs
(Previous year Nil)
- i) Consumables Rs. 6.32 Lacs
(Previous year Nil)
- j) Others Rs. 24.33 Lacs
(Previous year Nil)

Foreign Exchange Earned

- a) FOB value of Export Rs. 5695.68 Lacs
(previous year Rs. 3925.18 Lacs)
- b) Royalty Rs. 368.45 Lacs
(Previous Year Rs. 307.57 Lacs)
- c) Technical know-how/Service Income Rs. 93.71 Lacs
(Previous year Rs. 243.57 Lacs)

ANNEXURE TO THE DIRECTORS' REPORT

Statement pursuant to Section 112 of the Companies Act, 1956 relating to subsidiary Company for the year ended March 31, 2010

1. Name of the Subsidiary Company:	Minda Europe B. V.	Minda KTSN Plastic Solutions GmbH & Co. KG	
2. Financial Year of Subsidiary Company ended on:	31.03.2010	31.12.2009	
3. a) No. of shares held at the end of the financial year:	3000 Equity Shares of Euro 100 each.	Limited Liability Partnership, Germany, Euro 7,130,001 contributed by Minda Corporation Limited	
b) Extent of Interest at the end of the financial year:	100%	100%	
4. Net aggregate amount of Profit/(Loss) of the Subsidiary Company so far as it concerns the Members of the Holding Company:-	(Rs. in Lacs)	(Rs. in Lacs)	(Euro in '000')
a) Not dealt with in the accounts of the holding Company:-			
- For the subsidiary's financial year	(0.29)	157.41	234.85
- For the previous financial years of the subsidiary since it became subsidiary	44.81	586.78	865.83
b) Dealt with in the accounts of the Holding Company			
- For the subsidiary's financial year	NIL	NIL	NIL
- For the previous financial years of the subsidiary Company since it became subsidiary.	NIL	NIL	NIL

Minda Corporation Limited

Annual Report 2009-10

ANNEXURE II TO THE DIRECTOR'S REPORT

Information as per Sec 217 (2A) of The Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, and forming part of the Directors' Report for the year ended on March 31, 2010.

Employed through out the year

Sr. No.	Name	Age	Designation	Date of Commencement of Employment	Gross Remuneration (Rs.)	Qualifications	Experience (Years)	Name of Previous Employer
1.	Mr. Jeevan Mahaldar	51	Managing Director	08.01.07	6,075,481	MBA, B. Tech (Mech)	30	Tata Ficos Automotive Systems Ltd.
2.	Mr. R. K. Aggarwal	50	Chief Financial Officer	03.09.07	3,590,728	B.Com(H), FCA	24	Everest Industries Ltd.
3.	Mr. Hardeep Singh Arora	50	Assistant Vice President	27.09.03	2,751,639	Diploma in TRTC 84 and Diploma in Management	24	Western Electronics Ltd.

Notes:

1. All appointments were contractual as per the rules and conditions of the Company.
2. Remuneration includes basic salary, allowances, taxable value of perquisites, etc.
3. None of the employees are related to any director of the Company.
4. None of the employees own more than 2% of the outstanding shares of the Company as on March 31, 2010.

For and on behalf of the Board of
Minda Corporation Limited

Place : New Delhi
Date : May 27, 2010

Sd/
Ashok Minda
Chairman
DIN: 00054727



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

India has taken numerous steps through the implementation of a broad-based counter-cyclic policy package to respond to the negative fallout of the global slowdown. Amidst all the havoc of the financial crisis of the past two years, it looks like India has a 'sun-rise' sector to bet on! The Automobile sector is moving into top-gear.

Over the past twenty five years i.e. from its inception the Minda Corporation Limited (MCL or the Company) has set its benchmark amongst the leading players in the auto components industry.

After decade's low growth, the economy moved into high growth phase. Considering GDP growth rate eased to 7.2% (estimated) for the fiscal year, up from 6.7%. In the year 2009-10, MCL broke the manacles of a flat sales trend in the previous two years to post a 65.42 % growth. Overall, the Company recorded a sale of Rs.33154.91 Lacs and Profit Before Tax (PBT) of Rs.2151.11 Lacs during 2009-10.

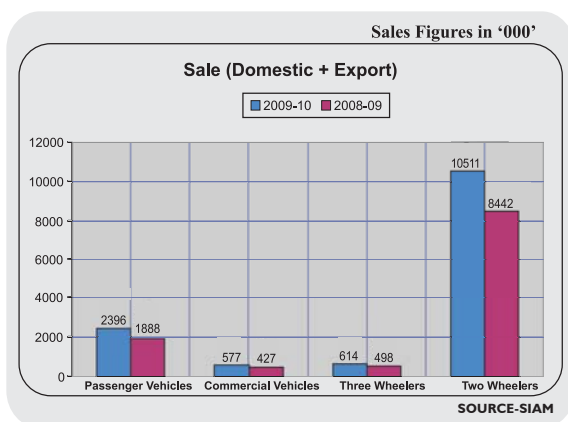
INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian automobile industry has come under global focus, ranking second only to China as the fastest growing market in the world. The spate of new launches by the auto majors and rising sales graphs over the past few months indicate that the fiscal stimulus seems to have worked wonders for this industry.

The Indian automotive industry has demonstrated sustained growth as a result of increased competitiveness and fewer restrictions. Several Indian automobile manufacturers expanded their domestic and international operations.

The automobile industry in India is the ninth largest in the world with an annual production and sales of over 14 Million units in 2009-10.

The cumulative production data for April-March 2010 shows production growth of 25.76 % over same period last year. Passenger vehicles production crossed 2 million and two wheelers production crossed 10 million. The analysis of the sales of automotive industry during 2009-10 is shown below:- The analysis of the sales data clearly indicates that Indian automotive industry has turned towards sun rising path.



One of the important aspects of growth in the auto sector is the resulting expansion in availability of jobs. Both two-wheeler and four-wheeler companies have over the years spawned a wide range of ancillary units to meet their component requirements. The spurt in demand for automobiles has also stepped up demand for auto components and other related industries that provide employment in large numbers in both rural and urban areas. One can presume that revival of demand for two-wheelers and passenger cars has also ensured job growth.

During the year under review, overall automotive export growth rate is 17.90% as against 23.61% during the last year. The lower growth rate is result of slower recovery of global automotive industry and continued recessionary trend of demand in automotive sector in European market.

OUTLOOK

There is a growing consensus across the world that the worst of the financial crisis is over. Economies globally have started to stabilize and recover either from the recession or severe slowdown in the past 2 years. After having contracted in 2009, the global economy is expected to grow.

The Indian economy has displayed remarkable resilience over the course of the downturn and is expected to grow in full pace. Since 2008-09, the government had engineered a substantial increase in demand through fiscal measures to compensate for the decline in private and export demand. The focus has now shifted to private consumption and investment, which are being viewed as key drivers of growth in 2010-11.

The Company has successfully acquired the business of manufacturing and trading of Electronic and Mechanical Security Systems including Door Handles and Gear Locks for four wheeler vehicles, commercial vehicles, sports utility vehicles and principal parts thereof for supplies to existing After Market and Original Equipment Suppliers in India alongwith the assets and employees relating to said business. It will strengthen the Company's image in aftermarket and will boost the demand of the Company's products.

In addition to this, your Company is exploring all sorts of business modalities like merger, acquisitions, joint venture and other arrangements to enter into global market for its existing and new range of products for expansion.

In the current scenario, the 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. Your Company is taking all necessary steps to minimize its cost at all level of operations to meet the stiff competition.

Innovation and cost pruning hold the key to meeting the global challenge of rising demand from developed countries and competition from other emerging economies.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

The global automotive industry is in transition in many key markets and the consolidation and restructuring issues relating to regulatory compliance & risk management, climate change and other trends are creating significant transitional challenges and opportunities throughout the automotive value chain.

Your Company is supplying major portion of its production to the OEM's. Therefore, the fortune of the Company is directly linked with the

performance of OEM's. Your Company is tying-up with all major OEM's in India and abroad to grab the purchase orders for their new models through innovations, designs & development. Your Company has already filed various patents to claim priority for innovation and to protect the Intellectual Property being created by the team of experts in the Company. Your Company is also expected to introduce new range of products such as Wiper System for four wheelers and e-Bike Controllers for BLDC motors.

Due to the recession, different countries were keen to purchase from India as we are a low-cost destination. India has also improved in its quality and standards. We expect that in next two or three years we will witness different type of parts coming into India.

India is currently the second largest motorcycle market, behind China. The National Council of Applied Economic Research (NCAER) estimates that this segment will expand at double-digit levels for the next two years. It also predicts that sales of motorcycles will continue to be far in excess of scooters and mopeds. Your Company is in the advance stage of discussion with major OEM's engaged in the production of motorcycles and scooters in India for supply of components for their new models to be introduced in near future.

The Indian auto components manufacturers are facing uphill task in meeting the surge in demand, yet unable to expand their capacities, as they have just now come out of recession. To add to their existing woes, China is flooding with its produce, triggering a price war. The imports of auto parts from China realising the alarming situation.

The automotive OEMs refrain from sourcing components from overseas markets and prefer to procure parts from the domestic market itself. In usual circumstance, what these OEMs do is to build relationships with the domestic vendors near their facilities and when they foray into overseas markets like India, they bring in these suppliers along.

Though, compared to Chinese auto component manufacturers, Indian players are better off in terms of quality, nevertheless, the overseas OEMs are not too sure that the quality levels have improved over the years.

As far as the Indian OEMs are concerned, they still prefer Indian suppliers to China. Your Company has already set-up its plants at all the locations including Pune, which is a hub for all major automotive OEMs to supply its products according to their requirement.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company's business activity falls within a single business segment in terms of Accounting Standard-17 on Segmental Reporting. Hence there is no separate reportable segment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure that all assets are safeguarded and accounted for and business transactions are authorised and recorded. An external established audit firm carries out internal audit. This audit is based on an Annual Audit Plan and includes regular reviews by the Audit Committee of Directors to ensure adequacy of controls and adherence to laid down procedures and systems. The Board of Directors also carries out Company Wide Risk Assessment and Management on a systematic and regular basis.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review your Company has achieved a turnover of Rs.33154.91 Lacs as compared to Rs.20042.94 Lacs during the previous year, thereby showing an increase by 65.42%.

The Net Profit of the Company has increased from Rs.919.19 Lacs in the previous year to Rs.1803.32 Lacs in the Current year registering a growth of over 96.19%.

These results have been achieved through a dedicated team of management, effective marketing strategy and timely guidance from the top level management including Board of Directors of the Company.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

There is consistent focus on development of Human Resources (HR). HR plans have been defined with appropriate measurement indicators keeping in mind both long term goals and short term requirements. Employees' voices are captured through 'Open Houses', the forum through which employees are encouraged to voice their concerns, suggest innovative ideas and also seek answers from the top management on issues of common interest. The Company constantly reviews facilities and benefits to enhance

overall employee well being. Employee Satisfaction/ Engagement Surveys have been done through external agency to formally assess the voice of employees. Action plans have been prepared and are being implemented to increase employee engagement.

The Company has initiated measures like employee referral scheme, engaging more consultants and providing growth opportunities to existing employees. Your Company has taken initiative to enhance the skills and capabilities of the employees through training programme being organized at group corporate level under the umbrella of "Minda Gurukul" The Performance Management System (PMS) recognizes individual and segment contribution through performance linked pay, thereby motivating employee ownership. PMS has been strengthened to include assessment on Minda Future Development Leadership Practices, training need assessment, identification of high potential employees and development plan for employees.

The Company maintained cordial industrial relations during the period under review. The total manpower employed during the period was (approx) 2400.

CAUTIONARY STATEMENTS

Statements in the Management Discussion and Analysis describing the Company's estimates or expectations may be forward looking predictions' within the meaning of applicable securities laws and regulations. Actual results may differ from such estimates, projections, etc., whether expressed or implied. Factors which would make a significant difference to the Company's operations include achievement of better quality and good market price in domestic and overseas market, changes in Government regulations and tax laws, economic conditions affecting demand/ supplies and other environmental factors over which the Company does not have any control.



CORPORATE GOVERNANCE REPORT (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

Your Company has complied in all material respects, with the Corporate Governance requirement as per clause 49 of the listing agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance in terms of listing agreement by your Company is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance sets forth guidelines for managing and sustaining a transparent, information-oriented culture wherein authority and responsibilities are co-existent and co-extensive. It also provides guidelines on accountability of various positions within the organization. These values govern not only the Board of Directors, but also the management and the employees of the Company. This Governance protects and balances the interests of all stakeholders thereby enhancing shareholder value.

I. BOARD OF DIRECTORS

a) Composition and Category of Directors:

The Company has a broad-based Board consists of mix of Executive, Non-Executive and Independent Directors. As on March 31, 2010, the Board of Minda Corporation Limited consisted of 5 (Five) Directors, of whom 4 (Four) Non Executive Directors and 1 (One) Executive Director. Out of all 5 (Five) Directors, there were 2 (Two) independent. The Board has no Institutional Nominee Directors.

During the year the Board duly met five times on 01.05.2009, 26.06.2009, 29.07.2009, 23.10.2009, 29.01.2010.

b) Non-executive directors' compensation

A sitting fee of Rs.7500 for each Board Meeting and Rs.2,500 for each Audit Committee meeting is being paid to the Non-Executive Directors. The payment to Non-Executive Directors is within the ceiling limits as prescribed under the Companies Act, 1956.

c) Other provisions as to Board and Committees

Details of attendance of each Director at the Board Meetings and the last AGM, Directorship, Chairmanships and Membership in other companies for each director are given below:

Name of the Director	Category*	Attendance Particulars		No. of Directorships and committee memberships/chairmanships		
		Board Meetings attended during the year	Last AGM Meeting Attended	Other Directorship	Committee Memberships	Committee Chairmanships
EXECUTIVE						
Mr. Jeevan Mahaldar (Managing Director)	Non Independent	5	Yes	-	-	-
NON-EXECUTIVE						
Mr. Ashok Minda (Chairman)	Non Independent	4	-	13	6	3
Mr. Nirmal K. Minda (Director)	Non Independent	1	-	19	1	1
Mr. A P Gandhi (Director)	Independent	5	Yes	13	6	3
Mr. S. C. Gupta (Director)	Independent	4	-	10	2	5

d) Code of Conduct:

The Company has in place the code of business conduct for all Board Members and Senior Management of the Company duly approved by the Board. The Code has been communicated to directors and the members of the senior management. The Code has also been posted on the website of the Company. All Board Members and Senior Management personnel have affirmed compliances with the code for the year ended March 31, 2010. The annual report contains a declaration to this effect signed by the Managing Director of the Company.

II. AUDIT COMMITTEE

- a) The terms of reference stipulated by the Board of Directors to the audit committee are as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.
- b) The Audit Committee consists of three directors as its Members viz. Mr. A. P. Gandhi, Chairman, Mr. Jeevan Mahaldar, Member and Mr. S. C. Gupta, Member.
- c) The particulars of meetings and attendance by the members of the Committee during the year under review are given in the table below:

Name of the Member	Status	No. of Meetings Attended	Category	Date of Meeting
Mr. A.P. Gandhi	Chairman	4	Non-Executive Independent Director	26.06.2009
Mr. Jeevan Mahaldar	Member	4	Executive Director	29.07.2009
Mr. S. C. Gupta	Member	4	Non-Executive Independent Director	23.10.2009
				29.01.2010

In addition to the members of the audit committee, these meetings are attended by the Heads of Accounts & Finance and other respective functional heads and Auditors of the Company, wherever necessary, and those executives of the Company who are considered necessary for providing inputs to the committee. Members have discussions with the auditors during the meetings of the committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the audit committee before consideration and approval by the Board of Directors. The committee also reviews the internal control systems, IT systems and reports of the internal audit.

- d) The Chairman of the committee was present at the Annual General Meeting held on 11.09.2009.
- e) Mr. Ajay Sancheti, Company Secretary of the Company acts as the Secretary to the Audit Committee.
- f) The terms of reference of the Audit Committee as broadly given as under:
- i) Overseeing of the Company's financial reporting process and the disclosure of its financial information.
 - ii) Reviewing quarterly and annual financial statements with the management.
 - iii) Reviewing the related party transactions.
 - iv) Recommending to the Board the appointment / reappointment / replacement of the statutory auditors and the audit fees payable and fees paid for other services rendered by the statutory auditors.
 - v) Review of management discussion analysis of financial conditions and results of operations and other matters specified under clause 49 of the Listing Agreement.
 - vi) Review of financial statements, in particular the investments made by the unlisted subsidiary.
 - vii) In addition, review of such other functions as envisaged under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

III. REMUNERATION COMMITTEE

a) **Constitution and Composition of the Committee:**

The composition of Remuneration Committee is in accordance with the requirement of clause 49 of the Listing Agreement. The present composition of the Remuneration Committee is as follows:

Name of the Member	Status	Category
Mr. A. P. Gandhi	Chairman	Non-Executive Independent Director
Mr. Ashok Minda	Member	Non-Executive Director
Mr. S. C. Gupta	Member	Non-Executive Independent Director

Meeting of the Remuneration Committee of the Company was held on 23.10.2009.

b) Terms of Reference

- i) The Remuneration Committee has been entrusted with the following responsibilities:
- ii) To review and grant annual increments to Managing Director.
- iii) To vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to the Managing Director within the overall ceiling of remuneration as approved by the members.
- iv) To suitably suggest changes based on changes in Schedule XIII of the Companies Act, 1956 and/or any amendments and/or modifications that may be made by the Central Govt. from time to time.
- v) To do all such acts, deeds, things and execute all such documents, instruments and writings as may be considered necessary, expedient or desirable on this subject.

c) Remuneration of Directors

All pecuniary relationships or transactions of the Non-Executive Directors with the Company: There is no transaction with the associates or relatives of the Non-Executive Directors during the financial year.

Number of shares held by Non-Executive Directors:

Sl. No.	Name of the Director	No. of equity shares held
1.	Mr. Ashok Minda	2026436
2.	Mr. Nirmal K. Minda	NIL
3.	Mr. A. P. Gandhi	NIL
4.	Mr. S. C. Gupta	NIL

No convertible instrument is issued by the Company.

d) Remuneration Policy

The Remuneration Policy of the Company is to link the remuneration payable to the Directors and employees with the performance of the Company. Further no sitting fee is paid to the Executive Director. The information/details to be provided under Corporate Governance Code with regard to remuneration of Director for the year 2009-10 are as follows :-

i) Executive Director:

Sl. No.	Name	Salary	(Amount in Rs.)			
			P.F. other allowances	Benefits and linked services	Performance	Total
1.	Mr. Jeevan Mahaldar	4,787,458	530,304	757,719	NIL	6,075,481

Mr. Jeevan Mahaldar was appointed by the Board of Directors at their meeting held on 08.01.2007 for a period of 5 (Five) years w.e.f 08.01.2007.

The tenure of office of the Managing Director is for a period of 5 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.

ii) Non- Executive Directors:

Name of the Non-Executive Director	Salary	(Amount in Rs.)	
		Sitting Fees	
		Board Meeting	Committee Meeting
Mr. Ashok Minda	Nil	Nil	Nil
Mr. Nirmal K. Minda	Nil	Nil	Nil
Mr. A. P. Gandhi	26,500	7,500	34,000
Mr. S. C. Gupta	24,500	7,500	32,000

IV. SHAREHOLDER'S/INVESTOR'S GRIEVANCES COMMITTEE

a) Composition

The Shareholders Grievance Committee consists of three Directors as its members viz. Mr. A. P. Gandhi (Chairman-Non-Executive Independent Director), Mr. Ashok Minda (Non-Executive Director) and Mr. S. C. Gupta (Non-Executive Independent Director). Mr. Ajay Sancheti, who is Company Secretary and Compliance Officer of the Company, is also the Secretary to the Committee.

b) Terms of Reference

The functioning and terms of reference of the Committee are to oversee various matters relating to redressal of Shareholder's Grievances as given below:-

- i) Non-Receipt of share certificates
- ii) Letters from Stock Exchanges, SEBI, etc.;
- iii) Matters relating to dematerialization / rematerialization of shares;
- iv) Non-receipt of Balance Sheet;
- v) Non-receipt of Dividend;
- vi) All other matters related to shares

c) Shareholders complaints and disposal thereof

The complaints of the shareholders are either addressed to the Company Secretary or Share Transfer Agent of the Company i.e. M/s Skyline Financial Services Pvt. Ltd. The status of pending shareholder's/ investor's complaints is regularly reviewed at the Shareholders'/ Investors' Grievance Committee Meeting as well as in the Board Meetings itself on quarterly basis.

The Company has received 1 complaint during the year which was redressed and promptly attended to and outstanding complaints as on March 31, 2010 were Nil.

Number of pending share transfer: There was no pending share transfer as on March 31, 2010.

The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

d) Name and Designation of the Compliance Officer

Mr. Ajay Sancheti, Company Secretary is the Compliance Officer in terms of Clause 47 of the Listing Agreement.

e) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit on a quarterly basis to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

V. GENERAL BODY MEETINGS

a) Location and time, where last 3 (Three) AGMs were held:

AGM	Financial Year	Venue	Date	Time
24th	2008-09	PHD Chamber of Commerce, PHD House, Opposite Asian Games Village, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, India	11.09.2009	2.30 P.M.
23rd	2007-08	— Do —	28.07.2008	2.30 P.M.
22nd	2006-07	— Do —	29.09.2007	3.00 P.M.

b) **Whether special resolutions were put through postal ballot this year, details of voting pattern:**

No special resolution was put through postal ballot during 2009-10.

c) None of the subjects placed before the shareholders in this Annual General Meeting requires approval of shareholders by postal ballot.

Special Resolutions passed in the previous 3 (Three) AGMs:

Year	Subject Matter of Special Resolution	Date of AGM
2008-2009	Nil	11.09.2009
2007-2008	Nil	28.07.2008
2006-2007	Appointment and fixation of remuneration of Mr. Jeevan Mahaldar as Managing Director of the Company	29.09.2007



VI. DISCLOSURES

- a) **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.**
 During the year, the Company has not entered into any transaction of material nature with the directors, their relatives or management which is in conflict with the interest of the Company.
 The transactions with the related parties, namely its promoters, its subsidiary and associate companies etc., of routine nature have been reported elsewhere in the annual report as per Accounting Standard - 18 (AS-18) issued by the Institute of Chartered Accountants of India (ICAI).
- b) **Details of any non-compliances by the Company:** No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for non-compliance by the Company during the last three years on any matter related to capital market.
- c) **Disclosure of Accounting Treatment:** The Company has prepared its financial statement as per the Accounting Standard prescribed by the Institute of Chartered Accountants of India (ICAI). There is no deviation in the Accounting Treatment.
- d) **Risk Management:** The Company has procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.
- e) The Managing Director and Chief Financial Officer of the Company have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended March 31, 2010.
- f) **Disclosure of relationship between Directors inter se:** Chairman Mr. Ashok Minda has blood relation with Mr. Nirmal. K. Minda (elder brother). Apart from this the directors have no material or pecuniary relationship inter-se among themselves, whether directly or indirectly.

VII. MEANS OF COMMUNICATION

- | | |
|---|--|
| a) Quarterly results | The results of the Company were published in newspapers and sent to Stock Exchanges. |
| b) Which newspaper normally published in | The Economic Times and Nav Bharat Times |
| c) Any website where displayed | Company's website - www.minda.co.in |
| d) Whether it also displays official news releases | Yes, At the Company's website |
| e) The presentations made to institutional investors or to the analysts | None during the year |

VIII. GENERAL SHAREHOLDERS INFORMATION:

- a) **25th Annual General Meeting:**
- | | | |
|------------|---|---|
| Venue | : | PHD Chamber of Commerce, PHD House, Opp. Asian Games Village, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, India |
| Time | : | 2:30 p.m. |
| Day & Date | : | Friday, 10 th September, 2010 |
- b) **Financial Calendar: 2010 – 11 (Tentative)**
- | | |
|--|--|
| Financial Year | April, 2010 to March, 2011 |
| Annual General Meeting | During July- September, 2011 |
| Financial reporting for the quarter ending | Tentative Date |
| i) First Quarterly Results | (Unaudited - Limited Review) July/August, 2010 |
| ii) Second Quarterly Results | _____Do_____ October/November, 2010 |
| iii) Third Quarterly Results | _____Do_____ January/February, 2011 |
| iv) Fourth Quarterly Results | _____Do_____ April/May, 2011 |
| v) Annual Results | (Audited) May, 2011 |
- c) **Book Closure:** Share Transfer Books and Register of Members shall remain closed from September 01, 2010 to September 10, 2010 (both days inclusive).
- d) **Dividend:** The Board of Directors has proposed a dividend @ 25% on 8,635,990 Nos of fully paid -up Equity Shares of Rs.10 each for Financial Year 2009-10.

e. **Listing on Stock Exchanges and Stock Codes:**

S.No.	Name & Address of the Stock Exchange	Stock Code
1.	The Delhi Stock Exchange Ltd., DSE House, 3/1 Asaf Ali Road, New Delhi - 110 002	4913
2.	Madras Stock Exchange Ltd., Exchange Building, Post Box- 183, 11, Second Line Beach, Chennai - 600001	Minda HUF
3.	ISIN allotted by Depositories (Company ID Number)	INE842C01013

Annual Listing Fees for the year 2010-11 have been duly paid to the above stock exchanges.

f. **Market Price Data**

There is not much trading in Delhi and Madras Stock Exchange where the shares of the Company are listed. Therefore market data is not available.

g. **Registrar and Transfer Agents:**

Skyline Financial Services Pvt. Ltd.
246, Sant Nagar, First Floor, Iskon Temple Road, East of Kailash, New Delhi-110065.

h. **Share Transfer System & RTA:**

The share transfer requests received in physical form by the Company or the Company's Registrar and Transfer Agent are registered within a period of 15 days from the date of receipt. Requests for dematerialization received from the shareholders are effected within an average period of 7 days.

i. **Details of shareholding as on March 31, 2010:**

S.No.	Category	No. of Shares Held	% Shareholding
1.	Promoters & Promoters Group	5644764	65.36
2.	Financial Institutions, Banks and Mutual Funds	NIL	NIL
3.	NRIs, Foreign Nationals, OCBs and FIIs	135000	1.56
4.	Indian Public	2856226	33.08
	TOTAL	8635990	100

j. **Details of shareholding as on March 31, 2010:**

Shareholding (Range)	No. of shares of Rs. 10 each	% of Shares	No. of Members	% of Members
Up to 500	12053	0.14	141	64.67
501-1000	27500	0.32	39	17.89
1001-2000	19775	0.23	13	5.96
2001-3000	4900	0.06	2	0.92
3001-4000	7350	0.09	2	0.92
4001-5000	4725	0.05	1	0.46
5001-10000	5250	0.06	1	0.46
10001 & above	8554437	99.05	11	8.72
TOTAL		100.00	210	100.00

k. **Dematerialization of Shares and Liquidity:**

The shares of the Company fall under the category of compulsory delivery in dematerialized form by all categories of investors. The Company has signed agreements with both the Depositories i.e. National Securities Depository Limited and Central Depositories Services (India) Limited.

Out of 8635990 equity shares of Rs. 10/- each, 4134247 shares have been held in dematerialized as on March 31, 2010.



l. Public issue, right issue, preferential issue, and GDR/ADR etc.:

There was no public issue, right issue or preferential issue during the year. The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have an impact on the Company's equity.

m. Location of Plants

- D, 6-11, Sector -59, NOIDA, UP - 201301
- 5/2, Nanekarwadi, Chakan, Pune, Maharashtra - 410501
- Gut No. 307, Nanekarwadi, Chakan, Tal-Khed, Dist. Pune, Maharashtra - 410501
- Plot No. 9, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand - 263153
- Plot No. 9A Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand - 263153
- 2D/1, Udyog Kendra, Ecotech-III, Greater Noida, U.P. - 201306
- 2D/2, Udyog Kendra, Greater Noida, U.P. - 201306
- E-87, MIDC, Waluj, Aurangabad, Maharashtra - 431136
- Plot No. G1, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra - 410501

n. Address for Investor Correspondence

- ▶ With the Company: Mr. Ajay Sancheti,
Company Secretary & Compliance Officer
Minda Corporation Ltd.,
D-6-11, Sector-59, Noida, U.P. - 201301
Ph. : 0120-4787117
E-Mail : asancheti@minda.co.in
- ▶ With the R & T Agent: **Skyline Financial Services Pvt. Ltd.**
246, Sant Nagar, First Floor, Iskon Temple Road,
East of Kailash, New Delhi - 110065

o. Compliance

- ▶ The compliance certificate obtained from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the stock exchange is annexed with this report. The compliance certificate is also sent annually to all the shareholders of the Company.
- ▶ The non-mandatory requirements, wherever necessary, have been complied with.

IX. NOMINATION FACILITY

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are allowed to submit to the Company's Share Transfer Agents, M/s Skyline Financial Services Pvt. Ltd. at their address in the prescribed Form (Form 2B). Nomination facility in respect of shares held in Electronic Form is also available with the Depository Participant (DP) as per the Bye laws and Business rules applicable to NSDL & CDSL.

X. NON-MANDATORY DISCLOSURE

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

- (a) **The Board:** As the Company has Non - Executive Chairman, the implementation of this non-mandatory requirement does not arise. The Non-Executive Directors of the Company are liable to retire by rotation and if eligible, offer themselves for reappointment. No specific tenure has been fixed for the independent directors.
- (b) **Shareholder rights:** The Quarterly / half-yearly results of the Company are published in newspapers and its web site www.minda.co.in. The results are not sent to the shareholders individually.
- (c) **Audit qualifications:** The statutory financial statements of the Company are unqualified.
- (d) **Training of Board Members / Mechanism for evaluating Non-Executive Directors:** All the Non-Executive Directors are having rich experience and expertise in functional areas and in the opinion of the Board, they do not require any further training.
- (e) **Whistle Blower Policy:** The Company has communicated to all its employees the "Whistle Blower Policy" and the Company has not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

**DECLARATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING
ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS**

The Shareholders of the Company
Minda Corporation Limited
36A, Rajasthan Udyog Nagar,
Delhi - 110 033

Pursuant to clause 49(D)(ii) of the Listing Agreement, I hereby agree that all the Board Members and the senior management personnel are aware of the provisions of the code of conduct laid down by the Board. All Board Members and senior management personnel have affirmed compliance with code of conduct.

Place : New Delhi
Date : May 27, 2010

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

CEO and CFO Certification

We, Jeevan Mahaldar, Managing Director, and R. K. Aggarwal, Chief Financial Officer of Minda Corporation Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account (Standalone and consolidated), and all its schedules and notes to accounts, as well as the cash flow statement and the directors' report for the year ended on March 31, 2010;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Company's disclosure, controls and procedures;
 - d) disclosed, in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions):
 - a) All deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
 - b) Significant changes in internal controls during the year covered by this report;
 - c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
 - d) Instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal control system.



7. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors, as decided by the audit committee;
8. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
9. We further declare that all Board Members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place : New Delhi
Date : May 27, 2010

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
R. K. Aggarwal
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Minda Corporation Limited,

We have examined the compliance of conditions of Corporate Governance by Minda Corporation Limited for the year ended March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in 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 R. N. Saraf & Co.
Chartered Accountants

Place: New Delhi
Date: May 27, 2010

Sd/-
R. N. Saraf, F.C.A.
Membership No. 12439

AUDITORS' REPORT

To the Members of Minda Corporation Limited,

We have audited the attached Balance Sheet of Minda Corporation Limited as at March 31, 2010 and also the Profit and Loss Account and the Cash flow Statement for the year ended on that date annexed thereto (Collectively referred as Financial statements). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, (as amended) by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Financial Statements dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Financial Statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanation given to us, the said Financial Statements read together with schedule 'A' to 'S' and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : New Delhi
Date : May 27, 2010

For R. N. Saraf & Co.
Chartered Accountants
(Registration No. 002023N)

Sd/-
R. N. Saraf, F.C.A.
Membership No. 12439



**Annexure referred to the Auditors' Report of even date to the Members
of MINDA CORPORATION LIMITED on the Financial Statements
for the year ended March 31, 2010.**

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of fixed assets;
- (b) The fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of account.
- (c) There was no substantial disposal of fixed assets during the year;
- (ii) (a) The inventory have been physically verified by the management at reasonable intervals;
- (b) In our opinion, the procedures for physical verification of inventory 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 has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account;
- (iii) (a) During the year, the Company has taken unsecured loan from a company covered in the register maintained under Section 301 of the Companies Act, 1956. The amount taken during the year amounting to Rs.1196.50 Lacs.
- (b) The Company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions on which the loans have been taken from a company listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
- (d) The Company is regular in repaying the principal amount and interest.
- (iv) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal controls during the course of audit.
- (v) (a) In our opinion, the particulars of the contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, having regard to the fact that certain items purchased/sold and services rendered / received are of a special nature and suitable sources do not exist for obtaining comparative quotations, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time or the prices at which the transactions for similar goods have been made with other parties.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the year. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (vii) An outside agency has carried out internal audit during the year. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- (viii) The Central Government of India has prescribed the maintenance of cost records by the Company under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- (ix) (a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable to it and no undisputed amounts payable were outstanding as at March 31, 2010 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us and the records of the Company examined by us as at March 31, 2010, there have been no dues in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess that have not been deposited on account of dispute other than certain disputed sales tax, income tax and excise duty dues, the details of which are as follows :

Minda Corporation Limited

Annual Report 2009-10

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Interest on Sales Tax	5.95	1998-99, 2001-02 and 2005-06	Trade Tax Tribunal, Ghaziabad
Income Tax Act, 1961	Income Tax	23.98	2003-04 and 2007-08	Commissioner of Income Tax (Appeals), New Delhi
Central Excise	Interest and Penalty	87.93	2006-07	Customs, Excise & Service Tax Appellate Tribunal, New Delhi & Pune

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xiii) The Company is not a chit fund/nidhi/mutual benefit fund/society, therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xiv) The Company is not dealing in or trading in shares, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003, (as amended) are not applicable.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions. In our opinion the terms and conditions on which the Company has given the guarantees for the loan taken by other banks are not prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash-flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956;
- (xix) The Company did not have any outstanding debentures during the year, therefore, clause 4(xix) of Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xx) The Company has not raised any money by public issues during the year, therefore clause 4(xx) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.
- (xxi) Based on the audit procedures performed and information and explanations given to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For R. N. Saraf & Co.
Chartered Accountants
(Registration No. 002023N)

Sd/-
R. N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010



BALANCE SHEET AS AT MARCH 31, 2010

Rs.

S.NO.	PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
I. SOURCES OF FUNDS				
1.	Shareholders' Funds			
	(a) Share Capital	A	86,359,900	86,359,900
	(b) Reserves and Surplus	B	508,952,285	353,796,480
2.	Loan Funds			
	(a) Secured Loans	C	777,672,174	511,263,785
	(b) Unsecured Loans	D	256,282,696	119,279,029
3.	Deferred Tax Liability	E	33,329,000	35,929,000
	TOTAL		1,662,596,055	1,106,628,194
II. APPLICATION OF FUNDS				
1.	Fixed Assets	F		
	(a) Gross Block		1,198,532,715	910,529,620
	(b) Less : Depreciation		435,824,399	358,091,854
	(c) Net Block		762,708,316	552,437,766
	(d) Capital Work in Progress		197,893,523	64,388,660
	(e) Capital Advances		3,129,659	33,657,037
2.	Investments	G	421,193,301	421,193,301
3.	Current Assets, Loans and Advances	H		
	(a) Inventories		229,989,433	85,420,518
	(b) Sundry Debtors		485,541,433	239,107,328
	(c) Cash and Bank Balances		43,590,653	8,468,035
	(d) Other Current Assets		12,183,941	6,843,340
	(e) Loans and Advances		200,218,900	92,684,567
			971,524,360	432,523,788
	Less : Current Liabilities and Provisions	I		
	(a) Current Liabilities		628,378,968	353,841,046
	(b) Provisions		65,474,136	43,731,312
			693,853,104	397,572,358
	Net Current Assets		277,671,256	34,951,430
	TOTAL		1,662,596,055	1,106,628,194
	Notes to Financial Statements	S		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107

Minda Corporation Limited

Annual Report 2009-10

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Rs.

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
INCOME			
Sales	J	3,315,491,392	2,004,294,041
Income from Operations		<u>81,132,813</u>	<u>68,603,383</u>
		3,396,624,205	2,072,897,424
Other Income	K	1,824,000	4,229,000
Accretion/(Depletion) in Stocks	L	<u>53,462,592</u>	<u>2,862,804</u>
		<u>3,451,910,797</u>	<u>2,079,989,228</u>
EXPENDITURE			
Cost of Materials	M	2,192,724,188	1,387,416,871
Manufacturing Expenses	N	150,130,230	40,499,952
Employees Remuneration and Benefits	O	336,705,299	185,249,729
Administrative and Other Expenses	P	319,918,914	181,646,631
Selling and Distribution Expenses	Q	73,562,123	29,831,201
Interest and Finance Charges	R	81,096,058	69,426,187
Depreciation/Amortisation/Impairment	F	<u>82,662,506</u>	<u>69,199,505</u>
		<u>3,236,799,318</u>	<u>1,963,270,076</u>
PROFIT BEFORE TAXATION		215,111,479	116,719,152
Provision for Income Tax		38,500,000	19,500,000
Excess provision for the earlier years		(1,120,137)	-
Provision for Fringe Benefit Tax		-	2,800,000
Deferred Tax (Asset)/Liability	E	<u>(2,600,000)</u>	<u>2,500,000</u>
PROFIT AFTER TAXATION		180,331,616	91,919,152
Proposed Dividend		21,589,975	17,271,980
Tax on Proposed Dividend		3,585,836	2,935,373
Transfer to General Reserve		<u>19,000,000</u>	<u>10,000,000</u>
Balance Carried to Balance Sheet		<u>136,155,805</u>	<u>61,711,799</u>
Earnings per share			
Basic (Rupees)	S	20.88	10.64
Diluted (Rupees)		20.88	10.64
Notes to Financial Statements			
	S		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2010

Rs.

S.No.	PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net profit before tax	215,111,479	116,719,152
	Adjusted for:		
	Depreciation	82,662,506	69,199,505
	Interest paid	73,066,185	64,784,689
	(Profit)/Loss on sale of fixed assets	462,313	628,220
	Amounts written off	65,362	26,491
	Interest on Deposits	(473,593)	(139,582)
	Interest- Others	(3,479,944)	(66,266)
	Provisions Written Back	(5,161,867)	(479,127)
	Operating profit before Working Capital changes	362,252,441	250,673,082
	Adjusted for:		
	Accounts Receivable	(246,434,105)	(10,549,829)
	Loans & Advances	(112,161,311)	(17,105,029)
	Other Current Assets	(4,815,906)	(1,034,099)
	Inventories	(144,568,915)	(7,625,332)
	Current Liabilities & Provisions	297,200,821	46,849,898
	Cash generated from operating activities	151,473,025	261,208,691
	Income Tax Paid (including Taxes Deducted at Source and Wealth Tax)	(32,818,247)	(20,552,273)
	Fringe Benefit Tax paid	(726,666)	(2,337,350)
	NET CASH FROM OPERATING ACTIVITIES	117,928,112	238,319,068
B. CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES			
	Purchase of Fixed Assets	(398,237,568)	(122,318,577)
	Proceeds from sale of Fixed Assets	1,864,715	2,776,111
	Interest Received	3,428,842	93,624
	Investments in Subsidiary	-	(60,189,601)
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(392,944,012)	(179,638,443)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2010

			Rs.	
S.No.	PARTICULARS	SCHEDULE	Year Ended 31.03.2010	Year Ended 31.03.2009
C. CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES				
	Dividends Paid (including tax on dividend)		(20,207,353)	(20,207,353)
	Movement in Borrowing		403,412,056	20,006,840
	Interest Paid		(73,066,185)	(64,784,689)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES		(310,138,518)	(64,985,202)
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		35,122,618	(6,304,577)
	Cash and Cash Equivalents at the beginning of the year		8,468,035	14,772,612
	Cash and Cash Equivalents at the end of the year		43,590,653	8,468,035
	Notes to Financial Statements	S		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107



SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Schedule A : SHARE CAPITAL		
Authorised		
10,000,000 Equity Shares of Rs.10 each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid up		
8,635,990 Equity Shares of Rs.10 each fully paid up*	86,359,900	86,359,900
	86,359,900	86,359,900
* Includes as bonus shares 936,375 Equity Shares of Rs.10 each allotted by capitalisation of general reserve on 29 th September, 1994 and 6,168,565 Equity Shares of Rs.10 each allotted by capitalisation of Securities Premium on 18 th March, 2008.		
Schedule B : RESERVES AND SURPLUS		
Securities Premium Account	65,266,350	65,266,350
General Reserve		
As per last Balance Sheet	72,000,000	62,000,000
Add: Transfer from profit and loss account	19,000,000	10,000,000
	91,000,000	72,000,000
Profit and Loss Account		
As per last Balance Sheet	216,530,130	154,818,331
Add: Profit for the year	136,155,805	61,711,799
	352,685,935	216,530,130
	508,952,285	353,796,480
Schedule C : SECURED LOANS		
From Banks :		
Term Loans	476,762,902	252,892,197
Working Capital Loans	253,306,473	197,013,823
Vehicle Loans	533,894	-
	730,603,269	449,906,020
From Others :		
Vehicle Loans	644,826	-
Deferred Sales Tax		
As per last Balance Sheet	61,357,765	73,753,186
Less: Paid during the year	(14,933,686)	12,395,421
	46,424,079	61,357,765
	777,672,174	511,263,785

SCHEDULES FORMING PART OF THE BALANCE SHEET

Notes:

1. Term Loan

Rs.100,000,000 (Previous Year Rs.Nil) from State Bank of Patiala.

Secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other Banks) and also secured by a second pari passu charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of Bankers for securing working capital borrowings.

Rs.199,919,684 (Previous year Rs.171,894,345) from State Bank of India. Secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other Banks) and also secured by a second pari passu charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of Bankers for securing working capital borrowings.

Rs.51,000,000 (Previous Year Rs.80,997,852 from ABN Amro Bank N.V.) from Kotak Mahindra Bank Ltd.

Secured by way of first and exclusive charge on all existing and future movable and immovable fixed assets located at Plot No.9A, Sector 10, I.I.E., Pant Nagar (Uttarakhand) and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future.

Rs.110,100,205 (Previous Year Rs.Nil) from Karnataka Bank Ltd.

Secured by way of first and exclusive hypothecation of Plant and Machinery installed at 2D/2 Ecotech 3, Sector Udyog Kendra, Greater Noida and Gut No.307, Nanekarwadi, Pune and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future. Further secured by Corporate Guarantee provided by Minda Capital Ltd and Minda S M Technocast Ltd. Out of the total term loan, Rs.67,212,355 is further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

Rs.15,743,013 (Previous Year Rs.Nil) from Axis Bank Ltd.

Secured by way of first and exclusive charge on all existing and future movable fixed assets located at 2D/1 Ecotech 3, Sector Udyog Kendra, Greater Noida and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future.

Amount due within one year Rs.17,26,89,000 (Previous year Rs.88,800,000).

2. Working Capital Loan

Rs.50,800,741 (Previous year Rs.119,812,830) from Indian Overseas Bank. Secured by hypothecation of inventories and book debts, both present

and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

Rs.78,366,061 (Previous year Rs.20,440,296) from Standard Chartered Bank, Rs. Nil. (Previous Year Rs.17,091,838) from ABN Amro Bank N.V. Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

Rs.54,585,622 (Previous year Rs.Nil) from Karnataka Bank Ltd.

Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

Rs.56,537,803 (Previous year Rs.39,668,859) from AXIS Bank Ltd.

Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge over movable and immovable fixed assets situated at Plot No.9A, Sector 10, I.I.E, Pant Nagar (Uttarakhand).

Rs.13,016,246 (Previous year Rs.Nil) from State Bank of India.

Secured by exclusive hypothecation of inventories and book debts (both present and future) of unit situated at Plot No.G1, Phase III, Chakan Industrial Area, Chakan, Pune and also secured by a second charge over movable and immovable fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

Loans from Indian Overseas Bank and Karnataka Bank Ltd. are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

3. **Vehicle loans** of Rs.1,178,720 (Previous Year Rs. Nil) are secured by hypothecation of the vehicles financed by them. Amount due within one year Rs.1,178,720 (Previous year Rs.Nil).

4. **Interest free loan in lieu of sales tax deferment** from Pradeshia Industrial Investment Corporation of Uttar Pradesh (PICUP) is secured by a second charge ranking pari passu on all fixed assets of the Company (except land and building situated at Gurgaon and assets exclusively charged to other Banks) both present and future. Amount due within one year Rs.14,309,764 (Previous year Rs.14,933,686).

	Rs.	
PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Schedule D : UNSECURED LOANS		
From		
– Banks	48,467,921	
– Body Corporates	138,043,394	102,521,961
– Customer and Trade Deposit	69,771,381	16,757,068
	256,282,696	119,279,029
	256,282,696	119,279,029
Schedule E : DEFERRED TAX LIABILITY		
As per last Balance Sheet	35,929,000	33,429,000
(Less)/Add : Adjustments for the year	(2,600,000)	2,500,000
	33,329,000	35,929,000

SCHEDULES FORMING PART OF THE BALANCE SHEET

Schedule F : FIXED ASSETS											
PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION/AMORTISATION/ IMPAIRMENT				NET BLOCK		
	As at 31.03.2009	Additions during the Year	Adjustments/ Sold during the Year	As at 31.03.2010	Upto 31.03.2009	For the Year	Adjustments during the Year	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS											
Freehold Land	6,962,617	-	-	6,962,617	-	-	-	-	6,962,617	6,962,617	
Leasehold Land	63,611,601	1,007,445	-	64,619,046	5,539,830	732,253	-	6,272,083	58,346,963	58,071,771	
Building	268,546,302	14,501,339	-	283,047,641	58,821,341	13,801,501	-	72,622,842	210,424,799	209,724,961	
Plant and Machinery	463,759,943	248,389,841	898,252	711,251,532	226,533,953	53,308,580	255,448	279,587,085	431,664,447	237,225,990	
Computers	22,763,182	5,802,671	-	28,565,853	11,019,711	3,821,794	-	14,841,505	13,724,348	11,743,471	
Office Equipment	26,342,559	9,134,140	10,999	35,465,700	14,208,325	4,099,491	3,252	18,304,564	17,161,136	12,134,234	
Furniture and Fittings	15,601,809	9,571,691	-	25,173,500	12,093,739	3,278,881	-	15,372,620	9,800,880	3,508,070	
Vehicles	8,362,108	3,646,820	7,354,217	4,654,711	6,988,255	672,464	5,677,740	1,982,979	2,671,732	1,373,853	
INTANGIBLE ASSETS											
Computer Software	28,188,680	3,317,016	-	31,505,696	21,654,060	2,787,922	-	24,441,982	7,063,714	6,534,620	
Technical Know How	6,390,819	895,600	-	7,286,419	1,232,640	1,166,099	-	2,398,739	4,887,680	5,158,179	
TOTAL	910,529,620	296,266,563	8,263,468	1,198,532,715	358,091,854	83,668,985	5,936,440	435,824,399	762,708,316	552,437,766	
PREVIOUS YEAR	838,568,020	104,528,021	32,566,422	910,529,620	317,111,182	70,142,763	29,162,091	358,091,854	552,437,766	521,456,838	
Capital work in Progress	-	-	-	-	-	-	-	-	197,893,523	64,388,660	

NOTES:

1. The Company acquired following Leasehold Land from respective authorities:

Authority	Date of Acquisition	Area (Sq Meters)	Period of Lease (years)
The New Okhla Industrial Development Authority	July 4, 1979	1,800	90
The New Okhla Industrial Development Authority	December 13, 1994	32,600	90
Pimpri- Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Utrakkhand Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Utrakkhand Limited	February 1, 2008	18,975	90

- Depreciation for the year includes Rs.1,006,479 (Previous year Rs.943,258) capitalised on in-house development of tools.
- Additions to Plant and Machinery during the year includes net exchange loss of 160,638 (Previous year Rs.150,524) on account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.
- Capital work-in-progress includes preoperative expenditure pending capitalisation/allocation amounting to Rs.48,914,762 (previous year Rs.7,734,258)

SCHEDULES FORMING PART OF THE BALANCE SHEET

	Rs.	
PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Schedule F1 : PREOPERATIVE EXPENDITURE		
(Pending capitalisation/ allocation)		
Manufacturing Expenses		
Power and Fuel	668,469	-
Stores and Spares Consumed	924,290	-
Design and Development charges	1,753,240	-
Testing Charges	1,837,919	-
	5,183,918	-
Employees Remuneration and Benefits		
Salaries, Wages and Bonus	8,419,443	4,439,019
Contribution to Provident Fund and Other funds	79,182	231,500
	8,498,625	4,670,519
Administrative and Other Expenses		
Rent	4,351,510	-
Hire Charges	266,290	-
Lease Rent	333,336	-
Rates and Taxes	153,152	-
Insurance	69,952	-
Travelling and Conveyance	2,187,798	725,799
Printing and Stationery	238,656	-
Legal and Professional Charges	1,330,168	281,800
Communication Expenses	503,814	-
Fees and Registration Expenses	35,709	-
Security Charges	269,590	-
Miscellaneous Expenses	796,807	-
	10,536,782	1,007,599
Interest and Finance Charges		
Interest on Term Loan	14,168,937	3,769,916
Bank Charges / Financial Charges	2,792,242	-
	16,961,179	3,769,916
	41,180,504	9,448,034
Add: Brought forward from previous year	7,734,258	2,056,140
	48,914,762	11,504,174
Less: Allocated during the year	-	3,769,916
Balance pending capitalisation/allocation	48,914,762	7,734,258



SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Schedule G : INVESTMENTS		
(Non-Trade-Unquoted- at cost)		
Long Term Investments		
3000 Equity Shares of Minda Europe B.V., Netherlands @Euro 100 each (Wholly Owned Subsidiary)	16,948,800	16,948,800
Investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (Formerly known as KTSN Kunststofftechnik Sachen GmbH & Co. KG) (Limited Liability Partnership Firm) Euro 7,130,001	404,244,501	404,244,501
	<u>421,193,301</u>	<u>421,193,301</u>
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES		
A. CURRENT ASSETS		
1. Inventories (as taken, valued and certified by the management)		
Raw Materials*	124,346,832	55,597,114
Packing Materials	2,022,688	231,159
Finished Goods**	36,989,037	11,922,533
Stores and Spares	2,561,678	327,186
Work in Progress	33,329,056	5,975,612
Tools, Moulds, Dies and Fixtures	30,740,142	11,366,914
	<u>229,989,433</u>	<u>85,420,518</u>
2. Sundry Debtors (Unsecured)		
Debts outstanding for a period exceeding six months		
Considered Good	3,879,392	2,379,445
Considered Doubtful	6,060,955	9,985,450
	<u>9,940,347</u>	<u>12,364,895</u>
Others		
Considered Good	481,662,041	236,727,883
Considered Doubtful	–	969,371
	<u>491,602,388</u>	<u>250,062,149</u>
Less: Provision for Doubtful Debts	6,060,955	10,954,821
	<u>485,541,433</u>	<u>239,107,328</u>
3. Cash and Bank Balances		
Cash on Hand	781,552	512,048
Silver Coins - 281 in number (Previous year 153)	46,331	26,351
Balance with Scheduled Banks		
In Current Accounts	4,729,171	6,440,009
In Fixed Deposit Accounts***	38,033,599	1,484,356
In Unpaid Dividend Account	–	5,271
	<u>43,590,653</u>	<u>8,468,035</u>

* Raw Material includes Material in Transit of Rs.10,800,614 (Previous Year Rs.13,179,759).

** Finished goods include excise duty on goods manufactured but not sold at the end of the year.

*** - Pledged with banks as Margin Money for issue of letter of credit etc. Rs.2,835,000 (Previous Year Nil).

- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Customs Authorities Rs.2,865,722 (Previous Year Rs.1,484,356).

SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES		
A. CURRENT ASSETS		
4. Other Current Assets		
Interest Accrued	728,813	204,118
Claims and Other Receivables	<u>11,455,128</u>	<u>6,639,222</u>
	12,183,941	6,843,340
B. LOANS AND ADVANCES (Unsecured)		
Advances recoverable in cash or in kind or for value to be received or pending adjustments*	161,411,347	67,807,869
Balance with Excise and Sales Tax Authorities	12,435,150	6,189,946
Advance Income Tax (net of provision)	871,878	5,433,494
Earnest Money and Security Deposits**	<u>25,500,525</u>	<u>13,253,258</u>
	200,218,900	92,684,567
	<u>971,524,360</u>	<u>432,523,788</u>

Notes:

*Include

- amount due from officer of the Company Rs.97,769 (Previous Year Rs.140,069). Maximum amount due at any time during the year Rs.140,069 (Previous Year Rs.213,318)
- **includes amount due from Minda Capital Limited, a company under the same management Rs.10,900,000 (Previous Year Rs.8,400,000).
- Maximum amount due at any time during the year Rs.10,900,000 (Previous year Rs.8,400,000)

Schedule I : CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES		
Acceptances	4,466,794	-
Sundry Creditors*	589,420,801	332,880,796
Security Deposit	-	700,000
Investor Education and Protection Fund	-	548
Other Liabilities	<u>34,491,373</u>	<u>20,259,702</u>
	628,378,968	353,841,046
B. PROVISIONS		
Fringe Benefit Tax (Net of Payment)	-	726,666
Proposed Dividend	21,589,975	17,271,980
Tax on Proposed Dividend	3,585,836	2,935,373
Warranty	12,683,423	10,771,305
Employee Retirement Benefits	<u>27,614,902</u>	<u>12,025,988</u>
	65,474,136	43,731,312
	<u>693,853,104</u>	<u>397,572,358</u>

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August, 2008 which recommends that the Micro and the Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no overdues outstanding to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. Further the Company has not received any claim for interest from any supplier under the said Act.



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010		Year ended at 31.03.2009	
Schedule J : SALES/INCOME FROM OPERATIONS				
Sales				
Gross Sales	3,473,070,535		2,159,827,365	
Less: Excise Duty	157,579,143	3,315,491,392	155,533,324	2,004,294,041
Income from Operation				
Interest from banks	473,593		139,582	
Interest from others	3,479,944		66,266	
Royalty	36,845,408		30,757,296	
Scrap Sales*	4,251,144		877,495	
Export Benefits	20,295,631		9,704,200	
Liabilities/Provisions Written Back	5,161,867		479,127	
Technical Know How/Service Income	9,371,127		25,361,014	
Miscellaneous Income	1,254,099	81,132,813	1,218,403	68,603,383
		3,396,624,205		2,072,897,424
Tax deducted at source				
Interest - Bank		43,149		25,953
Interest - Others		816,645		487
Royalty		5,605,129		4,764,364
Technical Know How/Service Income		1,882,127		5,001,321
Schedule K : OTHER INCOME				
Rent		1,824,000		4,229,000
		1,824,000		4,229,000
Tax deducted at Source		288,000		733,098
Schedule L: ACCRETION/(DEPLETION) IN STOCKS				
<i>Closing Stock</i>				
Finished Goods	36,989,037		11,922,533	
Work in Progress	33,329,056	70,318,093	5,975,612	17,898,145
<i>Opening Stock</i>				
Finished Goods	11,922,533		8,841,634	
Work in Progress	5,975,612	17,898,145	5,808,565	14,650,199
Impact of excise duty on increase/(decrease) in finished goods		1,042,644		(385,142)
		53,462,592		2,862,804

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010	Year ended at 31.03.2009
Schedule M : COST OF MATERIALS		
Raw Materials Consumed		
Opening Stock	42,417,355	51,967,497
Add: Purchases/Expenses during the year	2,254,658,674	1,366,896,648
	<u>2,297,076,029</u>	<u>1,418,864,145</u>
Less: Closing Stock	113,546,218	42,417,355
	<u>2,183,529,811</u>	<u>1,376,446,790</u>
Tools, Moulds, Dies and Fixtures		
Opening Stock	11,366,914	9,300,835
Add: Purchases/Expenses during the year	28,567,605	13,036,160
	<u>39,934,519</u>	<u>22,336,995</u>
Less: Closing Stock	30,740,142	11,366,914
	<u>9,194,377</u>	<u>10,970,081</u>
	<u>2,192,724,188</u>	<u>1,387,416,871</u>
* Purchase of raw materials includes job work charges of Rs.60,751,826 (Previous year Rs.82,302,002).		
Schedule N : MANUFACTURING EXPENSES		
Packing Materials		
Opening Stock	231,159	240,288
Add: Purchases/Expenses during the year	28,050,508	14,968,793
	<u>28,281,667</u>	<u>15,209,081</u>
Less: Closing Stock	2,022,688	231,159
	<u>26,258,979</u>	<u>14,977,922</u>
Jobwork Charges on Tools	3,516,829	176,751
Power and Fuel	76,874,501	15,968,708
Stores and Spares Consumed	40,030,795	8,187,542
Design and Development Charges	716,763	122,084
Testing Charges	2,732,363	1,066,945
	<u>150,130,230</u>	<u>40,499,952</u>
Schedule O : EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	290,859,380	157,297,224
Contribution to Provident Fund and Other funds	17,676,157	12,363,673
Staff Welfare Expenses	28,169,762	15,588,832
	<u>336,705,299</u>	<u>185,249,729</u>



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010	Year ended at 31.03.2009
Schedule P : ADMINISTRATIVE AND OTHER EXPENSES		
Rent	49,861,710	20,462,768
Hire Charges	9,467,787	5,702,149
Lease Rent	15,132,567	5,593,428
Rates and Taxes	1,741,777	879,416
Insurance	4,752,289	3,235,573
Travelling and Conveyance	23,637,913	14,895,466
Printing and Stationery	4,272,861	2,444,030
Legal and Professional Charges	35,074,843	7,312,607
Communication Expenses	6,605,671	4,678,274
Repairs and Maintenance		
Building	6,792,533	3,534,675
Plant and Machinery	13,987,605	4,846,595
Others	9,146,555	5,119,627
Auditors' Remuneration :		
Statutory Audit	800,000	650,000
Reimbursement of Expenses	64,027	43,813
Royalty	47,695,188	32,041,686
Cash Discount	2,364,910	448,983
Charity and Donations	524,000	507,100
Bad Debts/Amounts written off	65,362	26,491
Management Fees	68,067,533	52,467,327
Loss on sale/discard of Fixed Assets	462,313	628,220
Sales Tax, VAT & Service Tax Expenses	-	389,985
Warranty Expenses	10,571,829	9,965,452
Fee and Registration Expenses	2,741,075	884,079
Security Charges	3,877,447	2,668,837
Miscellaneous Expenses	2,211,119	2,220,050
	319,918,914	181,646,631
Schedule Q : SELLING AND DISTRIBUTION EXPENSES		
Advertisement and Business Promotion	46,525,340	11,874,772
Sales Commission	2,195,622	3,942,659
Freight and Forwarding	24,841,161	14,013,770
	73,562,123	29,831,201
Schedule R : INTEREST AND FINANCE CHARGES		
Interest		
On Term Loan	43,745,652	28,192,238
On Working Capital Loan	23,370,165	30,777,132
Others	5,950,368	5,815,319
Bank Charges/Financial Charges	8,029,873	4,641,498
	81,096,058	69,426,187

Schedule 'S'

NOTES TO THE FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the disclosure requirement of the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates, which are recognized in the period in which the results are known/materialized.

iii) Revenue Recognition

- a) **Sales-** Sales include sale of manufactured goods, tools, moulds and dies and jobwork sales. Revenue from sale of goods are recognised as goods are dispatched to the customers from the factory. Revenue from sale of goods to overseas customers is recognized on goods being shipped on board. However in case of DDP (Delivery Duty Paid) shipments, sales are recognized on the basis of delivery at destination. Sales are recorded at invoice value, net of sales tax/Vat, trade discount and sales returns, but including excise duty.
- b) **Export Benefits-** Export benefits under the Duty Entitlement Pass Book (DEBP) scheme and Served from India Schemes (SFIS) are recognised in the year the goods / services are exported.
- c) **Other Operating Income-** Interest, Royalty, Technical know-how, Service income or any other Incomes are accounted for to the extent realized or as the ultimate collection thereof uncertain at the time of raising the claim or when the Company's right to receive the same is established.

iv) Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses, erection/commissioning expenses, preoperative expenses etc (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods and vat set off availed, wherever applicable) up to the date.

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

v) Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets or at rates specified in Schedule XIV to the Companies Act, 1956 which ever is higher. The depreciation rates used by the Company are as follows:

Category of Fixed Assets	Rates of Depreciation (In percentage)
Building	4.75
Plant and Machinery	
Tools, Moulds and Dies	19.00
Electrical Installation	9.50
Others	9.50
Computer Hardware	16.95
Office Equipment	19.00
Furniture and Fittings	19.00
Vehicles	19.00
Computer Software	20.00
Technical Know How	20.00

Premium paid on leasehold land and site development is amortised over the period of the lease.

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

The intangible assets (Computer Software and Technical Know How acquired for internal use) are capitalized in accordance with the relevant Accounting Standard. The cost of such assets is amortized on straight-line method over a period of five years, the estimated economic life of the asset.

All assets costing Rs.5,000 or below are depreciated in full by way of a one-time depreciation charge.

vi) Excise Duty

Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till clearance of goods from the factory premises.



vii) **Inventories**

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

Raw Materials, Components
and Stores and Spares :

FIFO Basis

Finished Goods

Bought out :

FIFO Basis

Manufactured : Material cost on FIFO basis plus an appropriate share of production overheads, wherever applicable. Cost includes excise duty.

Work in Progress :

Material cost on FIFO basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable.

Tools, Moulds and Dies :

Material cost on FIFO basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable.

viii) **Impairment of Assets**

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

ix) **Foreign Currency Transactions**

Investment in foreign entities is recorded at the exchange rate prevailing on the date of making the investment.

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

Foreign currency loans covered by forward exchange contracts that 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 recognised over the life of the contract.

In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

Current Assets and liabilities (other than those relating to fixed assets and investments) are reinstated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense under the respective heads of account in Profit and Loss Account.

x) **Customs Duty**

Customs duty on imported materials and machinery lying in bonded warehouses and in transit is accounted for on clearance of the goods.

xi) **Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xii) **Research and Development**

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

xiii) **Retirement Benefits**

Company's contribution to Provident Fund is charged to the Profit and Loss Account.

Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation at the end of each financial year. Leaves are permitted to be encashed during the tenure of employment.

The Company has created an Employee Group Gratuity Fund. The fund has taken Gratuity-cum-Life insurance policy from the Life Insurance Corporation of India (LIC). The premium paid/payable to LIC determined on the basis of an actuarial valuation made at the end of each financial year is charged to Profit and Loss Account.

xiv) **Warranty Claims**

A provision is made for future warranty costs based on management's estimates of such future costs.

xv) **Leases**

Lease rentals are expensed with reference to lease terms.

xvi) **Investments**

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent based on perception of the management of the Company. Current investments are stated at lower of cost or fair market value. Cost includes original cost of acquisition, including brokerage and stamp duty.

xvii) **Income Taxes**

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2010 that reverse in one or more subsequent years are recognised if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

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

xviii) **Earnings per Share**

Basic earnings 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.

For calculating diluted earnings per share, the net profit or loss for the

year attributable to equity shareholders and the weighted average number of options outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xix) **Provisions, Contingent liabilities and Contingent Assets**

A provision is made based on reliable estimate when it is probable that an outflow or resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

2. COMMITMENTS AND CONTINGENCIES

a) Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs.138.65 Lacs (Previous year Rs.342.96 Lacs).

b) (i) Outstanding forward contracts in respect of foreign currency as at March 31, 2010 amount to US \$ 1,000,000 equivalent to Rs.45,710,000 (Previous year US \$ 10,27,000 equivalent to Rs.51,709,450) to hedge the foreign currency exposure for payments to be made against working capital loans.

(ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is as follows:

	Year ended 31.03.2010		Year ended 31.03.2009	
	Rs.	FC	Rs.	FC
i) Receivables in foreign currency				
- Export of Goods	26,156,796	€432,058	44,129,805	€661,758
	55,965,853	US \$1,246,998	35,204,410	US \$694,878
- Royalty	6,867,805	US \$152,958	6,316,003	US \$124,576
ii) Payables in foreign currency				
- Loans	Nil	Nil	102,429,450	US \$2,027,000
- Commission	577,009	US \$12,657	308,595	US \$6084
	1,237,273	€20,131	2,745,376	€40,988

c) Export obligations to be undertaken by the Company under EPCG scheme in the subsequent years to the extent unexecuted is Rs.1232.18 Lacs (Previous year Rs.47.48 Lacs).

d) Guarantees provided by the Company aggregate to Rs.504.96 Lacs (Previous year Rs.585.38 Lacs).

e) Bills of exchange discounted under irrevocable letters of credit aggregate to Rs.1,383.41 Lacs (Previous year Rs.809.73 lacs)

f) Letters of credit outstanding aggregate to Rs.118.39 (Previous year Rs. Nil).

g) Demand for income tax aggregating to Rs.128.99 Lacs for the assessment year 2003-04 and 2007-08 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the company has deposited Rs.105.01 Lacs.

h) Demand for sales tax aggregating to Rs.15.41 Lacs for the financial year 1998-99, 2001-02, 2005-06 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the Company has deposited Rs.9.46 Lacs.

i) Penalty and Interest demand for excise duty aggregating to Rs.87.93 Lacs (Previous Year Rs.93.28 Lacs) for the financial years 2006-07 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the Company has deposited Rs.Nil (Previous Year NIL).

j) **Warranties**

The Company warrants that its products will perform in all material respects in accordance with the Company's standard specifications for the warranty period. Accordingly based on specific warranties, claims and claim history the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

	31.03.2010 Rs.	31.03.2009 Rs.
Opening Balance	10,771,305	8,941,627
Provided during the year	12,683,423	10,771,305
Utilized during the year	(10,771,305)	(8,941,627)
Closing Balance	12,683,423	10,771,305

3. LEASES

The Company has not executed any non-cancelable operating leases.

The Company is a lessee under various operating leases. Rental expense for operating leases for the years ended March 31, 2010 and 2009 was Rs.64,207,006/- and Rs.26,056,196/- respectively.

The Company has leased some of its premises and some of its fixed assets to a third party under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended March 31, 2010 and March 31, 2009 aggregate to Rs.1,824,000 and Rs.4,229,000 respectively.

4. MANAGERIAL REMUNERATION

Managerial remuneration under section 198 of the Companies Act, 1956 paid to the managing directors of the Company is as follows:

	31.03.2010	31.03.2009
	Rs.	Rs.
Salary	4787458	6,787,872
Contribution to Provident Fund	530304	509,091
Monetary value of Perquisites	757719	111,000
	6,075,481	7,407,963

The above remuneration does not include the accrued amount of leave encashment and gratuity as at year end as the Company determines this amount through actuarial valuation and separate amount to directors is not ascertainable.

As no commission is payable to the directors, the computation of net profits in accordance with section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

5. PROVISION FOR GRATUITY

S.No.	Particulars	Master Policy CG 312689 and 97001032705	
		As on March 31st 2010	As on March 31st 2009
1.	Assumptions		
i)	Discounting Rate	8.00%	8.00%
ii)	Future salary Increase	6.00%	5.50%
2.	Table Showing changes in present value of obligation		
	Present value of obligation as at the beginning of the period	12,874,298	10,625,367
	Interest cost	1,029,244	850,029
	Current service cost	4,196,655	2,439,788
	Benefits paid	(1,376,102)	(945,291)
	Actuarial (gain)/loss on obligation	4,242,214	(95,595)
	Present value of obligation as at the end of period	20,967,009	12,874,298
3.	Table Showing changes in the fair value of plan assets		
	Fair value of plan assets at the beginning of the period	9,916,376	5,906,376
	Earlier year Adjustments	724,001	-
	Expected return on plan assets	944,351	597,350
	Contributions	823,356	3,484,476
	Actuarial gain/(loss) on plan assets	7,001	30,340
	Fair value of plan assets at the end of the period	12,415,285	9,916,376

4. Table showing fair value of plan assets		
Fair value of plan assets at the beginning of the period	9,916,376	5,906,376
Earlier period Adjustments	724,201	-
Actual return on plan assets	951,352	-
Contributions	823,356	3,979,660
Fair value of plan assets at the end of the period	12,415,285	9,916,376
Funded status	(8,551,724)	(2,957,922)
Excess of actual over estimated return on plan assets	7,001	30,340
5. Actuarial Gain / (loss) recognized		
Actuarial gain/(loss) for the period- obligation	4,242,214	95,595
Actuarial (gain)/loss for the period - plan assets	(7,001)	(30,340)
Total (gain)/loss for the period	(4,235,213)	(125,935)
Actuarial (gain) / loss recognized in the period	(4,235,213)	(125,935)
6. The amounts to be recognized in Balance Sheet and related analysis		
Present value of obligation as at the end of the period	20,967,009	12,874,298
Fair value of plan assets as at the end of the period	12,415,285	9,916,376
Funded status / Difference	(8,551,724)	(2,957,922)
Excess of actual over estimated	7,001	30,340
Unrecognized actuarial (gains)/losses	-	-
Net asset/(liability) recognized in balance sheet	(8,551,724)	(2,957,922)
7. Expenses recognized in statement of Profit & Loss		
Current service cost	4,495,419	2,439,788
Adjustments	298,764	-
Interest cost	1,029,944	850,029
Expected return on plan assets	(944,351)	-
Net actuarial (gain)/ loss recognized in the period	4,235,213	(125,935)
Expenses recognized in the statement of profit & losses	8,816,225	3,163,882

Note: Fund status Includes interest paid (Last year Nil) by the fund manager on trust fund

6. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company enters into transactions with affiliated companies and its parent and key managerial personnel. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 are as follows:

a) Subsidiaries	:	Minda Europe B.V., Netherlands Minda KTSN Plastic Solutions GmbH & Co. KG, Germany
b) Key Managerial Personnel	:	Mr. Jeevan Mahaldar - Managing Director Mr. Ashok Minda - Chairman
c) Enterprise in which directors of the Company and their relatives exercises significant influence	:	Minda Valeo Security Systems Pvt. Ltd. Minda Stoneridge Instruments Ltd. Mindarika Pvt Ltd. Minda SAI Ltd. Mayank Auto Engineers Pvt Ltd. Minda S.M. Technocast Ltd. Minda Silca Engineering Ltd. Minda Industries Ltd. Minda Furukawa Electric Pvt Ltd. Minda International Ltd. Minda Capital Ltd. Minda Management Services Ltd. Minda Sons Minda Europe GmbH



Included in the financial statements are the following amounts relating to transactions with related parties

Related Party Transactions for the year 2009-10

(Rs. in Lacs)

Particulars	Subsidiary Company		Directors of the Company		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
a) Sale of Goods	-	16	-	-	4,285	2,023
b) Sale of Fixed Assets	-	-	-	-	-	2
c) Rent Received	-	-	-	-	18	42
d) Loan Received (net of Payment)	-	-	-	-	1,197	832
e) Security Deposit Received	-	-	-	-	7	7
f) Purchase of Goods/Job Work	-	-	-	-	3,254	3,890
g) Purchase of Fixed Assets	-	-	-	-	39	9
h) Purchase of Business Undertaking	-	-	-	-	220	-
i) Payment of technical know how fees	-	-	-	-	9	-
j) Testing Charges	-	-	-	-	-	1
k) Payment of Commission	21	39	-	-	-	-
l) Royalty Paid	-	-	-	-	477	320
m) Rent/Lease Rent Paid	-	-	-	-	491	195
n) Interest Paid	-	-	-	-	64	34
o) Payment of Management Fees	-	-	-	-	681	525
p) Managerial Remuneration	-	-	61	74	-	-
q) Security Deposit Paid	-	-	-	-	25	84
r) Investment	-	-	-	-	-	602
s) Guarantee given for loans taken by the Company	-	-	2,401	2,609	1,101	1,207
t) Guarantee given by the Company	-	-	-	-	482	556
u) Receivables	-	-	-	-	1,066	368
v) Payables	18	31	-	-	2,381	2,099

7. EARNINGS PER SHARE

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

	31.03.2010	31.03.2009
a) Net Profit/(Loss) (Rs.)	180,331,616	91,919,152
b) Basic earnings per equity share - weighted average number of equity shares outstanding	8,635,990	8,635,990
c) Effect of dilutive potential equity share equivalents	-	-
d) Dilutive earnings per equity share - weighted average number of equity shares and potential equity share equivalents outstanding	8,635,990	8,635,990
e) Nominal Value of Equity Shares (Rs.)	10	10
f) Basic Earnings per Share (Rs.)	20.88	10.64
g) Diluted Earnings per Share (Rs.)	20.88	10.64

8. Investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (A Limited Liability Partnership) is the purchase consideration and contribution towards Capital Reserves. It does not include the amount contributed by Minda Europe B.V., Netherlands on behalf during the financial year 2008-2009.

9. Pursuant to Business Transfer Agreement entered with M/s Minda S.M. Technocast Ltd., and M/s Tuff Engineering Pvt. Ltd., the Company acquired their running business w.e.f April 1, 2009. The Company is under process to transfer Fixed Assets as per Business Transfer Agreement in its name.

10. SEGMENT REPORTING

The Company's operations predominantly are manufacture of automotive parts and accessories. The Company is managed organizationally as a unified entity and all its assets other than export debtors are located in India.

Sales (net) for the year ended March 31, 2010 is Rs.33,154.91 Lacs. Details of sales and year end debtors are as follows:

	Revenue (Rs. in Lacs)	
Locations	31.03.2010	31.03.2009
Domestic	27,127.99	16,063.00
Asia	3,579.56	2,280.24
America	515.70	92.87
Europe	1,931.66	1,606.83
Total	33,154.91	20,042.94
	Carrying amount of segment Assets (Rs. in Lacs)	
Locations	31.03.2010	31.03.2009
Domestic	4,034.18	1,597.72
Asia	310.94	324.75
America	101.52	24.17
Europe	408.77	444.43
Total	4,855.41	2,391.07



11. INCOME TAXES

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax asset of Rs.26.00 Lacs for the current year has been recognised in the profit and loss account. The tax effect of significant timing differences as of March 31, 2010 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2010.

	31.03.2010 (Rs. in lacs)	31.03.2009 (Rs. in lacs)
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	93.86	40.88
Provision for Doubtful Debts	20.60	42.00
Depreciation	(447.75)	(445.10)
Others	-	2.93
	<hr/>	<hr/>
Net Deferred Tax Liabilities	(333.29)	(359.29)

12. MOULDS, TOOLS AND DIES

Details of expenses incurred on development of moulds, tools and dies are as follows:

Particulars	31.03.2010	31.03.2009
	Rs.	Rs.
Salaries and Wages	4,798,540	2,889,368
Contribution to Provident and other Funds	460,156	316,475
Repairs and Maintenance		
Plant and Machinery	91,065	78,942
Others	62,182	42,168
Power and Fuel	2,319,962	2,038,097
Depreciation	1,006,479	943,258
Job work charges	358,651	442,878
Stores, Spares and Components Consumed	3,906,988	5,251,006
	<hr/>	<hr/>
Total	13,004,023	12,002,192

**ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-II
OF SCHEDULE-VI TO THE COMPANIES ACT, 1956.**

13. LICENSED AND INSTALLED CAPACITY ON SINGLE SHIFT BASIS

(Installed capacity as certified by the management and relied on by the Auditors being a technical matter):

Class of goods	Licensed Capacity (p.a.)	Installed Capacity (p.a.) (Unit in `000 Nos)	
		Current Year	Previous year
Lock Kits for automobiles	N.A.	16,500	16,500
Switches and other components for automobiles	N.A.	15,400	15,400
Wiring Harness for Automobiles	N.A.	2,300	2,300

14. PRODUCTION

Products	Unit in `000 Nos	
	Current Year	Previous year
Lock Kits	5,719	4,026
Locks, Switches and other products	6,009	4,884
Spares	30,452	2,088
Wiring Harness	1,904	866

15. DETAILS OF SALES (NET OF EXCISE DUTY).

Products	Unit in `000 Nos			
	Current Year		Previous year	
	Qty.	Value Rs.	Qty.	Value Rs.
Lock Kits	5,687	1,459,567,761	4,029	1,123,212,058
Locks, Switches and other products	6,081	706,758,944	4,701	458,079,382
Spares	30,338	596,922,976	2,034	138,451,383
Wiring Harness	1,874	293,302,303	863	165,401,576
Others *	–	258,939,408	–	119,149,642

* The total value of each item is below ten percent of total value of Sales; hence no separate quantitative detail is being given.

16. OPENING AND CLOSING STOCK OF FINISHED GOODS (AS CERTIFIED BY THE MANAGEMENT)

Unit in `000 Nos

Products	Current Year		Previous year	
	Qty.	Value Rs.	Qty.	Value Rs.
Opening Stock				
Lock Kits	30	4,258,243	33	5,615,536
Locks, Switches and other products	215	4,293,918	32	1,403,626
Spares	111	1,036,021	58	1,236,988
Wiring Harness	6	2,334,351	3	585,484
Closing Stock				
Lock Kits	62	13,052,979	30	4,258,243
Locks, Switches and other products	144	14,675,591	215	4,293,918
Spares	225	4,742,854	111	1,036,021
Wiring Harness	36	4,517,613	6	2,334,351

17. RAW MATERIALS AND COMPONENTS CONSUMED :

Product	Unit	Current Year		Previous year	
		Qty.	Value Rs.	Qty.	Value Rs.
Zinc	In `000 Kgs	2,541	299,924,198	1,571	145,788,319
Components *	–		1,462,716,374		1,075,986,298
Others **	–		420,889,239		154,672,173

* In view of various types of components as per specification of customers and being below ten percent of total value of consumption, it is not possible to provide quantitative details of each type of component.

** The total value of each item is below ten percent of total value of consumption; hence no separate quantitative detail is being given.

18. VALUE OF IMPORTED/INDIGENOUS RAW MATERIALS AND COMPONENTS CONSUMED DURING THE YEAR.

Raw Materials/Components

	Current Year		Previous year	
	Value	%	Value	%
	Rs.		Rs.	
Imported	120,889,237	5.54	44,859,689	3.26
Indigenous	2,062,640,574	94.46	1,331,587,101	96.74
	2,183,529,811	100.00	1,376,446,790	100.00

Minda Corporation Limited

Annual Report 2009-10

19. VALUE OF IMPORTED/INDIGENOUS STORES AND SPARES CONSUMED DURING THE YEAR.

Stores and Spares Consumed	Current Year		Previous year	
	Value	%	Value	%
	Rs.		Rs.	
Imported	110,555	0.30	-	-
Indigenous	39,920,240	99.70	8,187,542	100.00
	40,030,795	100.00	8,187,542	100.00

20. VALUE OF IMPORTS ON C.I.F BASIS

Particulars	Current Year	Previous year
	Rs.	Rs.
Raw Materials, Components and Spare Parts	147,097,394	39,117,568
Capital Goods	26,530,802	3,640,125

21. EXPENDITURE IN FOREIGN CURRENCY

Particulars	Current Year	Previous year
	Rs.	Rs.
Testing Charges	208,157	-
Traveling and Conveyance	2,635,691	1,391,849
Legal and Professional	433,556	1,205,392
Repair and Maintenance (Plant & Machinery)	1,266,906	381,516
Advertisement and Business Promotion	26,901,415	-
Sales Commission	3,347,929	3,942,659
Others	2,432,581	-

22. EARNINGS IN FOREIGN EXCHANGE

Particulars	Current Year	Previous year
	Rs.	Rs.
FOB Value of Exports	56,95,68,271	392,518,094
Royalty	36,845,408	30,757,296
Technical Know How/Service Income	9,371,127	24,357,338

23. RECLASSIFICATION

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to the current year's groupings and classifications and the figures in brackets are those in respect of previous year.

Signatures to Schedule A to S

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
Ashok Minda
Chairman
DIN: 00054727

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
A. P. Gandhi
Director
DIN: 00161107

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Sd/-
R. K. Aggarwal
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : May 27, 2010



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (As per Schedule VI, Part IV of the Companies Act, 1956)

I. Registration Details

Registration No. State Code
 Balance Sheet Date

II. Capital raised during the Year (Amount in Rs. Thousands)

Public Issue Rights Issue
 Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities Total Assets
 Sources of Funds
 Paid-up Capital Reserve & Surplus
 Secured Loans Unsecured Loans
 Application of Funds
 Net Fixed Assets Investments
 Net Current Assets Misc. Expenditure
 Accumulated Losses

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover/other income Total Expenditure
 Profit Before Tax Profit After Tax
 Earning Per Share in Rs. Dividend Rate

V. Generic Name of Three Principal Products/Services of the Company (As per monetary terms)

Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description
 Item Code No. (ITC Code)
 Product Description

AUDITORS' REPORT

To the Board of Directors of Minda Corporation Limited,

We have audited the attached Consolidated Balance Sheet of Minda Corporation Limited ("the company"), its subsidiaries Minda Europe B.V., Netherlands and Minda KTSN Plastic Solutions GmbH & Co. KG, Germany (collectively MCL Group), as at March 31, 2010, and also the annexed Consolidated Profit and Loss Account and consolidated cash flow statement (Collectively referred as Consolidated Financial Statements) of the group for the year then ended. These Consolidated Financial Statements are the responsibility of the company's management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Consolidated Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of accounting standard 21 on consolidated financial statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the company and its subsidiary included in the consolidated Financial Statements.

The Financial Statements of Minda Europe B.V., Netherlands as on March 31, 2010 and Minda KTSN Plastic Solutions GmbH & Co. KG, Germany as on December 31, 2009 have been audited by other auditors whose report has been furnished to us. We have relied on the said report for the purpose of our opinion on the consolidated financial statements.

On the basis of the information and explanations given to us, and on consideration of the separate audit reports on individual financial statements of the company and its subsidiary, we are of the opinion that:

- (i) the consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the company and its subsidiary as at March 31, 2010;
- (ii) the consolidated Profit & Loss Account gives a true and fair view of the consolidated results of operations of the Company and its subsidiary as at March 31, 2010;
- (iii) the consolidated cash flow statement gives a true and fair view of the consolidated cash flows for the year then ended.

For R. N. Saraf & Co.
Chartered Accountants
(Registration No.002023N)

Sd/-
R. N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

Rs.

S.NO.	PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
I. SOURCES OF FUNDS				
1.	Shareholders' Funds			
	(a) Share Capital	A	86,359,900	86,359,900
	(b) Reserves and Surplus	B	640,094,725	475,698,273
2.	Loan Funds			
	(a) Secured Loans	C	2,050,059,720	1,903,744,054
	(b) Unsecured Loans	D	396,746,032	165,683,394
3.	Deferred Tax Liability	E	33,329,000	35,929,000
	TOTAL		3,206,589,377	2,667,414,621
II. APPLICATION OF FUNDS				
1.	Fixed Assets	F		
	(a) Gross Block		2,774,687,343	2,423,006,261
	(b) Less : Depreciation		1,232,254,697	1,093,624,885
	(c) Net Block		1,542,432,646	1,329,381,376
	(d) Capital Work in Progress		198,718,208	100,114,123
	(e) Capital Advances		3,129,659	33,657,037
			1,744,280,513	1,463,152,536
2.	Investments	G	369,528,684	439,835,322
3.	Current Assets, Loans and Advances	H		
	(a) Inventories		690,024,463	469,143,800
	(b) Sundry Debtors		771,752,828	424,826,884
	(c) Cash and Bank Balances		225,280,434	244,865,559
	(d) Other Current Assets		323,014,498	260,600,496
	(e) Loans and Advances		239,020,321	139,537,277
			2,249,092,544	1,538,974,016
	Less : Current Liabilities and Provisions	I		
	(a) Current Liabilities		1,058,324,673	697,917,828
	(b) Provisions		97,987,691	76,629,425
			1,156,312,364	774,547,253
	Net Current Assets		1,092,780,180	764,426,763
	TOTAL		3,206,589,377	2,667,414,621
	Notes to Financial Statements	S		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107

Minda Corporation Limited

Annual Report 2009-10

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Rs.

	SCHEDULE	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME			
Sales	J	5,153,485,324	4,405,225,836
Income from Operations		157,775,817	135,357,564
Sales/Income from Operations		5,311,261,141	4,540,583,400
Other Income	K	1,824,000	4,229,000
Accretion/(Depletion) in Stocks	L	73,055,010	69,542,943
		5,386,140,151	4,614,355,343
EXPENDITURE			
Cost of Materials	M	3,184,231,681	2,779,034,133
Manufacturing Expenses	N	178,671,476	60,121,124
Employees Remuneration and Benefits	O	823,943,787	701,385,812
Administrative and Other Expenses	P	603,962,816	569,397,246
Selling and Distribution Expenses	Q	92,507,312	49,648,596
Interest and Finance Charges	R	130,844,583	132,345,151
Depreciation/Amortisation/Impairment	F	143,559,774	133,435,540
		5,157,721,429	4,425,367,602
PROFIT BEFORE TAXATION			
		228,418,722	188,987,741
Provision for Income Tax		40,469,263	22,543,057
Excess provision for the earlier years		(1,120,137)	-
Provision for Fringe Benefit Tax		-	2,800,000
Deferred Tax (Asset)/Liability	E	(2,600,000)	2,500,000
PROFIT AFTER TAXATION		191,669,596	161,144,684
Proposed Dividend		21,589,975	17,271,980
Tax on Proposed Dividend		3,585,836	2,935,373
Tax on Final Dividend of Prior Year		-	-
Transfer to General Reserve		19,000,000	10,000,000
Balance Carried to Balance Sheet		147,493,785	130,937,331
Earnings Per Share			
Basic (Rupees)	S	22.19	18.66
Diluted (Rupees)		22.19	18.66
Notes to Financial Statements			
	S		

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107



STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2010

		Rs.	
S.NO.	PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	228,418,722	188,987,741
	Adjusted for:		
	Depreciation	143,559,774	133,435,540
	Interest paid	112,420,979	105,191,825
	(Profit)/Loss on sale of fixed assets	462,313	628,220
	Amounts written off	65,362	26,491
	Interest on Deposits	(476,609)	(155,987)
	Interest- Others	(4,728,180)	(66,266)
	Liabilities/Provisions Written Back	(5,161,867)	(479,127)
	Operating profit before working capital changes	474,560,494	427,568,437
	Adjusted for:		
	Accounts Receivable	(346,925,944)	(25,514,539)
	Loans & Advances	(99,548,406)	(16,548,289)
	Other Current Assets	(61,889,307)	(1,034,099)
	Inventories	(220,880,663)	(4,928,482)
	Current Liabilities & Provisions	378,099,140	36,071,947
	Cash generated from operating activities	123,415,314	415,614,976
	Income Tax paid (including Taxes Deducted at Source and Wealth Tax)	(34,763,080)	(21,521,960)
	Fringe Benefit Tax Paid	(726,666)	(2,337,350)
	NET CASH FROM OPERATING ACTIVITIES	87,925,568	391,755,666
B.	CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(427,183,449)	(142,335,312)
	Proceeds from sale of Fixed Assets	2,033,386	2,776,111
	Interest Received	4,680,094	93,773
	Movement in Capital Grant received	(2,097,333)	-
	Investments in Subsidiary	70,306,638	(97,759,021)
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(352,260,665)	(237,224,449)
C.	CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES		
	Dividend Paid (including tax on dividend)	(20,207,353)	(20,207,353)
	Movement in Borrowing	377,378,304	53,197,840
	Interest Paid	(112,420,979)	(105,191,825)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES	244,749,972	(72,201,338)
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(19,585,125)	82,329,878
	Cash and Cash Equivalent at the beginning of the year	244,865,559	162,535,681
	Cash and Cash Equivalents at the end of the year	225,280,434	244,865,559
	Notes to Financial Statements	S	

As per our report of even date

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

PARTICULARS	Rs.	
	AS AT 31.03.2010	AS AT 31.03.2009
Schedule A : SHARE CAPITAL		
Authorised		
10,000,000 Equity Shares of Rs.10 each	<u>100,000,000</u>	<u>100,000,000</u>
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed and Paid up		
8,635,990 Equity Shares of Rs.10 each fully paid up*	<u>86,359,900</u>	<u>86,359,900</u>
	<u>86,359,900</u>	<u>86,359,900</u>
* Includes as bonus shares 936,375 Equity Shares of Rs.10 each allotted by capitalisation of general reserve on 29 th September 1994 and 6,168,565 Equity Shares of Rs.10 each allotted by capitalisation of Securities Premium on 18 th March, 2008.		
Schedule B : RESERVES AND SURPLUS		
Capital Reserve		
As per last Balance Sheet	75,021,092	75,021,092
Less: Unutilised during the year	<u>(10,854,972)</u>	<u>64,166,120</u>
		<u>75,021,092</u>
Securities Premium Account		
As per last Balance Sheet	65,266,350	65,266,350
General Reserve		
As per last Balance Sheet	72,000,000	62,000,000
Add: Transferred from profit and loss account	<u>19,000,000</u>	<u>10,000,000</u>
	91,000,000	72,000,000
Profit and Loss Account		
As per last Balance Sheet	263,927,755	132,990,424
Add: Profit for the year	<u>147,493,785</u>	<u>130,937,331</u>
	411,421,540	263,927,755
Conversion Profit/(Loss)		
As per last Balance Sheet	(516,924)	(516,924)
Add: Conversion profit arise during the year	<u>8,757,639</u>	<u>8,240,715</u>
	8,240,715	(516,924)
	<u>640,094,725</u>	<u>475,698,273</u>
Schedule C : SECURED LOANS		
From Banks		
Term Loans	537,186,467	335,271,235
Working Capital Loans	468,912,068	428,374,613
Vehicle Loans	<u>533,894</u>	<u>1,006,632,429</u>
	1,006,632,429	763,645,848
From Others		
Term Loans	996,358,386	1,078,740,441
Vehicle Loans	<u>644,826</u>	<u>997,003,212</u>
	997,003,212	1,078,740,441
Deferred Sales Tax		
As per last Balance Sheet	61,357,765	73,753,186
Less: Paid during the year	<u>(14,933,686)</u>	<u>(12,395,421)</u>
	46,424,079	61,357,765
	<u>2,050,059,720</u>	<u>1,903,744,054</u>



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Notes:

1. Term Loan

-Rs. 100,000,000 (Previous Year Rs.Nil) from State Bank of Patiala Secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other Banks) and also secured by a second pari passu charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of Bankers for securing working capital borrowings.

-Rs. 199,919,684 (Previous Year Rs. 171,894,345) from State Bank of India Secured by a first pari passu charge on all fixed assets of the Company, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other Banks) and also secured by a second pari passu charge on entire current assets of the Company, subject to prior charge created/to be created on the specified movables in favour of Bankers for securing working capital borrowings.

-Rs. 51,000,000 (Previous Year Rs. 80,997,852 from ABN Amro Bank N.V.) from Kotak Mahindra Bank Ltd

Secured by way of first and exclusive charge on all existing and future movable and immovable fixed assets located at Plot No. 9A, Sector-10, I.I.E., Pant Nagar (Uttarakhand) and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future.

-Rs. 110,100,205 (Previous Year Rs. NIL) from Karnataka Bank Ltd. Secured by way of first and exclusive hypothecation of Plant and Machinery installed at 2D/2 Ecotech 3, Udyog Kendra, Greater Noida and Gut No.307, Nanekarwadi, Pune and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future. Further secured by Corporate Guarantee provided by Minda Capital Ltd and Minda S M Technocast Ltd. Out of the total term loan, Rs. 67,212,355 is further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

-Rs. 15,743,013 (Previous Year Rs. Nil) from Axis Bank Ltd Secured by way of first and exclusive charge on all existing and future movable fixed assets located at 2D/1 Ecotech 3, Udyog Kendra, Greater Noida and also secured by a second pari passu charge by way of hypothecation over current assets of the Company, both present and future. Further secured by exclusive Equitable mortgage on the said property presently in the name of Tuff Engineering Private Limited.

-Rs. 60,423,565 (Previous Year Rs. 82,379,038) from Commerze Bank, Sparksee Bank and LLBN Bank

Secured by way of pari passu charge on inventory, book debt and plant and machinery located at Fabrikstrasse 2,01796, Pirna, Germany. A letter of comfort has also been furnished by MCL.

-Rs. 284,257,609 (Previous Year Rs. 355,783,923) from Gameda vermittlungsgesellschaft-Mbh

Secured by way of first and exclusive charge on plant and machinery existed at I I.08.2005 located at Fabrikstrasse 2,01796, Pirna, Germany.

-Rs. 712,100,776 (Previous Year Rs. 722,956,519) from OME Syndication (VW Audi Daimler Lear and Opel)

Secured by way of second pari passu charge by way of hypothecation over inventory of the Minda KTSN Plastic Solutions GmbH and Co. KG by Minda Corporation Limited.

Amount due within one year Rs. 416,506,652 (Previous Year Rs. 283,168,233)

2. Working Capital Loan

-Rs. 50,800,741 (Previous Year Rs. 119,812,830) from Indian Overseas Bank, Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

-Rs. 78,366,061 (Previous Year Rs. 20,440,296) from Standard Chartered Bank, Rs. Nil. (Previous Year Rs. 17,091,838) from ABN Amro Bank N.V., Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

-Rs. 54,585,622 (Previous Year Rs. Nil) from Karnataka Bank Ltd Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

-Rs. 56,537,803 (Previous Year Rs. 39,668,859) from AXIS Bank Ltd Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge over movable and immovable fixed assets situated at Plot No.9A, Sector 10, Industrial Estate, Pant Nagar (Uttarakhand).

-Rs. 13,016,246 (Previous Year Rs. Nil) from State Bank of India Secured by exclusive hypothecation of inventories and book debts (both present and future) of unit situated at Plot No. G1, Phase III, Chakan Industrial Area, Chakan, Pune and also secured by a second charge over movable and immovable fixed assets of the Company both present and future (except land and building situated at Gurgaon and assets exclusively charged to other Banks).

-Loans from Indian Overseas Bank and Karnataka Bank Ltd are further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

-Rs. 215,605,595 (Previous Year Rs. 231,360,791) from Commerze Bank, Sparksee Bank and LLBN Bank

Secured by way of charge on inventory, book debt and plant and machinery located at Fabrikstrasse 2,01796, Pirna, Germany.

3. **Vehicle Loans** of Rs. 1,178,720 (Previous Year Rs. Nil) are secured by hypothecation of the vehicles financed by them. Amount due within one year Rs. 1,178,720 (Previous Year Rs. Nil).

4. **Interest free loan in lieu of sales tax deferment** from Pradeshiya Industrial Investment Corporation of Uttar Pradesh (PICUP) is secured by a second charge ranking pari passu on all fixed assets of the Company (except land and building situated at Gurgaon and assets exclusively charged to other Banks) both present and future. Amount due within one year Rs. 14,309,764 (Previous Year Rs. 14,933,686).

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Schedule F : FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION/AMORTISATION/ IMPAIRMENT			NET BLOCK			
	As at 31.03.2009 Rs.	Additions during the Year Rs.	Adjustments/ Sold during the Year Rs.	As at 31.03.2010 Rs.	Upto 31.03.2009 Rs.	For the Year Rs.	Adjustments during the Year Rs.	Upto 31.03.2010 Rs.	As at 31.03.2009 Rs.	As at 31.03.2010 Rs.
TANGIBLE ASSETS										
Freehold Land	181,708,443	292,236	-	182,000,679	149,078,068	1,488,328	-	150,566,396	31,434,284	32,630,375
Leasehold Land	63,611,601	1,007,445	-	64,619,046	5,539,830	732,253	-	6,272,083	58,346,963	58,071,771
Building	268,546,302	14,501,339	-	283,047,641	58,821,341	13,801,501	-	72,622,842	210,424,799	209,724,961
Plant and Machinery	1,227,267,924	272,889,709	898,252	1,499,259,380	745,387,706	103,414,992	255,448	848,547,250	650,712,131	481,880,218
Computers	22,763,182	5,802,671	-	28,565,853	11,019,711	3,821,794	-	14,841,505	13,724,348	11,743,471
Office Equipment	105,137,074	11,962,706	179,670	116,920,110	54,942,348	11,249,271	3,252	66,188,367	50,731,743	50,194,726
Furniture and Fittings	15,828,829	9,571,691	-	25,400,520	12,219,839	3,320,220	-	15,540,059	9,860,461	3,608,990
Vehicles	8,362,108	3,646,820	7,354,217	4,654,711	6,988,255	672,464	5,677,740	1,982,979	2,671,732	1,373,853
INTANGIBLE ASSETS										
Computer Software	58,258,155	39,543,004	-	97,801,159	48,395,147	4,899,330	-	53,294,477	44,506,682	9,863,008
Technical Know How	6,390,819	895,600	-	7,286,419	1,232,640	1,166,099	-	2,398,739	4,887,680	5,158,179
Goodwill	465,131,824	-	-	465,131,824	-	-	-	-	465,131,824	465,131,824
TOTAL	2,423,006,261	360,113,221	8,432,139	2,774,687,343	1,093,624,885	144,566,253	5,936,440	1,232,254,697	1,542,432,646	1,329,381,376
PREVIOUS YEAR	2,351,027,927	104,544,756	32,566,422	2,423,006,261	989,351,436	133,435,540	29,162,091	1,093,624,885	1,329,381,376	1,361,676,491
Capital work in progress	-	-	-	-	-	-	-	-	198,718,208	100,114,123

NOTES:

1. The Company acquired following Leasehold Land from respective authorities:

Authority	Date of Acquisition	Area (Sq Meters)	Period of Lease (years)
The New Okhla Industrial Development Authority	July 4, 1979	1,800	90
The New Okhla Industrial Development Authority	December 13, 1994	32,600	90
Pimpri-Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Uttarakhnad Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Uttarakhnad Limited	February 1, 2008	18,975	90

2. Depreciation for the year includes Rs.1,006,479 (Previous Year Rs.943,258) capitalised on in-house development of tools.

3. Additions to Plant and Machinery during the year includes net exchange loss of Rs.160,638 (Previous Year Rs.150,524) on account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.

4. Capital Work-in-progress includes preoperative expenditure pending capitalisation/allocation amounting to Rs.48,914,762(Previous Year Rs.7,734,258)



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
Schedule D : UNSECURED LOANS				
From				
– Banks	48,467,921			
– Body Corporates	192,912,839		103,517,021	
– Customer and Trade Deposit	155,365,272	396,746,032	62,166,373	165,683,394
		396,746,032		165,683,394
Schedule E : DEFERRED TAX LIABILITY				
As per Last Balance Sheet		35,929,000		33,429,000
(Less)/Add : Adjustments for the year		(2,600,000)		2,500,000
		33,329,000		35,929,000
Schedule F I : PREOPERATIVE EXPENDITURE (Pending capitalisation/allocation)				
Manufacturing Expenses				
Power and Fuel	668,469			
Stores and Spares Consumed	924,290			
Design and Development charges	1,753,240			
Testing Charges	1,837,919	5,183,918		
Employees Remuneration and Benefits				
Salaries, Wages and Bonus	8,419,443		4,439,019	
Contribution to Provident Fund and Other funds	79,182	8,498,625	231,500	4,670,519
Administrative and Other Expenses				
Rent	4,351,510			
Hire Charges	266,290			
Lease Rent	333,336			
Rates and Taxes	153,152			
Insurance	69,952			
Travelling and Conveyance	2,187,798		725,799	
Printing and Stationery	238,656			
Legal and Professional Charges	1,330,168		281,800	
Communication Expenses	503,814			
Fees and Registration Expenses	35,709			
Security Charges	269,590			
Miscellaneous Expenses	796,807	10,536,782		1,007,599

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
Interest and Finance Charges		
Interest on Term Loan	14,168,937	3,769,916
Bank Charges/Financial Charges	2,792,242	–
	<u>41,180,504</u>	<u>9,448,034</u>
Add: Brought forward from previous year	7,734,258	2,056,140
	<u>48,914,762</u>	<u>11,504,174</u>
Less: Allocated during the year	–	3,769,916
Balance pending capitalisation/allocation	<u>48,914,762</u>	<u>7,734,258</u>

Schedule G : INVESTMENTS

(Non-Trade- Unquoted- at cost)

Long Term Investments

Investment in Mayank Auto Engineers Private Limited 1600000 Shares of Euro 3.44 Each	368,646,850	374,266,750
Others quoted at cost	881,834	65,568,572
	<u>369,528,684</u>	<u>439,835,322</u>

Schedule H : CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS

1. Inventories (as taken, valued and certified by the management)

Raw Materials*	280,204,721	254,238,831
Packing Materials	2,022,688	231,159
Finished Goods**	91,728,800	62,021,580
Stores and Spares	2,561,678	327,186
Work in Progress	90,140,815	47,835,669
Tools, Moulds, Dies and Fixtures	223,365,761	104,489,375
	<u>690,024,463</u>	<u>469,143,800</u>

2. Sundry Debtors (Unsecured)

Debts outstanding for a period exceeding six months		
Considered Good	3,879,392	2,379,445
Considered Doubtful	6,060,955	27,924,210
	<u>9,940,347</u>	<u>30,303,655</u>



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009	
Others			
Considered Good	767,873,436	422,447,439	
Considered Doubtful	17,669,396	969,371	
	795,483,179	453,720,465	
Less: Provision for Doubtful Debts	23,730,351	28,893,581	424,826,884
3. Cash and Bank Balances			
Cash on Hand	824,355	597,766	
Silver Coins - 281 in number (Previous Year 153)	46,331	26,351	
Balance in Current Accounts			
With scheduled banks	4,801,423	12,586,559	
With other banks	181,574,726	230,165,256	
In Fixed Deposit Accounts***	38,033,599	1,484,356	
In Unpaid Dividend Account	-	5,271	244,865,559
	225,280,434		
* Raw Material includes Material in Transit of Rs. 10,800,614 (Previous Year Rs. 13,179,759).			
** Finished goods include excise duty on goods manufactured but not sold at the end of the year.			
*** - Pledged with banks as Margin Money for issue of letter of credit etc. Rs. 2,835,000 (Previous Year Nil).			
- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Custom Authorities Rs. 2,865,722 (Previous Year Rs. 1,484,356).			
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES			
A. CURRENT ASSETS			
4. Other Current Assets			
Interest Accrued	728,813	204,118	
Claims and Other Receivables	322,285,685	260,396,378	260,600,496
B. LOANS AND ADVANCES (Unsecured)			
Advances recoverable in cash or in kind or for value to be received or pending adjustments*	201,084,646	120,094,073	
Balance with Excise and Sales Tax Authorities	12,435,150	6,189,946	
Earnest Money and Security Deposits**	25,500,525	13,253,258	139,537,277
	239,020,321		
	2,249,092,544		1,538,974,016

Notes:

*Include

- amount due from Officer of the Company Rs.97,769 (Previous Year Rs.140,069). Maximum amount due at any time during the year Rs.140,069 (Previous Year Rs.213,318)
- **includes amount due from Minda Capital Limited, a Company under the same management Rs. 10,900,000 (Previous Year Rs.8,400,000). Maximum amount due at any time during the year Rs. 10,900,000 (Previous Year Rs.8,400,000).

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Rs.

PARTICULARS	AS AT 31.03.2010		AS AT 31.03.2009	
Schedule I : CURRENT LIABILITIES AND PROVISIONS				
A. CURRENT LIABILITIES				
Acceptances	4,466,794		-	
Sundry Creditors*	1,019,366,506		676,957,578	
Security Deposit	-		700,000	
Investor Education and Protection Fund	-		548	
Other Liabilities	<u>34,491,373</u>	<u>1,058,324,673</u>	<u>20,259,702</u>	697,917,828
B. PROVISIONS				
Income Tax (Net of Payment)	28,358,968		23,772,992	
Fringe Benefit Tax (Net of Payment)	-		726,666	
Proposed Dividend	21,589,975		17,271,980	
Tax on Proposed Dividend	3,585,836		2,935,373	
Warranty	15,345,325		15,648,296	
Employee Retirement Benefits	<u>29,107,587</u>	<u>97,987,691</u>	<u>16,274,188</u>	<u>76,629,425</u>
		<u>1,156,312,364</u>		<u>774,547,253</u>

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August, 2008 which recommends that the Micro and the Small Enterprises should mention in their correspondence with its customers the Entrepreneures Memorandum Number as allocated after filing of the memorandum. Based on the information available with the management there are no overdue outstanding to Micro and Small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. Further the Company has not received any claim for interest from any supplier under the said Act.



SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010	Year ended at 31.03.2009
Schedule J : SALES/INCOME FROM OPERATIONS		
Sales		
Gross Sales	5,311,064,467	4,560,759,160
Less: Excise Duty	157,579,143	155,533,324
	5,153,485,324	4,405,225,836
Income from Operations		
Interest from banks	476,609	155,987
Interest from others	4,728,180	66,266
Royalty	36,845,408	30,757,296
Scrap Sales*	33,151,853	1,475,879
Export Benefits	20,295,631	9,704,200
Liabilities/Provisions Written Back	5,161,867	479,127
Technical Know How/Service Income	52,708,955	87,209,944
Miscellaneous Income	4,407,314	5,508,865
	157,775,817	135,357,564
	5,311,261,141	4,540,583,400
* Scrap sales is net of excise duty paid aggregating to Rs.206,802/- (Previous Year Rs. 13,168)		
Tax deducted at source		
Interest - Bank	43,149	25,953
Interest - Others	816,645	487
Royalty	5,605,129	4,764,364
Technical Know How/Service Income	1,882,127	5,001,321
	8,347,050	10,032,725
Schedule K : OTHER INCOME		
Rent	1,824,000	4,229,000
	1,824,000	4,229,000
Tax deducted at Source	288,000	733,098
	288,000	733,098
Schedule L: ACCRETION/(DEPLETION) IN STOCKS		
<i>Closing Stock</i>		
Finished Goods	91,728,800	62,021,580
Work in Progress	90,140,815	47,835,669
	181,869,615	109,857,249
<i>Opening Stock</i>		
Finished Goods	62,021,580	12,140,865
Work in Progress	47,835,669	27,788,299
	109,857,249	39,929,164
Impact of excise duty on increase/(decrease) in finished goods	1,042,644	(385,142)
	73,055,010	69,542,943

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010	Year ended at 31.03.2009
Schedule M : COST OF MATERIALS		
Raw Materials Consumed		
Opening Stock	241,059,072	195,623,937
Add: Purchases/Expenses during the year	3,203,382,339	2,813,499,187
	<u>3,444,441,411</u>	<u>3,009,123,124</u>
Less: Closing Stock	269,404,107	241,059,072
	<u>3,175,037,304</u>	<u>2,768,064,052</u>
Tools, Moulds, Dies and Fixtures		
Opening Stock	104,489,375	9,300,835
Add: Purchases/Expenses during the year	128,070,763	106,158,621
	<u>232,560,138</u>	<u>115,459,456</u>
Less: Closing Stock	223,365,761	104,489,375
	<u>9,194,377</u>	<u>10,970,081</u>
	<u>3,184,231,681</u>	<u>2,779,034,133</u>
Note: Purchase of raw materials includes job work charges of Rs. 103,447,970 (Previous Year Rs. 134,647,361).		
Schedule N : MANUFACTURING EXPENSES		
Packing Materials		
Opening Stock	231,159	240,288
Add: Purchases/Expenses during the year	28,200,480	14,968,793
	<u>28,431,639</u>	<u>15,209,081</u>
Less: Closing Stock	2,022,688	231,159
	<u>26,408,951</u>	<u>14,977,922</u>
Jobwork Charges on Tools	31,908,103	19,797,923
Power and Fuel	76,874,501	15,968,708
Stores and Spares Consumed	40,030,795	8,187,542
Design and Development Charges	716,763	122,084
Testing Charges	2,732,363	1,066,945
	<u>178,671,476</u>	<u>60,121,124</u>
Schedule O : EMPLOYEES REMUNERATION AND BENEFITS		
Salaries, Wages and Bonus	691,061,172	588,137,142
Contribution to Provident Fund and Other funds	102,111,891	92,385,079
Staff Welfare Expenses	30,770,724	20,863,591
	<u>823,943,787</u>	<u>701,385,812</u>



SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs.

PARTICULARS	Year ended at 31.03.2010	Year ended at 31.03.2009
Schedule P : ADMINISTRATIVE AND OTHER EXPENSES		
Rent	69,233,110	42,172,776
Hire Charges	15,765,191	78,690,254
Lease Rent	143,754,743	139,799,336
Rates and Taxes	1,819,001	1,106,947
Insurance	14,451,385	15,888,337
Travelling and Conveyance	46,620,716	34,958,414
Printing and Stationery	5,727,525	4,836,982
Legal and Professional Charges	64,965,669	52,391,512
Communication Expenses	11,281,924	10,064,044
Repairs and Maintenance		
Building	10,036,497	5,078,976
Plant and Machinery	49,568,978	44,184,852
Others	11,252,285	7,365,089
Auditors' Remuneration :		
Statutory Audit	2,311,400	1,351,983
Reimbursement of Expenses	225,970	62,761
Royalty	47,695,188	32,041,686
Cash Discount	2,364,910	448,983
Charity and Donations	524,000	507,100
Bad Debts/Amounts written off	65,362	26,491
Management Fees	68,067,533	52,467,327
Loss on sale/discard of Fixed Assets	462,313	628,220
Sales Tax, VAT and Service Tax Expenses	-	389,985
Warranty Expenses	7,979,155	9,965,452
Fees and Registration Expenses	8,430,422	11,135,614
Security Charges	3,877,447	2,668,837
Miscellaneous Expenses	17,482,092	21,165,288
	603,962,816	569,397,246
Schedule Q : SELLING AND DISTRIBUTION EXPENSES		
Advertisement and Business Promotion	47,180,000	13,506,685
Sales Commission	1,667,417	7,777,649
Freight and Forwarding	43,659,895	28,364,262
	92,507,312	49,648,596
Schedule R : INTEREST AND FINANCE CHARGES		
Interest		
On Term Loan	43,745,652	68,599,374
On Working Capital Loan	62,724,959	30,777,132
Others	5,950,368	5,815,319
Bank Charges/Financial charges	18,423,604	27,153,326
	130,844,583	132,345,151

Schedule 'S'

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the disclosure requirement of the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates, which are recognized in the period in which the results are known/materialized.

iii) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting standard 21 on "Consolidated financial statements" and AS 23 "Accounting for investment in Associates in consolidated financial statements" issued by the Institute of Chartered Accountants of India and notified by Companies Accounting Standards rules, 2006. The Consolidated financial statements are prepared on the following basis:

- a. Subsidiary companies are consolidated on a line by line basis by adding together like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and transactions and also the resultant unrealized gains/losses.
- b. 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, the extent possible, in the same manner as the Company's stand alone financial statements.
- c. The difference between the costs to the Group of investment in subsidiaries as at the date of acquisition is recognized in the Consolidated financial statements as Goodwill or Capital Reserve, as the case may be.
- d. The Financial Statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company's i.e. year ended March 31, 2010. Except for financial statements of Minda KTSN Plastic Solutions GmbH KG & Co, which are drawn up to December 31, 2009. This is in agreement with AS 21.
- e. Minda KTSN Plastic Solutions GmbH & Co. KG is a LLP, 100% subsidiary of Minda Corporation Limited having a notion partner created out of fiction of law of Germany.

f. 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 this 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 as at and for the year ended on March 31, 2010 include the financial statements of the following entities:

Name of Consolidated Entities	Country of Incorporation	Nature of Interest	% of Interest	
			2010	2009
Minda Europe B.V.	Netherlands	Subsidiary	100	100
Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	Subsidiary	100	100

iv) Revenue Recognition

- (a) **Sales**- Sales include sale of manufactured goods, tools, moulds and dies, and jobwork sales. Revenue from sale of goods are recognised as goods are dispatched to the customers from the factory. Revenue from sale of goods to overseas customers is recognized on goods being shipped on board. However in case of DDP (Delivery Duty Paid) shipments, sales are recognized on the basis of delivery at destination. Sales are recorded at invoice value, net of sales tax/Vat, trade discount and sales returns, but including excise duty.
- (b) **Export Benefits**- Export benefits under the Duty Entitlement Pass Book (DEBP) scheme and Served from India Schemes (SFIS) are recognised in the year the goods / services are exported.
- (c) **Other Income**- Royalty, Interest, Service income or any other Incomes are accounted for to the extent realized or as the ultimate collection thereof uncertain at the time of raising the claim or when the company's right to receive the same is established.

v) Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses, erection/commissioning expenses, preoperative expenses etc (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods and vat set off availed, wherever applicable) up to the date.

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

Intangible asset is recognized, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangibles are stated. Software are amortized on a straight line basis over the estimated useful life of the assets. Goodwill represents the excess of purchase consideration over the bet book value of the assets acquired of the subsidiary companies as on the date of acquisition. Goodwill is not amortized.

vi) Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets or at rates specified in Schedule XIV to the Companies Act, 1956 which ever is higher.

However depreciation rates in the subsidiaries are kept unchanged and depreciation of subsidiary companies are consolidated as per rates charged / applicable in their respective countries. This will not have any impact on the results of the consolidated financial statements since depreciation rates are best estimates taken by the management for the useful life of the assets.

Premium paid on leasehold land and site development is amortized over the period of the lease.

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

The intangible assets (Computer Software and Technical Know How acquired for internal use) are capitalized in accordance with the relevant Accounting Standard. The cost of such assets is amortized on straight-line method over a period of five years, the estimated economic life of the asset.

All assets costing Rs.5,000 or below are depreciated in full by way of a one-time depreciation charge.

vii) Excise Duty

Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till clearance of goods from the factory premises.

viii) Inventories

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

Raw Materials, Components and Stores and Spares	:	FIFO Basis
Finished Goods		
Bought out	:	FIFO Basis
Manufactured	:	Material cost on FIFO basis plus an appropriate share of production overheads, wherever applicable. Cost includes excise duty.
Work in Progress	:	Material cost on FIFO basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable.
Tools, Moulds and Dies	:	Material cost on FIFO basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable

ix) Impairment of Assets

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

x) Foreign Currency Transactions

Investment in foreign entities is recorded at the exchange rate prevailing

on the date of making the investment.

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

Foreign currency loans covered by forward exchange contracts that 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 recognised over the life of the contract.

In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

Current Assets and liabilities (other than those relating to fixed assets and investments) are reinstated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense and not passed through the heads of account in Profit and Loss Account.

xi) Customs Duty

Customs duty on imported materials and machinery lying in bonded warehouses and in transit is accounted for on clearance of the goods.

xii) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xiii) Research and Development

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

xiv) Retirement Benefits

Company's contribution to Provident Fund is charged to the Profit and Loss Account.

Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation at the end of each financial year. Leaves are permitted to be encashed during the tenure of employment.

The company has created an Employee Group Gratuity Fund. The fund has taken Gratuity-cum-Life insurance policy from the Life Insurance Corporation of India (LIC). The premium paid/payable to LIC determined on the basis of an actuarial valuation made at the end of each financial year is charged to Profit and Loss Account.

xv) Warranty Claims

A provision is made for future warranty costs based on management's estimates of such future costs.

xvi) Leases

Lease rentals are expensed with reference to lease terms.

xvii) Investments

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent based on perception of the management of the company. Current investments are stated at lower of cost or fair market value. Cost includes original cost of acquisition, including brokerage and stamp duty.

xviii) Income Taxes

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2010 that reverse in one or more subsequent years are recognised if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

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

xix) Earnings per Share

Basic earnings 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.

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

xx) Provisions, Contingent liabilities and Contingent Assets

A provision is made based on reliable estimate when it is probable that an outflow or resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

2. COMMITMENTS AND CONTINGENCIES

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs. 138.65 Lacs (Previous Year Rs.342.96 Lacs).
- b) a) (i) Outstanding forward contracts in respect of foreign currency as at March 31, 2010 amount to US \$ 1,000,000 equivalent to Rs. 45,710,000 (Previous Year US \$ 10,27,000 equivalent to Rs.51,709,450) to hedge the foreign currency exposure for payments to be made against working capital loans.
- (ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is as follows:

	Year ended 31.03.2010		Year ended 31.03.2009	
	Rs.	FC	Rs.	FC
i) Receivables in foreign currency				
- Export of Goods	26,156,796	€432,058	44,129,805	€ 661,758
	55,965,853	US \$1,246,998	35,204,410	US \$694,878
- Royalty	6,867,805	US \$152,958	6,316,003	US \$124,576
ii) Payables in foreign currency				
- Loans	Nil	Nil	102,429,450	US \$2,027,000
- Commission	577,009	US \$12,657	308,595	US \$6084
	1,237,273	€20,131	2,745,376	€40,988

However receivables and payables of the subsidiaries required to be paid in their own currencies have not be considered here.

- c) Export obligations to be undertaken by the Company under EPCG scheme in the subsequent years to the extent unexecuted is Rs. 1232.18 Lac (Previous Year Rs. 47.48 Lac).
- d) Guarantees provided by the Company aggregate to Rs.504.96 Lac (Previous Year Rs.585.38 Lac).
- e) Bills of exchange discounted under irrevocable letters of credit aggregate to Rs. 1,383.41 Lac (Previous Year Rs.809.73 lac)
- f) Letters of credit outstanding aggregate to Rs. 118.39 (Previous Year Rs. Nil).
- g) Demand for income tax aggregating to Rs.128.99 Lac for the assessment year 2003-04 and 2007-08 is disputed by the Company against which the company has preferred an appeal. Out of the above, the Company has deposited Rs.105.01 Lac.
- h) Demand for sales tax aggregating to Rs.15.41 Lac for the financial year 1998-99, 2001-02, 2005-06 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the Company has deposited Rs.9.46 Lac.
- i) Penalty and Interest demand for excise duty aggregating to Rs.87.93 Lac for the financial years 2006-07 is disputed by the Company against which the Company has preferred an appeal. Out of the above, the Company has deposited Rs. Nil.

j) **Warranties**

The Company warrants that its products will perform in all material respects in accordance with the company's standard specifications for the warranty period. Accordingly based on specific warranties, claims and claim history the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

	31.03.2010	31.03.2009
	Rs.	Rs.
Opening Balance	15,648,296	8,941,627
Provided during the year	15,345,325	15,648,296
Utilized during the year	(15,648,296)	(8,941,627)
Closing Balance	15,345,325	15,648,296

3. LEASES

The Company has not executed any non-cancelable operating leases.

The Company is a lessee under various operating leases. Rental expense for operating leases for the years ended March 31, 2010 and 2009 was Rs.212,987,853/- and Rs.181,972,112/- respectively.

The Company has leased some of its premises and some of its fixed assets to a third party under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended March 31, 2010 and March 31, 2009 aggregate to Rs. 1,824,000 and Rs. 4,229,000/- respectively.

4. MANAGERIAL REMUNERATION

Managerial remuneration under section 198 of the Companies Act, 1956 paid to the managing directors of the Company is as follows:

	31.03.2010	31.03.2009
	Rs.	Rs.
Salary	4,787,458	6,787,872
Contribution to Provident Fund	530,304	509,091
Monetary value of Perquisites	757,719	111,000
	6,075,481	7,407,963

The above remuneration does not include the accrued amount of leave encashment and gratuity as at year end as the Company determines this amount through actuarial valuation and separate amount to directors is not ascertainable.

As no commission is payable to the directors, the computation of net profits in accordance with section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

5. PROVISION FOR GRATUITY

S.No.	Particulars	Master Policy CG 312689 and 97001032705	
		As on March 31st 2010	As on March 31st 2009
1.	Assumptions		
	i) Discounting Rate	8.00%	8.00%
	ii) Future salary Increase	6.0%	5.5%
2.	Table Showing changes in present value of obligation		
	Present value of obligation as at the beginning of the period	1,28,74,298	1,06,25,367
	Interest cost	1,029,244	850,029
	Current service cost	4,196,655	2,439,788
	Benefits paid	(1,376,102)	(945,291)
	Actuarial (gain)/loss on obligation	4,242,214	(95,595)
	Present value of obligation as at the end of period	20,967,009	1,28,74,298
3.	Table Showing changes in the fair value of plan assets		
	Fair value of plan assets at the beginning of the period	9,916,376	5,906,376
	Earlier year Adjustments	724,001	-

Expected return on plan assets	944,351	597,350
Contributions	823,356	3,484,476
Actuarial gain/(loss) on plan assets	7,001	30,340
Fair value of plan assets at the end of the period	12,415,285	9,916,376
4. Table showing fair value of planned assets		
Fair value of plan assets at the beginning of the period	9,916,376	5,906,376
Earlier year Adjustments	724,201	-
Actual return on plan assets	951,352	-
Contributions	823,356	3,979,660
Fair value of plan assets at the end of the period	12,415,285	9,916,376
Funded status	(8,551,724)	(2,957,922)
Excess of actual over estimated return on plan assets	7,001	30,340
5. Actuarial Gain / (loss) recognized		
Actuarial gain/(loss) for the period- obligation	4,242,214	95,595
Actuarial (gain)/loss for the period - plan assets	(7,001)	(30,340)
Total (gain)/loss for the period	(4,235,213)	(125,935)
Actuarial (gain) / loss recognized in the period	(4,235,213)	(125,935)
6. The amounts to be recognized in Balance Sheet and related analysis		
Present value of obligation as at the end of the period	20,967,009	12,874,298
Fair value of plan assets as at the end of the period	12,415,285	9,916,376
Funded status / Difference	(8,551,724)	(2,957,922)
Excess of actual over estimated	7,001	30,340
Unrecognized actuarial (gains)/losses	-	-
Net asset/(liability) recognized in balance sheet	(8,551,724)	(2,957,922)
7. Expenses recognized in statement of Profit & Loss		
Current service cost	4,495,419	2,439,788
Adjustments	298,764	
Interest cost	1,029,944	850,029
Expected return on plan assets	(944,351)	-
Net actuarial (gain)/ loss recognized in the period	4,235,213	(125,935)
Expenses recognized in the statement of profit & losses	8,816,225	3,163,882

Note: Fund status Includes interest paid (Last year Nil) by the fund manager on trust fund.

6. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company enters into transactions with affiliated companies and its parent and key management personnel. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 is as follows:

- | | | |
|---|---|---|
| a) Key Management Personnel | : | Mr.Jeevan Mahaldar - Managing Director
Mr. Ashok Minda - Chairman |
| b) Enterprise in which directors of
The company and their relatives
Exercises significant influence | : | Minda Valeo Security Systems Pvt. Ltd
Minda Stoneridge Instruments Ltd
Mindarika Pvt Ltd
Minda SAI Ltd
Mayank Auto Engineers Pvt Ltd
Minda S.M. Technocast Ltd
Minda Silca Engineering Ltd
Minda Industries Ltd
Minda Furukawa Electric Pvt Ltd
Minda International Ltd
Minda Capital Ltd
Minda Management Services Ltd
Minda Sons
Minda Europe GmbH |

Included in the financial statements are the following amounts relating to transactions with related parties

Related Party Transactions for the year 2009-10

Particulars	Rs. in Lacs					
	Subsidiary Company		Directors of the Company		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
a) Sale of Goods	-	16	-	-	4,285	2,023
b) Sale of Fixed Assets	-	-	-	-	-	2
c) Rent Received	-	-	-	-	18	42
d) Loan Received (net of Payment)	-	-	-	-	1,647	832
e) Security Deposit Received	-	-	-	-	7	7
f) Purchase of Goods/Job Work	-	-	-	-	3,254	3,890
g) Purchase of Fixed Assets	-	-	-	-	39	9
h) Purchase of Business Undertaking	-	-	-	-	220	-
i) Payment of technical know how fees	-	-	-	-	9	0
j) Testing Charges	-	-	-	-	-	1
k) Payment of Commission	21	39	-	-	-	-
l) Royalty Paid	-	-	-	-	477	320
m) Rent/Lease Rent Paid	-	-	-	-	491	195
n) Interest Paid	-	-	-	-	64	34
o) Payment of Management Fees	-	-	-	-	719	692
p) Managerial Remuneration	-	-	61	74	-	-
q) Security Deposit Paid	-	-	-	-	25	84
r) Investment	-	-	-	-	-	602
s) Guarantee given for loans taken by the Company	-	-	2,401	2,609	1,101	1,207
t) Guarantee given by the Company	-	-	-	-	482	556
u) Receivables	-	-	-	-	1,177	368
v) Payables	18	31	-	-	2,821	2,099
w) Dividend Received	-	-	-	-	-	24

7. EARNINGS PER SHARE

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

	31.03.2010	31.03.2009
a) Net Profit/(Loss) (Rs.)	228,418,722	188,987,741
b) Basic earnings per equity share - weighted average number of equity shares outstanding	8,635,990	8,635,990
c) Effect of dilutive potential equity share equivalents	-	-
d) Dilutive earnings per equity share - weighted average number of equity shares and potential equity share equivalents outstanding	8,635,990	8,635,990
e) Nominal Value of Equity Shares (Rs.)	10	10
f) Basic Earnings per Share (Rs.)	22.19	18.66
g) Diluted Earnings per Share (Rs.)	22.19	18.66

8. Pursuant to business transfer agreement entered with M/s Minda S.M. Technocast Limited and M/s Tuff Engineering Private Limited, the Company acquired their running business with effect from April 1, 2009. The company is under process to transfer fixed assets as per business transfer agreement in its name.

9. SEGMENT REPORTING

The company's operations predominantly are manufacture of automotive parts and accessories. The company is managed organizationally as a unified entity and all its assets other than export debtors are located in India.

Sales (net) for the year ended March 31, 2010 Rs.51,534.85 Lacs. Details of sales and year end debtors are as follows:

	Revenue Rs. in Lacs	
Locations	31.03.2010	31.03.2009
Domestic	27,127.99	16,063.00
Asia	3,579.56	2,280.24
America	515.70	92.87
Europe	20,311.60	25,616.15
Total	51,534.85	44,052.26
	Carrying amount of segment Assets Rs in Lacs	
Locations	31.03.2010	31.03.2009
Domestic	40,034.18	1,597.72
Asia	310.94	324.75
America	101.52	24.17
Europe	3,270.89	2,301.63
Total	7,717.53	4,248.27



10. INCOME TAXES

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax asset of Rs. 26.00 Lacs for the current year has been recognized in the profit and loss account. The tax effect of significant timing differences as of March 31, 2010 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2010.

	31.03.2010 (Rs. in lacs)	31.03.2009 (Rs. in lacs)
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	93.86	40.88
Provision for Doubtful Debts	20.60	42.00
Depreciation	(447.75)	(445.10)
Others	-	2.93
Net Deferred Tax Liabilities	(333.29)	(359.29)

11. MOULDS, TOOLS AND DIES

Details of expenses incurred on development of moulds, tools and dies are as follows:

Particulars	31.03.2010	31.03.2009
	Rs.	Rs.
Salaries and Wages	4,798,540	2,889,368
Contribution to Provident and other Funds	460,156	316,475
Repairs and Maintenance		
Plant and Machinery	91,065	78,942
Others	62,182	42,168
Power and Fuel	2,319,962	2,038,097
Depreciation	1,006,479	943,258
Job work charges	358,651	442,878
Stores, Spares and Components Consumed	3,906,988	5,251,006
Total	13,004,023	12,002,192

12. RECLASSIFICATION

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to the current year's groupings and classifications and the figures in brackets are those in respect of previous year.

Signatures to Schedule A to S

For R.N. Saraf & Co.
Chartered Accountants

Sd/-
R.N. Saraf, F.C.A.
Membership No. 12439

Place : New Delhi
Date : May 27, 2010

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
R. K. Aggarwal
CFO

For and on behalf of the Board of Directors

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

Sd/-
Ajay Sancheti
Company Secretary

Sd/-
A. P. Gandhi
Director
DIN: 00161107

Minda Corporation Limited

Annual Report 2009-10

STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY FOR THE YEAR ENDED MARCH 31, 2010

1. Name of the Subsidiary Company:	Minda Europe B. V.	
2. Country of Incorporation	Netherlands	
Net aggregate amount of Profit/(Loss) of the Subsidiary Company:-	Amount in Rs.	
(a) Capital	16,948,800	
(b) Reserve	4,452,377	
(c) Total Assets	41,242,693	
(d) Total Liabilities	3,336,098	
(e) Details of Investment (Except in case of investment in the subsidiary)	Nil	
(f) Turnover	Nil	
(g) Profit before I.O.	Income Taxes	88,827
(h) Provision for taxation	117,602	
(i) Profit after taxation	(28,775)	
(j) Proposed dividend	Nil	

For and on behalf of the Board of
Minda Corporation Limited

Place : New Delhi
Date : May 27, 2010

Sd/
Ashok Minda
Chairman
DIN: 00054727

DIRECTOR'S REPORT

To the Members of Minda Europe B.V.,

This report presented by your Directors in respect of Financial Year ended on 31.03.2010 has been made out for the limited purpose of annexing with the Balance Sheet of the Holding Company in terms of Section 212 (1) of Companies Act, 1956 read with Section 212 (2) (b) of the Companies Act, 1956.

Pursuant to Section 212 (2) (a) and Section 212 (2) (b) of Companies Act, 1956, the Balance Sheet of Minda Europe B. V. (hereby called body corporate) as on 31.03.2010 and the Profit & Loss Account for the period ended on that date dealt with by this report have also been made out in accordance with the requirements of Companies Act, 1956 which have been certified an Indian firm of Chartered Accountants making out the audit report thereof in accordance with the requirement of Companies Act, 1956.

FINANCE RESULTS:

PARTICULARS	(Rs. In Lacs)	
	2009-10	2008-09
Income	69.94	335.08
Depreciation	0.41	0.41
Net Profit /Loss After Tax	(0.28)	226.07

DIVIDEND:

In view of the above financial results, the Directors are not in a position to recommend any dividend.

FIXED DEPOSITS:

During the year under review your Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, your Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure was made for the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on 31.03.2010
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

During the year ended on March 31, 2009, none of the employees were in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information relating to conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules,

1988, is not applicable. This being an entity incorporated in Netherlands particulars on foreign exchange earnings and outgo are contextually irrelevant herein.

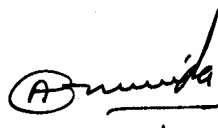
AUDITORS:

Audit under the law of Netherlands is not mandatory for the body corporate. However, the Annual Accounts of the body corporate have been audited as per the requirements of Indian Companies Act, 1956 by Indian Auditors. The notes to the accounts referred to in the Auditor's Report are self-explanatory and therefore, do not call for any further explanation.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for support received from the bankers and Government Authorities.

**For and on behalf of the Board of Directors
Of Minda Europe B. V.**



Place: Noida, India

Ashok Minda



Date: 27.05.2010

Director

Jeevan Mahaldar

Director

Auditors' Report

We have audited the attached Balance Sheet of Minda Europe B.V. as at March 31, 2010 and the annexed Profit and Loss Account and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform our work to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We hereby report that :

- i. Proper returns necessary for making out the accounts in accordance with the requirement of Indian Companies Act, 1956, were received by us.
- ii. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- iii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iv. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;

- v. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K.Swarup & Co
Chartered Accountants



Ajay Gupta
Partner
Membership No.: 096732

Place: Faridabad
Date: 26.05.2010

BALANCE SHEET AS AT MARCH 31,2010

	Schedules	2009-10 Rs.	2008-09 Rs.
SHAREHOLDER'S EQUITY			
Common Stock, stated value, EURO 100 per share			
Authorised and Issued 3,000 shares	1	16,948,800	16,948,800
Loans		16,565,000	23,191,000
Reserves & Surplus	2	4,452,377	4,481,152
	3	<u>37,966,177.</u>	44,620,952
APPLICATION OF FUNDS			
FURNITURE AND EQUIPMENT			
Furniture		227,020	227,020
Less : accumulated depreciation	4	<u>167,438</u>	126,100
Net Block		59,582	100,920
CURRENT ASSETS LOANS & ADVANCES			
Accounts receivable		1,782,782	3,126,129
Cash and cash equivalent		72,252	6,146,550
Loans and Advances	5	<u>39,387,659</u>	37,658,905
TOTAL CURRENT ASSETS	6	<u>41,242,693</u>	46,931,584
LESS CURRENT LIABILITIES & PROVISIONS			
Amounts falling due within one year	7	197,598	
Accrued expenses and Provisions		<u>3,138,500</u>	2,411,553
TOTAL CURRENT LAIBILITES	8	<u>3,336,098</u>	2,411,553
NET CURRENT ASSETS		37,906,595	44,520,032
TOTAL		<u>37,966,177</u>	44,620,952

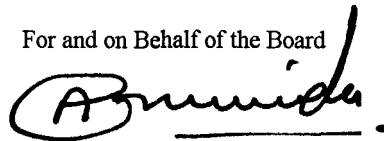
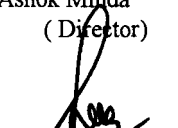
Notes to Financial Statements

The accompanying notes are an integral part of the financial statements.


Signatures to Schedules 1 to 16

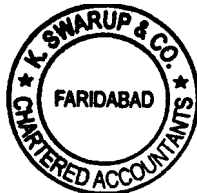
15

For and on Behalf of the Board


Ashok Minda
(Director)


Jeevan Mahaldar
(Director)



D.C.Sharma
(Director)
As per our report of even date
For K Swarup & Co. Chartered
AccountantsAjay~ta (Partner)
MNo. 096732Place: Noida , India
Date: 26.05.2010

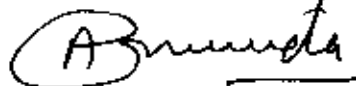
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH, 2010

Particulars	Schedules	2009-10	2008-09
		Rs.	Rs.
Turnover (Gross)	9	-	6,937,663
Less Excise Duty		-	-
Turnover (Net)		-	6,937,663
Other Income	10	6,994,125	33,508,859
Total Income		6,994,125	40,446,522
Cost of Sale of Traded Goods	11	-	7,913,670
Operating and other Expenses	12	6,776,545	8,750,339
Depreciation	4	41,339	41,543
Financial Expenses	13	87,415	163,778
Total		6,905,298	16,869,330
PROFIT FROM OPERATIONS		88,827	23,577,192
Tax on profit on ordinary activities		117,602	969,687
NET PROFIT / (LOSS) FOR THE PERIOD		(28,775)	22,607,505
Accumulated profit / (deficit) at beginning of period		4,481,152	(18,126,353)
Accumulated profit / (deficit) carried to Balance Sheet		4,452,377	4,481,152
Earnings/(Loss) per Share	14	(10)	7,536
Notes to Financial Statements	15		
The accompanying notes are an integral part of the financial statements.			


Signatures to Schedules 1 to 16

For and on Behalf of the Board

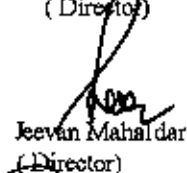
As per our report of even date
For K. Swarup & Co.
Chartered Accountants

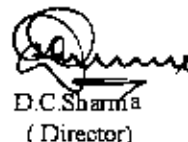


Ashok Minda
(Director)


Ajay Gupta
(Partner)
M.No. 96732




Jeevan Mahaldar
(Director)


D.C. Sharma
(Director)

Place: Noida, India
Date: 26.05.2010

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2010

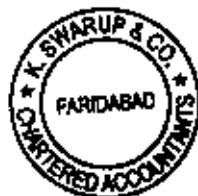
PARTICULARS	2009-10 Rupees	2008-09 Rupees
CASH FLOWS-OPERATING ACTIVITIES		
Net Loss for the period	(28,775)	22,607,505
Adjustments to reconcile net loss to net cash provided from (used for) operating activities:		
Depreciation	41,339	41,543
Changes in certain assets and liabilities affecting operations :		
Accounts receivables	1,343,347	17,232,662
Inventories	-	6,398,406
Loans and advances	(8,354,755)	(13,821,680)
Accounts Payables	924,545	(26,887,033)
NET CASH PROVIDED FROM (USED FOR) OPERATING ACTIVITIES	(6,074,298)	5,571,403
CASH FLOW -INVESTING ACTIVITIES		
Purchase of furniture	-	(16,735)
NET CASH (USED FOR) INVESTING ACTIVITIES	-	(16,735)
NET INCREASE IN CASH	(6,074,298)	5,554,668
Cash and cash equivalent at beginning of period	6,146,550	591,882
CASH AND CASH EQUIVALENT AT END OF PERIOD	72,252	6,146,550

NOTES:

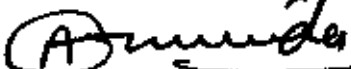
- a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- b) Negative figures have been shown in brackets.

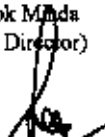
As per our report of even date
For K Swarup & Co.
Chartered Accountants



Ajay Gupta
(Partner)
M No. 96732



For and on Behalf of the Board


Ashok Minda
(Director)


Jeevan Mahaldar
(Director)


D.C. Sharma
(Director)

Place: Noida , India
Date: 26.05.2010

Schedule 1: Share Capital**Authorised**

3,000 equity shares of Euro 100/- each (converted in to Rupees at the date of investment)	16,948,800	16,948,800
---	------------	------------

Issued, Subscribed and Paid up

3,000 equity shares of Euro 100/- each fully paid up (All the above shares are held by the Holding Company Minda Corporation Limited, India)	16,948,800	16,948,800
---	------------	------------

Schedule 2: Loans

Unsecured - From Body Corporates	16,565,000	23,191,000
----------------------------------	------------	------------

Schedule 3: Reserves and Surplus**Profit & Loss Account**

- Balance as per last account	4,481,152	(18,126,353)
- Add: Transferred from Profit & Loss Account	(28,775)	22,607,505
	4,452,377	4,481,152

Schedule 4: fixed assets

Particulars		
Gross Block		
at 01.04.09	227,020	210,285
Additions	-	16,735
Deductions	-	-
At 31.03.10	227,020	227,020
Depreciation		
at 01.04.09	126,100	84,557
Additions	41,339	41,543
Deductions	-	-
At 31.03.10	167,438	126,100
Net Block as at 31.03.10	59,582	100,920

Schedule 5: Sundry Debtors

Debts outstanding for a period exceeding six months		
Other Debts (Unsecured considered good)	1,782,782	3,126,129
	1,782,782	3,126,129

Schedule 6: Cash & Bank Balances

Balances with scheduled banks on current accounts ABN AMRO, Netherlands	72,252	6,146,550
	72,252	6,146,550

Schedule 7: Loans & Advances

Unsecured considered good		
Advances recoverable in cash or kind or for value to be received	39,387,659	37,658,905
	39,387,659	37,658,905

MINDA EUROPE B.V.**Schedules to the financial statements**

	As at 31.03.2010 Amount (Rs)	As at 31.03.2009 Amount (Rs)
Schedule 8: Current Liabilities		
Sundry Creditors for goods and expenses	3,336,098	2,411,553
Includes in Sundry Creditors are:		
i. Due to the Company under the Same Management		
Minda Corporation Limited Nil (Previous Year 40,294,535)		
	<u>3,336,098</u>	<u>2,411,553</u>
Schedule 9: Turnover (Gross)		
Sales of Traded goods	-	6,937,663
	<u>-</u>	<u>6,937,663</u>
Schedule 10: Other Income		
Interest & other income	6,994,125	33,508,859
	<u>6,994,125</u>	<u>33,508,859</u>
Schedule 11: Cost of Sale of goods		
Opening Stock	-	6,398,406
Add : Purchases / Cost incurred during the year	-	1,515,264
	<u>-</u>	<u>7,913,670</u>
Schedule 12: Operating and Other expenses		
Payment & Provision for Employees	5,143,183	5,484,473
Rates and taxes	77,224	227,531
Travelling and conveyance	908,199	1,715,420
Communication costs	111,690	268,617
-Statutory audit	-	13,252
Printing and stationery	6,887	11,254
Legal and professional fees	513,850	939,934
Miscellaneous expenses	15,514	89,860
	<u>6,776,545</u>	<u>8,750,339</u>
Schedule 13: Financial Expenses		
Bank Interest and charges	87,415	163,778
	<u>87,415</u>	<u>163,778</u>
Schedule 14: Earning/(Loss) per share		
Net Profit / (Loss) as per Profit & Loss Accounts	(28,775)	22,607,505
Weighted average number of equity shares in calculating basis EPS	3,000	3,000
Diluted Earning /(loss) per Share	<u>(10)</u>	<u>7,536</u>
Number of equity shares in calculating basic EPS	3,000	3,000
Basic Earning /(loss) per Share	<u>(10)</u>	<u>7,536</u>

Schedule 15: NOTES TO THE FINANCIAL STATEMENTS

- 1 Accounts of the body corporate (a wholly owned subsidiary of Minda Corporation Limited, a company incorporated in India), have been made out as per requirement of Indian Companies Act in due adherences of sub section 2(a) and 2(b) of section 212 of companies Act, 1956. This entailed drawing up the balance sheet, profit & loss account (including auditor's report thereon) of the subsidiary in a manner so as to make it appear conforming to requirements Indian Companies Act, 1956, for the purpose of annexing the particulars of the body corporate with its holding company under section 212(1) of the companies Act, 1956.

The Company's principal business is trading of automobiles lock sets/ parts/accessories to various customers located in the European market. The Company was incorporated on December 1, 2004 in Netherlands with a authorized Share Capital of Euro Ninety Thousand consisting of Nine Hundred (900) shares, which was increased to Euro Three hundred Thousand Euro consisting of Three Thousand (3000) shares, each with a nominal value of one hundred euro (EURO 100).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**a. Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

b. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

c. Depreciation

Depreciation on Tangible Assets is provided on SLM at the rates mentioned in schedule XIV of the Companies Act, 1956 or the rates determined based on the useful life of the respective asset, whichever is higher:

	SLM	
	Rates based on	Schedule XIV Rates
	useful life	
Tangible Assets		
Furniture & Fixtures	19%	6.33%

d. Revenue Recognition

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Commission Income

Revenue is recognized when the related sale against which commission to be received have been made.

e. Earning Per Share

Basic earnings per share is 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.

For the purpose of calculating diluted earnings 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.

3. SEGMENT INFORMATION

Business Segments:

The Company's stops trading activities of automobiles lock sets/parts and accessories. Therefore segment reporting no longer remain relevant for the business.

4. RELATED PARTY TRANSACTIONS

The Company purchases its product from its parent company, Minda Corporation Limited, India. Total such purchases is of Rs Nil (Previous year 1,515,263/-) for the period ended March 31, 2010.

The Company procures orders from European and US Customers for Minda Corporation Limited. In lieu of procurement, the Company receives Commission from Minda Corporation Limited. During the year The Company receives Rs. 2,068,039 (Previous year 3,942,659/-) as commission from Minda Corporation Limited.

5. Provision for income tax has been made based upon rates applicable in the country of origin. Deferred tax when assessed works out to be a debit balance. Considering restriction contained in para 17, As-22, issued by ICAI, no deferred tax asset has been recognized in the accounts.

6. None of the vendor of the Company falls under the status of Micro, Small or Medium Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006.

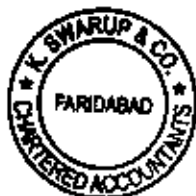
7. Previous Year Comparatives

Previous Year's figures have been regrouped where necessary to conform to this year's classification.

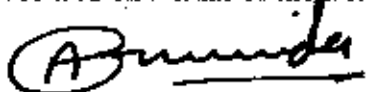
Signatures to Schedules 1 to 15

As per our report of even date
For K Swarup & Co
Chartered Accountants


Ajay Gupta
(Partner)
M No. 096732




For and on Behalf of the Board



Ashok Minda
(Director)


Jeevan Mahaldar
(Director)


D.C.Sharma
(Director)

Place: Noida , India
May 26, 2010