MINDA

MINDA CORPORATION LIMITED
Annual Report 2010-11

Contents

Corporate social responsibility

Minda Corporation Limited is the torch-bearer of a glorious expedition of profound corporate vision strongly running in its sixth decade. In the later part of fifties in the last century, founded by the eminent business leader and philanthropist late sh. Shadi Lal Minda (father of the present Promoter), popularly known as Babuji, the Group is a recognized leader in the Auto Component arena presently.

This illustrious growth is certainly owed to the strong fundamentals sketched out by revered founder who is business acumen personified beside a great humanitarian soul who always put the needs of underprivileged populations ahead of anything else. The Moga Devi Minda Charitable Trust (MDMCT) established in 1987, is the foundation to accomplish the dreams of Babuji of a better tomorrow, inclusive growth and self-reliant rural society. Many of the developmental projects had started under his guidance, and Minda Corporation Limited is continuing this legacy of corporate social responsibility with paramount concern.

GROWING RESPONSIBLY

Group companies undertake CSR interventions with local communities to make difference at social and educational level besides extending the economic growth chances to the communities and regions they venture in. Along several such localized projects, the Group is also undertaking following distinguished CSR initiatives through MDMCT, which have been acclaimed at the state and national level.

Minda Bal Gram (MBG)

MBG is the abode to orphaned or abandoned children. Located at Alipur & Delhi, the institute caters to an important felt need of metropolis space. MGB is completely self-reliant institute, equipped with all necessary facilities for holistic development of a child to nurture and grow to a well groomed citizen. The in-house facilities include medical treatment, agriculture, sports, library, cultural activities and preparatory school for nursery kids.

Minda Vidya Niketan (MVN)

MVN is a preparatory school for children from underprivileged families. The main objective of MVN is to link up disadvantaged children with formal education system and provide strong foundation for a healthy childhood based on value based teachings and grooming. Till date MNV has helped hundreds of children in growing with confidence and propose.

Minda Sewa Kendra (MSK)

MSK, a unique initiative, launched in 2007 in Bagla village of Hissar district in Haryana, aims at overall development of rural area without compromising its rich cultural heritage. Today this Kendra is offering free professional courses to underprivileged children of Bagla and surrounding villages. The Kendra is providing computer learning and various other vocational trainings free of cost.

Minda Vidya Vihar (MVV)

MVV is providing the school going population of Bagla and neighboring villages, a rare chance to get at par school experience with affluent schools of urban areas. Constructed over an area of 14 acres, this state of art school is a change agent to many of the villages of Hissar district namely Bagla, Kabrel, Ghudsal, Siswal, Mohhabatpur, Salemgarh, Balsamnad and Adampur. The ripple effect of this education centre is going a long way and writing a unique story of positive change.

Minda Sanjivani Kendra (MSK)

This Kendra is providing quality health services for pre, ante & post–natal medical needs. Women of reproductive age from the village of Bagla and surroundings are availing the treatment facility and due to proper care provided by the Kendra maternal mortality and still birth cases have been dropped significantly in this area.

Moga Devi Minda Memorial School (MDMMS)

MDMMS is a world class residential school located at Hissar. Ensuring quality education in smaller places is the most significant step to bridge the great divide between Cities and small town or village. In the absence of good educational infrastructures vicious cycle of less productive education and hence poverty perpetuates. To address this issue MDMMS is envisaged to provide most updated school education with state of art educational facilities at affordable fees. It will surely provide much needed momentum to rural education.

Safety Health & Environment

Minda Corporation Limited adheres to highest degree of corporate ethics. We believe in inclusive and sustainable growth. The group recognizes its employee as the most important internal clients.

A just segment of Group resources are being deployed to ensure the safety and health of the employees. Other than ensuing high standard of safety and health hazard free work situation, the group also arrange for mandatory safety education workshops and health check-ups on regular basis.

The Group is committed to the environmental concerns and works towards keeping its carbon foot print minimal. It is using modern and efficient technology to conserve electricity and water.

The Group has installed Effluent Treatment Plants in all its units and at all plants utmost importance is given to zero water discharge. The treated water is reused in horticulture projects. The Water Harvesting systems are put in place to restore ground water.

Research & Development

Minda Corporation Limited (MCL) has kept pace and grown with technology. Design innovations and technological adaptability as the strength of the Group, the Company is focused on developing new products.

A dedicated cell to develop new technology products for its customers and a team of 75 engineers working on Mechanical & Electronic Security Systems, Door Systems, Window regulators, Electronic Controllers & Plastic Interiors definitely give the group an upper hand in designing new products.

The design teams of the group companies in Germany and Japan are very much integrated with MCL design team in India. The Company has all types of Design Software like Pro-E, CATIA, ANYSIS, MDO, AutoCAD etc.

The R&D team jointly undertakes specific development projects with premium technical institutes in India. The R&D not only works for its Indian operations but also develops products for its manufacturing companies in Indonesia and Vietnam. Japanese advisors are available on panel to update the technology.

The Company is very sensitive to IPR and has a cell which continuously keeps track of the advancements around the globe.

Awards and recognitions

"ACMA's Gold Trophy for Technology"

Minda Corporation Limited–Noida "LAKSHAY" Q

1st Position in CII 23rd Quality Circle Preliminary Competition, MCL Noida

MCL Pune Lock Team won following awards & nominated for Gold Category Award in Japan

Quality Circle Team "KRANTI"
Award Won: "Excellent"

Kaizen Team "KSHITIJ"
Award Won: "Excellent"

Poka-Yoke Team "LAKSHYA"
Award Won: "Distinguished"

Competitiveness is the core of perpetual excellence. The awards and recognitions on annual basis help to encourage competitive ambiance in the Group companies and increase efficiency among employee. This highly motivated work environment is the key to the quality and productivity of the group.

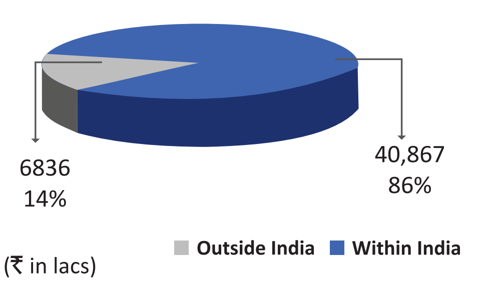
Growing Competitively

FINANCIAL HIGHLIGHTS

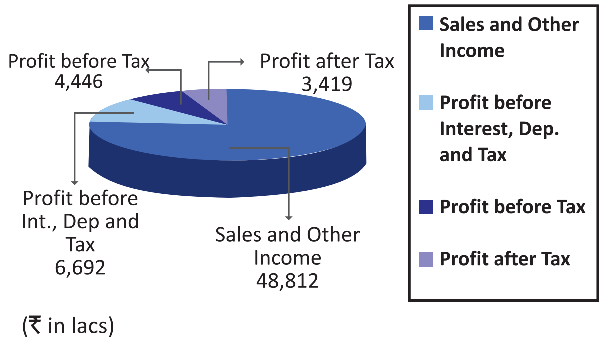
₹ in Lacs

Details	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Sales and other income	17,794	22,409	18,409	20,771	33,984	48,812
Profit Before Int, Dep and Tax	1,655	1,889	2,192	2,507	3,708	6,692
Profit before Tax	526	733	1,088	1,167	2,151	4,446
Profit after tax	293	440	791	919	1,803	3,419
Net fixed assets	5,059	6,463	6,008	6,505	9,637	10,171
Share capital	247	247	864	864	864	2,364
Reserves and Surplus	2,466	2,849	2,821	3,538	5,090	16,060
Networth	2,713	3,095	3,684	4,402	5,953	18,424
Dividend	15%	20%	20%	20%	25%	30%

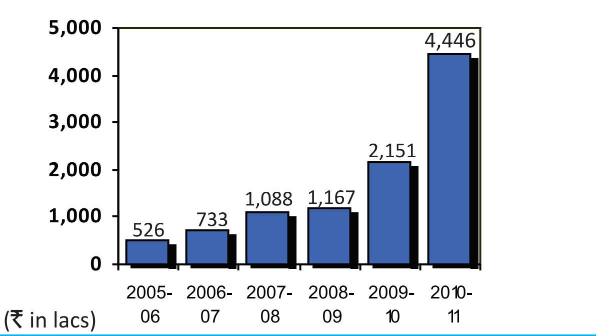
SEGMENT WISE SALE 2010-11



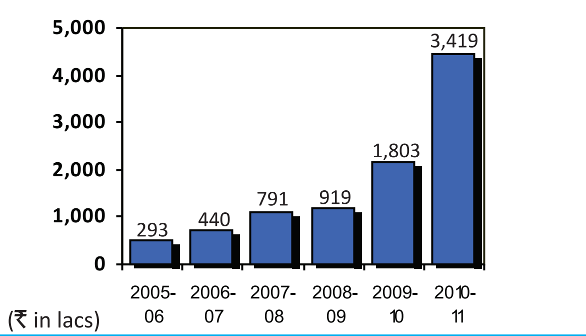
SALES AND PROFIT AT A GLANCE 2010-11



PROFIT BEFORE TAX



PROFIT AFTER TAX



Corporate information

Ashok Minda
Chairman

R. Laxman
Director

Jeevan Mahaladar
Managing Director

Avinash P. Gandhi
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 – 110 005

REGISTRAR AND SHARE TRANSFER AGENT
Skyline Financial Services Private Limited
D-153/A, First Floor, Okhla Industrial Phase-I
New Delhi – 110 020

BANKERS
Kotak Mahindra Bank Limited
Standard Chartered Bank
State Bank of Patiala
Karnataka Bank Limited
State Bank of India
Axis Bank Limited

REGISTERED OFFICE
36A, Rajasthan Udyog Nagar, Delhi – 110 033

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. -201 301
2. 2D/1, Udyog Kendra, Ecotech-III, Greater Noida, U.P. -201 306
3. 2D/2, Udyog Kendra, Ecotech-III, Greater Noida, U.P. -201 306
4. E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra -410 501
5. Gat No. 307, Nanekarwadi, Chakan, Tal-Khed, Dist. Pune, Maharashtra – 410 501
6. Plot No. 9, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
7. Plot No. 9A, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
8. K-150, MIDC, Waluj, Aurangabad, Maharashtra – 431 136
9. Plot No. G-1, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra -410 501

SUBSIDIARIES

1. Minda Europe B.V.
2. Minda KTSN Plastic Solutions GmbH & Co. KG
3. Minda SAI Limited
4. Mayank Auto Engineers Private Limited (Step-Subsidiary)

DIRECTORS' REPORT

The Shareholders,

The Directors have pleasure in submitting their 26th Annual Report on the business and operations of the Company, together with Audited Statement of Accounts for the year ended March 31, 2011.

1. FINANACIAL RESULTS

(₹ in Lacs)

PARTICULARS	2010-11	2009-10
Sales / Income from Operations	48,416.29	33,914.16
Other Income	396.43	70.32
Profit before Interest & Depreciation	6,692.32	3,708.40
Interest	1,054.25	730.66
Depreciation	1,192.53	826.63
Profit before Tax	4,445.54	2,151.11
Provision for Tax/ Excess Provision for earlier Years	900.00	373.80
Deferred Tax Liability/(Assets)	126.64	(26.00)
Profit after Taxation	3,418.90	1,803.31
Brought forward Profit	3,526.86	2,165.30
Total Profit available for appropriation	6,945.76	3,968.61
APPROPRIATION		
(i) Proposed Dividend	289.07	215.90
(ii) Transfer to General Reserve	195.00	190.00
(iii) Corporate Dividend Tax	46.90	35.86
(iv) Surplus carried to Balance Sheet	6,414.77	3,526.85

2. OPERATIONS AND COMPANY PERFORMANCE

Almost all segments of the automobile industry have posted a steady growth over the last one and half year except Medium and Heavy Commercial Vehicles segment wherein the recovery has been the slowest to gather momentum. Similarly, the year under review was a transformational year for your Company. The Company has scaled new heights and had set several new benchmarks in terms of sales, profit and net worth.

Your Company has shown excellent performance during the year under review. Your Company has achieved a turnover of ₹47,703.90 Lacs as compared to ₹33,154.91 Lacs during the previous year, thereby showing an increase by 43.88%. The Net Profit of the Company has increased by over 89.59% from ₹1,803.31 Lacs in previous year to ₹3,418.90 Lacs in the current year.

3. DIVIDEND

Your Directors are pleased to recommend dividend for the financial year 2010-11 subject to the approval of Shareholders in the forthcoming Annual General Meeting:

a) On 1,75,000 - 0.001% Cumulative Redeemable Preference Share @ 0.001%.

b) On 96,35,990 Equity Shares @ 30% i.e. ₹3 per equity share

4. ISSUE AND ALLOTMENT OF SHARES ON PREFERENTIAL BASIS

Issue and allotment of Equity Shares

During the year under review, your Company has issued and allotted 10,00,000 (Ten Lacs) Equity Shares of ₹10 each at a premium of ₹790 per share on preferential allotment basis. These shares have also been listed on Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

Allotment of 0.001% Cumulative Redeemable Preference Shares

During the year under review, your Company has also issued and allotted 1,75,000 (One Lac Seventy Five Thousand Only) 0.001% Cumulative Redeemable Preference Shares for cash at par @ ₹800 per share to the promoters of the Company and M/s. Minda Capital Limited.

5. FUTURE OUTLOOK

The management of your Company is committed to enhance stakeholders' value through enhancement of profitability and creation of brand value. Your Company has started the process of group consolidation and acquisition of new business in India and abroad. Your Company has acquired 100% stake in the Equity Shares of M/s. Minda SAI Limited engaged in the manufacturing of connective systems for automotives and has also invested in Equity stake in group companies for group consolidation.

During the year under review, the Company has started a new manufacturing unit for production of automotive interior plastic components at Pune, Maharashtra for supplies to OEMs.

In addition to this, the Company has acquired the running business of Window regulator from TGR Engineering and Automotives Private Limited.

In order to become a global player and to remain competitive, your Company is continuing efforts to enter into new markets, acquire new customers and gain access to new technology.

6. 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 the 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, 2011.

7. 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.

8. 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.

9. BOARD OF DIRECTORS

During the year under review, the Board has co-opted Mr. Laxman Ramnarayan as Nominee Director w.e.f. March 28, 2011 on behalf of Kotak India Growth Fund II.

In terms of section 260 of the Companies Act, 1956, Mr. Laxman Ramnarayan will hold office upto 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. Laxman Ramnarayan as a Director. Mr. Laxman Ramnarayan shall not be liable to retire by rotation.

In accordance with the requirement of the Companies Act, 1956, Mr. Avinash P. Gandhi and Mr. Rakesh Chopra, Directors retiring by rotation at the ensuing Annual General Meeting being eligible, offer themselves for re-appointment.

During the year under review, Mr. S. C. Gupta has resigned from the Directorship of the Company w.e.f November 09, 2010. The Board of Directors places on record its appreciation for his contribution as Director of the Company.

The detail 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.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's 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, 2011;

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.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING 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.

12. 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.

13. AUDITORS

M/s. R. N. Saraf & Co., Chartered Accountants, Statutory Auditors of the Company who hold office up to the conclusion of the forthcoming Annual General Meeting of the Company have shown their inabilities to continue as the Statutory Auditors of the Company after the conclusion of the said Annual General Meeting due to some other business occupancies.

In view of the inabilities of the existing Statutory Auditors for re-appointment, the Audit Committee of the Company has recommended the appointment of M/s. B S R & Co., Chartered Accountants as Statutory Auditors of the Company for approval by the shareholders at the forthcoming Annual General Meeting.

The Company has received a certificate from M/s. B S R & Co., Chartered Accountants pursuant to Section 224(1B) of the Companies Act 1956, confirming their eligibility for appointment. The proposed resolution for the appointment of M/s. B S R & Co., Chartered Accountants is being placed in the notice of forthcoming Annual General Meeting of the Company.

14. 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.

15. 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 2011 -12.

16. SUBSIDIARY COMPANIES

Your Company has following four subsidiary companies:

a) Minda KTSN Plastic Solutions GmbH & Co. KG, Germany

b) Minda Europe B.V., Netherlands

c) Minda SAI Limited (w.e.f. March 25, 2011)

d) Mayank Auto Engineers Private Limited (Step-down Subsidiary w.e.f. March 25, 2011)

A statement pursuant to section 212 of the Companies act, 1956 relating to subsidiary Companies for the year ended March 31, 2011, are given in **Annexure-III** to this report.

In terms of General Circular No. 2/2011 dated 8th February, 2011, the Balance Sheet and Profit & Loss Account of each subsidiary need not to be attached. The consolidated financial statements of the Company and all its subsidiaries as prepared in compliance with the applicable accounting standards and listing agreements are enclosed. The statement of statutory information in aggregate for each subsidiary including step-subsidiary is enclosed along with the consolidated financial statements.

The Annual Accounts of the Subsidiary Companies including step-subsidiary shall be made available to their shareholders seeking such information at any point of time and shall also be available for inspection at the corporate office of the Company at D-6-11, Sector 59, Noida, U.P. (India) during business hours between 9:00 a.m. to 6:00 p.m. The Company shall also furnish a hard copy of the details of the accounts of the subsidiaries to any shareholder on demand.

17. ACKNOWLEDGEMENT

The Board of Directors admiringly recognizes the continued confidence and support of all the stakeholders and the Company would like to place on record its appreciation for the good work done by the employees at all levels.

For and on behalf of the Board of
Minda Corporation Limited

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Place : New Delhi
Date : July 05, 2011

ANNEXURE I TO 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) Introduction of LPG Fuel for melting furnaces in Cold Chamber (CC) & Gravity Die Casting (GDC) Shop.

(ii) Hot Chamber (HC) Furnaces (10 nos.) were converted to electrical heating system instead of dual heating (diesel + pot heater).

(iii) HC Machines Hydraulic Power Pack auto pump cut off through PLC Circuit for ideal condition of 2 minutes.

(iv) Automation in GDC melting Furnace(Burner auto cut off after reaching the set temperature).

(v) Top Cover replacement of CC Holding Furnaces.

(vi) Re-layout of GDC Machines and save two furnaces energy cost 18KW *2. (Earlier 4 nos. furnaces for 4 no. machines, changed with 2 nos. furnaces for 4 nos. machines).

(vii) Installation of melting furnace in cold chamber shop.

(viii) Provided dual burner system diesel and LPG for getting benefit of lowest rate as per variation of price in LPG and Diesel.

(ix) Replace frech 90T motor with less KW.

(x) Conducted energy audit and started actions as per audit report.

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

(i) Power Factor incentive taken from Maharashtra Electricity Board for maintaining power factor unity.

(ii) Single Variable Frequency Drive Air Compressor used

(iii) 150 Watt Bulb removed and CFL 90W Bulb used for street light.

(iv) Street Light on and off time controlled by using timer.

(v) Single circulation pump used in Effluent Treatment Plant / Sewer Treatment Plant.

(vi) Doors sensing limits switch used to control operation time of Air Curtain.

(vii) Air Handling Unit on and off time controlled by using electronic timer.

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 innovation and new feature addition. New concept of magnetic lock with AUTO SHUTTER mechanism was developed and patent was filed for the same. Besides variants of magnetic modules with "Rack & Pinion type" and "Cover Rotation type" were developed.

For manufacturing of magnetic locks, a state of the art Semi Automatic Assembly line was setup. This line was first of its kind in the Company as the level of Automation was very high.

In electronic security systems, RF based immobilizers and transponder based immobilizers were developed for OEMs. For the after market, a new electronic security system for 4W was developed with advanced features. R & D was also carried out for Window Auto Rollup unit and Alarm system/Electronic Security Systems for two wheelers.

In mechanical security system for after market, many variants of 'Drill free Gear Lock' were developed.

In Plastic interiors, the R & D was carried out for arm rest.

For Window regulator segment, design and development was carried out for arm type window regulator. This has been developed for commercial vehicles.

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

a. Development of Magnetic Lock with AUTO SHUTTER will help in further strengthening our image as INNOVATORS amongst the Japanese customers. The Company expects to increase the business substantially through this product.

b. The variants of Magnetic modules have brought substantial business from Japanese customers, where new models have been allocated to the Company.

c. Establishing semi-automatic assembly line for Magnetic Lock has resulted in increasing the confidence with customers.

d. Development of Electronic Security Systems – RF based Immobilizer and transponder based Immobilizer will help in establishing the Company as Electronic Security System manufacturing. While the models have been allocated by customers, the business will substantially grow because of these products.

e. As the after market has a huge potential, the introduction of new products will increase the Company's share of business in this segment. Window auto rollup unit has seen substantial increase in sales. The new product developed will reduce warranty as this is water proof. Besides, cost have also been reduced which will increase profitability.

f. Gear Lock segment is growing at a very fast pace. The Company has been able to shorten the development through advanced measurement and proto typing techniques. The Company has covered the entire range of passenger cars resulting in substantial increase in sales.

g. Plastics being a new area, the design and development of "Arm Rest" for VW has helped in establishing the Company's image as solution provider in this segment.

h. For Window Regulator, the Arm type Window Regulator has helped in increasing the range. This will help in widening our customer base.

3. Future Plan of Action

There will be continuous thrust on innovators both in product and process. To protect our IPR, more patents will be filed in all segments. In the existing product range, focus will be on bringing the variance faster and reducing the cost at the same time. To address futuristic requirements of customers, electronics and mechanical will be combined to bring out Mechatronics products.

In plastic segment, technological development will be done in line with technologies available in Group companies in Europe. This will help in keeping the Company at par with technologies available in Europe. This will also help in getting more businesses from customers in India who are looking for such technologies.

Window Regulator segment will be addressed through new product launches by developing very good quality products with reduced costs. Technologies like Anti Pinch will be used for higher segment of vehicles.

4. Expenditure on Research and Development

(₹ in Lacs)

		2010-11	2009-10
a)	Capital Expenditre	275.85	289.64
b)	Recurring Expenditure	422.28	372.33
c)	Total	698.13	661.97
d)	Total R & D expenditure as a percentage of total turnover	1.46%	1.91%

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

1. **Efforts, in the brief, made towards technology absorption, adaptation and innovation**
   a) Exposure given to Engineers to design innovative products through guidance of expert consultants technology partners.
   b) Exposure through visits to exhibition.
2. **Benefit derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc**
   a) Competence of Engineers has been increased to design innovative products.
   b) The motivation because of the advanced earnings has resulted in retention of key resources.
   c) Customer's confidence has also increased due to the capability enhancement of engineers at the Company.
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 Window Regulators from Castellon, Spain.
   b. Design of immobilizer system for Motorcycle / two wheelers from Orbital Corporation of Australia
   c. Design of controllers for BLDC Motors for electric bikes 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 therefore and future plans of action.
   For immobilizer systems, since the productronisation phase has not started, there may be some minor modifications/up gradation required after the feedback from field/customer.

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 Companies.

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

Foreign Exchange Used

a) Traveling & Conveyance ₹38.09 Lacs (Previous Year ₹26.36 Lacs)

b) CIF value of import ₹2,242.11 Lacs (Previous Year ₹1,736.28 Lacs)

c) Commission on sales ₹47.37 Lacs (Previous Year ₹33.48 Lacs)

d) Legal & Professional ₹25.84 Lacs (Previous Year ₹4.34 Lacs)

e) Repair & Maintenance (P&M) ₹15.17 Lacs (Previous Year ₹12.67 Lacs)

f) Advertisement & Business Promotion ₹NIL (Previous Year ₹269.01 Lacs)

g) Others ₹13.83 Lacs (Previous Year ₹26.41 Lacs)

Foreign Exchange Earned

a) FOB value of Export ₹6,742.49 Lacs (previous year ₹5,699.23 Lacs)

b) Royalty ₹371.83 Lacs (Previous Year ₹368.45 Lacs)

c) Technical know-how ₹NIL (Previous Year ₹93.71 Lacs)

ANNEXURE II TO THE DIRECTORS' 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, 2011.

Full Time of the year

Name	Age (Yrs.)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Qualifications	Experience (Yrs.)	Name of Previous Employer
Mr. Jeevan Mahaldar	52	Managing Director	January 08, 2007	1,27,26,029	MBA, B. Tech (Mech)	31	Tata Ficosa Automotive Systems Ltd.

Notes:

1. All appointments are contractual as per the rules and conditions of the Company.
2. Remuneration includes basic salary, allowances, taxable value of perquisites etc.
3. The above employee is not related to any Director of the Company.
4. The above employee not own more than 2% of the outstanding shares of the Company as on March 31, 2011.

ANNEXURE-III

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Lacs)

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	Financial Year of the Subsidiary ended on	Extent of Interest of Holding Company in the Subsidiary as at March 31, 2010		The net aggregate amount of Subsidiary's Profit/(Loss) so far as it concerns the members of the Holding Company and is not dealt with in the Holding Company's accounts:		The net aggregateamount of the Subsidiary's Profit/(Loss) so far as it has been dealt with in the Holding Company's accounts	
				Nature of Interest: Subsidiary/Step Subsidiary	Extent of Interest (%)	Current Year (₹ in Lacs)	For the previous financial years of the Subsidiary since it became a Subsidiary	Current Year (₹ in Lacs)	For the previous financial years of the Subsidiary since it became a Subsidiary
1	Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	31.12.2010	Subsidiary	100%	51.00	157.41	-	-
2	Minda Europe B.V.	Netherland	31.03.2011	Subsidiary	100%	1.00	(0.29)	-	-
3	Minda SAI Limited	India	31.03.2011	Subsidiary	100%	-	-	-	-
4	Mayank Auto Engineers	India	31.03.2011	Step-Subsidiary	100%*	-	-	-	-

* The holding of Mayank Auto Engineers Private Limited held by subsidiaries of Minda Corporation Limited

For and on behalf of the Board of
Minda Corporation Limited

Place : New Delhi
Date : July 05, 2011

Sd/-
Ashok Minda
Chairman
DIN: 00054727

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Auto Component Industry has experienced healthy sequential growth over the last one year, following a period of de-growth in 2008-09. The recovery could be attributed to factors such as strong buoyancy in the end user industry; recovery of the global economy; improved consumer sentiments and return of adequate liquidity in the financial sector. India is also turning out to be an attractive destination as a global outsourcing hub and manufacturing base for original equipment manufacturers (OEMs), especially after the global economic downturn.

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. The value in sourcing auto components from India includes low labour cost, raw material availability, technically skilled manpower and quality assurance. India's process engineering skills, applied to re-designing of production processes have enabled reduction in manufacturing costs of components. The Indian auto component sector has been growing at around 20% per annum since 2000 and is projected to maintain the high-growth phase of 15-20% till 2015.

OUTLOOK

The Indian automotive Industry is highly competitive with a number of global and Indian Companies present in the market. The intense competition has compelled the manufacturers to launch the latest global offering in India as early as possible. It has also enabled to keep the prices of the vehicles under check.

The Company is exploring all sorts of business modalities like merger, acquisitions, joint ventures and other arrangements to enter into global market for its existing and new range of products for business expansion and development.

During the year, the Company has started a new manufacturing unit for production of automotive interior plastic components at Pune, Maharashtra for supplies to OEMs. In addition to this, the Company has acquired the running business of Window regulator from TGR Engineering and Automotives Pvt. Ltd. This acquisition has strengthened the Customer base with design & development of Window regulator.

Apart from above, as a part of group consolidation strategy, the Company has also acquired 100% stake in Minda SAI Limited, a Company engaged in the business of manufacturing of connective system for automotives. Similarly, the Company has invested in acquisition of major part of shareholding in Minda Autocare Limited, a Company engaged in the trading of automotive components to strengthen the after market business of the Company.

The Company has framed its long term strategy to develop market specific products and capturing market share through products patenting. The Company has filed around more than 15 patents in India and abroad relating to technology to strengthen and safeguard its technology.

There will be continuous thrust on innovators both in product and process. To protect our Intellectual Property Rights, more patents will be filed in all segments. In the existing product range, focus will be on bringing the variance faster and reducing the cost at the same time. To address futuristic requirements of customers, electronics and mechanical will be combined to bring out Mechatronics products.

The Company is also expected to introduce technologies like Anti pinch which will be used for higher segment of vehicles and in plastic segment, technological development will be done in line with technologies available in Ashok Minda Group's companies in Europe.

This will help in keeping the Company at par with technologies available in Europe. This will also help in getting more businesses from customers in India, who are looking for such technologies.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

There is no doubt that year 2011-12 will be a crucial year for the automotive industry worldwide. Despite great uncertainty, there is a welcome opportunity for organizations to re-invent themselves and plan for profitable growth. Re-invention is what customers will be expecting as they scrutinize the market for sustainability and cost-effectiveness.

India has several advantages making it an attractive destination for investment in the automobile sector like

- Growing Automobile industry.
- Low-cost, high-skill manpower with an abundance of engineering talent - the second largest in the world.
- Increased business from existing and new clients including export markets for two/ three wheeler.
- Increasing OEM demand & subsequent rise in replacement demand.
- Well developed, globally competitive Auto Ancillary Industry.
- Establishing extensive distribution networks.
- Established automobile testing and R&D centers.
- Among the lowest-cost producers of steel in the world.

Automotive global supply chains are at greater risk of natural and man-made disasters as well as operational risks such as forecast errors, sourcing problems, transportation breakdowns and recalls. Globalization is creating more sourcing and transportation options and therefore, more risks. The critical success factors for risk management are better planning of scenarios and gaining better business intelligence in order to monitor execution.

On the whole, the Indian Auto Component Industry is poised to sustain its revenue growth momentum over the short to medium term. However, the industry profitability may face pressure (a) pricing pressure from OEMs which in turn entering into heightened competitive intensity constraining their pricing power; (b) threat of rising commodity pricing; (c) likely higher cost of fund consequent to hardening of interest rates and (d) imports from other low cost locations.

The global liquidity and economic crisis resulted in a sharp drop in demand in most developed markets which impaired the financial risk profiles of the acquired Companies sharply. Eventually, restructuring measures including closure of lossmaking operating units, relocation of production facilities to low-cost locations, reducing manpower and putting in place a learner management structure have helped rationalize cost structures.

Other risks to growth and profitability of the Indian Auto Component Industry include increase in competition from other countries to capture business opportunities to both international as well as domestic market; uncertainty arising from currency volatility and ability to acquire capabilities in tune with technological advancement. The industry efforts to mitigate the above risks along with the policy measures of the Government would determine the impact of the above risk of the auto component industry going forward.

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 maintains adequate internal control systems which ensures compliance with applicable statutes, policies and management policies, procedures and effective use of resources and safeguarding of assets.

Internal audit is carried out by well reputed professional firms at periodic intervals to ensure that the Company's internal control systems are adequate and complied with.

The internal audit reports are shared at senior level management and Independent Audit Committee for monitoring and to ensure timely corrective actions are taken.

The Company is having well defined Systems and Operating Procedures (SOPs) for all the areas of operations. Effectiveness and implementation of these SOPs are monitored by Minda Business Excellence Team.

The State of the Art testing & validation equipment are installed at Minda Corporation Limited to make it self sufficient to test & validate the vide range of the products manufactured by it. The Company also has its own Standards Laboratory for calibrating its equipment from time to time.

Quality & Standardization is given the importance at Minda Corporation Limited. OEM's in India respect Minda Corporation Limited for its quality levels across all products. Most of the plants of Minda Corporation Limited are ISO/TS 16949, ISO 14000 certified. The Pant Nagar plant and its Surface Finishing Division are also OHSAS certified.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company performed reasonably well in spite of adverse market conditions globally.

The Company has achieved a turnover of ₹47,703.90 Lacs as compared to ₹33,154.91 Lacs during the previous year, thereby showing an increase by 43.88%.

The Net Profit of the Company has increased from ₹1,803.32 Lacs in the previous year to ₹3,418.90 Lacs in the Current year registering a growth of over 89.59%.

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

The Company values its Human Resources and is committed to ensure employee satisfaction, development and growth. The Company is working towards developing a culture of nurturing leaders, encouraging creativity and openness. The Company is striving to become a place where talented people will want to work. The Company is providing a fair compensation amongst industry of like nature, a clear career path, reward for performance and regular training and development for each level of employee.

The Company believes that the development of employees is one of the most important enablers for an organization like ours, engaged in nation building. This is being done at both individual and team levels. Sustained development of its employees, professional and personal is the hallmark of its human resource policies.

Minda Gurukul – A group learning Centre was established in August, 2009, which imparts training at all levels of employees to enable deep understanding of Vision and Values of Minda Group for bringing greater pride and passion among employees and higher levels and engagement in them.

For effective communication among employees across the units, the Company publishes an in-house journal titled "Minda Times" to cover important events and achievements across the Group. It is an effective tool of communication.

The total manpower employed during the year was approx. 2831.

CAUTIONARY STATEMENTS

Statements in the Management's 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)

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believes that the Corporate Governance is not only about creating checks and balances; it is also about creating an outperforming organization which leads to increasing Employee and Customer satisfaction and delivering Shareholder value by ensuring timely and transparent, financial as well as managerial disclosures. Transparency, fairness, disclosure and accountability are central to the working of the Company and its Board of Directors. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopt innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

I. BOARD OF DIRECTORS

a) Composition and Category of Directors

The Company has a broad-based Board consisting of mix of Executive and Non-Executive and Independent Directors. As on March 31, 2011, the Board of Minda Corporation Limited comprise of 6 (Six) Directors, of whom 5 (Five) are Non-Executive Directors and 1(One) is an Executive Director. Out of all 6 (Six) Directors, 2(two) are Independent. The Board has a Nominee Director, Mr. Laxman Ramnarayan who has been nominated by Kotak India Growth Fund II. He has been inducted as Nominee Director on the Board of the Company w.e.f. March 28, 2011.

Details of attendance of each Director at the Board Meetings and the last Annual General Meeting for each Director are given below:

Name of the Director	Category	Attendance Particulars	
		Board Meeting(s) attended during the year	Last Annual General Meeting Attended
EXECUTIVE			
Mr. Jeevan Mahaldar (Managing Director)	Non Independent	8	Yes
NON-EXECUTIVE			
Mr. Ashok Minda (Chairman)	Non Independent	7	Yes
Mr. Nirmal K. Minda (Director)	Non Independent	2	-
Mr. Laxman Ramnarayan (Director) [1]	Non Independent	-	-
Mr. Rakesh Chopra (Director) [2]	Independent	8	Yes
Mr. Avinash P. Gandhi (Director)	Independent	8	-
Mr. S. C. Gupta (Director) [3]	Independent	1	-

[1] Inducted as Non-Independent Non-Executive Director w.e.f. March 28, 2011

[2] Inducted as Independent Non-Executive Director w.e.f. May 27, 2010

[3] Ceased to be Director w.e.f. November 09, 2010

b) Non-executive Director's compensation

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

Details of Directorship, Chairmanships and Membership in other companies for each director as on March 31, 2011 are given below:

Name of the Director	Category	No. of Directorships and committee memberships / chairmanships in other Companies		
		Directorships	Committee Memberships	Committee Chairmanships
EXECUTIVE				
Mr. Jeevan Mahaldar (Managing Director)	Non Independent	1	1	-
NON-EXECUTIVE				
Mr. Ashok Minda (Chairman)	Non Independent	13	6	3
Mr. Avinash P. Gandhi (Director)	Independent	13	12	7
Mr. Nirmal K. Minda (Director)	Non Independent	23	1	-
Mr. Rakesh Chopra (Director)	Independent	4	1	1
Mr. Laxman Ramnarayan (Director)	Non Independent	1	-	-

c) **Other provisions as to Board and Committees**

During the year under review, 8 (Eight) Board meetings were held as against the minimum requirement of four meetings. The Company has held at least one Board Meeting in every three months. The details of the Board meetings are as under:

Sl. No.	Date of Board meetings	Board Strength	No. of Directors Present
1	May 27, 2010	6	6
2	August 12, 2010	6	5
3	November 09, 2010	5	5
4	February 03, 2011	5	4
5	February 21, 2011	5	4
6	March 21, 2011	5	4
7	March 28, 2011	6	4
8	March 31, 2011	6	3

The Company Secretary prepares the agenda and the explanatory notes in consultation with the Chairman & Managing Director and circulates the same in advance to the Directors. Every Director is free to suggest inclusion of items on the agenda. The Board meets at least once every quarter inter-alia to review the quarterly results. Additional Meetings are held, whenever necessary, presentations are made on business operations to the Board by Company's Corporate. The minutes of the proceedings of the Meetings of the Board of Directors are noted and draft minutes are circulated amongst the Members of the Board for their perusal. Comments, if any, received from the Directors are also incorporated in the minutes in consultation with the Chairman & Managing Director. The minutes are approved by the Members of the Board at the next Meeting. Senior Management Personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when necessary.

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, 2011. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

II. BOARD COMMITTEES

The Board currently has 3 (three) Committees: 1) Audit Committee 2) Remuneration Committee 3) Shareholder's / Investor's Grievance Committee. The Board is responsible for consulting, assigning and co-opting the members of the Committees.

1. AUDIT COMMITTEES

a) **Terms of Reference**

The Audit Committee has been mandate with the same terms of reference as specified in Clause 49 II of the Listing Agreement with the Stock Exchanges. The present terms of reference also fully conform to the requirement of Section 292A of the Companies Act, 1956.

The Audit Committee reviews with the management and also with the Statutory and Internal Auditors, all aspects of the financial results, effectiveness of internal audit/ process, 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 and reports of the internal audit.

b) During the year under review, the Audit Committee was re-constituted on May 27, 2010 comprising of Mr. Rakesh Chopra as Chairman, Mr. Avinash P. Gandhi as Member, Mr. Jeevan Mahaldar as Member and Mr. S.C. Gupta as 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 Attended	No. of Meeting(s)	Category	Date of Meetings
Mr. Rakesh Chopra (Chairman)	3	Non-Executive Independent Director	May 25, 2010 August 12, 2010 November 09, 2010 February 03, 2011
Mr. Avinash P. Gandhi (Member)	4	Non-Executive Independent Director	
Mr. Jeevan Mahaldar (Member)	4	Executive Director	
Mr. S. C. Gupta (Member)	1	Non-Executive Independent Director	

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.

d) The Chairman of the Committee was present at the Annual General Meeting held on September 09, 2010.

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 are 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 / re-appointment / 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.

2. REMUNERATION COMMITTEE

a) Constitution and Composition of the Committee:

The present composition of the Remuneration Committee is as follows:

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

b) Terms of Reference

The Remuneration Committee has been entrusted with the following responsibilities:

i. To review and grant annual increments to Managing Director and whole-time Director.

ii. To vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to the Managing Director/whole-time Director within the overall ceiling of remuneration as approved by the members.

iii. 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 Government from time to time.

iv. 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 to 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 under review.

Number of shares held by Non-Executive Directors:

Sl. No.	Name of the Director	No. of equity shares held (Face Value ₹10/- each)	No. of 0.001% Cumulative Redeemable Preference Shares Held (Face Value ₹800/- each)
1.	Mr. Ashok Minda	20,26,436	37,500
2.	Mr. Nirmal K. Minda	NIL	NIL
3.	Mr. Avinash P. Gandhi	NIL	NIL
4.	Mr. S. C. Gupta	NIL	NIL
5.	Mr. Rakesh Chopra	NIL	NIL
6.	Mr. Laxman Ramnarayan	NIL	NIL

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 Directors. The information/details to be provided under Corporate Governance Code with regard to remuneration of Directors for the year 2010-11 are as follows:

i) Executive Director: (Amount in ₹)

Name	Salary	P.F. and other allowances	Benefits and linked services	Performance	Total
Mr. Jeevan Mahaldar	1,03,20,562	10,07,970	13,97,497	NIL	1,27,26,029

Mr. Jeevan Mahaldar was appointed by the Board of Directors at their meeting held on January 08, 2007 for a period of 5 (Five) years w.e.f January 08, 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 month's notice in writing. There is no separate provision for payment of severance fees.

ii) Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays sitting fees of ₹7500 per meeting of the Board and ₹2500 per meeting of the Committees.

Details of remuneration paid to the Non-Executive Directors for the year 2010-11 are as follows:

(Amount in ₹)

Name of the Non-Executive Director	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. Ashok Minda	Nil	Nil	Nil
Mr. Nirmal K. Minda	Nil	Nil	Nil
Mr. Avinash P. Gandhi	60,000	10,000	70,000
Mr. S. C. Gupta	7,500	2,500	10,000
Mr. Rakesh Chopra	60,000	7,500	67,500
Mr. Laxman Ramnarayan	NIL	NIL	NIL

3) SHAREHOLDER'S/INVESTOR'S GRIEVANCES COMMITTEE

a) Composition

The present composition of the Shareholder's Grievance Committee is as follows:

Name of the Member	Status	Category
Mr. Avinash P. Gandhi	Chairman	Non-Executive Independent Director
Mr. Ashok Minda	Member	Non-Executive Director
Mr. S. C. Gupta	Member	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. Letters from Stock Exchanges, SEBI, etc.;
ii. Non- Receipt of share certificates;
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) Meetings

During the year, the Committee held 8 (Eight) meetings. The attendance of Members at the meetings was as follows:-

Name of Members	Committee Meetings attended during the year	Date of Meetings
Mr. Avinash P. Gandhi Chairman-Non-Executive Independent Director	8	June 21, 2010 July 10, 2010 July 21, 2010 August 11, 2010 September 10, 2010 October 07, 2010 March 14, 2011 March 15, 2011
Mr. Ashok Minda Member-Non-Executive Director	8	

d) Shareholder's complaints and disposal thereof

During the year, the Company has resolved investor grievances expeditiously. 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 Shareholder's/ Investor's Grievance Committee Meeting as well as in the Board Meetings itself on quarterly basis.

The Company has received 2 (Two) complaints during the year which were redressed and promptly attended to and outstanding complaints as on March 31, 2011 were Nil.

Number of pending share transfer: There was no pending share transfer as on March 31, 2011.
The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

e) 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.

f) Secretarial Audit

As stipulated by SEBI, a Qualified Practicing Company Secretary carried out secretarial audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

During the last quarter, the secretarial audit report illustrate that the 96,35,990 is the issued Capital and 86,35,990 is the listed Capital. The reason for the difference is allotment of 10,00,000 Equity Shares on Preferential basis which were made on March 28, 2011 & March 31, 2011.

III. GENERAL BODY MEETINGS

1) ANNUAL GENERAL BODY MEETINGS

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

AGM	Financial Year	Venue	Date	Time
25th	2009-10	PHD Chamber of Commerce, PHD House, Opposite Asian Games Village, New Delhi-110016	September 10, 2010	2.30 P.M.
24th	2008-09	— Do —	September 11, 2009	2.30 P.M.
23rd	2007-08	— Do —	July 28, 2008	2.30 P.M.

ii. No resolution was put through postal ballot during 2010-11.

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

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

Year	Subject Matter of Special Resolution	Date of AGM
2009-10	Alteration of Articles of Association	September 10, 2010
2008-09	Nil	September 11, 2009
2007-08	Nil	July 28, 2008

2) **EXTRA-ORDINARY GENERAL MEETING**

During the year, the Company has conducted an Extra-ordinary General Meeting on March 23, 2011:

i. To approve fresh infusion of capital through further issue of 10,00,000 (Ten Lacs) Equity Shares on preferential basis.

ii. To approve the matter of re-statement of Articles of Association of the Company.

iii. To approve alteration in the Capital Clause (Clause V) of the Memorandum of Association of the Company.

iv. To approve issue of 175,000 - 0.001% Cumulative Redeemable Preference Shares on preferential basis.

IV. 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-compliance 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.

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, 2011.

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.

V. MEANS OF COMMUNICATION:

i) Quarterly results	The results of the Company were published in newspapers and sent to Stock Exchanges.
ii) Which newspaper normally published in	The Economics Times and Nav Bharat Times
iii) Any website where displayed	Company's website - www.minda.co.in
iv) Whether it also displays official news releases	Yes, at the Company's website
v) The presentations made to institutional investors or to the analysts	Presentation relating to General Business was done during the year under review.

VI. GENERAL SHAREHOLDERS INFORMATION:

a) **26th Annual General Meeting:**

Venue	:	Magnolia, Indian Habitat Centre, Lodhi Road New Delhi – 110003, India
Time	:	9:30 a.m.
Day & Date	:	Saturday, August 06, 2011

b) **Financial Calendar: 2010 – 11 (Tentative)**

Financial Year — April, 2011 to March, 2012

Annual General Meeting — During July- September, 2012

Financial reporting for the quarter ending		**Tentative Date**
1. First Quarterly Results	(Un audited)	July/August, 2011
2. Second Quarterly Results	———Do———	October/November, 2011
3. Third Quarterly Results	———Do———	January/February, 2012
4. Fourth Quarterly Results	———Do———	April/May, 2012
5. Annual Results	(Audited)	May/June, 2012

c) **Book Closure:** Share Transfer Books and Register of Members shall remain closed from Thursday, July 28, 2011 to Saturday, August 06, 2011 (both days inclusive).

d) **Dividend:** The Board of Directors has proposed a dividend@30% (₹3 per Equity Share) on 96,35,990 number of fully paid-up Equity Shares of ₹10 each and @ 0.001% on 0.001% Cumulative Redeemable Preference Shares for Financial Year 2010-11.

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 2011-12 have been duly paid to the above Stock Exchanges.

f) **Market Price Data:**

There is no 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. D-153/A, Ist Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

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, 2011:**

S.No.	Category	No. of Shares Held	Shareholding (%)
1.	Promoters & Promoters Group	56,44,764	58.58
2.	Financial Institutions, Banks, Mutual Funds and Venture Capital	7,88,739	8.19
3.	NRIs, Foreign Nationals, OCBs and FIIs	1,35,000	1.40
4	Bodies Corporate	22,46,026	23.31
5	Public Trusts	5,42,535	5.63
6	Indian Public	78,228	0.81
7.	Others	2,00,698	2.08
	TOTAL	96,35,990	100.00

j) **Details of shareholding as on March 31, 2011:**

Shareholding (Range)	No. of shares of ₹10 each	% of Shares	No. of Members	% of Members
Up to 500	12,029	0.12	142	65.44
501-1000	25,949	0.27	37	17.05
1001-2000	19,600	0.20	13	5.99
2001-3000	4,900	0.05	2	0.92
3001-4000	7,350	0.08	2	0.92
4001-5000	4,725	0.05	1	0.46
5001-10000	5,250	0.05	1	0.46
10001 & above	95,56,187	99.18	19	8.76
TOTAL	96,35,990	100.00	217	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 Depository Services Limited.

As on March 31, 2011, the number of shares held in dematerialized and physical mode is as under:

	No. of Shares	% of total capital issued
Held in dematerialized form in NSDL	62,42,013	64.78
Held in dematerialized form in CDSL	9,42,624	9.78
Physical	24,51,353	25.44
Total	**96,35,990**	**100.00**

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

During the year under review, the Company has not raised any proceeds from public issue or right issue. However, it raised ₹80 Crores (Rupees Eighty Crores) by issue and allotment of 10,00,000 (Ten Lac) Equity Shares of ₹10 per share for cash at a premium of ₹790 per share on preferential basis and ₹14 Crores (Rupees Fourteen Crores) by issue and allotment of 1,75,000-0.001% Cumulative Redeemable Preference Shares 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:

i. D-6-11, Sector -59, Noida, U.P. -201 301
ii. 2D/1, Udyog Kendra, Ecotech-III, Greater Noida, U.P. -201 306
iii. 2D/2, Udyog Kendra, Ecotech-III, Greater Noida, U.P. -201 306
iv. E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra -410 501
v. Gat No. 307, Nanekarwadi, Chakan, Tal-Khed, Dist. Pune, Maharashtra – 410 501
vi. Plot No. 9, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
vii. Plot No. 9A, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
viii. K-150, MIDC, Waluj, Aurangabad, Maharashtra – 431 136
ix. Plot No. G-1, Phase-III, Chakan Industrial Area, Chakan, Pune, Maharashtra -410 501

n) Address for Investor Correspondence

i) With the Company:

Mr. Ajay Sancheti
Company Secretary & Compliance Officer
Minda Corporation Limited
D-6-11, Sector-59, Noida, U.P. - 201301
Ph. : 0120-4787117
E-Mail : asancheti@minda.co.in

ii) With the R & T Agent:

Skyline Financial Services Private Limited
D-153/A, Ist Floor, Okhla Industrial Area, Phase – I
New Delhi – 110 020

o) Compliance:

i. 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 exchanges is annexed with this report. The compliance certificate is also sent annually to all the shareholders of the Company.

ii. The non-mandatory requirements, wherever necessary, have been complied with.

VII. 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 Participants (DP) as per the bye laws and business rules applicable to NSDL & CDSL.

VIII. NON-MANDATORY DISCLOSURE

The non-mandatory requirements have been adopted to the extent & 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 report by statutory auditors does not contain any qualification or adverse remarks on financial statements of the Company.

d) Training of Board Members / Mechanism for evaluating Non-Executive Directors: All our present Directors have enough experience as Board members in the Company as well as in other companies. They are aware and also updated as and when required, of their role, responsibilities & liabilities. They understand basic financial statements.

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 49I(D)(ii) of the Listing Agreement, I hereby declare 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.

Sd/-

Place : New Delhi **Jeevan Mahaldar**
Date : July 05, 2011 **Managing Director**
DIN: 00137467

CEO AND CFO CERTIFICATION

We, Jeevan Mahaldar, Managing Director and Vivek Bhatia, 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, 2011;
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 & fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of & 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.

	Sd/-	**Sd/-**
Place : New Delhi	**Jeevan Mahaldar**	**Vivek Bhatia**
Date : July 05, 2011	**Managing Director**	**Chief Financial Officer**
	DIN: 00137467	

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, 2011 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
(Registration No. 002023N)

Sd/-

Place: New Delhi — **R. N. Saraf, F.C.A.**
Date: July 05, 2011 — **Membership No. 12439**

Financial Statements

Minda Corporation Limited

AUDITORS' REPORT

To the Members of Minda Corporation Limited,

We have audited the attached Balance Sheet of **Minda Corporation Limited** as at March 31, 2011 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, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 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 31st March, 2011;

   (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.

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

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

Place : New Delhi
Date : July 05, 2011

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, 2011

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 not taken unsecured loan from a company covered in the register maintained under Section 301 of the Companies Act, 1956;

(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 31st March, 2011 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, 2011, there have 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 :

Name of the Statute	Nature of Dues	Amount (₹ in Lacs)	Period to which the amount relates Financial Year	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	14.63	2002-03	Commissioner of Income Tax (Appeals), New Delhi
Central Excise	Interest and Penalty	86.93	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, therefore, 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. In our opinion the terms and conditions on which the company has given the guarantees for the loan taken by other from 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 allotted 1,75,000 Cumulative Redeemable Preference Shares, redeemed after 10 year but before the expiry of 20 years 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)

Place : New Delhi
Date : July 05, 2011

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

BALANCE SHEET AS AT MARCH 31, 2011

(Amount in ₹)

S.NO.	PARTICULARS	SCHEDULE	AS AT 31.03.2011		AS AT 31.03.2010	
I.	SOURCES OF FUNDS					
1.	**Shareholders' Funds**					
	(a) Share Capital	A	23,63,59,900		8,63,59,900	
	(b) Reserves and Surplus	B	1,60,60,09,170	1,84,23,69,070	50,89,52,285	59,53,12,185
2.	**Loan Funds**					
	(a) Secured Loans	C		48,66,19,131		77,76,72,174
	(b) Unsecured Loans	D		-		18,65,11,315
3.	**Deferred Tax Liability**	E		4,59,93,000		3,33,29,000
	TOTAL			2,37,49,81,201		1,59,28,24,674
II.	APPLICATION OF FUNDS					
1.	**Fixed Assets**	F				
	(a) Gross Block		1,47,35,22,823		1,19,85,32,715	
	(b) Less : Depreciation		55,01,58,713		43,58,24,399	
	(c) Net Block		92,33,64,110		76,27,08,316	
	(d) Capital Work in Progress		8,82,31,561		19,78,93,523	
	(e) Capital Advances		54,73,540	1,01,70,69,211	31,29,659	96,37,31,498
2.	**Investments**	G		59,90,40,817		42,11,93,301
3.	**Current Assets, Loans and Advances**	H				
	(a) Inventories		32,13,51,641		22,99,89,433	
	(b) Sundry Debtors		86,04,23,913		48,55,41,433	
	(c) Cash and Bank Balances		45,87,56,221		4,35,51,653	
	(d) Other Current Assets		1,74,05,101		1,21,83,941	
	(e) Loans and Advances		19,72,30,257		20,02,57,900	
			1,85,51,67,133		97,15,24,360	
	Less : Current Liabilities and Provisions	I				
	(a) Current Liabilities		1,00,67,72,552		69,81,50,349	
	(b) Provisions		8,95,23,408		6,54,74,136	
			1,09,62,95,960		76,36,24,485	
	Net Current Assets			75,88,71,173		20,78,99,875
	TOTAL			2,37,49,81,201		1,59,28,24,674
	Notes to the Financial Statements	S				

As per our report of even date

For and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

(Amount in ₹)

PARTICULARS	SCHEDULE	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Sales		4,77,03,89,759	3,31,54,91,392
Income from Operations		7,12,39,091	7,59,25,177
Sales / Income from Operations	J	4,84,16,28,850	3,39,14,16,569
Other Income	K	3,96,42,656	70,31,636
Accretion/(Depletion) in Stocks	L	77,61,003	5,34,62,592
		4,88,90,32,509	3,45,19,10,797
EXPENDITURE			
Cost of Materials	M	3,05,50,55,417	2,19,27,24,188
Manufacturing Expenses	N	25,38,70,305	15,01,30,230
Employees Remuneration and Benefits	O	48,94,30,050	33,67,05,299
Administrative and Other Expenses	P	32,87,30,039	26,98,58,816
Selling and Distribution Expenses	Q	6,80,57,558	12,36,22,221
Interest and Finance Charges	R	13,00,82,036	8,10,96,058
Depreciation/Amortisation/Impairment	F	11,92,52,913	8,26,62,506
		4,44,44,78,318	3,23,67,99,318
PROFIT BEFORE TAXATION		44,45,54,191	21,51,11,479
Provision for Income Tax		9,00,00,000	3,85,00,000
Excess provision for the earlier years			(11,20,137)
Deferred Tax Liability /(Asset)	E	1,26,64,000	(26,00,000)
PROFIT AFTER TAXATION		34,18,90,191	18,03,31,616
Add : Balance Brought Forward		35,26,85,935	21,65,30,130
Profit available for appropriation		69,45,76,126	39,68,61,746
Appropriations			
Proposed Dividend on			
- 0.001% Cumulative Redeemable Preference Shares		15	-
- Equity Shares		2,89,07,970	2,15,89,975
- Corporate Dividend Tax		46,90,321	35,85,836
Transfer to General Reserve		1,95,00,000	1,90,00,000
Balance Carried to Balance Sheet		64,14,77,820	35,26,85,935
Earnings per share	S		
Basic (Rupees)		39.54	20.88
Diluted (Rupees)		39.54	20.88
Notes to the Financial Statements	S		

As per our report of even date

For and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2011

(Amount in ₹)

S.No.	PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	44,45,54,191	21,51,11,479
	Adjusted for:		
	Depreciation	11,92,52,913	8,26,62,506
	Interest paid	10,54,24,705	7,30,66,185
	(Profit)/Loss on sale of fixed assets	(3,41,08,687)	4,62,313
	Provision For Doubtful Deposits/Advances	48,12,911	-
	Amounts written off	19,857	65,362
	Interest on Deposits	(26,60,566)	(4,73,593)
	Interest- Others	(7,32,054)	(34,79,944)
	Liabilities/Provisions Written Back	-	(51,61,867)
	Operating profit before Working Capital changes	63,65,63,270	36,22,52,441
	Adjusted for:		
	Accounts Receivable	(37,48,82,480)	(24,64,34,105)
	Loans & Advances	21,35,908	(11,22,00,311)
	Other Current Assets	(44,39,114)	(48,15,906)
	Inventories	(9,13,62,208)	(14,45,68,915)
	Current Liabilities & Provisions	31,21,19,868	29,72,00,821
	Cash generated from operating activities	48,01,35,244	15,14,34,025
	Income Tax Paid (including Taxes Deducted at Source and Wealth Tax)	(8,18,11,921)	(3,28,18,247)
	Fringe Benefit Tax paid	-	(7,26,666)
	NET CASH FROM OPERATING ACTIVITIES	39,83,23,323	11,78,89,112
B.	CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(17,58,75,189)	(39,82,37,568)
	Proceeds from sale of Fixed Assets	3,73,93,250	18,64,714
	Interest Received	26,10,574	34,28,842
	Investments made	(17,78,47,516)	-
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(31,37,18,881)	(39,29,44,012)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2011

(Amount in ₹)

S.No.	PARTICULARS	SCHEDULE	Year Ended 31.03.2011	Year Ended 31.03.2010
C.	CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES			
	Dividends Paid (including tax on dividend)		(2,51,75,811)	(2,02,07,353)
	Issue of Share Capital (Including share premium)		93,87,65,000	-
	Movement in Borrowing		(47,75,64,358)	40,34,12,056
	Interest Paid		(10,54,24,705)	(7,30,66,185)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES		33,06,00,126	31,01,38,518
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		41,52,04,568	3,50,83,618
	Cash and Cash Equivalents at the beginning of the year		4,35,51,653	84,68,035
	Cash and Cash Equivalents at the end of the year *		45,87,56,221	4,35,51,653
	*** Cash and Cash Equivalents include :**			
	Cash, cheques in hand and Silver coins		6,80,513	8,27,883
	With Banks :			
	- Current Accounts		3,64,22,061	47,29,171
	- Deposit Accounts		36,69,00,000	3,23,32,877
	Restricted Cash			
	Fixed Deposit pledged		5,47,53,647	56,61,722
	Cash and Cash Equivalent at the end of the year		45,87,56,221	4,35,51,653
	Notes to the Financial Statements	S		

As per our report of even date

For and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule A : SHARE CAPITAL				
Authorised				
1,50,00,000 (1,00,00,000) Equity shares of ₹10 each		15,00,00,000		10,00,00,000
1,75,000 (Nil) 0.001% Cumulative Redeemable Preference shares of ₹800 each		14,00,00,000		-
		29,00,00,000		10,00,00,000
Issued, Subscribed and Paid up				
96,35,990 (86,35,990) Equity shares of ₹10 each fully paid up*		9,63,59,900		8,63,59,900
175,000 (Nil) 0.001% Cumulative Redeemable Preference shares of ₹800 each**		14,00,00,000		-
		23,63,59,900		8,63,59,900
* Includes as bonus shares 9,36,375 Equity shares of ₹10 each allotted by capitalisation of general reserve on 29th September 1994 and 61,68,565 Equity shares of ₹10 each allotted by capitalisation of Securities Premium on 18th March, 2008.				
** Redeemable after 10 years but before expiry of 20 years from the date of allotment.				
Schedule B : RESERVES AND SURPLUS				
Securities Premium Account				
As per last Balance Sheet	6,52,66,350		6,52,66,350	
Add: Premium received during the year	79,00,00,000		-	
Less: Utilised for preliminary expenses	(12,35,000)	85,40,31,350	-	6,52,66,350
General Reserve				
As per last Balance Sheet	9,10,00,000		7,20,00,000	
Add: Transferred from profit and loss account	1,95,00,000	11,05,00,000	1,90,00,000	9,10,00,000
Profit and Loss Account		64,14,77,820		35,26,85,935
		1,60,60,09,170		50,89,52,285
Schedule C : SECURED LOANS				
From Banks :				
Term Loans	30,35,80,566		47,67,62,902	
Working Capital Loans	15,08,95,175		25,33,06,473	
Vehicle Loans	29,015	45,45,04,756	5,33,894	73,06,03,269
From Others :				
Vehicle Loans		-		6,44,826
Sales Tax Deferment from PICUP				
As per last Balance Sheet	4,64,24,079		6,13,57,765	
Less : Paid during the year	1,43,09,704	3,21,14,375	1,49,33,686	4,64,24,079
		48,66,19,131		77,76,72,174

SCHEDULES FORMING PART OF THE BALANCE SHEET

Notes:

1. **Term Loan**

₹7,45,86,781 (Previous Year ₹10,00,00,000) 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.

₹11,38,74,924 (Previous year ₹19,99,19,684) 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.

₹2,10,00,000 (Previous Year ₹5,10,00,000) 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.

₹8,65,25,044 (Previous Year ₹11,01,00,205) from Karnataka Bank Ltd.

Secured by way of first and exclusive hypothecation of Plant and Machinery installed at 2D/2 Ecotech III, Udyog Kendra, Greater Noida and Gat 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, ₹6,72,12,355(Previous year ₹6,72,12,355) is further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

₹75,93,817 (Previous Year ₹1,57,43,013) 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 III, 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.

Amount due within one year ₹16,02,87,860 (Previous year ₹17,26,89,000).

2. **Working Capital Loan**

₹Nil (Previous year ₹5,08,00,741) from Indian Overseas Bank, ₹5,89,58,404 (Previous year ₹Nil) from Kotak Mahindra 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

₹9,25,04,490 (Previous year ₹7,83,66,061) from Standard Chartered 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

Debit Balance ₹1,63,96,193 (Previous year ₹5,45,85,622) 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

₹1,58,28,474 (Previous year ₹5,65,37,803) 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).

₹Nil (Previous year ₹1,30,16,246) 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

Loans from Karnakaka Bank Ltd is further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

3. **Vehicle loans** of ₹29,015 (Previous Year ₹11,78,720) are secured by hypothecation of the vehicles financed by them. Amount due within one year ₹29,015 (Previous year ₹11,49,705).

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 under construction situated at Gurgaon and assets exclusively charged to other Banks) both present and future. Amount due within one year ₹1,67,56,627 (Previous year ₹1,43,09,764).

(Amount in ₹)

PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
Schedule D : UNSECURED LOANS- SHORT TERM				
From				
– Banks	-		4,84,67,921	
– Body Corporates	-	-	13,80,43,394	18,65,11,315
		-		18,65,11,315
Schedule E : DEFERRED TAX LIABILITY				
As per last Balance Sheet		3,33,29,000		3,59,29,000
(Less)/Add : Adjustments for the year		1,26,64,000		(26,00,000)
		4,59,93,000		3,33,29,000

SCHEDULES FORMING PART OF THE BALANCE SHEET

Schedule F : FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION/AMORTISATION/ IMPAIRMENT				NET BLOCK	
	As at 31.03.2010 ₹	Additions during the Year ₹	Adjustments/ Sold during the Year ₹	As at 31.03.2011 ₹	Upto 31.03.2010 ₹	For the Year ₹	Adjustments during the Year ₹	Upto 31.03.2011 ₹	As at 31.03.2011 ₹	As at 31.03.2010 ₹
TANGIBLE ASSETS										
Freehold Land	69,62,617	-	-	69,62,617	-	-	-	-	69,62,617	69,62,617
Leasehold Land	6,46,19,046	-	10,35,532	6,35,83,514	62,72,083	7,02,252	4,26,462	65,47,873	5,70,35,641	5,83,46,963
Building	28,30,47,641	43,43,330	61,40,740	28,12,50,231	7,26,22,842	1,34,11,022	44,82,807	8,15,51,057	19,96,99,174	21,04,24,799
Plant and Machinery	71,12,51,532	21,37,97,766	16,38,853	92,34,10,445	27,95,87,085	7,99,64,316	9,89,519	35,85,61,882	56,48,48,563	43,16,64,447
Computers	2,85,65,853	97,58,765	-	3,83,24,618	1,48,41,505	55,42,062	-	2,03,83,567	1,79,41,051	1,37,24,348
Office Equipment	3,54,65,700	39,34,361	9,750	3,93,90,311	1,83,04,564	45,57,910	924	2,28,61,550	1,65,28,761	1,71,61,136
Furniture and Fittings	2,51,73,500	76,52,664	-	3,28,26,164	1,53,72,620	38,26,812	-	1,91,99,432	1,36,26,732	98,00,880
Vehicles	46,54,711	11,96,245	7,40,180	51,10,776	19,82,979	8,58,188	3,80,780	24,60,387	26,50,389	26,71,732
INTANGIBLE ASSETS										
Computer Software	3,15,05,696	82,80,451	-	3,97,86,147	2,44,41,982	31,76,644	-	2,76,18,626	1,21,67,521	70,63,714
Technical Know How	72,86,419	3,55,91,581	-	4,28,78,000	23,98,739	85,75,600	-	1,09,74,339	3,19,03,661	48,87,680
TOTAL	**1,19,85,32,715**	**28,45,55,163**	**95,65,055**	**1,47,35,22,823**	**43,58,24,399**	**12,06,14,806**	**62,80,492**	**55,01,58,713**	**92,33,64,110**	**76,27,08,316**
PREVIOUS YEAR	91,05,29,620	29,62,66,563	82,63,468	1,19,85,32,715	35,80,91,854	8,36,68,985	59,36,440	43,58,24,399	76,27,08,316	55,24,37,766
Capital work in Progress	-	-	-	-	-	-	-	-	**8,82,31,561**	19,78,93,523

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	December 13, 1994	32,600	90
Pimpri- Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Uttrakhand Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Uttrakhand Limited	February 1, 2008	18,975	90

2. Depreciation for the year includes ₹1,361,893 (Previous year ₹1,006,479) capitalised on in-house development of tools.
3. Additions to Plant and Machinery during the year includes net exchange loss of ₹Nil (Previous year ₹160,638) on account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.
4. Capital Work-in-progress includeds preoperative expenditure pending capitalisation / allocation amounting to ₹Nil (previous year ₹48,914,762)

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in ₹)

PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
Schedule F1 : PREOPERATIVE EXPENDITURE				
(Pending capitalisation/ allocation)				
Manufacturing Expenses				
Power and Fuel	-		6,68,469	
Stores and Spares Consumed	-		9,24,290	
Design and Development charges	-		17,53,240	
Testing Charges	-	-	18,37,919	51,83,918
Employees Remuneration and Benefits				
Salaries, Wages and Bonus	-		84,19,443	
Contribution to Provident Fund and Other funds	-	-	79,182	84,98,625
Administrative and Other Expenses				
Rent	-		43,51,510	
Hire Charges	-		2,66,290	
Lease Rent	-		3,33,336	
Rates and Taxes	-		1,53,152	
Insurance	-		69,952	
Travelling and Conveyance	-		21,87,798	
Printing and Stationery	-		2,38,656	
Legal and Professional Charges	-		13,30,168	
Communication Expenses	-		5,03,814	
Fees and Registration Expenses	-		35,709	
Security Charges	-		2,69,590	
Miscellaneous Expenses	-	-	7,96,807	1,05,36,782
Interest and Finance Charges				
Interest on Term Loan	-		1,41,68,937	
Bank / Financial charges	-	-	27,92,242	1,69,61,179
		-		4,11,80,504
Add: Brought forward from previous year		**4,89,14,762**		77,34,258
		4,89,14,762		4,89,14,762
Less: Capitalised / Allocated during the year		**4,89,14,762**		-
Balance pending capitalisation/allocation		-		4,89,14,762

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule G : INVESTMENTS				
(Non-Trade-Unquoted- at cost)				
Long Term Investments				
25,57,108 (Previous year Nil) Equity shares of Minda SAI Limited @ ₹10 each fully paid up (wholly owned subsidiary)		10,29,04,820		-
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 (Limited Liability Partnership Firm) Euro 76,97,001 (Previous year Euro 71,30,001)		44,18,13,921		40,42,44,501
1,40,150 (Previous year Nil) Equity Shares of Minda Auto Care Limited @ ₹10 each fully paid up		3,73,73,276		-
		59,90,40,817		42,11,93,301
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES				
A. CURRENT ASSETS				
1. Inventories (as taken, valued and certified by the management)				
Raw Materials*	19,55,63,091		12,43,46,832	
Packing Materials	22,61,103		20,22,688	
Finished Goods**	3,48,13,934		3,69,89,037	
Work in Progress	4,28,56,849		3,33,29,056	
Stores and Spares	50,95,737		25,61,678	
Tools, Moulds, Dies and Fixtures	4,07,60,927	32,13,51,641	3,07,40,142	22,99,89,433
2. Sundry Debtors (Unsecured)				
Debts outstanding for a period exceeding six months				
Considered Good	37,44,518		38,79,392	
Considered Doubtful	77,88,815		60,60,955	
	1,15,33,333		99,40,347	
Others				
Considered Good***	85,66,79,395		48,16,62,041	
Considered Doubtful	30,85,051		-	
	87,12,97,779		49,16,02,388	
Less: Provision for Doubtful Debts	1,08,73,866	86,04,23,913	60,60,955	48,55,41,433
3. Cash and Bank Balances				
Cash on Hand	5,96,319		7,81,552	
Cheques in Hand	7,477		-	
Silver Coins - 323 in Number (Previous Year 281)	76,717		46,331	
Balance with Scheduled Banks				
In Current Accounts	3,64,22,061		47,29,171	
In Fixed Deposit Accounts****	42,16,53,647		3,79,94,599	
		45,87,56,221		4,35,51,653

* Raw Material includes Material in Transit of ₹1,68,16,079 (Previous Year ₹1,08,00,614).

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

***
- includes amount due from the companies under the same management
- Minda Stoneridge Instruments Limited ₹13,52,627(Previous year ₹43,03,929) maximum amount outstanding at any time during the year ₹45,67,986 (Previous year ₹56,34,567)
- Minda Valeo Security Systems Private Limited ₹2,43,58,335(Previous year ₹84,47,254) maximum amount outstanding at any time during the year ₹2,84,49,829 (Previous year ₹1,78,98,456)
- Minda Industries Limited ₹6,38,51,794(Previous year ₹4,23,95,155) maximum amount outstanding at any time during the year ₹6,45,66,260 (Previous year ₹5,56,78,990)

****
- Pledged with banks as Margin Money for issue of letter of credit etc. ₹5,00,00,000 (Previous Year ₹28,35,000)
- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Custom Authorities ₹47,53,647 (Previous Year ₹28,26,722)

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Amount in ₹)

PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES				
A. CURRENT ASSETS				
4. Other Current Assets				
Interest Accrued on Bank Fixed Deposits	15,10,859		7,28,813	
Claims and Other Receivables	1,58,94,242	1,74,05,101	1,14,55,128	1,21,83,941
B. LOANS AND ADVANCES (Unsecured)				
(Considered good)				
Advances recoverable in cash or in kind or for value to be received or pending adjustments *	14,73,36,733		16,14,11,347	
Balance with Excise and Sales Tax Authorities	1,84,96,063		1,24,35,150	
Advance Income Tax (net of provision)	-		8,71,878	
Earnest Money and Security Deposits **	3,13,97,461	19,72,30,257	2,55,39,525	20,02,57,900
		1,85,51,67,133		97,15,24,360

Notes:

* Includes
- amount due from Officer of the company ₹4,94,019 (Previous Year ₹97,769). Maximum amount due at any time during the year ₹5,92,769 (Previous Year ₹1,40,069)
- amount due from Minda S.M.Technocast Limited, a company under the same management ₹1,23,46,790 (Previous Year ₹Nil). Maximum amount due at any time during the year ₹1,23,46,790 (Previous Year ₹Nil)

** includes
- amount due from Minda Capital Limited, a company under the same management ₹1,09,00,000 (Previous Year ₹1,09,00,000). Maximum amount due at any time during the year ₹1,09,00,000 (Previous Year ₹1,09,00,000)
- National Saving Certificate in name of an employee of the company pledged with sales tax authorities ₹30000 (Previous Year ₹30,000).

PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
Schedule I : CURRENT LIABILITIES AND PROVISIONS				
A. CURRENT LIABILITIES				
Acceptances	14,99,72,802		44,66,794	
Sundry Creditors*	80,68,45,013		58,94,20,801	
Advance from Customers	1,73,93,581		6,97,71,381	
Other Liabilities	3,25,61,156	1,00,67,72,552	3,44,91,373	69,81,50,349
B. PROVISIONS				
Income Tax (Net of Payment)	73,16,201		-	
Warranty	1,76,18,899		1,26,83,423	
Employee Retirement Benefits	3,09,90,002		2,76,14,902	
Proposed Dividend	2,89,07,985		2,15,89,975	
Corporate Dividend Tax	46,90,321	8,95,23,408	35,85,836	6,54,74,136
	1,09,62,95,960		76,36,24,485	

* includes amount due to subsidiary companies
- Minda SAI Limited ₹94,67,922 (Previous Year ₹Nil).
- Mayank Auto Engineers Private Limited ₹85,29,943 (Previous Year ₹Nil)
- Minda Europe B.V. ₹3,75,69,420 (Previous Year ₹Nil)

* includes amount due to companies under same management
- Minda Silca Engineering Limited ₹1,89,51,315 (Previous Year ₹5,01,32,500)

* 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 filling 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 PROFIT AND LOSS ACCOUNT

(Amount in ₹)

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule J : SALES/INCOME FROM OPERATIONS				
Sales				
Gross Sales	5,05,83,62,619		3,47,30,70,535	
Less: Excise Duty	28,79,72,860	4,77,03,89,759	15,75,79,143	3,31,54,91,392
Income from Operation				
Royalty	3,71,83,377		3,68,45,408	
Scrap Sales*	84,01,746		42,51,144	
Export Benefits	1,80,26,164		2,02,95,631	
Liabilities/Provisions Written Back	-		51,61,867	
Technical Know How / Service Income	76,27,804	7,12,39,091	93,71,127	7,59,25,177
		4,84,16,28,850		3,39,14,16,569

* Scrap sales is net of excise duty paid aggregating ₹3,33,963 (Previous year ₹2,06,802).

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule K : OTHER INCOME				
Interest from				
- Banks		26,60,566		4,73,593
- Others		7,32,054		34,79,944
Rent		18,24,000		18,24,000
Profit on sale of Fixed Assets		3,41,08,687		-
Miscellaneous Income		3,17,349		12,54,099
		3,96,42,656		70,31,636
Tax deducted at source				
Interest		1,42,469		8,59,794
Rent		2,88,000		2,88,000
Royalty		67,81,334		56,05,129
Technical Know how / Service Income		97,128		18,82,127
Schedule L: ACCRETION/(DEPLETION) IN STOCKS				
Closing Stock				
Finished Goods	3,48,13,934		3,69,89,037	
Work in Progress	4,28,56,849	7,76,70,783	3,33,29,056	7,03,18,093
Less: Opening Stock				
Finished Goods	3,69,89,037		1,19,22,533	
Work in Progress	3,33,29,056	7,03,18,093	59,75,612	1,78,98,145
Impact of excise duty on increase /(decrease) in finished goods		4,08,313		10,42,644
		77,61,003		5,34,62,592

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Amount in ₹)

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule M : COST OF MATERIALS				
Raw Materials Consumed				
Opening Stock	11,35,46,218		4,24,17,355	
Add: Purchases/Expenses during the year	2,97,32,36,745		2,25,46,58,674	
	3,08,67,82,963		2,29,70,76,029	
Less: Closing Stock	17,87,47,012	2,90,80,35,951	11,35,46,218	2,18,35,29,811
Tools, Moulds, Dies and Fixtures				
Opening Stock	3,07,40,142		1,13,66,914	
Add: Purchases / Expenses during the year	15,70,40,251		2,85,67,605	
	18,77,80,393		3,99,34,519	
Less: Closing Stock	4,07,60,927	14,70,19,466	3,07,40,142	91,94,377
		3,05,50,55,417		2,19,27,24,188

Note: Purchases of raw material includes job work charges of ₹9,60,85,982 (Previous Year ₹6,07,51,826).

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule N : MANUFACTURING EXPENSES				
Packing Materials				
Opening Stock	20,22,688		2,31,159	
Add: Purchases / Expenses during the year	5,46,52,806		2,80,50,508	
	5,66,75,494		2,82,81,667	
Less: Closing Stock	22,61,103	5,44,14,391	20,22,688	2,62,58,979
Jobwork Charges on Tools		43,30,453		35,16,829
Power and Fuel		11,49,39,917		7,68,74,501
Stores and Spares Consumed		7,48,11,803		4,00,30,795
Design and Development charges		18,02,813		7,16,763
Testing Charges		35,70,928		27,32,363
		25,38,70,305		15,01,30,230
Schedule O : EMPLOYEES REMUNERATION AND BENEFITS				
Salaries, Wages and Bonus		42,93,09,745		29,08,59,380
Contribution to Provident Fund and Other funds		2,54,06,915		1,76,76,157
Staff Welfare Expenses		3,47,13,390		2,81,69,762
		48,94,30,050		33,67,05,299

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Amount in ₹)

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule P : ADMINISTRATIVE AND OTHER EXPENSES				
Rent		10,03,64,661		6,49,94,277
Rates and Taxes		34,36,888		17,41,777
Insurance		56,19,728		47,52,289
Travelling and Conveyance		4,03,07,457		3,31,05,700
Printing and Stationery		67,04,084		42,72,861
Legal and Professional Charges		2,18,02,725		3,50,74,843
Communication Expenses		93,95,920		66,05,671
Repairs and Maintenance				
Building	85,21,919		67,92,533	
Plant and Machinery	1,82,77,892		1,39,87,605	
Others	1,28,01,644	3,96,01,455	91,46,555	2,99,26,693
Auditors' Remuneration :				
Statutory Audit	8,00,000		8,00,000	
Tax Audit	2,00,000		-	
Others	80,000		-	
Out of pocket expenses	77,368	11,57,368	64,027	8,64,027
Charity and Donations		11,54,188		5,24,000
Bad Debts/Amounts written off		19,857		65,362
Provision For Doubtful Debts/Advances		48,12,911		-
Management Fees		7,07,66,290		6,80,67,533
Loss on sale/discard of Fixed Assets		-		4,62,313
Sales Tax, VAT and Service Tax Expenses		5,07,531		-
Warranty Expenses		1,10,44,548		1,05,71,829
Fees and Registration Expenses		27,85,637		27,41,075
Security Charges		58,12,907		38,77,447
Miscellaneous Expenses		34,35,884		22,11,119
		32,87,30,039		26,98,58,816
Schedule Q : SELLING AND DISTRIBUTION EXPENSES				
Advertisement and Business Promotion		1,36,79,657		4,65,25,340
Sales Commission		50,04,380		21,95,622
Royalty		56,40,763		4,76,95,188
Cash Discount		22,55,151		23,64,910
Freight and Forwarding		4,14,77,607		2,48,41,161
		6,80,57,558		12,36,22,221
Schedule R : INTEREST AND FINANCE CHARGES				
Interest				
On Term Loan	5,21,71,309		4,37,45,652	
On Working Capital Loan	4,46,89,755		2,33,70,165	
Others	85,63,641	10,54,24,705	59,50,368	7,30,66,185
Bank / Fund Raising charges		2,46,57,331		80,29,873
		13,00,82,036		8,10,96,058

Schedule 'S'

NOTES TO THE FINANCIAL STATEMENTS

1. **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 estimatesand 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 recognized 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 whichever 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 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 ₹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	:	First in first out (FIFO) Basis
Finished Goods		
-Bought out	:	First in first out (FIFO) Basis
-Manufactured	:	Material cost on First in first out (FIFO)basis plus an appropriate share of production overheads, wherever applicable. Cost includes excise duty.
-Work-in-Progress	:	Material cost on First in first out (FIFO) basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable.
-Tools, Moulds and Dies	:	Material cost on First in first out (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 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 capitalized 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, 2011 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 recognized only if there is a reasonable certainty that they will be realized 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 (net of advances) ₹338.76 Lacs (Previous year ₹138.65 Lacs).

b) (i) No forward contracts in respect of foreign currency is outstanding as at March 31, 2011 (Previous year US $ 10,00,000 equivalent to ₹4,57,10,000) 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 31.03.2011		Year ended 31.03.2010	
		₹	FC	₹	FC
i)	Receivables in foreign currency				
	- Export of Goods	4,22,25,192	€6,79,668	2,61,56,796	€4,32,058
		8,42,56,472	$19,15,591	5,59,65,853	$12,46,998
	- Royalty	1,70,84,114	$3,79,599	68,67,805	$1,52,958
ii)	Payables in foreign currency				
	- Commission	5,88,868	$12,657	5,77,009	$12,657
		12,65,436	€20,131	12,37,273	€20,131
	- TA Fees	82,66,667	€1,33,334	Nil	Nil

c) Export obligations to be undertaken by the Company under EPCG scheme in the subsequent years to the extent unexecuted is ₹1,112.73 Lacs (Previous year ₹1,232.18 Lacs).

d) Guarantees provided by the company aggregate to ₹2,747.54 Lacs (Previous year ₹504.96 Lacs).

e) Bills of exchange discounted under irrevocable letters of credit aggregate to ₹1602.55 Lacs (Previous year ₹1,383.41 lacs)

f) Letters of credit outstanding aggregate to ₹34.40 Lacs (Previous year ₹118.39 Lacs).

g) Demand for income tax aggregating to ₹138.81 Lacs for the assessment year 2003-04, 2007-08, 2008-09 is disputed by the company against which the company has preferred an appeal. Out of the above, the company has deposited ₹124.17 Lacs.

h) Demand for sales tax aggregating to ₹15.41 Lacsfor 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 ₹9.46 Lacs.

i) Penalty and Interest demand for excise duty aggregating to ₹86.93 Lacs (Previous year ₹87.93 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 ₹Nil (Previous Year ₹Nil).

j) **Warranties**

TThe 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:

	31.03.2011 ₹	31.03.2010 ₹
Opening Balance	1,26,83,423	1,07,71,305
Provided during the year	1,76,18,899	1,26,83,423
Utilized during the year	(1,26,83,423)	(1,07,71,305)
Closing Balance	1,76,18,899	1,26,83,423

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, 2011 and 2010 was ₹10,03,64,661 and ₹6,49,94,277 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, 2011 and March 31, 2010 aggregate to ₹18,24,000 and ₹18,24,000 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:

	31.03.2011 ₹	31.03.2010 ₹
Salary	1,03,20,562	47,87,458
Contribution to Provident Fund	10,07,970	5,30,304
Monetary value of Perquisites	13,97,497	7,57,719
	1,27,26,029	60,75,481

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.

5. Provision for Gratuity

S.No.	Particulars	Master Policy CG 312689 and 97001032705 As on March 31st 2011	As on March 31st 2010
1.	**Assumptions**		
	i) Discounting Rate	8.00%	8.00%
	ii) Future salary Increase	5.0%	**6.0%**
2.	**Table Showing changes in present value of obligation**		
	Present value of obligation as at the beginning of the period	2,09,67,009	1,28,74,298
	Interest cost	16,77,361	10,29,944
	Past service cost	39,05,846	—
	Current service cost	46,77,167	41,96,655
	Benefits paid	—	(13,76,102)
	Actuarial (gain)/loss on obligation	(37,19,685)	42,42,214
	Present value of obligation as at the end of period	2,75,07,698	2,09,67,009
3.	**Table Showing changes in the fair value of plan assets**		
	Fair value of plan assets at the beginning of the period	1,24,15,285	99,16,576
	Earlier year Adjustements	—	7,24,001
	Expected return on plan assets	11,01,857	9,44,351
	Contributions	10,00,000	8,23,356
	Actuarial gain/(loss) on plan assets	(60,913)	7,001
	Fair value of plan assets at the end of the period	1,44,56,229	1,24,15,285
4.	**Table showing fair value of plan assets**		
	Fair value of plan assets at the beginning of the period	1,24,15,285	99,16,576
	Earlier period adjustments	—	7,24,201
	Actual return on plan assets	10,40,944	9,51,352
	Contributions	10,00,000	8,23,356
	Fair value of plan assets at the end of the period	1,44,56,229	1,24,15,285
	Funded status	(1,30,51,469)	(85,51,724)
	Excess of actual over estimated return on plan assets	(60,913)	7,001
5.	**Actuarial Gain / (loss) recognized**		
	Actuarial gain/(loss) for the period- obligation	37,19,685	42,42,214
	Actuarial (gain)/loss for the period - plan assets	60,913	(7,001)
	Total (gain)/loss for the period	(36,58,772)	(42,35,213)
	Actuarial (gain) / loss recognized in the period	(36,58,772)	(42,35,213)
6.	**The amounts to be recognized in Balance Sheet and related analysis**		
	Present value of obligation as at the end of the period	2,75,07,698	2,09,67,009
	Fair value of plan assets as at the end of the period	1,44,56,229	1,24,15,285
	Funded status / Difference	(1,30,51,469)	(85,51,724)
	Excess of actual over estimated	(60,913)	7,001
	Unrecognized actuarial (gains)/losses	—	—
	Net asset/(liability)recognized in balance sheet	(1,30,51,469)	(85,51,724)
7.	**Expenses recognized in statement of Profit & Loss**		
	Current service cost	46,77,167	44,95,419
	Past service cost	39,05,846	—
	Adjustments	—	2,98,764
	Interest cost	16,77,361	10,29,944
	Expected return on plan assets	(11,01,857)	(9,44,351)
	Net actuarial (gain)/loss recognized in the period	(36,58,772)	42,35,213
	Expenses recognized in the statement of profit & losses	54,99,745	88,16,225

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)	Subsidiaries	:	Minda Europe B.V., Netherland. Minda KTSN Plastic Solutions GmbH & Co KG, Germany Minda SAI Ltd. Mayank Auto Enginees Pvt. Ltd.
b)	Key Managerial Personnel	:	Mr. Ashok Minda - Chairman Mr. Jeevan Mahaldar - Managing Director
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. Mayank Auto Enginees 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 Autocare Ltd.

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

Related Party Transactions for the year 2010-11

(₹ in Lacs)

Particulars	Subsidiary Company		Directors of the Company		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
a) Sale of Goods	-	-	-	-	5,391	4,285
b) Sale of Fixed Assets	-	-	-	-	350	-
c) Rent Received	-	-	-	-	18	18
d) Loan Received (net of Payment)	-	-	-	-	-	1,197
e) Security Deposit Received	-	-	-	-	-	7
f) Purchase of Goods/Job Work	-	-	-	-	3,076	3,254
g) Purchase of Fixed Assets	-	-	-	-	139	39
h) Purchase of Business Undertaking	-	-	-	-	-	220
i) Payment of technical know-how fees	103	123	-	-	-	9
j) Testing Charges	-	-	-	-	-	-
k) Payment of Commission	47	21	-	-	-	-
l) Royalty Paid	-	-	-	-	56	477
m) Rent / Lasee Rent Paid	-	-	-	-	562	491
n) Interest Paid	12	-	-	-	65	64
o) Payment of Management Fees	-	-	-	-	707	681
p) Managerial Remuneration	-	-	127	61	-	-
q) Security Deposit Paid	-	-	-	-	-	25
r) Loan Repayment	-	-	-	-	1,383	-
s) Investment	1,775	-	-	-	-	-
t) Guarantee given for loans taken by the Company	2,500	-	1,301	1,726	-	1,101
u) Guarantee given by the Company	2,204	-	-	-	482	482
v) Receivables	-	-	-	-	2,110	1,066
w) Payables	198	18	-	-	198	2,381

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.

		31.03.2011	31.03.2010
a)	Net Profit/(Loss) (₹)	34,18,90,191	18,03,31,616
b)	Basic earnings per equity share - weighted average number of equity shares outstanding	86,46,898	86,35,990
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	86,46,898	86,35,990
e)	Nominal Value of Equity Shares (₹)	10	10
f)	0.001% cumulative Preference Share Dividend (Including Tax)	18	-
g)	Basic Earnings per Share (₹)	39.54	20.88
h)	Diluted Earnings per Share (₹)	39.54	20.88

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 certain 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 31st March, 2011 ₹47,703.90 Lacs. Details of sales and year end debtors are as follows:

	Revenue (₹ in Lacs)	
Locations	31.03.2011	31.03.2010
Domestic	40,866.94	27,127.99
Asia	4,343.05	3,579.56
America	864.45	515.70
Europe	1,629.46	1,931.66
Total	47,703.90	33,154.91

	Caryring amount of segment Assets (₹ in Lacs)	
Locations	31.03.2011	31.03.2010
Domestic	7,339.42	4,034.18
Asia	499.83	310.94
America	192.94	101.52
Europe	572.05	408.77
Total	8,604.24	**4,855.41**

10. Income Taxes

IIn accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax liability of ₹126.64 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, 2011 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2011:

Particulars	31.03.2011 (₹ in lacs)	31.03.2010 (₹ in lacs)
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	102.93	93.86
Provision for Doubtful Debts	36.12	20.60
Depreciation	(598.98)	(447.75)
Others	-	
Net Deferred Tax Liabilities	(459.93)	(333.29)

11. Moulds, Tools and Dies

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

Particulars	31.03.2011	31.03.2010
	₹	₹
Salaries and Wages	33,24,369	47,98,540
Contribution to Provident and other Funds	3,76,522	4,60,156
Repairs and Maintenance		
Plant and Machinery	83,316	91,065
Others	74,440	62,182
Power and Fuel	30,88,693	23,19,962
Depreciation	13,61,893	10,06,479
Job work charges	7,68,885	3,58,651
Stores, Spares and Components Consumed	48,89,884	39,06,988
Total	1,39,68,002	13,004,023

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

12. 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.	3,000	2,300
Plastic Components	N.A.	200	Nil

13. Production

Unit in `000 Nos

Products	Current Year	Previous year
Lock Kits	4,671	5,719
Locks, Switches and other products	10,799	6,009
Spares	57,603	30,452
Wiring Harness	2,735	1,904
Plastic Components	20	Nil

14. Details of Sales (Net of Excise Duty)

Unit in `000 Nos (₹ in Lacs)

Products	Current Year		Previous year	
	Qty.	Value ₹	Qty.	Value ₹
Lock Kits	4,693	13,307.47	5,687	14,595.68
Locks, Switches and other products	10,848	12,374.84	6,081	7,067.59
Spares	54,547	10,113.44	30,338	5,969.23
Wiring Harness	2,771	4,708.27	1,874	2,933.02
Plastic components	18	1,910.18	—	
Others *	-	5,289.69		2,589.3

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

15. Opening and Closing stock of finished goods (as certified by the management)

Unit in `000 Nos (₹ in Lacs)

Products	Current Year Qty.	Current Year Value ₹	Previous year Qty.	Previous year Value ₹
Opening Stock				
Lock Kits	62	130.53	30	42.58
Locks, Switches and other products	144	146.76	215	42.94
Spares	225	47.43	111	10.36
Wiring Harness	36	45.17	6	23.34
Closing Stock				
Lock Kits	40	66.64	62	130.53
Locks, Switches and other products	95	171.11	144	146.76
Spares	3,281	70.38	225	47.43
Wiring Harness	-	-	36	45.17
Plastic Components	2	0.44	-	-
Others		39.56		

16. Raw materials and components consumed :

(₹ in Lacs)

Product	Unit	Current Year Qty.	Current Year Value ₹	Previous year Qty.	Previous year Value ₹
Zinc	**In '000 Kgs**	2,812	3,636.61	2,541	2,999.24
Components *		-	22,470.67	-	14,627.16
Others **		-	2,973.09	-	4,208.89

* 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.

17. Value of Imported/Indigenous Raw Materials and components consumed during the year.

(₹ in Lacs)

Raw Materials/Components	Current Year Value ₹	Current Year %	Previous year Value ₹	Previous year %
Imported	2,126.79	7.31	1,208.89	5.54
Indigenous	26,953.57	92.69	20,626.41	94.46
	29,080.36	100.00	21,835.30	100.00

18. Value of Imported/Indigenous Stores and Spares consumed during the year.

(₹ in Lacs)

Stores and Spares Consumed	Current Year Value ₹	Current Year %	Previous year Value ₹	Previous year %
Imported	16.39	2.20	1.11	0.30
Indigenous	731.73	97.80	399.20	99.70
	748.12	100.00	400.31	100.00

19. Value of Imports on C.I.F. basis

(₹ in Lacs)

Particulars	Current Year	Previous year
	₹	₹
Raw Materials, Components and Spare Parts	1,995.73	1,470.97
Capital Goods	246.37	265.31

20. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	Current Year	Previous year
	₹	₹
Traveling and conveyance	38.09	26.36
Legal and Professional	25.84	4.33
Repair and Maintenance (Plant and Machinery)	15.17	12.67
Advertisement and Business Promotion	-	269.01
Sales Commission	47.37	33.48
Others	14.61	26.41

21. Dividend remitted in foreign exchange

Period to which it relates	Current Year	Previous Year
Number of non-resident shareholders	1	1
Number of equity shares held on which dividend was due	1,35,000	1,35,000
Amount remitted (in `)	3,37,500	2,70,000
Amount remitted (in US$)	7,369	5,835

22. Earnings in Foreign Exchange

Particulars	Current Year	Previous year
	₹	₹
FOB Value of Exports	6,742.49	5,695.68
Royalty	371.83	368.45
Technical Know How / Service Income	-	93.71

23. Reclassification

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

For and on behalf of the Board of Directors

For R.N. Saraf & Co. **Chartered Accountants** **Regn. No. 002023N**	**Sd/-** **Ashok Minda** **Chairman** **DIN: 00054727**	**Sd/-** **Jeevan Mahaldar** **Managing Director** **DIN: 00137467**
Sd/- **R.N. Saraf, F.C.A.** **Membership No. 12439**	**Sd/-** **Vivek Bhatia** **CFO**	**Sd/-** **Ajay Sancheti** **Company Secretary**

Place : New Delhi
Date : July 05, 2011

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.	20401	State Code	55
Balance Sheet Date	31-03-2011		

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

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	150000

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

Total Liabilities	2374981	Total Assets	2374981
Sources of Funds			
Paid-up Capital	236360	Reserve & Surplus	1606009
Secured Loans	486619	Unsecured Loans	NIL
Deffered Tax Liability	45993		
Application of Funds			
Net Fixed Assets	1017069	Investments	599041
Net Current Assets	758871	Misc. Expenditure	NIL
Accumulated Losses	NIL		

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

Turnover/other income	4881272	Total Expenditure	4444478
Profit Before Tax	+ 444554	Profit After Tax	+ 341890
Earning Per Share in ₹	39.54	Dividend Rate	30%

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

Item Code No. (ITC Code)	830120
Product Description	LOCKS FOR MOTOR - VEHICLES
Item Code No. (ITC Code)	870899
Product Description	PARTS AND ACCESSORIES FOR FOUR WHEELERS
	871400
	PARTS AND ACCESSORIES FOR TWO WHEELERS

Consolidated Financial Statements

MINDA

Minda Corporation Limited

AUDITORS' REPORT

To the Board of Directors of Minda Corporation Limited,

We have examined 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, Minda SAI Ltd. and Mayank Auto Engineers Pvt. Ltd. (collectively MCL Group), as at March 31, 2011 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 ended on that date annexed thereto. 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 thereof. 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, 2011 and Minda KTSN Plastic Solutions GmbH & Co. KG, Germany as on December 31, 2011 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 subsidiaries, 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, 2011;

(ii) the consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of the company and its subsidiary as at March 31, 2011;

(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 : July 05, 2011

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

(Amount in ₹)

S.NO.	PARTICULARS	SCHEDULE	AS AT 31.03.2011		AS AT 31.03.2010	
I.	**SOURCES OF FUNDS**					
1.	Shareholders' Funds					
	(a) Share Capital	A	23,63,59,900		8,63,59,900	
	(b) Reserves and Surplus	B	2,45,69,67,841	2,69,33,27,741	64,00,94,725	72,64,54,625
2.	Loan Funds					
	(a) Secured Loans	C		1,83,19,12,059		2,05,00,59,720
	(b) Unsecured Loans	D		21,38,14,557		39,67,46,032
3.	Deferred Tax Liability	E		8,46,91,000		3,33,29,000
	TOTAL			4,82,37,45,357		3,20,65,89,377
II.	**APPLICATION OF FUNDS**					
1.	**Fixed Assets**	F				
	(a) Gross Block		4,26,46,71,282		2,77,46,87,343	
	(b) Less : Depreciation		1,71,95,19,299		1,23,22,54,697	
	(c) Net Block		2,54,51,51,983		1,54,24,32,646	
	(d) Capital Work in Progress		9,55,59,354		19,87,18,208	
	(e) Capital Advances		54,73,540	2,64,61,84,877	31,29,659	1,74,42,80,513
2.	**Investments**	G		3,81,28,759		36,95,28,684
3.	**Current Assets, Loans and Advances**	H				
	(a) Inventories		96,67,03,020		69,00,24,463	
	(b) Sundry Debtors		1,63,06,32,238		77,17,52,828	
	(c) Cash and Bank Balances		65,49,03,868		22,52,80,434	
	(d) Other Current Assets		45,52,75,118		32,30,14,498	
	(e) Loans and Advances		55,91,38,491		23,90,20,321	
			4,26,66,52,735		2,24,90,92,544	
	Less : Current Liabilities and Provisions	I				
	(a) Current Liabilities		1,95,21,50,453		1,05,83,24,673	
	(b) Provisions		17,50,70,561		9,79,87,691	
			2,12,72,21,014		1,15,63,12,364	
	Net Current Assets			2,13,94,31,721		1,09,27,80,180
	TOTAL			4,82,37,45,357		3,20,65,89,377
	Notes to the Financial Statements	S				

As per our report of even date

For and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

(Amount in ₹)

	SCHEDULE	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Sales		7,21,72,05,618	5,15,34,85,324
Income from Operations		10,49,74,577	15,77,75,817
Sales/Income from Operations	J	7,32,21,80,195	5,31,12,61,141
Other Income	K	3,99,18,798	18,24,000
Accretion/(Depletion) in Stocks	L	(1,39,66,578)	7,30,55,010
		7,34,81,32,415	5,38,61,40,151
EXPENDITURE			
Cost of Materials	M	4,57,80,81,414	3,18,42,31,681
Manufacturing Expenses	N	25,39,78,946	17,86,71,476
Employees Remuneration and Benefits	O	95,88,39,853	82,39,43,787
Administrative and Other Expenses	P	64,47,58,085	55,39,02,718
Selling and Distribution Expenses	Q	11,45,65,652	14,25,67,410
Interest and Finance Charges	R	17,41,14,900	13,08,44,583
Depreciation / Amortisation / Impairment	F	17,17,01,846	14,35,59,774
		6,89,60,40,696	5,15,77,21,429
PROFIT BEFORE TAXATION		45,20,91,719	22,84,18,722
Provision for Income Tax		9,20,47,144	4,04,69,263
Excess provision for the earlier years		-	(11,20,137)
Deferred Tax (Asset)/Liability	E	1,26,64,000	(26,00,000)
PROFIT AFTER TAXATION		34,73,80,575	19,16,69,596
Proposed Dividend			
- 0.001% Cumulative Redeemable Preference Shares		15	0
- Equity Shares		2,89,07,970	2,15,89,975
- Corporate Dividend Tax		4,60,90,321	35,85,836
Transfer to General Reserve		1,95,00,000	1,90,00,000
Balance Carried to Balance Sheet		29,42,82,269	14,74,93,785
Earnings Per Share	S		
Basic (Rupees)		40.17	22.19
Diluted (Rupees)		40.17	22.19
Notes to the Financial Statements	S		

As per our report of even date

For and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2011

(Amount in ₹)

S.NO.	PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net profit before tax	45,20,91,719	22,84,18,722
	Adjusted for:		
	Depreciation	17,17,01,846	14,35,59,774
	Interest paid	13,24,38,254	11,24,20,979
	(Profit)/Loss on sale of fixed assets	-	4,62,313
	Provision For Doubtful Deposits/Advances	48,12,911	-
	Amounts written off	19,857	65,362
	Interest on Deposits	(26,60,566)	(4,76,609)
	Interest- Others	(7,32,054)	(47,28,180)
	Liabilities/Provisions Written Back	-	(51,61,867)
	Operating profit before working capital changes	75,76,71,967	47,45,60,494
	Adjusted for:		
	Accounts Receivable	(46,10,12,043)	(34,69,25,944)
	Loans & Advances	2,01,83,326	(9,95,48,406)
	Other Current Assets	(38,53,389)	(6,18,89,307)
	Inventories	(8,38,36,824)	(22,08,80,663)
	Current Liabilities & Provisions	46,29,10,122	37,80,99,140
	Cash generated from operating activities	69,20,63,159	12,34,15,314
	Income Tax paid (including Taxes Deducted at Source and Wealth Tax)	(8,18,11,921)	(3,47,63,080)
	Fringe Benefit Tax Paid	-	(7,26,666)
	NET CASH FROM OPERATING ACTIVITIES	61,02,51,238	8,79,25,568
B.	**CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(18,65,74,869)	(42,71,83,449)
	Proceeds from sale of Fixed Assets	32,84,563	20,33,386
	Interest Received	26,10,574	46,80,094
	Movement in Capital Grant Received	-	(20,97,333)
	Investments made	(17,76,76,165)	7,03,06,638
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES	(35,83,55,897)	(35,22,60,664)
C.	**CASH FLOWS FROM/(USED) IN FINANCING ACTIVITIES**		
	Dividend Paid (including tax on dividend)	(2,51,75,811)	(2,02,07,353)
	Issue of Share Capital	93,87,65,000	-
	Movement in Borrowing	(61,88,87,174)	37,73,78,304
	Interest Paid	(13,17,95,554)	(11,24,20,979)
	NET CASH FROM/(USED) IN FINANCING ACTIVITIES	16,29,06,461	24,47,49,972
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	41,48,01,802	(1,95,85,124)
	Cash and Cash Equivalent at the beginning of the year	22,52,80,434	24,48,65,558
	Add: Cash and Cash Equivalents of the Subsidaries companies	1,48,21,632	-
	Cash and Cash Equivalents at the end of the year	65,49,03,868	22,52,80,434
	Notes to the Financial Statements S		

As per our report of even date | **For and on behalf of the Board of Directors**

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule A : SHARE CAPITAL				
Authorised				
1,50,00,000 (1,00,00,000) Equity shares of ₹10 each		15,00,00,000		10,00,00,000
1,75,000 (Nil) 0.001% Cumulative Redeemable Preference shares of ₹800 each		14,00,00,000		-
		29,00,00,000		10,00,00,000
Issued, Subscribed and Paid up				
96,35,990 (86,35,990) Equity shares of ₹10 each fully paid up*		9,63,59,900		8,63,59,900
1,75,000 (Nil) 0.001% Cumulative Redeemable Preference shares of ₹800 each**		14,00,00,000		-
		23,63,59,900		8,63,59,900

* Includes as bonus shares 9,36,375 Equity shares of ₹10 each allotted by capitalisation of general reserve on 29th September 1994 and 61,68,565 Equity Shares of ₹10 each allotted by capitalization of securities premium on 18th March 2008.

** Redeemable after 10 years from the date of allotment before expiry of 20 years from the date of allotment.

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule B : RESERVES AND SURPLUS				
Capital Reserve				
As per last Balance Sheet	6,41,66,120		7,50,21,092	
Add: Balance tranferred from subsidiary companies	89,84,960		-	
Less: Unutilised during the year	-	7,31,51,080	(1,08,54,972)	6,41,66,120
Securities Premium Account				
As per last Balance Sheet	6,52,66,350		6,52,66,350	
Add: Balance tranferred from subsidiary companies	30,35,80,388		-	
Add: Premium received during the year	79,00,00,000		-	
Less: Utilised for preliminary expenses	(12,35,000)	1,15,76,11,738	-	6,52,66,350
General Reserve				
As per last Balance Sheet	9,10,00,000		7,20,00,000	
Add: Balance tranferred from subsidiary companies	1,00,000		-	
Add: Transferred from profit and loss account	1,95,00,000	11,06,00,000	1,90,00,000	9,10,00,000
Profit and Loss Account				
As per last Balance Sheet	41,14,21,540		26,39,27,755	
Add: Balance tranferred from subsidiary companies	31,67,70,315		-	
Add: Profit for the year	29,42,82,269	1,02,24,74,124	14,74,93,785	41,14,21,540
Conversion Profit/(Loss)				
As per last Balance Sheet	82,40,715		(5,16,924)	
Add : Conversion profit arise during the year	8,48,90,184	9,31,30,899	87,57,639	82,40,715
		2,45,69,67,841		64,00,94,725
Schedule C : SECURED LOANS				
From Banks				
Term Loans	39,51,22,703		53,71,86,467	
Working Capital Loans	54,62,56,954		46,89,12,068	
Vehicle Loans	8,21,259	94,22,00,916	5,33,894	1,00,66,32,429
From Others				
Term Loans	83,75,28,276		99,63,58,386	
Vehicle Loans	4,96,022	83,80,24,298	6,44,826	99,70,03,212
Deferred Sales Tax from PICUP				
As per last Balance Sheet	4,64,24,079		6,13,57,765	
Add: Balance tranferred from subsidiary companies	1,95,72,470		-	
	6,59,96,549		6,13,57,765	
Less : Paid during the year	1,43,09,704	5,16,86,845	1,49,33,686	4,64,24,079
		1,83,19,12,059		2,05,00,59,720

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Notes:

1. **Term Loan**

   ₹7,45,86,781 (Previous Year ₹10,00,00,000) 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.

   ₹11,38,74,924 (Previous year ₹19,99,19,684) 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.

   ₹2,10,00,000 (Previous Year ₹5,10,00,000) from Kotak Mahindra Bank Ltd
   Secured by way of first and exclusive charge on all existing and future movable and immovable fixed asset 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.

   ₹8,65,25,044 (Previous Year ₹11,01,00,205) from Karnataka Bank Ltd
   Secured by way of first and exclusive hypothecation of Plant and Machinery installed at 2D/2, Ecotech-III, Udyog Kendra, Greater Noida and Gat 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 ₹6,72,12,355 (Previous Year ₹6,72,12,355) is further secured by a personal guarantee by Sh. Ashok Minda, Chairman of the Company.

   ₹75,93,817 (Previous Year ₹1,57,43,013) 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-III, 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.

   ₹3,53,99,206 (Previous year ₹6,04,23,565) 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.

   ₹21,89,17,788 (Previous year ₹28,48,57,600) from Grameda vermiteungsgesellschaft-Mbh
   Secured by way of first and exclusive charge on plant and machinery existed at 11.08.2005 located at Fabrikstrasse 2,01796, Pirna, Germany.

   ₹61,84,91,096 (Previous Year ₹71,21,00,776) 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

   ₹4,33,33,336 secured by first pari passu charge on all existing and future movable and immovble fixed assets of the Company situated at Noida to be shared with PICUP. The loan is further secured by first charge on all existing and future movable and immovable fixed assets of the company situated at Kakkalur and Murbad and also second charge on entire existing and future current assets of the company.

   ₹1,29,28,987 from Karnataka Bank Limited is secured by hypothecation of machineries.

   Amount due within one year ₹22,58,59,929 (Previous year ₹41,65,06,652).

2. **Working Capital Loan**

   ₹Nil (Previous year ₹5,08,00,741) from Indian Overseas Bank, ₹5,89,58,404 (Previous year ₹Nil) from Kotak Mahindra 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

   ₹9,25,04,490 (Previous year ₹7,83,66,061) from Standard Chartered 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

   Debit Balance ₹1,63,96,193 (Previous year ₹5,45,85,622) 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 under construction situated at Gurgaon and assets exclusively charged to other Banks).

   ₹1,58,28,474 (Previous year ₹5,65,37,803) 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).

   ₹Nil (Previous year ₹1,30,16,246) 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 under construction situated at Gurgaon and assets exclusively charged to other Banks). Loans from Karnataka Bank Ltd is further secured by a personal guarantee provided by Sh. Ashok Minda, Chairman of the Company.

   ₹18,95,48,877 (Previous year ₹21,56,05,595) 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

   ₹19,58,16,793 Cash Credit loan from Kotak Mahindra Bank and HDFC Bank Ltd. are secured/to be secured by first pari passu charge on the entire current assets of the company (both present and future) and second parri passu charge on the entire fixed assets of the company (both present and future on pari passu basis) situated at all the places.

   ₹99,96,109 Working Capital Loan includes loan from Karnatka Bank Limited is secured by hypothecation of stock in trade and book debts

3. Vehicle loans of ₹7,01,867 (Previous Year ₹11,78,720) are secured by hypothecation of the vehicles financed by them. Amount due within one year ₹5,06,032 (Previous year ₹11,49,705).

4. Vehicle Loans from finance company are secured by hypothecation of vehicle financed. Amount due within one year ₹1,11,758

5. **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 under construction situated at Gurgaon and assets exclusively charged to other Banks) both present and future. Amount due within one year ₹2,73,14,456 (Previous year ₹1,43,09,764).

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
Schedule D : UNSECURED LOANS				
From				
– Banks	-		4,84,67,921	
- Body Corporates	14,00,22,816		19,29,12,839	
- Customer and Trade Deposit	-		15,53,65,272	
- Deferred Sales Tax Liabilities	7,37,91,741	21,38,14,557	-	39,67,46,032
		21,38,14,557		39,67,46,032
Schedule E : DEFERRED TAX LIABILITY				
As per Last Balance Sheet		3,33,29,000		3,59,29,000
(Less) / Add : Adjustments for the year		1,26,64,000		(26,00,000)
Add: Balance tranferred from subsidiary companies		3,86,98,000		-
		8,46,91,000		3,33,29,000

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Schedule F : FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK AT COST					DEPRECIATION/AMORTISATION/ IMPAIRMENT					NET BLOCK	
	As at 31.03.2010	Additions during the Year	Adjustments/ Sold during the Year	As at 31.03.2011 Acquired from subsidiary companies	As at 31.03.2011	Upto 31.03.2010	For the Year	Adjustments during the Year	As at 31.03.2011 Acquired from subsidiary companies	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
TANGIBLE ASSETS												
Freehold Land	18,20,00,679	-	-	32,81,725	18,52,82,404	15,05,66,396	13,51,333	-	-	15,19,17,729	3,33,64,675	3,14,34,283
Leasehold Land	6,46,19,046	-	10,35,532	1,84,96,884	8,20,80,398	62,72,083	7,02,252	4,26,462	22,12,391	87,60,264	7,33,20,135	5,83,46,963
Building	28,30,47,641	43,43,330	61,40,740	24,46,97,816	52,59,48,047	7,26,22,842	1,34,11,022	44,82,807	5,74,51,920	13,90,02,977	38,69,45,071	21,04,24,799
Plant and Machinery	1,49,92,59,380	22,11,35,142	16,38,853	52,74,14,118	2,24,61,69,788	84,85,47,250	11,61,48,223	9,89,519	20,69,60,417	1,17,06,66,370	1,07,55,03,418	65,07,12,130
Computers	2,85,65,853	97,58,765	-	2,74,17,467	6,57,42,085	1,48,41,505	55,42,062	-	1,96,03,492	3,99,87,059	2,57,55,026	1,37,24,348
Office Equipment	11,69,20,110	65,67,159	77,420	2,01,37,364	14,35,47,213	6,61,88,367	1,07,52,295	924	79,08,630	8,48,48,369	5,86,98,844	5,07,31,743
Furniture and Fittings	2,54,00,520	76,52,664	-	2,69,51,872	6,00,05,056	1,55,40,059	38,86,394	-	1,31,17,076	3,25,43,529	2,74,61,527	98,60,461
Vehicles	46,54,711	11,96,245	7,40,180	68,62,646	1,19,73,422	19,82,979	8,58,188	3,80,780	35,43,729	60,04,116	59,69,307	26,71,732
INTANGIBLE ASSETS												
Computer Software	9,78,01,159	91,47,849	-	1,99,91,888	12,69,40,895	5,32,94,477	1,18,36,370	-	96,83,672	7,48,14,519	5,21,26,376	4,45,06,682
Technical Know How	72,86,419	3,55,91,581	-	-	4,28,78,000	23,98,739	85,75,600	-	-	1,09,74,339	3,19,03,661	48,87,680
Goodwill	46,51,31,824	30,89,72,148	-	-	77,41,03,972	-	-	-	-	-	77,41,03,972	46,51,31,824
TOTAL	2,77,46,87,343	60,43,64,883	96,32,725	89,52,51,780	4,26,46,71,281	1,23,22,54,697	17,30,63,739	62,80,492	32,04,81,326	1,71,95,19,270	2,54,51,52,011	1,54,24,32,646
PREVIOUS YEAR	2,42,30,06,261	36,01,13,221	84,32,139	-	2,77,46,87,343	1,09,36,24,885	14,45,66,253	59,36,440	-	1,23,22,54,697	1,54,24,32,646	1,32,93,81,376
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	**9,55,59,353**	**19,87,18,208**

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	December 13, 1994	32,600	90
Pimpri- Chinchwad New Town Development Authority	November 11, 1999	2,708	99
State Industrial Development Corporation of Uttarakhand Limited	June 6, 2006	11,550	90
State Industrial Development Corporation of Uttarakhand Limited	February 1, 2008	18,975	90

2. Depreciation for the year includes ₹13,61,893 (Previous year ₹10,06,479) capitalised on in-house development of tools.
3. Additions to Plant and Machinery during the year includes net exchange loss of ₹Nil (Previous year ₹1,60,638) on account of foreign exchange fluctuations with respect to liabilities incurred to acquire fixed assets.
4. Capital Work-in-progress included pre-operative expenditure pending capitalization / allocation amounting to ₹Nil (previous year ₹4,89,14,762)

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule F 1: PREOPERATIVE EXPENDITURE				
(Pending capitalisation/allocation)				
Manufacturing Expenses				
Power and Fuel	-		6,68,469	
Stores and Spares Consumed	-		9,24,290	
Design and Development charges	-		17,53,240	
Testing Charges	-	-	18,37,919	51,83,918
Employees Remuneration and Benefits				
Salaries, Wages and Bonus	-		84,19,443	
Contribution to Provident Fund and Other funds	-	-	79,182	84,98,625
Administrative and Other Expenses				
Rent	-		43,51,510	
Hire Charges	-		2,66,290	
Lease Rent	-		3,33,336	
Rates and Taxes	-		1,53,152	
Insurance	-		69,952	
Travelling and Conveyance	-		21,87,798	
Printing and Stationery	-		2,38,656	
Legal and Professional Charges	-		13,30,168	
Communication Expenses	-		5,03,814	
Fees and Registration Expenses	-		35,709	
Security Charges	-		2,69,590	
Miscellaneous Expenses	-	-	7,96,807	1,05,36,78
Interest and Finance Charges				
Interest on Term Loan	-	-	1,41,68,937	
Bank Charges/Financial Charges	-	-	27,92,242	1,69,61,179
				4,11,80,504
Add: Brought forward from previous year		4,89,14,762		77,34,258
		4,89,14,762		4,89,14,762
Less: Allocated during the year		4,89,14,762		-
Balance pending capitalisation/allocation		-		**4,89,14,762**

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
Schedule G : INVESTMENTS				
(Non-Trade- Unquoted- at cost)				
Long Term Investments				
Invesment in Mayank Auto Engineers Private Limited		-		36,86,46,850
(Previous year 1600000 Shares of Euro 3.44 Each)				
140,150 (Previous year Nil) Equity shares of Minda Auto Care Limited @ ₹10 each Fully paid up		3,73,73,276		-
Other quoted Investment at cost		7,10,483		8,81,834
4500 Master Gain units 1992 of Unit Trust of India of ₹10 each fully paid up		45,000		-
		3,81,28,759		36,95,28,684
Schedule H : CURRENT ASSETS, LOANS AND ADVANCES				
A. CURRENT ASSETS				
1. **Inventories (as taken, valued and certified by the management)**				
Raw Materials*	61,93,33,327		28,02,04,721	
Packing Materials	21,75,504		20,22,688	
Finished Goods**	9,74,68,452		9,17,28,800	
Stores and Spares	91,98,135		25,61,678	
Work in Progress	13,66,05,158		9,01,40,815	
Tools, Moulds, Dies and Fixtures	10,19,22,444	96,67,03,020	22,33,65,761	69,00,24,463
2. **Sundry Debtors (Unsecured)**				
Debts outstanding for a period exceeding six months				
Considered Good	4,24,55,378		38,79,392	
Considered Doubtful	98,51,118		60,60,955	
	52,306,496		99,40,347	
Others				
Considered Good***	1,58,81,76,860		78,55,42,832	
Considered Doubtful	2,49,79,111		-	
	1,66,54,62,467		79,54,83,179	
Less: Provision for Doubtful Debts	3,48,30,229	1,63,06,32,238	2,37,30,351	77,17,52,828
3. **Cash and Bank Balances**				
Cash on Hand	27,19,229		8,24,355	
Cheques in Hand	23,43,588		-	
Silver Coins - 534 in Number (Previous Year 281)	1,27,939		46,331	
Balance with Scheduled Banks				
In Current Accounts	22,07,30,658		18,63,76,149	
In Fixed Deposit Accounts****	42,89,82,454		3,80,33,599	
		65,49,03,868		22,52,80,434

* Raw Material includes Material in Transit of ₹2,73,04,532 (Previous year ₹1,08,00,614)

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

*** Includes ₹1,491 lacs debtors from Bajaj Auto Limited already discounted as perpetual basis from Bajaj Finance Limited and shown as unsecured loan for disclosure purposes.

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS	AS AT 31.03.2011	AS AT 31.03.2010
Companies under the same management		
-Minda Stoneridge Instruments Limited	14,93,468	43,03,929
-Minda Valeo Security System Private Limited	2,43,58,335	84,47,254
-Minda Furukawa Electric Private Limited	3,17,60,408	-
-Minda Industries Limited	6,38,51,794	4,23,95,155
-Minda Rika Private Limited	18,22,851	-
Maximum balance outstanding during the year		
Companies under the same management		
Minda Stoneridge Instruments Limited	47,08,827	56,34,567
-Minda Valeo Security System Private Limited	2,84,49,829	1,78,98,456
-Minda Furukawa Electric Private Limited	6,05,54,700	-
-Minda Industries Limited	6,45,66,260	5,56,78,990
-Minda Rika Private Limited	31,90,384	-

**** - Pledged with banks as Margin Money for issue of letter of credit etc. ₹5,00,00,000 (Previous Year ₹28,35,000)

- Pledged with banks for issue of guarantees in favour of Sales Tax, Excise and Custom Authorities ₹47,53,647 (Previous Year ₹28,26,722)

Schedule H : CURRENT ASSETS, LOANS AND ADVANCES

	PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
A.	**CURRENT ASSETS**				
4.	**Other Current Assets**				
	Interest Accrued	16,03,439		7,28,813	
	Claims and Other Receivables	45,36,71,679	45,52,75,118	32,22,85,685	32,30,14,498
B.	**LOANS AND ADVANCES (Unsecured)**				
	Advances recoverable in cash or in kind or for value to be received or pending adjustments *	49,18,25,136		20,10,84,646	
	Considered Good *				
	Considered Doubtful	31,12,070		-	
		49,49,37,206		-	
	Balance with Excise and Sales Tax Authorities	2,30,93,297		1,24,35,150	
	Earnest Money and Security Deposits **	4,42,20,058		2,55,00,525	
		56,22,50,561		23,90,20,321	
	Less: Provision for Doubtful Advances	31,12,070	55,91,38,491	-	23,90,20,321
			4,26,66,52,735		2,24,90,92,544

Notes:

* Include

- amount due from Officer of the company ₹4,94,019 (Previous Year ₹97,769). Maximum amount due at any time during the year ₹5,92,769 (Previous Year ₹1,40,069)
- amount due from Minda S.M.Technocast Limited, a company under the same management ₹1,20,00,000 (Previous Year ₹Nil). Maximum amount due at any time during the year ₹1,20,00,000 (Previous Year ₹Nil)

** Includes

- Amount due from Minda Capital Limited, a company under the same management ₹1,61,21,889 (Previous Year ₹1,09,00,000) Maximum amount due at any time during the year ₹7,72,47,026 (Previous Year ₹1,09,00,000)
- National Saving Certificate (NSC) in name of an employee of the company pledged with sales tax authorities ₹30,000 (Previous Year ₹30,000).

Schedule I : CURRENT LIABILITIES AND PROVISIONS

	PARTICULARS	AS AT 31.03.2011		AS AT 31.03.2010	
A.	**CURRENT LIABILITIES**				
	Acceptances	14,99,72,802		44,66,794	
	Sundry Creditors*	1,69,17,65,877		86,40,01,234	
	Advance from Customers	5,15,52,307		15,53,65,272	
	Security Deposit	13,75,000		-	
	Interest accrued but not due on Term Loan from Bank	70,450			
	Other Liabilities	5,74,14,017	1,95,21,50,453	3,44,91,373	1,05,83,24,673

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in ₹)

PARTICULARS		AS AT 31.03.2011		AS AT 31.03.2010
B. PROVISIONS				
Income Tax (Net of Payment)	7,13,67,271		2,83,58,968	
Proposed Dividend	82,89,07,985		2,15,89,975	
Tax on Proposed Dividend	46,90,321		35,85,836	
Warranty	1,76,18,899		1,53,45,325	
Employee Retirement Benefits	5,24,86,085	17,50,70,561	2,91,07,587	9,79,87,691
		2,12,72,21,014		1,15,63,12,364

* 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 filling 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

(Amount in ₹)

PARTICULARS		Year ended at 31.03.2011		Year ended at 31.03.2010
Schedule J : SALES/INCOME FROM OPERATIONS				
Sales				
Gross Sales	7,50,51,78,478		5,31,10,64,467	
Less : Excise Duty	28,79,72,860	7,21,72,05,618	15,75,79,143	5,15,34,85,324
Income from Operations				
Interest from banks	-		4,76,609	
Intererst from others	-		47,28,180	
Royalty	3,71,83,377		3,68,45,408	
Scrap Sales*	1,56,68,940		3,31,51,853	
Export Benefits	1,80,26,164		2,02,95,631	
Liabilities/Provisions Written Back	-		51,61,867	
Technical Know How / Service Income	3,40,96,096		5,27,08,955	
Miscellaneous Income	-	10,49,74,577	44,07,314	15,77,75,817
		7,32,21,80,195		5,31,12,61,141

* Scrap sales is net of excise duty paid aggregating ₹3,13,152 (Previous year ₹2,06,802)

Tax deducted at Source				
Interest		1,42,469		8,59,794
Royalty		67,81,334		56,05,129
Technical Know how / Service Income		97,128		18,82,127
Schedule K : OTHER INCOME				
Rent		18,24,000		18,24,000
Profit on sale of Fixed Assets		3,41,08,687		-
Miscellaneous Income		5,93,115		-
Interest from banks		26,60,942		-
Intererst from others		7,32,054		-
		3,99,18,798		1 8,24,000
Tax deducted at source		2,88,000		2,88,000

Schedule L: ACCRETION/(DEPLETION) IN STOCKS

Closing stock				
Finished Goods	7,92,76,861		9,17,28,800	
Work in Progress	8,82,17,863	16,74,94,724	9,01,40,815	18,18,69,615
Opening Stock				
Finished Goods	9,17,28,800		6,20,21,580	
Work in Progress	9,01,40,815	18,18,69,615	4,78,35,669	10,98,57,249
Impact of excise duty on increase /(decrease) in finished goods		4,08,313		10,42,644
		(1,39,66,578)		7,30,55,010

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

(Amount in ₹)

PARTICULARS	Year ended at 31.03.2011		Year ended at 31.03.2010	
Schedule M : COST OF MATERIALS				
Raw Materials Consumed				
Opening Stock	26,94,04,107		24,10,59,072	
Add: Purchases / Expenses during the year	4,51,01,79,994		3,20,33,82,339	
	4,77,95,84,101		3,44,44,41,411	
Less: Closing Stock	34,83,06,972	4,43,12,77,129	26,94,04,107	3,17,50,37,304
Tools, Moulds, Dies and Fixtures				
Opening Stock	20,24,76,218		10,44,89,375	
Add: Purchases / Expenses during the year	4,62,50,511		12,80,70,763	
	24,87,26,729		23,25,60,138	
Less: Closing Stock	10,19,22,444	14,68,04,285	22,33,65,761	91,94,377
		4,57,80,81,414		3,18,42,31,681

Note:

Purchases of raw material includes job work charges of ₹15,52,52,367 (Previous Year ₹10,34,47,970)

Schedule N : MANUFACTURING EXPENSES				
Packing Materials				
Opening Stock	20,22,688		2,31,159	
Add: Purchases / Expenses during the year	5,46,75,848		2,82,00,480	
	5,66,98,536		2,84,31,639	
Less: Closing Stock	21,75,504	5,45,23,032	20,22,688	2,64,08,951
Jobwork Charges on Tools		43,30,453		3,19,08,103
Power and Fuel		11,58,87,601		7,6,8,74,501
Stores and Spares Consumed		7,38,64,119		4,00,30,795
Design and Development charges		18,02,813		7,16,763
Testing Charges		35,70,928		27,32,363
		25,39,78,946		17,86,71,476
Schedule O : EMPLOYEES REMUNERATION AND BENEFITS				
Salaries, Wages and Bonus		81,99,67,855		69,10,61,172
Contribution to Provident Fund and Other funds		10,35,14,887		10,21,11,891
Staff Welfare Expenses		3,53,57,111		3,07,70,724
		95,88,39,853		82,39,43,787

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

(Amount in ₹)

PARTICULARS		Year ended at 31.03.2011		Year ended at 31.03.2010
Schedule P : ADMINISTRATIVE AND OTHER EXPENSES				
Rent		22,51,78,012		21,29,87,853
Rates and Taxes		34,92,284		18,19,001
Insurance		1,39,29,507		1,44,51,385
Travelling and Conveyance		10,38,21,845		6,23,85,907
Printing and Stationery		78,04,631		57,27,525
Legal and Professional Charges		4,19,33,502		6,49,65,669
Communication Expenses		1,30,82,090		1,12,81,924
Repairs and Maintenance				
Building	1,02,41,536		1,00,36,497	
Plant and Machinery	4,50,95,108		4,95,68,978	
Others	1,52,33,243	7,05,69,887	1,12,52,285	7,08,57,760
Auditors' Remuneration :				
Statutory Audit	8,00,000		23,11,400	
Tax Audit	2,00,000		-	
Others	80,000		-	
Reimbursement of Expenses	16,37,066	27,17,066	2,25,970	25,37,370
Charity and Donations		11,54,188		5,24,000
Bad Debts/Amounts written off		19,857		65,362
Provision For Doubtful Debts/Advances		48,12,911		-
Management Fees		7,07,66,290		6,80,67,533
Loss on sale/discard of Fixed Assets		-		4,62,313
Sales Tax, VAT and Service Tax Expenses		5,07,531		-
Warranty Expenses		1,10,44,548		79,79,155
Fees and Registration Expenses		76,39,978		84,30,422
Security Charges		58,12,907		38,77,447
Miscellaneous Expenses		6,04,71,051		1,74,82,092
		64,47,58,085		55,39,02,718
Schedule Q : SELLING AND DISTRIBUTION EXPENSES				
Advertisement and Business Promotion		1,39,19,510		4,71,80,000
Sales Commission		62,82,963		16,67,417
Royalty		56,40,763		4,76,95,188
Cash Discount		22,55,151		23,64,910
Freight and Forwarding		8,64,67,265		4,36,59,895
		11,45,65,652		14,25,67,410
Schedule R : INTEREST AND FINANCE CHARGES				
Interest				
On Term Loan	5,21,71,309		4,37,45,652	
On Working Capital Loan	7,17,03,304		6,27,24,959	
Others	85,63,641	13,24,38,254	59,50,368	11,24,20,979
Bank/Fund Raising Charges		4,16,76,646		1,84,23,604
		17,41,14,900		13,08,44,583

Schedule 'S'
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. **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. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange rate difference arising on consolidation is recognised in the exchange fluctuation reserve.

d. 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.

e. 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, 2011. Except for financial statements of Minda KTSN Plastic Solutions GmbH Co. & KG, which are drawn up to December 31, 2010. This is in agreement with AS 21.

f. During the current financial year, three more companies became the subsidiaries/associates. No effect to profit and loss account has been given in the consolidated financial statements as the impact is not expected to be material.

g. 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.

h. 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. TheConsolidated Financial Statements as at and for the year ended on March 31, 2011 include the financial statements of the following entities:

Name of Consolidated Entities	Country of Incorporation	Nature of Interest	% of Interest	
			2011	2010
Minda Europe B.V.	Netherlands	Subsidiary	100	100
Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	Subsidiary	100	100
Minda SAI Limited	India	Subsidiary (w.e.f. 25.03.2011)	100	NA
Mayank Auto Engineers Private Limited	India	Step-Subsidiary (w.e.f. 25.03.2011)	100	NA
Minda Auto Care Limited	India	Associates (w.e.f. 28.03.2011)	50%	NA

(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) **Commission**

Revenue is recognized when the related sale against which commission to be received have been made or when the right to get income established.

(d) **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 net 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 ₹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	:	First in first out (FIFO) Basis
Finished Goods		
-Bought out	:	First in first out (FIFO) Basis
-Manufactured	:	Material cost on First in first out (FIFO)basis plus an appropriate share of production overheads, wherever applicable. Cost includes excise duty.
-Work-in-Progress	:	Material cost on First in first out (FIFO) basis plus an appropriate share of production overheads depending upon stage of completion, wherever applicable.
-Tools, Moulds and Dies	:	Material cost on First in first out (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 re-instated 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.

In the case of foreign subsidiaries, revenue items are converted at the average rate prevailing during the year. All the assets and liabilities are converted at the rates prevailing at the end of the year.

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, 2011 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 ₹413.32 Lacs (Previous Year ₹138.65Lacs).

b) a) (i) No forward contracts in respect of foreign currency is outstanding as at March 31, 2011 (Previous Year US $ 10,00,000 equivalent to ₹4,57,10,000) 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 31.03.2011		Year ended 31.03.2010	
		₹	FC	₹	FC
i)	Receivables in foreign currency				
	- Export of Goods	4,22,25,192	€6,79,668	2,61,56,796	€4,32,058
		8,42,56,472	US $19,15,591	5,59,65,853	US $12,46,998
	- Royalty	1,70,84,114	US $3,79,599	68,67,805	US $1,52,958
ii)	Payables in foreign currency				
	- Commission	5,88,868	US $12,657	5,77,009	US $12,657
		12,65,436	€20,131	12,37,273	€20,131
	- TA Fees	82,66,667	€1,33,334	Nil	Nil

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 ₹1,949.79 Lacs (Previous Year ₹1,232.18 Lacs).

d) Guarantees provided by the Company aggregate to ₹2,867.60 Lacs (Previous Year ₹504.96 Lacs).

e) Bills of exchange discounted under irrevocable letters of credit aggregate to ₹2,846.91 Lacs (Previous Year ₹1,383.41 lacs)

f) Letters of credit outstanding aggregate to ₹34.40 (Previous Year ₹118.39).

g) Demand for income tax aggregating to ₹138.81 Lacs for the assessment year 2003-04,2007-08 and 2008-09 is disputed by the Company against which the company has preferred an appeal. Out of the above, the Company has deposited ₹124.17 Lacs.

h) Demand for sales tax aggregating to ₹45.62 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 ₹9.46 Lacs.

i) Penalty and Interest demand for excise duty aggregating to ₹86.93 Lacs (Previous year ₹87.93 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 ₹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:

	31.03.2011 ₹	31.03.2010 ₹
Opening Balance	1,26,83,423	**1,56,48,296**
Provided during the year	1,76,18,899	**1,53,45,325**
Utilized during the year	(1,26,83,423)	**(1,56,48,296)**
Closing Balance	1,76,18,899	**1,53,45,325**

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, 2011 and 2010 was ₹100,364,661 and ₹212,987,853 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, 2011 and March 31, 2010 aggregate to ₹18,24,000 and ₹18,24,000 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:

	31.03.2011 ₹	31.03.2010 ₹
Salary	2,25,91,162	**47,87,458**
Contribution to Provident Fund	17,97,371	**5,30,304**
Monetary value of Perquisites	16,10,497	**7,57,719**
	2,59,99,030	**60,75,481**

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 2011	As on March 31st 2010
1.	**Assumptions**		
	i) Discounting Rate	8.00%	8.00%
	ii) Future salary Increase	5.0%	6.0%
2.	**Table Showing changes in present value of obligation**		
	Present value of obligation as at the beginning of the period	2,09,67,009	1,28,74,298
	Interest cost	16,77,361	10,29,944
	Past Service Cost	39,05,846	–
	Current service cost	46,77,167	41,96,655
	Benefits paid	–	(13,76,102)
	Actuarial (gain)/loss on obligation	(37,19,685)	42,42,214
	Present value of obligation as at the end of period	2,75,07,698	2,09,67,009
3.	**Table Showing changes in the fair vale of planed assets**		
	Fair value of plan assets at the beginning of the period	1,24,15,285	99,16,576
	Earlier year Adjustments	–	7,24,001
	Expected return on plan assets	11,01,857	9,44,351
	Contributions	10,00,000	8,23,356
	Actuarial gain/(loss) on plan assets	(60,913)	7,001
	Fair value of plan assets at the end of the period	1,44,56,229	1,24,15,285
4.	**Table showing fair value of planned assets**		
	Fair value of plan assets at the beginning of the period	1,24,15,285	99,16,376
	Earlier year Adjustments	–	7,24,201
	Actual return on plan assets	10,40,944	9,51,352
	Contributions	10,00,000	8,23,356
	Fair value of plan assets at the end of the period	1,44,56,229	1,24,15,285
	Funded status	(1,30,51,469)	(85,51,724)
	Excess of actual over estimated return on plan assets	(60,913)	7,001
5.	**Actuarial Gain / (loss) recognized**		
	Actuarial gain/(loss) for the period- obligation	37,19,685	42,42,214
	Actuarial (gain)/loss for the period - plan assets	60,913	(7,001)
	Total (gain)/loss for the period	(36,58,772)	(42,35,213)
	Actuarial (gain) / loss recognized in the period	(36,58,772)	(42,35,213)
6.	**The amounts to be recognized in Balance Sheet and related analysis**		
	Present value of obligation as at the end of the period	37,19,685	2,09,67,009
	Fair value of plan assets as at the end of the period	1,44,56,449	1,24,15,285
	Funded status / Difference	(1,30,51,469)	(85,51,724)
	Excess of actual over estimated	(60,913)	7,001
	Unrecognized actuarial (gains)/losses	–	–
	Net asset/(liability)recognized in balance sheet	(1,30,51,469)	(85,51,724)
7.	**Expenses recognized in statement of Profit & Loss**		
	Current service cost	46,77,167	44,95,419
	Past Service cost	39,05,846	-
	Adjustments	-	2,98,764
	Interest cost	16,77,361	10,29,944
	Expected return on plan assets	(11,01,857)	(9,44,351)
	Net actuarial (gain)/ loss recognized in the period	(36,58,772)	42,35,213
	Expenses recognized in the statement of profit & losses	54,99,745	88,16,225

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)	Associates	:	Minda Autocare Ltd.
b)	Key Management Personnel	:	Mr. Ashok Minda - Chairman Mr. Jeevan Mahaldar - Managing Director
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 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 Minda Schenk Plastic Solutions India Ltd.. Minda Spectrum Advisory Ltd. Sarika Minda Family Trust Ashok Minda HUF Minda Sons (Firm) Minda Industries (Firm) Tuff Engineering Pvt. Ltd. Expolgobe India Ltd. Minda Schenk Plastic Solutions GmbH, Germany Minda Schenk Plastic Solutions S.r.o., Czech Minda Schenk Plastic Solutions S.p. z.o.o., Polland

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

Related Party Transactions for the year 2010-11

₹ in Lacs

Particulars	Directors of the Company		Relatives of the Directors		Enterprise in which Directors of the Company and their relatives exercises significant influence	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
a) Sale of Goods	-	-	-	-	5,391	4,285
b) Sale of Fixed Assets	-	-	-	-	350	-
c) Payment of technical know how fees	-	-	-	-	-	9
d) Rent Received	-	-	-	-	18	18
e) Miscellaneous Income	-	-	-	-	-	-
f) Purchase of Goods/Job Work	-	-	-	-	3,078	3,254
g) Purchase of Business Undertaking	-	-	-	-	-	220
h) Purchase of Fixed Assets	-	-	-	-	139	39
i) Miscellaneous Expenses	-	-	-	-	6	-
j) Managerial Remuneration	127	61	-	-	-	-
k) Rent Paid	-	-	-	-	562	491
l) Royalty Paid	-	-	-	-	56	477
m) Interest Paid	-	-	-	-	65	64
n) Payment of Management Fees	-	-	-	-	707	719
o) Loan Received (net of Payment)	-	-	-	-	52	1,647
p) Loan Repayment	-	-	-	-	1,212	-
q) Security Deposit Received	-	-	-	-	-	7
r) Security Deposit Paid	-	-	-	-	-	25
s) Investment	-	-	-	-	-	-
t) Guarantee given for loans taken by the Company	1,301	2,401	-	-	-	1,101
u) Guarantee given by the Company	-	-	-	-	482	482
v) Board Meeting Fees	1	-	-	-	-	-
w) Service Income	-	-	-	-	-	-
x) Receivables	-	-	-	-	3,367	1,177
y) Payables	-	-	-	-	776	2,821
z) Advances against investment given	-	-	-	-	2,867	-

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.

		31.03.2011	31.03.2010
a)	Net Profit/(Loss) (₹)	45,20,91,719	22,84,18,722
b)	Basic earnings per Equity Share - weighted average number of Equity Shares outstanding	96,35,990	86,35,990
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	96,35,990	86,35,990
e)	Nominal Value of Equity Shares (₹)	10	10
f)	Basic Earnings per Share (₹)	40.17	22.19
g)	Diluted Earnings per Share (₹)	40.17	22.19

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, 2011 ₹72, 172.05 Lacs. Details of sales and year end debtors are as follows:

	Revenue ₹ in Lacs	
Locations	31.03.2011	31.03.2010
Domestic	4,08,66.94	27,127.99
Asia	4,343.05	3,579.56
America	864.45	515.70
Europe	26,097.61	20,311.60
Total	72,172.05	51,534.85

	Caryning amount of segment Assets ₹ in Lacs	
Locations	31.03.2011	31.03.2010
Domestic	7,339.42	4,034.18
Asia	499.83	310.94
America	192.94	101.52
Europe	3,126.99	3,270.89
Total	11,159.18	7,717.53

10. INCOME TAXES

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax asset of ₹126.64 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, 2011 that reverses in one or more subsequent years gave rise to the following net deferred tax liabilities as at March 31, 2011.

	31.03.2011 (₹ in lacs)	31.03.2010 (₹ in lacs)
Deferred Tax Assets/(Liabilities)		
Provision for Employee Retirement Benefits	115.97	93.86
Provision for Doubtful Debts	53.31	20.60
Depreciation	(1137.40)	(447.75)
Others	121.21	–
Net Deferred Tax Liabilities	(846.91)	(333.29)

11. MOULDS, TOOLS AND DIES

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

Particulars	31.03.2011	31.03.2010
	₹	₹
Salaries and Wages	33,24,369	47,98,540
Contribution to Provident and other Funds	3,76,522	4,60,156
Repairs and Maintenance		
Plant and Machinery	83,316	91,065
Others	74,440	62,182
Power and Fuel	30,88,693	23,19,962
Depreciation	13,61,893	10,06,479
Job work charges	7,68,885	3,58,651
Stores, Spares and Components Consumed	48,89,884	39,06,988
Total	1,39,68,002	1,30,04,023

12. RECLASSIFICATION

Previous year's figures have been regrouped and/or re-arranged wherever necessary to confirm 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 and on behalf of the Board of Directors

For R.N. Saraf & Co.
Chartered Accountants
Regn. No. 002023N

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Sd/-
Jeevan Mahaldar
Managing Director
DIN: 00137467

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

Sd/-
Vivek Bhatia
CFO

Sd/-
Ajay Sancheti
Company Secretary

Place : New Delhi
Date : July 05, 2011

STATEMENT PURSUANT TO DIRECTION ISSUED BY MINISTRY OF CORPORATE AFFAIRS VIDE GENERAL CIRCULAR NO. 2/2011 DATED 8TH FEBRUARY 2011 UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956

1	Name of the Subsidiary Company	Minda KTSN Plastic Solutions GmbH & Co. KG		Minda Europe B.V.		Minda SAI Limited*	Mayank Auto Engineers Private Limited**
2	Country of Incorporation	Germany		Netherland		India	India
		Amount in Euro	Amount in ₹	Amount in Euro	Amount in ₹	Amount in ₹	Amount in ₹
a)	**Capital**	**82,64,001.00**	**47,93,83,341**	**3,00,000.00**	**1,69,48,800**	**25,57,10,800**	**3,60,00,000**
b)	**Reserve**	**8,65,362.59**	**5,80,02,399**	**39,362**	**54,42,696**	**29,50,82,451**	**33,06,34,041**
c)	**Total Assets**	**2,94,44,958**	**1,87,61,27,391**	**6,33,296**	**4,16,81,772**	**92,81,69,465**	**39,43,92,126**
d)	**Total Liabilities**	**2,94,44,958**	**1,87,61,27,391**	**6,33,296**	**4,16,81,772**	**92,81,69,465**	**39,43,92,126**
e)	**Details of Investment (Except in case of investment in subsidiary company)**	**10,600.00**	**7,10,483**	**NIL**	**NIL**	**45,000**	**NIL**
f)	**Turnover**	**4,03,52,550**	**2,44,68,15,859**	**NIL**	**NIL**	**2,58,25,10,745**	**39,84,55,616**
g)	**Profit before Taxation**	**5,97,110**	**68,91,253**	**19,920**	**12,32,000**	**24,23,56,094**	**8,23,03,608**
h)	**Provision for Taxation**	**29,775**	**18,05,463**	**3,760**	**2,41,681**	**6,90,66,892**	**1,40,84,028**
i)	**Profit After Taxation**	**5,67,335**	**50,85,790**	**16,160**	**9,90,319**	**17,32,89,202**	**6,82,19,580**
j)	**Proposed Dividend**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

*** Subsidiary w.e.f. March 25, 2011**
**** Step-subsidiary w.e.f. March 25, 2011**

For and on behalf of the Board of Minda Corporation Limited

Sd/-
Ashok Minda
Chairman
DIN: 00054727

Place : New Delhi
Date : July 05, 2011