

ADDING
SPARK TO
VALUE CREATION



FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CONTENTS

The World of Spark Minda	02
Financial Highlights	05
Adding Spark to Value Creation	06
Corporate Social Responsibility	14
Chairman's Message	16
Message from The Group CFO	18
Message from The CEO	19
Board of Directors' Profile	20
Management Discussion & Analysis	22
Directors' Report	29
Corporate Governance Report	37
Standalone Financial Statements	49
Consolidated Financial Statements	87

THE WORLD OF SPARK MINDA

Spark Minda, Ashok Minda Group, present in the Indian Automotive Component Industry for more than 50 years, has been interspersed by a number of technological innovations that have become industry standards. Today, the Group is a leading manufacturer of automotive components with a turnover of ₹3000 Crores (\$545 Million) as at the end of Financial Year 2011-12 (FY 12). Present globally, the Group employs more than 12,000 people in India & overseas.

The Groups' Companies are accredited with QS 9000, ISO-14001, and TS Certifications. The Group is one of India's leading manufacturers of automotive components under Safety, Security & Restraint Systems; Driver Information & Telematics Systems; and Interior Systems as broad categories. The Group caters to the auto-component needs of all major two, three, four wheeler and off-road vehicle manufacturers in India & overseas. The Group's products are well accepted and appreciated worldwide, both within OEMs and after-market.

The Group recently adopted a new identity for itself – "Spark Minda". Attributed with distinctive identity elements and characteristics, the Group's new identity will establish Spark Minda as a progressive and dynamic global automotive component player.



GUIDING PRINCIPLES

VISION

To be a Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer, to Create Value for all Stakeholders

MISSION

Our mission is to be an Automotive System Solution provider and Build a Brand recognized by vehicle manufacturers progressively all over the world, as an organization providing products and systems Unparalleled in Quality and Price

CORE VALUES

- Passion for Excellence
- Nurture Talent, Competency & Willingness
- Respect & Humility

CORE PURPOSE

To be a happy, inspiring and proud place to work, setting benchmarks and delivering products that give customers an edge in their businesses

THE GROUP'S FLAGSHIP COMPANY AND ITS SUBSIDIARIES

MINDA CORPORATION LIMITED

Minda Corporation is the flagship Company of Spark Minda, Ashok Minda Group. The Company is a diversified Automotive Components manufacturing company with a product portfolio encompassing Mechanical & Electronic Security Systems, Door Systems, Electronic Controllers for Electric Vehicles and Plastic Interiors for OEMs and After-markets across the globe.

The Company is one of the largest supplier of Electronic & Mechanical Security Systems for 2 wheeler, 3 wheeler and off-road vehicles to Indian OEMs and exports about 20% of its products to USA, Europe and ASEAN countries. Headquartered at Noida (UP), India, Minda Corporation is the erstwhile Joint Venture with Huf Hülsbeck & Fürst GmbH & Co. KG, Germany.

MINDA SAI LIMITED

Minda Sai Limited (MSL) is one of the leading manufacturers of wide range of Wiring Harnesses, Wiring Sets, Connectors, Terminals & Wires. Located at Noida (UP), India, MSL also provides solutions to all the verticals of automotive world.

MINDA KTSN PLASTIC SOLUTIONS GmbH & CO. KG

Minda KTSN Plastic Solutions (MKPS) has more than 50 years of experience in development and production of automotive plastic parts and assemblies including Air Ducts, Glove Box, Ash-Tray, Cup Holders etc. Located at Dreadsen, Germany, MKPS, is a supplier of interiors to automobile giants like Volkswagen, Daimler, BMW and Audi.

MINDA SCHENK PLASTIC SOLUTIONS GmbH

Minda Schenk Plastic Solutions (MSPS), located at Esslingen, Germany, specializes in manufacturing of high-quality plastic components for automobiles and electrical appliances. MSPS is one of the key players in Europe and has several prestigious clients including global giants like Volkswagen and Mercedes. The Company owns 100% stake in Minda Schenk Plastic Solutions, Czech Republic and Minda Schenk Plastic Solutions, Poland.

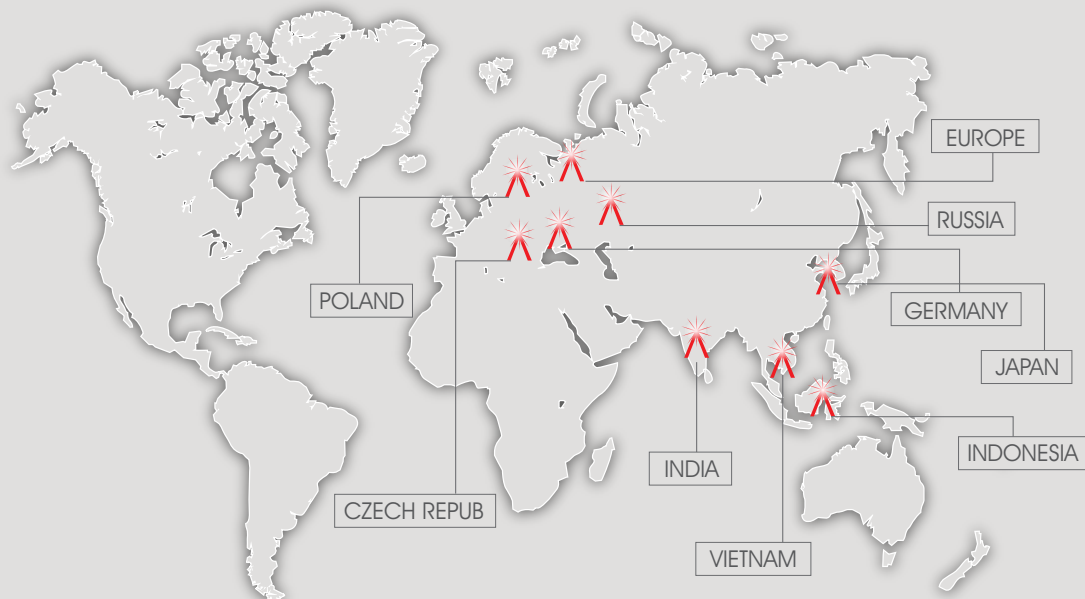
MINDA AUTOMOTIVE SOLUTIONS LIMITED

Minda Automotive Solutions Limited (MASL) is the after-market arm of Spark Minda Group. MASL is the Group's specialized auto component distribution and servicing Company with a distribution network spread across 91 cities in India. Located at New Delhi, India, MASL was established in 1985 as Switch Masters Limited. MASL is in the process of spreading its wings outside India to address the vast and growing global auto-components replacement market.

MINDA MANAGEMENT SERVICES LTD

Minda Management Services Limited (MMSL), at the corporate level, is an apex body that provides leadership and direction to the entire Group and group companies, with a focus on future. Established in April 2007, MMSL has emerged as an impactful pool of professionals providing thought leadership and guidance to the Group in the key areas of Strategy, Marketing, Finance, Legal, Projects, HR, TQM and Communications. MMSL is located at Noida (UP), India.

GLOBAL FOOTPRINTS



INDIA: Noida (Uttar Pradesh), Greater Noida (Uttar Pradesh), Bawal (Haryana), Pithampur (Madhya Pradesh), Pune (Maharashtra), Mumbai (Maharashtra), Rudrapur (Uttarakhand), Aurangabad (Maharashtra), Chennai

CUSTOMERS

Audi, BMW, Mercedes-Benz, Renault, Porsche, Maruti Suzuki, Fiat, Volkswagen, Skoda, General Motors, Mahindra & Mahindra, Ashok Leyland, Ashok Leyland-Nissan, Tata Motors, Hyundai, Daimler, AMW, JCB, Escorts, TAFE, Sonalika, Bajaj Auto, Yamaha, TVS, Hero Motocorp, Honda Scooters & Motorcycles, Mahindra Two Wheelers, Suzuki, Piaggio, Triumph, Harley-Davidson, LIER, Johnson Controls, Fehrer, STIHL, Miele, DEUTZ, Beher, Faurecia, Delphi, Magna, Whirlpool, Bauknecht, Schalafhorst Electronics, SEAT, Bosch, Schneider Electric, Danaher, Lumax, Valeo, Grote, Legrand

PRODUCTS

SAFETY, SECURITY & RESTRAINT SYSTEMS

Electronic & Mechanical Security Systems; E-bike Controllers; Window Regulators; Door Checkers; Key (Mechanical & Electronic); Die Casting – Zn, Al & Gravity

INTERIOR SYSTEMS

Kinematics; Premium Surfaces and Interior Module; Dashboard Consoles; Air Vent; Air Duct; Ash Tray; Arm Rest; Cup Holder; Fender; Cylinder Head Cover; Glove Box; Underhood Cover; Air Louvers; Coupling; Transmissions; Fans; Coolant Tanks; Interior Steering; Spare Wheel Wells; Engine Encapsulation; Frontend Carrier; Underbody lining; Seat Components; Battery Mount

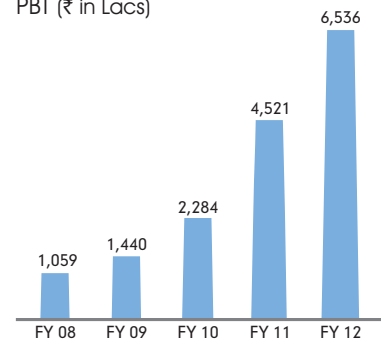
DRIVER INFORMATION & TELEMATICS SYSTEMS

Wiring harness; Wiring Harness Components and Automotive Wires

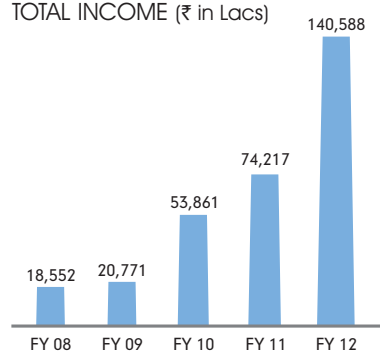
FINANCIAL HIGHLIGHTS

MINDA CORPORATION LIMITED

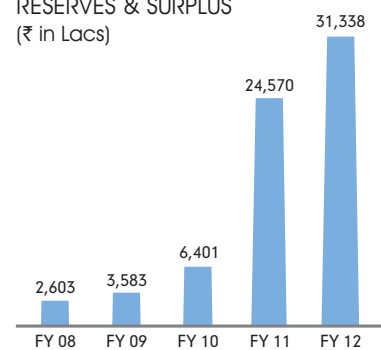
PBT (₹ in Lacs)



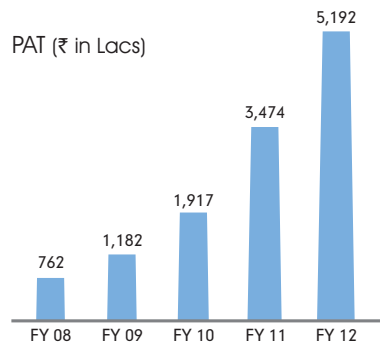
TOTAL INCOME (₹ in Lacs)



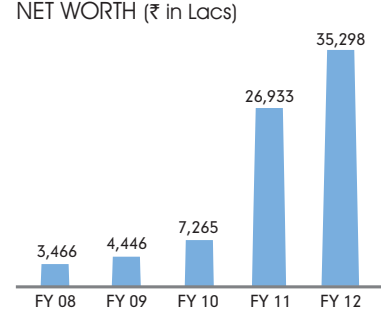
RESERVES & SURPLUS (₹ in Lacs)



PAT (₹ in Lacs)



NET WORTH (₹ in Lacs)



(₹ in Lacs)

PARTICULARS	FY 12	FY 11	FY 10	FY 09	FY 08
Sales and Other Income	1,40,588	74,217	53,861	20,771	18,552
Profit Before Int, Dep and Tax	15,532	8,823	5,028	2,828	2,201
Profit before Tax	6,536	4,521	2,284	1,440	1,059
Profit after Tax	5,192	3,474	1,917	1,182	762
Net Fixed Assets	49,785	26,407	17,412	6,500	6,008
Share Capital	3,960	2,364	864	864	864
Reserves and Surplus	31,338	24,570	6,401	3,583	2,603
Net Worth	35,298	26,933	7,265	4,446	3,466
Dividend	30%	30%	25%	20%	20%

ADDING SPARK TO VALUE CREATION



For well over five decades, we have been driving the world of global automobiles with multitude of components. In the evolution of global automobiles over the last fifty years, our meaningful participation can be traced across multiple generations of automobiles across passenger, commercial and niche segments.

Working passionately to serve the vehicles of today and invent solutions for tomorrow's vehicles, every single day over all these years, we have created immense value by powering millions of vehicles that empowered billions of end users. As a responsible enterprise of our eco-system, we have co-created and shared value with our entire stakeholder universe – customers, partners, employees, suppliers, exchequers, investors, lenders, and communities. In doing so, we have also accumulated immense underlying know-how, goodwill, assets and equity while growing in scale and stature.

In order to unleash immense value that our Group has assimilated, we initiated an organization-wide consolidation and restructuring exercise, months ago. A significant portion of the stated exercise has been accomplished during the year under review. The highpoint of our accomplishments has been the adoption of an inspiring new identity 'Spark Minda' for the Group. Going forward, we will continue **adding spark to value creation!**





IN THE EVOLUTION OF GLOBAL AUTOMOBILES OVER THE LAST FIFTY YEARS, OUR MEANINGFUL PARTICIPATION CAN BE TRACED ACROSS MULTIPLE GENERATIONS OF AUTOMOBILES ACROSS PASSENGER, COMMERCIAL AND NICHE SEGMENTS



A NEW STRUCTURE THAT CONSOLIDATES **VALUE**



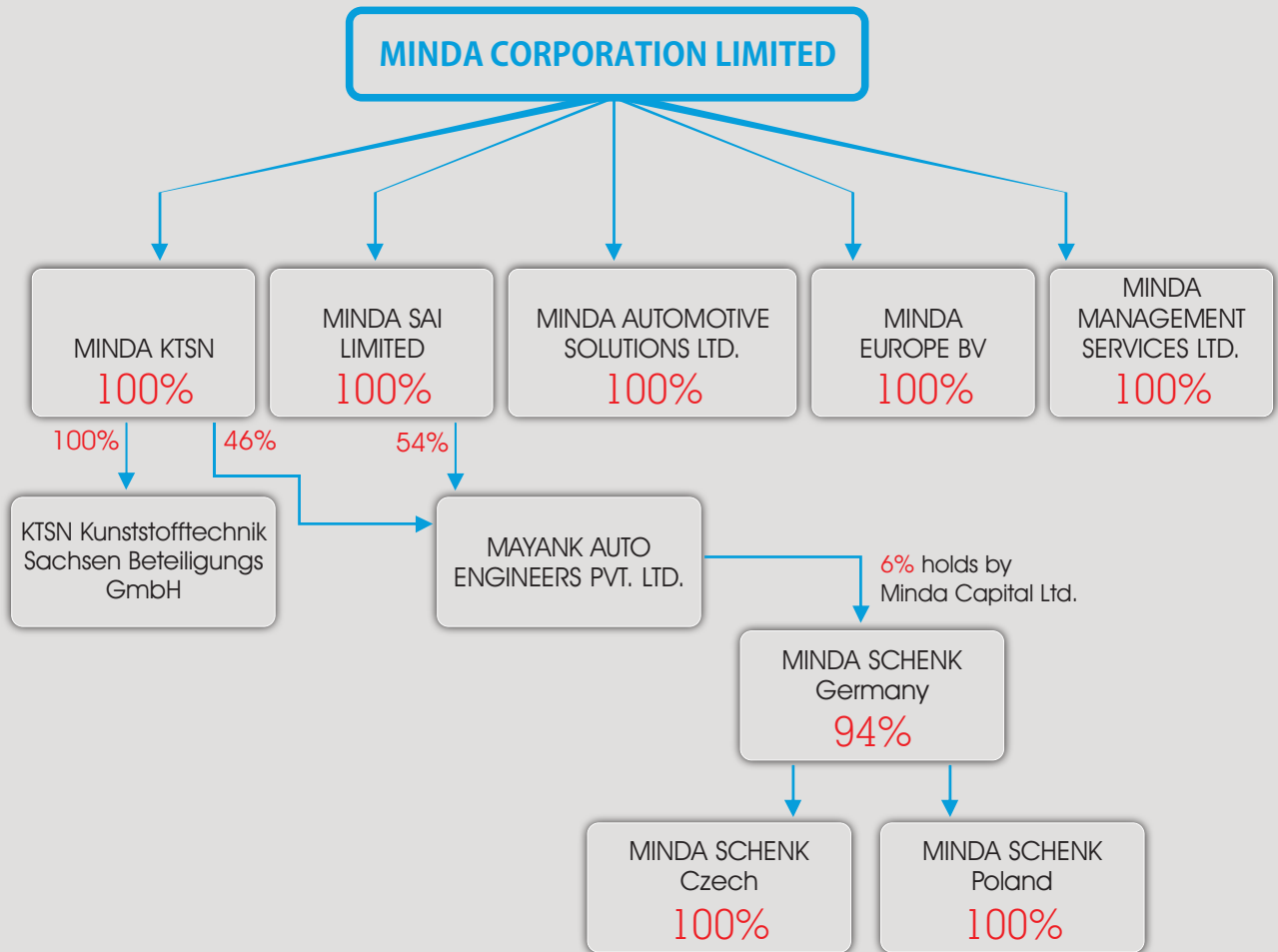
In our rich history of well over five decades, the four year period of 2007 to 2010 marked the true coming of age for our Group. It has been in this period that our growth agenda got a bout of aggressiveness with the world becoming our playground. We further strengthened our stature with 6 overseas acquisitions, 4 Joint Ventures with the world's leading automotive players and setting up our own presence in many countries. Having achieved all this as part of our long and fast-paced campaign, we did initiate a group-wide consolidation exercise in FY 12 in order to integrate our past as well as recently acquired or built assets.

At Spark Minda, Ashok Minda Group, we are realigning and restructuring our business assets with an aim to optimize operational efficiencies and consolidate the underlying value under each of our group companies. We envision transforming

Minda Corporation Limited as the flagship Company of the Group. Minda Corporation acquired 100% stake in Minda Management Services and 94% stake in Minda Schenk Plastic Solutions GmbH, Germany, during the year under review. Continuing to consolidate in the current year (FY 2012-13), Minda Corporation has further acquired the remaining 50% stake in Minda Automotive Solutions Limited (MASL), making it a 100% subsidiary company.

The ensuing consolidation would simplify our corporate structure considerably. It would also help us synergize key non-production functions including Sourcing, Marketing and Research & Development. The resultant dual impact of enhanced efficiency and reduced cost shall go on to improve our profit margins. Post consolidation, strength of Minda Corporation's consolidated financial position would accelerate our pursuit of accelerated growth, organic as well as inorganic. Consolidated Financial Statements of a strengthened Minda Corporation would provide a true reflection of its success.

Ensuing consolidation would also power our long-term aim of emerging as one of the largest multi-national players in automotive components business. After completing the ensuing consolidation exercise, Minda Corporation aims to offer share owning opportunities to a wider base of investors including the retail ones through an initial public offer in due course.



AT SPARK MINDA, ASHOK MINDA GROUP, WE ARE REALIGNING AND RESTRUCTURING OUR BUSINESS ASSETS WITH AN AIM TO OPTIMIZE OPERATIONAL EFFICIENCIES AND CONSOLIDATE THE UNDERLYING VALUE UNDER EACH OF OUR GROUP COMPANIES

A VIBRANT BRAND THAT REFLECTS CONFIDENCE



While consolidation of tangible assets can be achieved by realigning business structures, it is important to back it up with integrating intangibles like organizational culture, spirit and credo also under a binding thread that inspires people. In our fast paced growth over the recent years, we have spread our business footprints across many countries and continents. As a result, our workforce also has transitioned to be multinational, multiethnic and multicultural. At Ashok Minda Group, we decided to revitalize our inherent intangibles and integrate our recently added ones under the power of a well-conceived corporate brand. We initiated an organization-wide consultation in order to arrive at a common identity for all our group companies and their respective assets – tangible and intangible.

Having involved people from across the functions, companies and geographies of our operations, we evolved a new identity for ourselves and adopted it

with enthusiasm, spirit and élan. From Ashok Minda Group, we repositioned ourselves as 'Spark Minda' during the year under review. Having internalized it with organization-wide rolling out of our new identity, we backed it up with a high intensity educational campaign including a dedicated issue of our in-house journal. We unveiled this new identity to our customer universe and the people at large at Auto Expo 2012.

Taking inspiration from what a tiny spark has done to the evolution of civilization in ancient times and to the world of automobile in the recent history, we have chosen our new identity to add spark to our unending and untiring mission of value creation. Being all about vibrancy and speed, Spark Minda instills an attitude in each one of us – that of doing our deeds with enthusiasm and aggression. It provides a distinct, dynamic and refreshing identity to all the Group companies including Minda Corporation and reiterates our commitment to the customer universe that they can count on us in addressing their future needs and challenges.

'Powered by Passion', our new baseline fuels our ambition to become the largest Indian automotive component supplier in the world. Driven by passion to deliver business outcomes to our customers, career progression to our employees and consistent value enhancement for all our other stakeholders including our communities, we will keep moving from strengths to strengths. Our passion for innovation, pursuing excellence, fulfillment, giving and above all a meaningful success shall usher us into a new era of sustained growth.



ASHOK MINDA GROUP

Powered by Passion

“SPARK IS REFLECTIVE OF CONTINUITY
WITH DYNAMISM”

“SPARK IS A WHIFF OF FRESH AIR
WHICH WILL INFUSE NEW ENERGY”

“SPARK DEMONSTRATES ORIENTATION
OF THE ORGANIZATION”

“SPARK GENERATES MOTIVATION,
ENERGY AND ZEAL TO EXCEL”

“SPARK IS USHERING IN A NEW ERA”

“SPARK IS THE RAY OF INSPIRATION”

A RICH CULTURE OF FOCUS & INNOVATION



As we move into an ever promising and exciting future, we have decided to stay focused on our established strengths in three distinct product segments in the automotive value chain namely Safety, Security & Restraint Systems; Driver Information & Telematics Systems and Interior Systems. All the three segments possess tremendous growth potential through this decade. We have persevered hard to earn a position of global repute and acceptance in these segments and aim to leverage the same towards attaining global leadership in terms of scale. Even our inorganic growth pursuits in global markets would be limited to these three segments in near-term.

Two most critical changes that are bound to transform the Global Automobile scenario by the turn of this decade would include the emergence of new countries such as India as the global manufacturing

hub and the fast-paced development and widespread adoption of future automobiles – compact cars, electric or alternate fuel automobiles. With such a transformation taking place in the world of automobiles, our sphere of automotive component manufacturing would be ruled by the companies that thrive upon continuous research & development and innovation.

At Spark Minda, we have a rich culture of innovation running deep into the DNA of all the group companies, including Minda Corporation Limited. At the group level, our intellectual capabilities have always been bolstered with well-considered acquisitions that possess valuable intellectual properties and know-hows besides several joint ventures with reputed global corporations that are synonymous with technology. As we move ahead, we are further intensifying our research and development efforts by channelizing our worldwide assets towards better results.



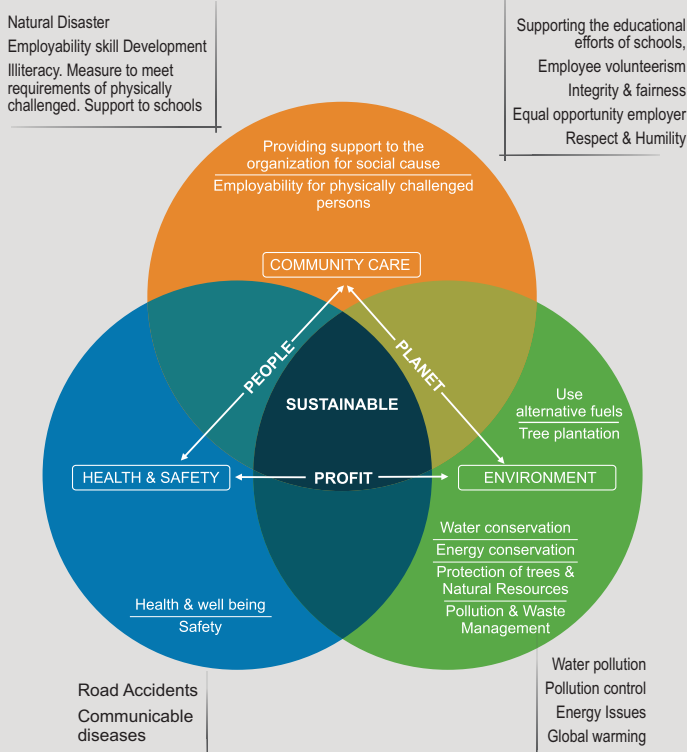
MANY FIRSTS

MANY FIRSTS

- In India, the only company to offer indigenously developed Security Systems for two wheelers and first one to have developed Controllers for E Bikes (Patent filed)
- Globally, the only company to have developed 2-track key system for 2 wheelers and the first manufacturer to develop complete rear seat frame in plastic (Minda KTSN)
- Indigenously developed Magnetic Locks that are preferred by global OEMs
- Developed Immobilisers for 2 wheelers which do not have battery or the battery is discharged. (Patent filed)
- Minda KTSN: First Company in the world to develop the concept and IPR for oil sum in plastic for trucks in 2003. Won the coveted SPE Brand Innovation award (widely referred to as the Nobel prize in plastic industry). Patents: 9 Secured (Germany), 4 in Pipeline
- Total Patents Filed: India - 11, Indonesia – 2, Thailand – 2, Vietnam -2

CORPORATE SOCIAL RESPONSIBILITY

CSR MODEL



Corporate Social Responsibility (CSR) has emerged as a significant theme in the business community. The growing emphasis on corporate responsibility governs the relationship of corporate with various stakeholders. Minda Corporation believes, to undertake CSR activities, it is important to raise awareness on social responsibility a corporate is accountable for.

At frequent times we organize unique events that solely focus on spreading the significance of CSR amongst our employees. Minda Corporation adheres to the highest degree of corporate ethics and believes in inclusive and sustainable growth. We follow Triple Bottom Approach that is People, Planet and Profit. People for us are not only customers or

potential customers. It covers our co-workers, the people working at our supplier's factories and the local community. We at Minda Corporation focus on protection of the environment.

CSR Initiatives of Minda Corporation cover issues of Environment & Resource Protection, Health & Safety and Community.

To protect the environment, we have organized activities built around tree plantation, energy conservation, use of alternative fuels, water conservation measures, protection of trees & natural resources and pollution & waste management.

We are committed towards the environment and always work for the minimization of carbon footprints. We use modern and efficient technology to conserve electricity and water. We have installed affluent treatment plants in all the units and at all the 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.

We undertake our CSR initiatives through the Moga Devi Minda Charitable Trust (MDMCT) that was established in 1987. Several projects run under MDMCT which are as follows:

S. L. MINDA SEVA KENDRA

it is a unique attempt for rural development and for bringing social change in India. The project was launched in January 2007 in Bagla village of Hisar District, Haryana. The project empowers youth with skills and capacities that upgrade their knowledge base and make them employment-ready. The vocational training programmes of SLMSK are accredited with the National Institute of Open Schooling. Certified Vocational Training is provided in trades like Indian Embroidery, Beauty Culture, Cutting & Tailoring and in Basic Computer Courses.



MINDA BAL GRAM

It is a Home for Children, licensed with the Department of Women and Child Development, Government of NCT, Delhi. At MBG, endless love and care is provided to children. Organization aims to provide long-term quality institutional care along with elementary development facilities to disadvantaged children. Qualitative efforts are made in making a child a responsible citizen. MBG has already completed a decade of service in this field. It has been constantly upgrading the quality of service and exposure to the children with a right mix of modern outlook based on Indian culture and values.

MOGA DEVI MINDA MEMORIAL SCHOOL

It is a school with safe, peaceful, eco-friendly environment and picturesque surroundings. With well-designed classrooms, the school follows high standard of quality and value based education. MDMMS provides high quality education in the rural area with excellent facilities like library, laboratories for Physics, Chemistry, Biology, Mathematics & Environment Science and play grounds. The school is well-equipped with an Art and Craft Room, Music Room and a Medical Infirmary. Also, the school is recognized by the Haryana Education Board and is expecting affiliation with the CBSE.

S L MINDA SPORTS ACADEMY

Established in 2011, the Academy promotes sports activities in the rural areas of District Hisar, Haryana. The aim of the Sports Academy is to nurture sports, the spirit of sportsmanship and to achieve excellence in sports like Athletics, Volleyball, Basketball, Table Tennis, Taekwondo and more. Students of Sports Academy have already shown some remarkable results by participating in District and National level competitions.

MINDA SANJIVANI KENDRA

It is a medical and healthcare project that aims to provide healthcare facilities especially to women and children in the rural areas of the Adampur Block of Hisar District, Haryana. The medical centre aims to provide specialized medical facilities to expecting mothers and infants.

Organizing standalone events like Free Health Check-up Camps, Blood Donation Camps, Art and Craft Workshops, English Speaking & Personality Development Programmes, and Remedial classes for the village community are some of the regular activities we are constantly involved with.



CHAIRMAN'S MESSAGE



Dear Shareholders,

Financial year 2011-12 (FY 12) was a challenging year for the global economy. Soon after it appeared that major economies had started recovering from the financial crisis of 2008, the sovereign debt crisis in Eurozone has provided a set back to the fragile recovery. The same had a trickle-down effect on India also. The Reserve Bank of India's strategy of sustained interest rate hikes, together with high global commodity prices, currency depreciation and high inflation had put a check on GDP growth. All these resulted in a contraction in GDP growth rate of the country that came down to 6.5% in FY 12 from 8.4% in FY 11, as per Central Statistical Office.

Riding on its favourable demographics and strong fundamentals, India is fast emerging as an attractive destination for sourcing of automotive components for the global automobile sector and is being considered to have immense growth potential for passenger and commercial vehicles. An ACMA study suggests that the CAGR of passenger vehicles production in the country from 2012 to 2021 is likely to remain at a robust 13%, as more and more global players set up their manufacturing base in India. The shift of manufacturing businesses towards India from China is not only due to healthy domestic demand, but also for the fact that manpower cost in the country is now cheaper than China. India's demographic advantages include a fast-growing rate of urbanisation and lower age of working population that is likely to show a healthy growth for Indian passenger vehicles segment. With more and more OEM automotive component suppliers having their base near automobile manufacturing hubs, India has a definitive edge over China.

FY 12 was a momentous year for the Group and Minda Corporation, as we adopted a new distinctive identity for the Group that is 'Spark Minda' with Minda Corporation Limited as the flagship Company. The same paved way for the phased re-structuring of the Group Companies under Spark Minda. The Group till recently conducted its business through separate legal entities, which we are planning to consolidate for improving the stakeholders' value. Hence, we did certain consolidation in FY 12 and we will continue to consolidate further, the other business entities under the umbrella of Minda Corporation in the coming years.

The entire consolidation regime will give Minda Corporation an access to different global market segments for different range of our products with a lean people structure. This will also enhance the profitability, which will enable overall growth of the Group. Our future strategy would be to sustain and improve upon our operational and financial performance across various geographies as a Company amidst consolidation. Our strategic focus will be on improved profitability margins from our existing and erstwhile separate legal entities including the ones acquired in Europe. We would thrive to utilize the technology gains made in our European entities in a wider geography.

FY 12 was a breakthrough year for the Group in terms of focus on adopting new technologies. The Company is continuously enhancing its resources to upgrade its technological strengths to meet the future challenges. Minda Corporation was granted first patent by the Indian Patent office in April 2012. This patent is for Magnetic Lock, which is already in production for Yamaha. It is a protective device with cover rotation type mechanism for two wheeler ignition lock to restrict unauthorized access to Ignition Lock keyhole. Minda Corporation has the rights to sell the patent like any tangible asset.

Apart from same, the Company filed 13 other patents for various new products developed at its R&D centers during FY 12, across some emerging segments of auto components like e-bikes and certain other such areas. The applied patents are now awaiting regulatory approval and the Company foresees them as the avenues of thrust in future.

On behalf of the Board, I would like to commend the Directors, management, our private equity partners and all employees of the Group for their dedication, resourcefulness, commitment and contribution to the Group in the past year. I would also like to take this opportunity to thank our clients, overseas associates, technology partners, bankers and suppliers for their continued support to the Group. The Group values and looks forward to the support of all the stakeholders in future as well.

With Warm Regards,

ASHOK MINDA
Chairman & Group CEO, Spark Minda

MESSAGE

FROM THE GROUP CFO



Dear Shareholders,

It gives me pleasure to welcome you all at an important juncture of our Group's transition phase. During FY 12, we undertook and completed first phase of our mission consolidation to bring a major part of our European entities under Minda Corporation Limited (MCL) with a new group identity – 'Spark Minda'. Buoyed by the success of the plan and completion of first phase in time, we will continue with our strategic decision to further simplify the Group corporate structure. Precisely in this direction, we are now eyeing to consolidate further and bring our entities from ASEAN region under Minda Corporation as its subsidiaries. This would transform Minda Corporation as the flagship Company of Spark Minda, Ashok Minda Group. We expect the process to be completed by the close of next financial year.

Our vision and the valued advice of our private equity partner, Kotak Private Equity Group, have played an instrumental role in this transformation which would go a long way in improving shareholders' value,

simplifying the group structure and to adopt transparent practices across the Group.

The entire game-plan has started showing healthy results, as Minda Corporation recorded a turnover of ₹1452 Crores in FY 12, compared to ₹763 Crores in FY 11, on a consolidated basis. This strategic move will give us access to different global markets and segments for our wide range of products in priority business areas. We have our plans to target certain ASEAN and European geographies, where demand has remained strong. With a lean organization structure, our strategic decision will enhance the Group's profitability which will translate into overall growth, going forward.

The value consolidation at Minda Corporation would also better position the flagship Company of the Group to mull possibilities to approach stock markets with a public issue in future. This would ideally be timed when the Company and the Group gear up for bigger expansion plans and find it appropriate to do so.

I take this opportunity to thank our customers, technology partners, overseas joint venture partners, private equity partner and bankers for their continued belief in our inherent strengths and underlying potential.

With Warm Regards,

D. C. SHARMA
Group CFO, Spark Minda

MESSAGE

FROM THE CEO



Dear Shareholders,

I am glad to share with you that FY 12 was an eventful year for Minda Corporation Limited (MCL).

The size of Minda Corporation on a consolidated basis has gone through a paradigm shift to become ₹1452 Crores in FY 12, from ₹763 Crores in FY 11, in revenues. We believe this exercise would help Minda Corporation go a long way in improving its geographies and strengthening its existing business lines, once the entire restructuring is complete in about a year's time from now. On the market development front, the Company is eyeing ASEAN and European markets amongst the various other overseas markets while our growth potential and projections in domestic markets remains strong for the times ahead.

While Minda Corporation has much larger resource base and technology platform from domestic and overseas subsidiaries, we will have focus on three broad product categories of Security & Restraint

Systems, Driver Information & Telematics Systems, Safety and Interior Systems. We plan to continue focusing on these three product categories and strengthen our geographical presence, including the areas where we are not present in any of these product categories.

The Company consistently reviews and adopts new technologies across its business operations and has started getting breakthroughs in obtaining regulatory approvals for patents like magnetic locks for E-Bikes. We are confident that these and more such breakthroughs will keep us in good stead.

Now that the Company has almost doubled its size in course of a year, we believe that Minda Corporation as a flagship of Spark Minda, Ashok Minda Group has a bigger role to play over the years to follow, particularly after the entire restructuring gets completed. We are confident to fulfill our responsibilities with utmost care as a large company with presence across many geographies and markets.

With Warm Regards,

JEEVAN MAHALDAR
Executive Director & CEO
Minda Corporation Limited

BOARD OF DIRECTORS



ASHOK MINDA
Chairman & Group CEO

Mr. Ashok Minda, 51 years of age is Graduate in Commerce stream. He has rich and vast experience of more than 27 years in the Automotive Industry. He served as Director of Minda Industries Limited from December 12, 1996 to April 14, 2011. He is holding the position of a Director and is Member of various Committees of the Company's Board.



AVINASH PRAKASH GANDHI
Director & Member of various Committees of the Company

Mr. Avinash Prakash Gandhi is 73 Years of age. Mr. Gandhi holds Bachelor's Degree in Mechanical Engineering from Birla Institute of Technology and has completed Senior Management programs at Indian Institute of Management and Administration Staff College of India. He has rich experience of around 50 years in various capacities as Special Advisor, President, CEO, Director and other senior managerial position in several organizations. He is presently holding the position of a director and member/ chairman of various committees on the Boards of Lumax Industries Ltd., Havells India Limited, Fairfield Atlas Ltd., Panalfa Automotive Pvt. Ltd., Continental Engines Ltd., Indo Alusys Ltd., Panalfa Auto Ektrie Pvt. Ltd and Clutch Auto Ltd.



RAKESH CHOPRA

Director & Chairman of Audit Committee of the Company

Mr. Rakesh Chopra, 61 years of age, is a Chartered Accountant (England & Wales) and an MBA from Cranfield University, U.K. Mr. Chopra has spearheaded various industry groups at top management levels, including Escorts, till September 2006. He has rich experience of around 35 years. He is holding the position of Director in GPR Enterprises Private Limited, Kempt Cottages Private Limited, Bharat Gears Limited and Fairfield Atlas Limited. He is also a founder member and Chairman of Indraprastha Cancer Society (Rajiv Gandhi Cancer Hospital & Research Centre).



LAXMAN RAMNARAYAN

Director & Member of various Committee(s) of the Company

Mr. Laxman Ramnarayan holds various academic and professional qualifications including B.COM, CWA and MMS. At 44, he has rich experience of over two decades in finance strategy. He is an Director in Kotak Investment Advisors Limited. Mr. Laxman is presently holding the position of a director and audit committee member of Mahindra Aerospace Private Limited and Mahindra Aerostructures Private Limited.



JEEVAN MAHALDAR

Executive Director & CEO

Mr. Jeevan Mahaldar, 53, is an MBA and a B. Tech (Mechanical). He has rich and vast experience of more than 31 years in the Automotive Industry. He was appointed as Managing Director of the Company in the year 2007. Earlier, he has worked with Tata Ficosa Automotive Systems Limited. Mr. Mahaldar is presently holding the position of a director in Minda Valeo Security Systems Private Limited.

MANAGEMENT

DISCUSSION & ANALYSIS



Emerging economies reeled under the heat of inflation and heightened commodity prices including crude oil. Fiscal policy intervention towards tightening of liquidity applied brake to the growth momentum in emerging economies. As a result of all these, GDP growth rate of emerging economies slipped to 6.2% in 2011 from 7.5% in 2010.

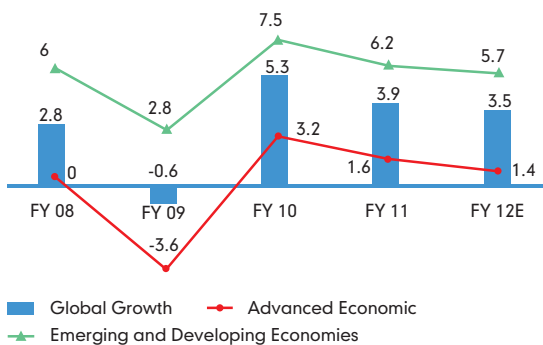
The real GDP growth for the world economy as a whole is estimated to have slipped down to 3.9% in 2011 from 5.3% in 2010.

Economic Review

GLOBAL ECONOMY

2011 proved to be another testing year for the world economy. The improvement noted in the US economy during the second half of the year provided the much needed impetus in an otherwise difficult year. Eurozone troubles deepened with sovereign debt crisis threatening to engulf more countries. The same though appears to have been brought under control to some extent with decisive intervention from leading major economies and central banks of Europe in the early part of 2012.

Global Economic Growth (%)



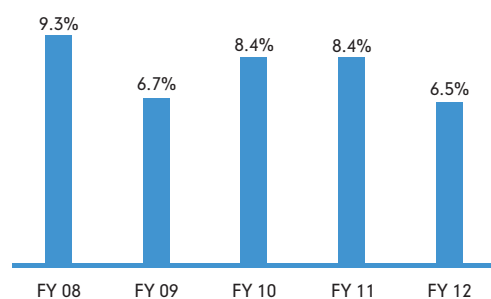
(Source: World Economic Outlook, April 2012 by IMF)

INDIAN ECONOMY

Fiscal year 2011-12 (FY 12) tested the robustness of the Indian economy and the extent of its insulation from global factors. Having accelerated from 6.7% GDP growth of FY 09 in the aftermath of global economic crisis, to 8.4% in FY 10 and FY 11, the GDP growth of India is estimated to have slowed down to 6.5% in FY 12.

Inflationary pressures, primarily on account of higher commodity prices, were attempted to be countered with tightening of fiscal liquidity and continued increase in interest rate. This, coupled with increased demand for US Dollar towards imports and part

India GDP Growth Rate (%)



(Source: Central Statistical Office and Planning Commission of India)

withdrawal of foreign investments, fueled a sharp depreciation of Indian Rupee against US Dollar, to the extent of 18%.

With exports totaling USD 303.7 Billion in FY 12, the fiscal year witnessed an alarming rise in trade deficit with imports increasing by 32.1% to USD 488.6 Billion as reflected in the provisional figures of the Ministry of Commerce. The surge in value of imports was led by volatile trend in crude oil prices and the rise in gold and silver imports.

INDIAN AUTO COMPONENT INDUSTRY

The seeds of a robust automotive component industry in India were sown in early eighties with the advent of Maruti, Hero Honda and then LML. Indian automotive component industry has come of age since then.

Riding on the consistent growth of automobile sales in domestic market as well as exports, Indian automotive component industry today stands at ₹1600 Billion as per a recent ICRA study.

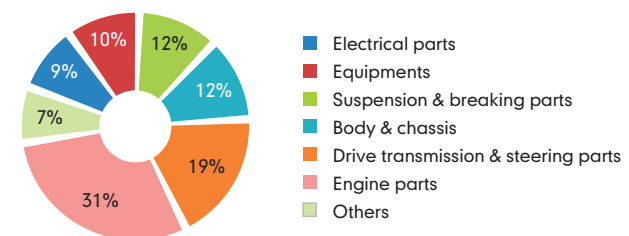
The sector derives 60% of its revenues from direct sales to Original Equipment Manufacturers (OEMs), 25% from replacement market and remainder 15% from exports.

With Delhi NCR, Pune and Chennai being established automobile hubs in India, Pant Nagar and Sanand are poised to emerge as two new hubs for automobile sector. In order to work in close proximity with their OEM principals and reduce logistical cost, automotive component players are setting-up their manufacturing facilities in these automobile hubs.



Loan funding is an intrinsic characteristic of purchase of all kinds of automobiles – passenger, commercial and industrial – in India. As an impact of prevailing higher interest rates, the growth in automobile sales remained subdued in FY 12. As per Society of Indian Automotive Manufacturers (SIAM), the cumulative production of automobile industry is estimated to have grown by 13.83%, producing 20.36 Million units, in FY 12. The domestic sales posted 10.11% growth selling 17.37 Million units and exports grew by 25.44% involving around 3 Million units.

Indian Automotive Components Industry Comprehensive Product Range



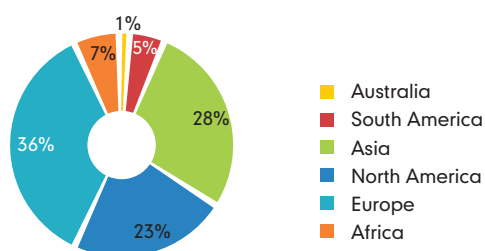
Source: Automotive Components Manufacturers' Association (ACMA)

The same is reflected in the growth of automotive component industry. The Indian Automotive Components industry's turnover of USD 39.9 Billion in FY 11 is estimated to touch USD 66.3 Billion by FY 16.

The long-term growth prospects of auto-component industry remain promising on various counts. With 11 cars per 1000 people, car ownership in India is much below compared to advanced economies of U.S. at 548, U.K. at 511 and Germany at 499, to name a few. Improvement in road infrastructure across national highways and state highways will fuel the long-term demand growth of heavy commercial vehicles for passengers as well as goods transportation. Uplift of city transport and trend towards CNG propelled public transport will continue fueling demand for more vehicles. Auto-component industry is poised to gain from all of these. The Automotive Components Manufacturers Association of India (ACMA) projects the Country's automotive components sector to maintain a turnover CAGR of 11% over FY 11 to FY 21.

Sharp appreciation of US Dollar against Indian Rupee, witnessed in the last three quarters of FY 12, brought two-pronged help to domestic automotive component manufacturers. By making imports costlier, it eased the competition from low-cost import substitutes on one hand while on the other hand industry's export earnings recorded positive gains on account of exchange fluctuation at the other hand. Some auto component producers, with focus on OEM segment, have been looking beyond Indian geography like Europe & U.S. to set up their base overseas, with cross-border tie-ups to upgrade technology.

Indian Auto Components Industry Export Destinations



Source: Automotive Components Manufacturers' Association (ACMA)

The latest focus amidst the auto-component producers is to look for technology up-gradation, investment in Research & Development (R&D) and also to match TQM standards to offer the right solutions matching the automobile manufacturer's requirements. Meanwhile, the long term growth outlook for automotive component sector looks upbeat due to local benefits of demography, scope in some other markets due to economical manpower and improved focus on R&D in India.

Operations Review

REPOSITIONING AND BRANDING

The financial year 2011-12 (FY 12) was a historic year for the Ashok Minda Group itself, since it flagged off the exercise to completely re-position the group under the "SPARK MINDA" logo. Spark is all about vibrancy and speed. It builds up an attitude to do things aggressively and with an enthusiasm. The Group's new logo gives it a distinct identity that will



boost inner confidence and the Group's efforts towards building a globally recognized brand, with the target of becoming India's largest automotive component supplier in the world.

GROUP RESTRUCTURING

During FY 12, Spark Minda, Ashok Minda Group completed the first phase of corporate restructuring to simplify the structure of its different entities as suggested by its consultants KPMG, following the infusion of funds by its private equity partners Kotak Private Equity Group in FY 11. Following this exercise, all the fully-owned subsidiaries and step down local subsidiaries of Minda Corporation in Europe have been consolidated under the Group's flagship company - Minda Corporation Limited (MCL). The target is to simplify the Group structure and bring all fully-owned subsidiaries under the umbrella of Minda Corporation. It is expected that this move is likely to help in Minda Corporation's proposed public issue in future, which the Group may eye for its large expansion plans or further acquisitions.

The Group is likely to continue with this exercise in the coming year in second phase, and also endeavours to bring the Joint Ventures (JV) in different countries under the flagship company Minda Corporation Limited, post acquiring majority stake in such JVs with the consensus of overseas partners.

NEW TECHNOLOGIES

Minda Corporation Limited has recently been granted first patent by the Indian Patent Office. This patent is for Magnetic Lock which is already in production for

Yamaha. The Patent was granted in April 2012. It is a protective device with cover rotation type mechanism for two wheeler ignition lock to restrict unauthorized access to Ignition Lock keyhole. The patent can be sold like any tangible asset.

Apart from same, the Company has already filed 13 other patents for various new products developed at its R&D centers during FY 12, across few emerging segments of auto components for usage in e-bikes and other areas. The other patents are now awaiting regulatory approval, in avenues, which the Company foresees as thrust area of future.

Financial Review

TURNOVER

The consolidated turnover of Minda Corporation in the FY 12 was ₹1,38,549 Lacs, which included a turnover of ₹55,975 Lacs of the flagship Company - Minda Corporation on a standalone basis. The same represented a growth of 88.62% over the comparable consolidated turnover of Minda Corporation for FY 11. A major part of the consolidated turnover of MCL got its contribution from overseas business segment which was ₹46,783 Lacs and the rest was generated from domestic sales of the Company and its subsidiaries.

DEBT TO EQUITY

The Company, being cash rich company by virtue of private equity infusion in FY 11 and internal accruals over the past 25 years, has comfortable debt equity

ratio of 0.45. This has helped the Company against any margin reversals due to sharp rise in interest rates pursued by the apex banker throughout the financial year 2011-12.

NET PROFIT

Minda Corporation on a consolidated basis managed a Net Profit of ₹5,192 Lacs in FY 12, as against ₹3,474 Lacs on the comparable recast figures for FY 11. Company's Net Profit has moved up steadily by 49.48%, by virtue of focus on judicious product mix pursued by the Company to push the sales of products offering higher profitability margins.

Strategic Direction

RESTRUCTURING: The Company has been continuing to carry out the envisaged restructuring exercise with the objective of achieving operational synergies and efficiencies. As a result of this exercise, Minda Corporation will emerge as the flagship Company of the Group and witness significant increase in its size and scale.

EXPANSION: The Company will continue to invest in capacity expansion through brownfield and greenfield routes. It also intends to deploy organic as well as inorganic path to seek aggressive growth in coming years.

FOCUS: The Company alongwith its subsidiaries presently operates across three product categories in automotive components on a consolidated basis and





has decided to focus on these products in future also. The details of these products groups are given below:

- Safety, Security & Restraint Systems
- Driver Information & Telematics Systems
- Interior Systems

It aims to fully leverage its inherent strengths in these product categories and capitalize their growing demand, globally.

RESEARCH & DEVELOPMENT: The Company has formidable technological alliances with globally renowned players in all its business verticals. The slew of acquisitions and joint ventures have brought global best technologies to its folds. The Company has set up an advanced Research & Development center at Noida, which is equipped with best-in-class physical and human capital. The Company is leveraging the manpower cost advantage in India to carry out breakthrough developments at its R&D center and supporting all its global manufacturing units including those in India.

Human Resources

Minda Corporation believes that development of employees is one of the key enablers for an organization's growth. Its human resource development initiatives are aimed at imparting training at individual as well as team levels. All newly joined employees are inducted as such that the employees become professionally, socially and culturally integrated. An orientation plan is prepared

for the new recruits, who are made to interact with all relevant departments within the organisation.

The Group has a robust Performance Management System (PMS) in each of its businesses. The concept of Balanced Score Card is used after customizing it to the Groups' unique cultural ethos and managerial philosophy. The thrust of PMS is on alignment, basis which, the individual business objectives are aligned to the enterprise objectives and the objectives of department are aligned to the respective business objectives. A rigorous review of the objectives takes place on a quarterly basis with special focus on facilitating and enabling execution. At the end of the performance cycle, the performance is evaluated, in the backdrop of context.

Corporate Social Responsibility

At Minda Corporation, the Corporate Social Responsibility (CSR) standards are kept high and the Company follows the Group's CSR policies and guidance. CSR at Minda Corporation encompasses care for entire eco-system while profitably serving all stakeholders with focus on creating a better everyday life and responding to challenges responsibly.

The Company's CSR efforts are aligned towards three key responsibility areas, namely – Community Care, Environment and Health & Safety. The Company carries out a slew of activities under these key responsibility areas like employee education towards water and energy conservation; use of renewable

energy; serving the society through regular investments in social causes; employee welfare; facilitating education for underprivileged; promoting sports by investing in sports infrastructure; vocational skill training for women and so on.

Minda Corporation conducts its social responsibility activities through various bodies within the ambit of the Group. S. L. Minda Seva Kendra, Minda Bal Gram, Moga Devi Minda Memorial School, S L Minda Sports Academy, Minda Sanjivani Kendra.

Risks & Concerns

GEO-ECONOMICAL RISKS

Post corporate restructuring, Minda Corporation has got prominent presence by the virtue of having fully-owned subsidiaries in the automotive markets of European region. However, a major part of Europe is facing a slowdown in GDP growth due to sovereign debt crisis. Hence, there are chances that the growth of automotive sector may slow down in some parts of Europe, turning some of earlier acquisitions unviable in future. The Company's otherwise global operations expose it to following intrinsic risks:

- Unanticipated amendments in laws or regulations
- Critical political or economic conditions
- Complexities in employing and retaining personnel
- Inadequate social infrastructure that may adversely affect the Group's business activities
- Social or economic turmoil caused by terrorist incidents, military conflict, epidemics and other events

TECHNOLOGY CHALLENGES

Some subsidiaries of Minda Corporation are into the business of wiring harnesses and related products. However, the technological changes are happening fast in that segment wherein such subsidiaries need to upgrade their R&D swiftly, to keep in line with the industry standards.

INTELLECTUAL PROPERTY PROTECTION

The flagship Company has filed 13 patents in electrical and mechanical security systems used by two wheelers and other vehicles. However, delay in getting the same may lead to a situation wherein competitors go for same or better technology up-gradation and may have an edge in market requirements, especially in OEM markets.

FOREIGN CURRENCY EXCHANGE RATE RISK

Operations of the Group and the Company include the sale and manufacture of products around the world. So the currency used for transaction varies country to country. This risk gets bigger when there is high level of fluctuations in the currency rate, thereby affecting the overall valuations when converted in Indian currency. As a consequence of medium and long-term movements in exchange rates, there are cases where procurement, manufacturing, distribution and sales cannot be performed exactly as planned and, as a result, exchange rate movements may have an adverse effect on the Group's operating results and financial condition.

RAW MATERIALS AND COMPONENT SUPPLY RISK

The Group procures raw materials and components used to manufacture its products from numerous external vendors. Although basic business contracts are always concluded with these external vendors and transactions are generally stable, but there is never a guarantee against shortages or sharp increase in prices for raw materials and components due to fluctuations in the market conditions. In such



cases, the Group could incur higher manufacturing costs or be forced to halt production, which may in turn have an adverse effect on the Group's operating results and financial condition.

INCREASED OVERSEAS OPERATIONS AND EXPANSIONS

The level of manufacturing and sales activities carried out in economies other than India has been increasing in recent years. Expansion into overseas markets has certain geo-economic and geo-political risks that may have an undesirable effect on the Group's and the Company's operating results and financial condition.

Internal Control Systems & their Adequacy

The Company has put in place a robust system of internal control and keeps reviewing its adequacy from time to time. The Company has an independent internal audit function, which benchmarks the systems followed within the Company and the Group, matching the industry standards.

The audit committees of the Group Companies review the audit reports submitted by internal auditors for companies working in domestic markets, and those incorporated in Europe and involved in overseas operations of Minda Corporation.

Suggestions for improvement are considered on a quarterly basis and the audit committee follows up on the implementation of corrective actions and keeps the management updated of its major observations, to keep them in tune with the industry standards.

Outlook

The management is of the opinion that the ensuing group restructuring exercise will help Minda Corporation in using its product mix effectively and flexibly across various geographies. It is already leveraging new technologies prevailing in Europe and other markets and further developing them with low cost talent available in domestic markets.

The automotive components sector turnover is estimated to grow at a CAGR of 11% over FY 11 to FY 21. The Company plans to take advantage of capturing OEM clients in passenger vehicles across Europe.

The Company continue to aggressively pursue organic and inorganic growth opportunities. Its sound financial position enables it with Capex investments.

The fact that ensuing decade will witness India emerging as a major global automobile hub and will manufacture and export a significantly higher portion of global automobiles further adds to already promising prospects for Minda Corporation Limited.



Directors' Report

The Members,

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31, 2012.

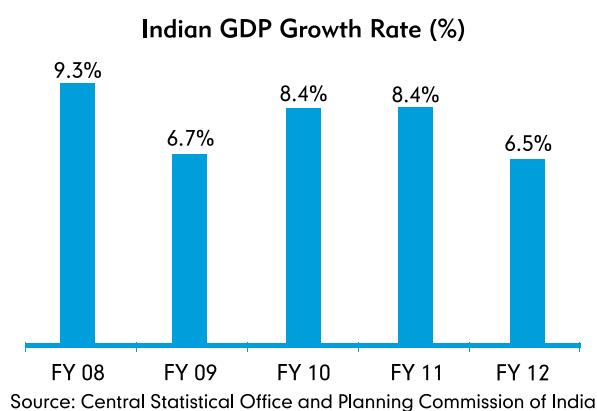
1. FINANCIAL RESULTS

(Amount ` in Lacs)

PARTICULARS	Standalone		Consolidated	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Sales/ income from operations	55,974.58	48,416.29	1,38,549.05	73,455.10
Other income	808.75	396.43	2,039.09	761.87
Profit before Interest, depreciation & exceptional items	6,896.70	6,938.89	15,532.02	8,822.55
Interest	1,298.65	1,300.82	2,684.75	2,552.17
Depreciation	1,434.60	1,192.53	4,546.25	1,709.43
Exceptional items	-	-	1,764.71	40.03
Profit before tax	4,163.43	4,445.54	6,536.31	4,520.92
Provision for taxation	93.84	900.00	1,353.50	920.47
Deferred tax liability/ (assets)	53.09	126.64	29.03	126.64
Profit before minority interest & associates	4,016.50	3,418.90	5,153.78	3,473.81
Minority interest & associates profit	-	-	38.70	-
Net profit	4,016.50	3,418.90	5,192.48	3,473.81
Brought forward profit	6,414.77	3,526.86	10,224.74	4,114.22
Total Profit available for appropriation	10,431.28	6,945.76	10,431.28	6,945.76

2. ECONOMY AND COMPANY PERFORMANCE

Fiscal year 2011-12 (FY 12) tested the robustness of the Indian economy and the extent of its insulation from global factors. Grew at a slower pace of 6.5% in FY12 compared to 8.4% in FY11.



The performance of your Company is directly linked with the performance of automotive industry. During 2011-12, the auto component industry has shown growth in all segments. The domestic and export sales have shown an increase of 12.24% and 25.44% respectively. Likewise your company has shown reasonably good performance during the year under review. Your Company has achieved a turnover of `55974.58 Lacs as compared to `48416.29 Lacs during the previous year, thereby showing an increase by 15.61%. The Net Profit of the Company has increased by over 17.48% from `3418.90 Lacs in previous year to `4016.50 Lacs in the current year.

3. DIVIDEND

Based on the Company's performance, your Directors have recommended dividend for the financial year 2011-12 for the approval of Shareholders in the forthcoming Annual General Meeting:

- On 2,50,000 - 0.001% Cumulative Redeemable Preference Shares @ 0.001%
- On 2,09,31,164 Equity Shares @ 30% i.e. `3/- per share.

4. SHARE CAPITAL

- Issue and Allotment of Equity Shares on preferential basis**

During the year under review, your Company has issued and allotted 5,62,500 Equity Shares of `10/- each for cash at a premium of `790/- per share on preferential basis. These shares have been listed at Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

Further, the Company has issued and allotted 2,67,092 Equity Shares of `10/- each for cash at a premium of `490/- each to "Minda Corporation Limited Employees Stock Option Scheme Trust". These shares have been allotted by the Company for further transfer to the eligible employees of the Company and its subsidiaries and associate Companies as per the Employee Stock Option Scheme to be finalized by the Board of Directors of the Company with the approval of shareholders.

b) Allotment of 0.001% Cumulative Redeemable Preference Shares

During the year under review, your Company has issued and allotted 65,000, 0.001% Cumulative Redeemable Preference Shares for cash at par @ ₹ 800/- per share to M/s. Minda Capital Limited.

c. Issue and Allotment of Bonus Equity Shares

During the year under review, your Company has also issued and allotted 1,04,65,582 Bonus Equity Shares (One Crore Four Lacs Sixty Five Thousand Five Hundred Eighty Two) Bonus Equity Shares in the ratio of 1:1 through capitalization of Securities Premium Account to the shareholders of the Company. These shares have also been listed on Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

5. ACQUISITION AND CONSOLIDATION

The management of your Company is in the process of consolidation of group companies under the umbrella of Minda Corporation Limited. During the year under review, your Company has acquired 100% stake in M/s. Minda Management Services Limited engaged in providing services of all kinds in the fields of organization, planning, administration, personnel, finance & accounting, marketing, market research, economic planning, technical, quality, IT, legal & secretarial, risk management and doing the business of Industrial, Management and financial consultants/ advisors in India and abroad.

Further, the Company has acquired 94% stake in Minda Schenk Plastic Solutions GmbH, Germany (MSPS) which is engaged in manufacturing of automotive components such as plastic interiors for four wheelers through its step-subsiary Mayank Auto Engineers Private Limited. The MSPS is also having its subsidiaries namely Minda Schenk Plastic Solutions S.r.o. in Czech Republic and Minda Schenk Plastic Solutions S.p. Z.o.o. in Poland.

6. STRATEGIC ACQUISITIONS (POST BALANCE SHEET EVENTS)

The Company has acquired balance 50% stake in Minda Automotive Solutions Limited (Formerly known as Minda Autocare Limited) after closure of the financial year under review. Accordingly, Minda Automotive Solutions Limited has become 100% subsidiary of the Company.

7. REPOSITIONING & BRANDING

The financial year 2011-12 was a historic year for the Ashok Minda group itself, since it flagged off the exercise to completely re-position the group under the "SPARK MINDA" logo. Spark is all about vibration and speed. It builds up an attitude to do things aggressively and with an enthusiasm. The Group's new logo gives it a distinct identity that will boost inner confidence and the Group's efforts towards building a globally recognized brand, with the target of becoming India's largest automotive component supplier in the world.

8. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements in accordance with

Accounting Standard-21 (AS - 21) issued by The Institute of Chartered Accountants of India (ICAI) have been provided in the Annual Report. These Consolidated Financial Reports provide financial information about your Company and its subsidiaries as a single economic entity. The Consolidated Financial Statements form part of this Annual Report.

9. CORPORATE GOVERNANCE

A separate section on Corporate Governance forming a part of the Directors' Report and the certificate from M/s. Sanjay Grover & Associates, Practising Company Secretaries confirming compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in this Annual Report. The Executive Director & CEO 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 on March 31, 2012.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report (MD&A) for the year under review, as stipulated under Clause 49 of the Listing Agreement with stock exchanges in India, is presented in a separate section forming part of the Annual Report.

11. 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

12. BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Ashok Minda and Mr. Jeevan Mahaldar, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

The detail of Directors being recommended for re-appointment pursuant to Clause 49 of the Listing Agreement is contained in the accompanying Notice of the ensuing Annual General Meeting.

During the year under review, Mr. Nirmal K. Minda has resigned from the Directorship of the Company w.e.f. April 09, 2011. The Board of Directors places on record its appreciation for his contribution as Director of the Company.

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure was made for the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the year ended on March 31, 2012;

- 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.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN 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 Companies (Particular of Employees) Rules, 1975 are given in Annexure – I to this Report.

15. 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 Annexure – II to this Report.

16. AUDITORS

The Auditors of the Company M/s. B S R & Co., Chartered Accountants (Registration No.- 101248W), retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

17. 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.

18. 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 2012-13.

19. SUBSIDIARIES

As on March 31, 2012, your Company has 9 (Nine) subsidiaries out of which 6 (Six) subsidiaries are registered outside India – 3 (Three) of them are in Germany; 1 (One) in Netherlands; 1 (One) in Czech Republic and 1 (One) in Poland.

A statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiaries for the year ended on March 31, 2012 is given in Annexure – III.

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 is enclosed along with the consolidated financial statements.

The Annual Accounts of the subsidiaries shall be made available to the shareholders seeking such information and shall also be available for inspection at the Corporate Office of the Company at D-6-11, Sector - 59, Noida - 201301, 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.

20. ACKNOWLEDGEMENT

The Board of Directors admirably 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

Place: New Delhi
Date: May 30, 2012

Ashok Minda
Chairman & Group CEO
DIN: 00054727

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 engaged in the industry where energy consumption is required at normal level to carryout its operations. 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) Energy audit was conducted and started actions as per audit report.
- (ii) Cyclic timer used in Air cooling unit and in some office A/C area.
- (iii) Started using CFL 85 Watt in place of MH lamp.
- (iv) HC Machines Hydraulic Power Pack auto pump cut off through PLC Circuit for ideal condition of 2 minutes.
- (v) ETP, STP & underground water tank operation controlled through level switch.
- (vi) Provided insulated nozzle heater in Hot Chamber Die Casting.
- (vii) Re-lay outing of GDC Machines resulting in saving of energy cost.
- (viii) Installation of melting furnace in cold chamber shop.
- (ix) Provided dual burner system diesel and LPG for getting benefit of lowest rate as per variation of price in LPG and Diesel.
- (x) Air circulation pump used in ETP & STP.
- (xi) Insulation jacket provided on hot chamber furnaces to reduce skin temperature resulting in reduction in energy consumption.
- (xii) Temperature controller replaced with Proportional Integral Derivative (PIDs) to control melting temperature in close tolerances.
- (xiii) Magnetic energy saver device put on hot water generator to reduce the diesel conservation.

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

- 1) Proposed 33 KV line instead of 11 KV line at Greater Noida to reduce fuel consumption in generator by 7000 litres per month;

- 2) Water cooled DG sets proposed to increase unit generation efficiency of DG sets.
- 3) Stack type furnace to be designed to utilize flue gas heat of melting and holding furnaces for pre heating of ingots and scrap.
- 4) Energy Efficiency Factor 1 (EFF1) motors proposed on all new equipment purchased which have 5% more energy efficient than conventional motors.
- 5) Air lines to be replaced with Ply Vinyl Coating (PVC) coated aluminum pipe lines which are 15 % more efficient for pressure transmission losses and very less leakages.
- 6) Synchronizing panel proposed in case more than one Diesel Generator (DG) is operational to proper distribute load and get maximum power from consumed fuel.
- 7) Conversion of open Conveyorised Electrophorais Line (EPL) oven to batch type closed oven saving 4000 units per month
- 8) Variable Frequency Drive (VFD) to be installed in air compressor.

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 the entire product segment it caters to.

In the mechanical security systems, focus continues to be on innovation. Magnetic Module for motorcycle application was developed to expand the product range in this category. In gear lock segment, a small drill free gear lock was developed. This gear lock not only be meant cost effective, but also will be used on the vehicles, where there could be space constraint.

In Electric Security System, an E-lock was developed which comprises of contact less switch and a CAN based immobilizer. This is the first product in

mechatronic segment. This product has very good potential with European customers. R & D was also carried out in developing an Electronic controller integrated with transponder based immobiliser. This product is specifically for high end Electric Bikes. The Company has already filed patent for this product.

In Plastics Interior Segment, R & D was carried out for designing and developing Ash tray cum cup holder. The design is unique and a patent has been filed for this product.

In Window Regulator Segment, emphasis was on expanding product range for commercial vehicle segment. Variants of Dual Rail type and Arm type window Regulators were developed.

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

- a. Development of Magnetic shutter for motorcycles will enable the Company to expand its product portfolio, thereby enabling business expansion in this segment.
- b. Based on Magnetic Modules development, already many new businesses have been acquired from various domestic and overseas customers.
- c. Development of small size drill free gear lock will further strengthen Company's position in this area. This will enable increase in profits margins and also application in vehicles, where space is a constraint.
- d. Development of E-lock has increased Company's chances of acquiring business from European customers. Such products are already being used in high end motorcycles in Europe, where Company did not have its presence.
- e. Though E-bike segment has not grown in past few years but looking at future potential, the development of controller integrated with immobilizer will place the Company ahead of its competitors.
- f. R & D efforts in plastics will strengthen Company's image on a competent designers. The new concept of Ash tray cum cup holder has been liked by many potential customers.

Besides, this will also install confidence against European Companies, who can now look for Engineering Services from Company's Plastic Interior Division.

- g. Expansion in Window Regulator Segment is enabling the Company to establish leadership position in commercial vehicle segment.

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 variants 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'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.

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

4 Expenditure Research and Development

	2011-12 (` in Lacs)	2010-11 (` in Lacs)
a. Capital Expenditure	261.18	275.85
b. Recurring Expenditure	422.28	422.28
c. Total	683.46	698.13
d. Total R & D expenditure as a percentage of total turnover	1.22%	1.46%

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, plant visits of Group Companies
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 learning 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.
 - Year of Import.
 - a. 2007
 - b. 2009
 - c. 2009
 - c) Has technology been fully absorbed? Absorbed except minor clarifications
 - d) If not fully absorbed areas where this has not taken place, reasons there for and future plans of action. For immobilizer systems, since the productronisation phase has not started, there may be some minor modifications/ upgradation 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 market
 - b) Addition of new customers in Europe through Subsidiary Companies

ii) TOTAL FOREIGN EXCHANGE USED AND EARNED

• Foreign Exchange Used

- a) Traveling & Conveyance ` 37.03 Lacs (Previous Year ` 38.09 Lacs)
- b) CIF value of import ` 2955.10 Lacs (Previous Year ` 2242.11 Lacs)
- c) Commission on sales ` Nil (Previous Year ` 47.37 Lacs)
- d) Legal & Professional ` 2.30 Lacs (Previous Year ` 25.84 Lacs)
- e) Repair & Maintenance (P&M) ` Nil (Previous Year ` 15.17 Lacs)
- f) Others ` 54.23 Lacs (Previous Year ` 14.61 Lacs)

• Foreign Exchange Earned

- a) FOB value of Export ` 6016.40 Lacs (Previous Year ` 6742.49 Lacs)
- b) Royalty ` 353.71 Lacs (Previous Year ` 371.83 Lacs)
- c) Technical know-how ` 41.35 (Previous Year ` Nil)

ANNEXURE II TO THE DIRECTORS REPORT

INFORMATION AS PER SECTION 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, 2012

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	53	Executive Director & CEO	04.01.2007	1,89,27,525	MBA, B. Tech (Mech.)	31	Tata Ficosa Automotive Systems Ltd.

Part of the year:

Name	Age (Yrs.)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Qualifications	Experience (Yrs.)	Name of Previous Employer
Mr. Ashok Minda	51	Chairman & Group CEO	01.08.2011	1,23,84,000	B. COM	28	Minda Management Services Limited
Mr. Vivek Bhatia	44	CFO	24.05.2011	47,92,982	C.A, C.S.	20	Arcelor Mittal India Limited

Notes:

1. All appointments are contractual as per the rules and conditions of the Company.
2. Remuneration includes basic salary, allowances, rent paid for accommodation, reimbursement of medical, entertainment & attendant expenses to employees and employer's contribution to Provident Fund etc. In addition, the employees are entitled to leave encashment and gratuity/group insurance in accordance with Company's Rules.
3. The above employees are not related to any Director of the Company except Mr. Ashok Minda, who is Chairman & Group CEO and Mr. Jeevan Mahaldar, who is Executive Director & CEO of the Company.
4. None of the above stated employee own more than 2% of the outstanding shares of the Company as on March 31, 2012 except Mr. Ashok Minda, who is Chairman & Group CEO.

For and on behalf of the Board of
Minda Corporation Limited

Place: New Delhi
Date: 30.05.2012

Ashok Minda
Chairman & Group CEO
DIN: 00054727

ANNEXURE-III
Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Company

Sr. No.	Name of the Subsidiaries	Country of Incorporation	Financial Year of the Subsidiary ended on	Extent of Interest of Holding Company in the Subsidiary as at March 31, 2012		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 Aggregate amount 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	For the Previous financial years since it became a Subsidiary	Current Year	For the Previous financial years of the Subsidiary since it became a Subsidiary
1	Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	31.12.2011	Subsidiary	100%	(135.49)	50.86	-	-
2	Minda Europe B.V.	Netherland	31.03.2012	Subsidiary	100%	7.56	9.90	-	-
3	Minda SAI Limited	India	31.03.2012	Subsidiary	100%	1,834.78	-	-	-
4	Minda Management Services Limited	India	31.03.2012	Subsidiary	100%	43.35	-	-	-
5	Mayank Auto Engineers Private Limited	India	31.03.2012	Step-Subsidiary	100%*	394.03	-	-	-
6	Minda Schenk Plastic Solutions GmbH	Germany	31.12.2011	Step-Subsidiary	94%	15.34	-	-	-
7	Minda Schenk Plastic Solutions S.r.o.	Czech Republic	31.12.2011	Step-Subsidiary	94%	315.22	-	-	-
8	Minda Schenk Plastic Solutions S.p. Z.o.o.	Poland	31.12.2011	Step-Subsidiary	94%	20.68	-	-	-
9	KTSN Kunststofftechnik Sachsen Beteiligungs-GmbH	Germany	31.12.2011	Step-Subsidiary	100%	(0.81)	-	-	-

* Since the holding of Mayank Auto Engineers Private Limited has been held by both the subsidiaries of Minda Corporation Limited.

For and on behalf of the Board of
Minda Corporation Limited

Place: New Delhi
Date: 30.05.2012

Ashok Minda
Chairman & Group CEO
DIN: 00054727

Corporate Governance Report

(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is an important tool for enhancing stakeholder value on a sustainable basis and creating wealth for Organization. It fosters the commitment of the Company to sound corporate practices based on conscience, openness, fairness, professionalism and accountability thereby building the confidence of its various stakeholders.

Our Company is open, accessible and consistent with

communication. It shares a long term perspective and firmly believes that good Corporate Governance practices underscore its drive towards competitive strength and sustained performance. Thus, basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and at all operational levels. The core values of the Company across the group are commitment to stakeholders, passion for excellence, open communication, integrity & fairness, nature talent, competency & willingness, respect & humility, innovation & improvement orientation, partnering, responsibility, cross cultural diversity.

I. BOARD OF DIRECTORS

The Board of the Company constantly endeavors to set goals and targets aligned to the Company's Vision - "Be a Dynamic, Innovative and Profitable Global Automotive Organization for emerging as the Preferred Supplier and Employer, to Create Value for all Stakeholders."

a) Composition and Category of Directors

The Company has a broad-based Board consisting of mix of Executive, Non-Executive and Independent Directors. As on March 31, 2012, the Board of Minda Corporation Limited comprises of 5 (Five) Directors, out of which 3 (Three) are Independent Directors and 2 (Two) are Executive Directors. The Board represents an optimal mix of professionalism, knowledge and experience. The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies is as follows:

Sl. No.	Name of the Director	Category	Designation	No. of Director-ships held in other Companies	No. of Memberships/ Chairmanships in various other Board Committees	
					Member	Chairman
1.	Mr. Ashok Minda	Executive Director	Chairman & Group CEO	9	4	1
2.	Mr. Jeevan Mahaldar	Executive Director	Executive Director & CEO	-	-	-
3.	Mr. Laxman Ramnarayan	Independent Director	Director	-	-	-
4.	Mr. Rakesh Chopra	Independent Director	Director	2	3	-
5.	Mr. Avinash P. Gandhi	Independent Director	Director	13	3	4

Notes:

- The directorships held by the Directors, as mentioned above do not include the Alternate directorships, directorships held in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.
- The committees considered for the purpose are those prescribed under Clause 49(I)(C)(ii) of the Listing Agreement(s) viz. audit committee and shareholders/ investors grievance committee of Indian Public Limited Companies and Private Limited Companies which are Public Limited Companies in terms of Section 3(1)(iv)(c) of the Companies Act, 1956.
- None of the Directors are related to each other.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the public companies in which the person is a Director. Necessary disclosures regarding Committee positions in other public limited companies as on March 31, 2012 have been made by the Directors.

b) Board Meetings & Attendance

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material information incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting.

Details of attendance of Directors at various Board Meetings and at the Annual General Meeting held during the financial year 2011-12 is as under:

Name of Director	No. of Board meetings attended	Whether attended last AGM
Mr. Ashok Minda (Chairman & Group CEO)	8	Yes
Mr. Jeevan Mahaldar (Executive Director & CEO)	11	Yes
Mr. Laxman Ramnarayan (Director)	10	No
Mr. Rakesh Chopra (Director)	12	Yes
Mr. Avinash P. Gandhi (Director)	11	No
Mr. Nirmal K. Minda (Director) **	Nil	No

**Ceased to be Director w.e.f. April 09, 2011

c) Other provisions as to Board and Committees:-

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. Apart from placing the statutory required information before the Board Members, it is the policy of the Company to regularly place the information / matter involving major decisions like Annual Budget, Technology Collaboration, Investments, Quarterly Results, Quarterly Compliance Reports on all laws applicable to the Company and other material information. All the information relevant to the Company as required under Clause 49 of the listing agreement is also made available to the Board.

The Board/ Committee meetings are pre-scheduled and a tentative annual calendar of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedules and to ensure meaningful participation in the meetings. Where it is not practicable to circulate any document or the agenda is of confidential nature, the same is tabled with the approval of Chairman.

During the financial year ended March 31, 2012, twelve 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	April 18, 2011	5	5
2	April 22, 2011	5	3
3	May 12, 2011	5	4
4	July 05, 2011	5	4
5	August 12, 2011	5	5
6	September 29, 2011	5	4
7	October 20, 2011	5	5
8	November 01, 2011	5	4
9	November 03, 2011	5	4
10	November 11, 2011	5	5
11	February 10, 2012	5	5
12	March 29, 2012	5	4

Information available to the Board

During the year 2011-12, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

The aforesaid information is generally provided as a part of the agenda of the Board meeting and/ or is placed at the table during the course of the meeting. The CFO and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The Company Secretary, in consultation with the Chairman, prepares the agenda. The detailed agenda is sent to the Members a week before the Board Meeting date. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item'. Sensitive subject matters are being discussed at the meeting without written material being circulated in advance. All Board Members are at liberty to suggest agenda items for inclusion. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

d) Code of Conduct:

The Board of Directors has implemented a Code of Conduct applicable to all Directors and Senior Level Management of the Company.

The copy of the Code has been put on the Company's website www.minda.co.in

II. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The

Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board currently has 3 (three) Committees:

- 1) Audit Committee;
- 2) Remuneration Committee' and
- 3) Shareholders' / Investors' Grievance Committee

1) AUDIT COMMITTEE

a) Terms of Reference

The composition of audit committee meets the requirements of Section 292A of the Companies Act, 1956 and revised Clause 49 of the Listing Agreement. The terms of reference of this Committee covers the matters specified for Audit Committee under Clause 49(II)(C) & (D) of the Listing Agreement read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee inter- alia includes the following:

Powers of Audit Committee

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Key responsibilities of Audit Committee:

Primarily, the Audit Committee is responsible for:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
 7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 9. Discussion with internal auditors any significant findings and follow up there on.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

14. Mandatorily reviews the following information:

- a) Management Discussion and Analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

15. Carrying out any other role/ functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company.

(b) Composition, Meetings & Attendance of the Committee

During the year under review, the Audit Committee was re-constituted on April 18, 2011 comprising of Mr. Rakesh Chopra as Chairman, Mr. Avinash P. Gandhi, Mr. Jeevan Mahaldar and Mr. Laxman Ramnarayan as Members.

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	No. of Meeting(s) attended	Category	Date of Meetings
Mr. Rakesh Chopra, Chairman	6	Independent Director	May 12, 2011 July 05, 2011 August 12, 2011 November 11, 2011 December 16, 2011 February 10, 2012
Mr. Avinash P. Gandhi, Member	5	Independent Director	
Mr. Jeevan Mahaldar, Member	6	Executive Director	
Mr. Laxman Ramnarayan, Member	6	Independent Director	

In addition to the Members of the Audit Committee, these meetings are attended by the CFO 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.

The Chairman of the Committee was present at the Annual General Meeting held on August 06, 2011.

Mr. Ajay Sancheti, Company Secretary of the Company acts as the Secretary to the Audit Committee.

2) REMUNERATION COMMITTEE

a) Terms of Reference

The Remuneration Committee has been entrusted with the following responsibilities:

- i. To review and grant annual increments to Managing/ Executive 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/Executive 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.

b) Constitution and Composition of the Committee:

During the year under review, the remuneration committee was re-constituted on July 05, 2011. The present composition of the Remuneration Committee is as follows:

Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Avinash P. Gandhi	Chairman	Independent Director	2	1
Mr. Rakesh Chopra	Member	Independent Director	2	2
Mr. Laxman Ramnarayan	Member	Independent Director	2	2

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: Non-Executive Directors of the Company do not hold any shares in the Company.

d) **Remuneration Policy**

The Remuneration Policy of the Company is to link the remuneration payable to the Directors and employees with the performance of the Company. Further no sitting fee is paid to the Executive Directors. The information/ details to be provided under Corporate Governance Code with regard to remuneration of Directors for the year 2011-12 are as follows:

i. **Executive Directors:**

(Amount in `)

Name	Salary	P.F. and other allowances	Benefits and linked services	Performance	Total
Mr. Ashok Minda	72,00,000	51,84,000	NIL	NIL	1,23,84,000
Mr. Jeevan Mahaldar	1,02,29,724	12,27,567	63,21,000	NIL	1,89,27,525

Mr. Ashok Minda was appointed as Chairman & Group CEO of the Company by the Board of Directors at their meeting held on July 05, 2011 for a period of 5 (Five) years w.e.f. August 01, 2011 subject to the approval of Central Government. The Company has obtained necessary approval from Central Government for paying remuneration to him.

Mr. Jeevan Mahaldar was appointed as an Executive Director by the Board of Directors at their meeting held on November 11, 2011 for a period of 3 (Three) years w.e.f. January 07, 2012

The tenure of office of the Executive Directors 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 has increased sitting fees from `7,500/- to `10,000/- per meeting of the Board and from `2,500/- to `10,000/- per meeting of the Committees w.e.f. July 05, 2011.

Details of remuneration paid to the Non-Executive Directors:

(Amount in `)

Name of the Non-Executive Director	Sitting Fees		Total
	Board Meetings	Committee Meetings	
Mr. Avinash P. Gandhi	1,02,500	42,500	1,45,000
Mr. Rakesh Chopra	1,12,500	52,500	1,65,000
Mr. Laxman Ramnarayan	92,500	52,500	1,45,000
Mr. Nirmal K. Minda	NIL	NIL	NIL

3) **SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE**

a) **Composition**

During the year under review, the Shareholder's Grievance Committee was re-constituted on July 05, 2011. The present composition of the Shareholder's Grievance Committee is as follows:

Name of the Member	Status	Category
Mr. Avinash P. Gandhi	Chairman	Independent Director
Mr. Ashok Minda	Member	Executive Director
Mr. Laxman Ramnarayan	Member	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 2 (Two) 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	2	July 05, 2011 February 10, 2012
Mr. Ashok Minda Member	2	
Mr. Laxman Ramnarayan Member	2	

d) Shareholders 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 Shareholders'/ Investors' Grievance Committee Meeting as well as in the Board Meetings itself on quarterly basis.

No investor complaint has been received during the year.

Number of pending share transfer: There was no pending share transfer as on March 31, 2012. The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

The Board has delegated the powers to approve transfer of shares to a Transfer Committee of Executives.

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 20,93,11,640 is the issued Capital and 10,46,55,820 is the listed Capital. The reason for the difference is of 1,04,65,582 shares as issued capital includes 1,04,65,582 fully paid Bonus Equity Shares of ₹ 10/- each allotted to the existing equity shareholders of Company whose names stands on the record date i.e. March 28, 2012 in the Register of Members of the Company in respect of which the Company has not received the listing & trading permission from Delhi Stock Exchange Limited (DSE) and Madras Stock Exchange Ltd. (MSE) till the quarter ended 31.03.2012.

g) Subsidiary Companies

Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

During the year under review, the Company has "Minda SAI Limited" as its 'material non-listed subsidiary'. Mr. Avinash P. Gandhi, an Independent Director has been appointed as Director on the Board of Minda SAI Limited.

III. GENERAL BODY MEETINGS:

1) ANNUAL GENERAL MEETING

i. Location and time, where last 3 (Three) Annual General Meetings were held:

AGM	Financial Year	Venue	Date	Time
26th	2010-11	"Magnolia" Indian Habitat Centre, Lodhi Road, New Delhi - 110 003	August 06, 2011	9.30 A.M.
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	PHD Chamber of Commerce, PHD House, Opposite Asian Games Village, New Delhi-110016	September 11, 2009	2.30 P.M.

ii. Whether special resolutions were put through postal ballot this year, details of voting pattern:

The Company has not proposed any special resolution through postal ballot.

iii. Special Resolutions passed in the previous 3 (Three) Annual General Meetings:

Year	Subject Matter of Special Resolution	Date of AGM
2010-11	Appointment & fixation of remuneration of Mr. Ashok Minda as Chairman & Group CEO	August 06, 2011
2009-10	Alteration of Articles of Association	September 10, 2010
2008-09	Nil	September 11, 2009

2) EXTRA-ORDINARY GENERAL MEETING

During the year, the Company has conducted two Extra-Ordinary General Meetings i.e. on October 24, 2011 and March 16, 2012:

October 24, 2011

- i. Increase in the Authorised Share Capital of the Company and alteration of "Capital Clause" of Memorandum of Association of the Company.
- ii. Issue of Securities under Employees Stock Option Scheme to "Minda Corporation Limited Employees Stock Option Scheme Trust"
- iii. Authorisation to the Board of Directors of the Company to issue further equity share capital.
- iv. Authorization to the Board of Directors of the Company to issue and allot 65,000 - 0.001% Cumulative Redeemable Preference Shares on preferential basis.

March 16, 2012

- i. Increase in Authorised Share Capital of the Company.
- ii. Issue of Bonus Shares through Capitalization of reserves.
- iii. Appointment and Fixation of remuneration of Mr. Jeevan Mahaldar as an Executive Director of the Company.

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 subsidiaries 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:

There were no instances of non-compliances by the Company on any matter related to capital market. The Company has complied with the requirements of Listing Agreement as well as regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for non-compliance by the Company during the last three years on any matter related to capital market.

c) Disclosure of Accounting Treatment: The Company has prepared its financial statement as per the

Accounting Standards 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) **CEO/CFO Certificate:** The Executive 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 on March 31, 2012.
- f) **Disclosure of relationship between Directors inter-se:** Chairman & Group CEO, 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:

A timely disclosure of consistent, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, major steps taken are as under:

- The quarterly results of the Company were announced within 45 days of end of quarter. In order to attain maximum shareholders reach, the financial results of the Company during the year 2011-12 were published in leading newspaper (English & Hindi) viz. The Economic Times and Nav Bharat Times.
- Information relating to shareholding pattern, compliance with Corporate Governance norms etc., is available at our website www.minda.co.in.
- "Limited Review" reports of the un-audited financial results for the respective quarter(s) were also obtained from the Company's website at www.minda.co.in.
- Financial results are displayed on the website of the Company viz., www.minda.co.in. Official news/ press release and presentations made to analysts are also hosted on the Company's website from time to time.

VI. GENERAL SHAREHOLDERS INFORMATION:

a) 27th Annual General Meeting

Venue : Magnolia, Indian Habitat Centre, Lodhi Road, New Delhi - 110 003

Time : 11:00 a.m.

Day & Date : Thursday, September 20, 2012

Book Closure Date : Friday, September 14, 2012 to Thursday, September 20, 2012

b) Calendar of financial year ended March 31, 2012

The meetings of Board of Directors for approval of quarterly financial results during the financial year ended March 31, 2012 were held on the following dates:

First Quarter Results	August 12, 2011
Second Quarter and Half yearly Results	November 11, 2011
Third Quarter Results	February 10, 2012
Fourth Quarter and Annual Results	May 29, 2012

c) Dividend

The Board of Directors at their meeting held on May 30, 2012 recommended a final dividend @ 30% (₹ 3/- per equity share) on 2,09,31,164 number of fully paid-up Equity Shares of ₹ 10/- each and @ 0.001% on 2,40,000 - 0.001% Cumulative Redeemable Preference Shares for Financial Year 2011-12.

Unclaimed Dividends

As per the Companies Act, 1956, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and thereafter cannot be claimed by investors. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors, before transfer of dividend to IEPF.

There is no unclaimed dividend for the year 2004-05.

As per Clause 5A of the Listing Agreement, no shares are lying in the suspense account of the Company.

Dividend declared by the Company for the last 5 Years

Financial Year	Dividend declared on	Dividend per Share*
2010-11	August 06, 2011	₹ 3.00
2009-10	September 10, 2010	₹ 2.50
2008-09	September 11, 2009	₹ 2.00
2007-08	July 28, 2008	₹ 2.00
2006-07	September 29, 2007	₹ 2.00

* Shares of paid-up value of ₹ 10/- per share

d) Listing on Stock Exchanges and Stock Codes:

Sl. No.	Name & Address of the Stock Exchange	Stock Code
1	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

The Annual Listing Fees for the listed equity shares of the Company, pertaining to the year 2012-13 has been paid to the concerned Stock Exchanges on demand. The Company has also made the payment of the Annual Custodian Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the financial year 2012-13, based on the folio/ISIN positions as on 31.03.2012.

The Company's securities have been allowed to dealings on the National Stock Exchange w.e.f. December 30, 2011 in terms of an agreement between the Madras Stock Exchange Limited and National Stock Exchange Limited.

e) **Market Price Data:**

There is no trading in Delhi and Madras Stock Exchange where the shares of the Company are listed. Further, there is not much trading of Company's shares at National Stock Exchange Limited also.

f) **Registrar and Transfer Agents:**

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020

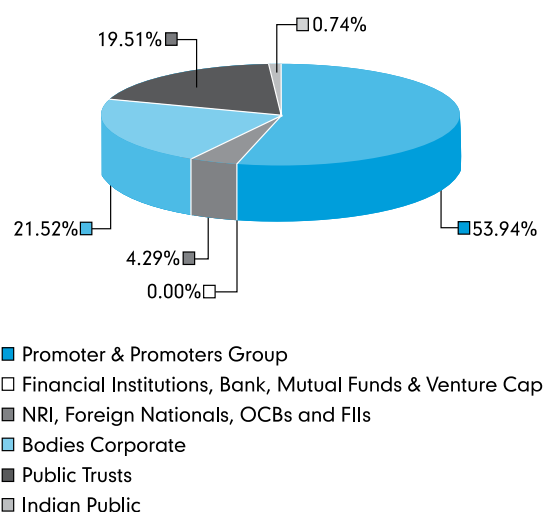
g) **Share Transfer System & RTA:**

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.

h) **Details of shareholding as on March 31, 2012:**

Sl. No.	Category	No. of Shares Held	Shareholding (%)
1	Promoter & Promoters Group	11289528	53.94
2	Financial Institutions, Banks and Venture Capital	Nil	Nil
3	NRI, Foreign Nationals, OCBs and FIIs	897182	4.29
4	Bodies Corporate	4504984	21.52
5	Trusts	4084064	19.51
6	Indian Public	155406	0.74
	Total	20931164	100.00

Categories of Share holders as on 31.03.2012



i) **Details of Shareholding as on March 31, 2012**

Shareholding (Range)	No. of shares of ₹ 10/- each	% of Shares	No. of Members	% of Members
Up to 5000	7608	0.04	118	54.88
5001 - 1000	15350	0.07	21	9.77
10001- 2000	52998	0.25	38	17.67
20001- 3000	11900	0.06	5	2.33
30001- 4000	27300	0.13	6	3.72
40001- 5000	4550	0.02	1	0.47
50001- 10000	29400	0.14	4	1.86
100001 & above	20782058	99.29	20	9.30
Total	20931164	100.00	217	100.00

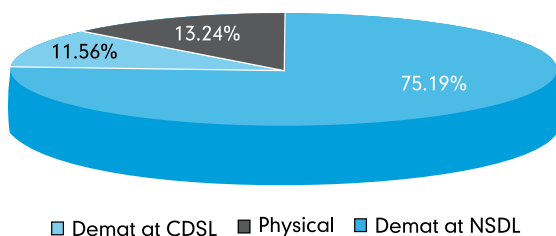
j) Dematerialization of Shares and Liquidity:

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, 2012, the number of shares held in dematerialized and physical mode is as under:

Category	No. of Shares	% of total capital issued
Held in dematerialized form in NSDL	1,57,39,026	75.19
Held in dematerialized form in CDSL	24,20,432	11.56
Physical	27,71,706	13.24
Total	2,09,31,164	100.00

Shares held in Demat/Physical form as on 21.03.2012



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

During the year under review, the Company has raised ₹45 Crores (Rupees Forty Five Crores) by issue and allotment of 5,62,500 (Five Lacs Sixty Two Thousand Five Hundred) Equity Shares of ₹10/- per share for cash at a premium of ₹790/- per share on preferential basis.

Further, the Company has issued and allotted 2,67,092 equity shares of ₹10/- each for cash at a premium of ₹490/- each to "Minda Corporation Limited Employees Stock Option Scheme Trust".

The Company has also raised a sum of ₹520 Lacs (Rupees Five Hundred Twenty Lacs) by issue and allotment of 65,000-0.001% Cumulative Redeemable Preference Shares during the year.

During the year under review, your Company has also issued and allotted 1,04,65,582 Bonus Equity

Shares (One Crore Four Lacs Sixty Five Thousand Five Hundred Eighty Two) Bonus Equity Shares in the ratio of 1:1 through capitalization of Securities Premium Account to the shareholders of the Company. These shares have also been listed on Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

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.

l) Location of Plants:

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

m) Address for Investor Correspondence:

- With the Company: Mr. Ajay Sancheti
Company Secretary & Compliance Officer
Minda Corporation Limited
D-6-11, Sector-59, Noida,
U.P. - 201 301
Ph.: 0120-4787108
E-Mail: asancheti@minda.co.in
- With the R & T Agent: Skyline Financial Services
Private Limited
D-153/A, 1st Floor, Okhla
Industrial Area, Phase - I
New Delhi - 110 020

n) **Compliance:**

- i. The Company has obtained compliance certificate from the M/s. Sanjay Grover & Associates, Practicing Company Secretaries regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The Company has submitted the quarterly compliance report to the stock exchanges within the prescribed time limit. 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 Private Limited 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.

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

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

Pursuant to clause 49 I(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 the said Code of Conduct.

Place: New Delhi
Date: May 30, 2012

Sd/-
Ashok Minda
Chairman & Group CEO
DIN No. 00054727

CEO AND CFO CERTIFICATION

We, Jeevan Mahaldar, Executive Director & CEO 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, 2012;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made in light of the circumstances under which such statements were made not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of and for the periods presented in this report and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries is made known to us by others within those entities particularly during the period in which this report is being prepared;

- b) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Company's disclosure, controls and procedures;
 - d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors (and persons performing the equivalent functions):
- a) All deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
 - b) Significant changes in internal controls during the year covered by this report;
 - c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
 - d) Instances of significant fraud of which we are aware, that involve management or other employees who have a significant role in the Company's internal control system.
7. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors, as decided by the audit committee;
8. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
9. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the current year.

Place: New Delhi
Date: May 30, 2012

Sd/-
Jeevan Mahaldar
Executive Director & CEO
DIN No. 00137467

Sd/-
Vivek Bhatia
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Minda Corporation Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Minda Corporation Limited for the year ended March 31, 2012 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 review has been limited to review of the 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 and the representations made by the Directors and Management, 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 Sanjay Grover & Associates
Company Secretaries

Place: New Delhi
Date: May 23, 2012

Sd/-
Sanjay Grover
CP No. 3850

Auditors' Report

To the Members of Minda Corporation Limited

1. We have audited the attached Balance Sheet of Minda Corporation Limited ('the Company') as at 31 March 2012 and also the Statement of Profit and Loss and the Cash Flow Statement (collectively referred to as 'financial statements') of the Company for the year ended on that date, annexed thereto. 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.
2. 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.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) by the Companies (Auditor's Report) (Amendment) Order, 2004 ('Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 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 law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable;
 - (v) on the basis of written representations received from the directors as on 31 March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act, 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 31 March 2012;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **B S R & Co.**
Chartered Accountants
Firm registration no. : 101248W

Place : Gurgaon
Date : 30 May, 2012

Kaushal Kishore
Partner
Membership no. : 090075

Annexure referred to in paragraph '3' of the auditors' report to the members of Minda Corporation Limited on the financial statements for the year ended 31 March 2012

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of fixed assets by which all fixed assets are verified over a period of three years, and in accordance therewith, a portion of fixed assets has been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no material discrepancies were noticed on such verification.
 - (c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
 2. (a) The inventories, except goods in transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories 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, *except that the Company faced certain issues in implementation of an ERP software during the year. As a result, the Company does not have certain information for the year, including quantitative and value reconciliations of raw material and finished goods.* According to the information and explanations given to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.
 3. (a) According to the information and explanations given to us, the Company during the year, has given unsecured loans aggregating ₹ 3,140.00 lacs, to a company covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act'). The maximum amount outstanding during the year (including interest thereon) was ₹ 3,176.01 lacs and the year end balance was ₹ 2,762.46 lacs.
 - (b) According to the information and explanations given to us, including that the loan has been given by the Company to its wholly owned subsidiary i.e. is supplementary to the Company's business, we are of the opinion that the rate of interest and other terms and conditions of the loan, are prima facie, not prejudicial to the interest of the Company.
 - (c) In our opinion and according to the information and explanations given to us, the receipt of principal amount of the loan including the interest thereon has been regular. Accordingly para 4 (iii) (d) of the Order is not applicable.
 - (e) According to the information and explanations given to us, during the year, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs (iii) (e) to (g) of the Order are not applicable.
 4. In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories are for the Company's specialised requirements and similarly certain sales are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the aforesaid internal control system during the year *except to the extent as stated in paragraph 2 (c) above.*
 5. (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) According to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in para (v) (a) above and exceeding the value of ₹ 5 lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market price at the relevant time except for certain transactions which are for the specialized requirements of the respective parties and for which suitable alternate sources are not available to obtain comparable quotations. However, on the basis of information and explanations provided, the same appear to be reasonable.
 6. The Company has not accepted any deposits from the public during the year.
 7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 8. We have broadly reviewed the books of account maintained by the Company (in respect of products covered) pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
 9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund.
- According to the information and explanations

given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues were in arrears as at 31 March 2012 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no disputed dues of customs duty, wealth tax and service tax, which have not been deposited with the appropriate authorities. The following dues of Income-tax, Sales tax, Excise duty and Cess have not been deposited by the Company on account of disputes.

Nature of the statute	Nature of Dues	Amount of demand * (` Lacs)	Amount paid under protest (` Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales tax	14.67	10.14	1994 - 2006	High Court
		62.21	15.64	2007 - 2012	Appellate authority upto Commissioners' level
Income-tax Act, 1961	Income-tax	61.93	28.85	2003 - 2009	Income-tax Appellate Tribunal
		30.66	-	2003 - 2010	Appellate authority upto Commissioners' level
Central Excise Act, 1944	Excise duty	130.39	43.46	2006 - 2007	Customs, Excise and Service Tax Appellate Tribunal

The following matters have been decided in favour of the Company but the department has preferred appeals at higher levels:

Nature of the statute	Nature of Dues	Amount of demand * (` Lacs)	Amount paid under protest (` Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales tax	10.67	6.14	1994 - 1999	High Court
Income-tax Act, 1961	Income-tax	28.80	10.88	2001 - 2005	High Court
		23.27	6.14	2005 - 2008	Income-tax Appellate Tribunal

* Amount as per demand orders including interest and penalty wherever indicated in the Order.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions during the year, *except for delays of 1 day to 17 days in respect of repayment of 11 tranches of bank loans ranging from `25 lacs to `83 lacs. As informed to us, these delays are due to management overseights of timely payments and not due to unavailability of fund.*
The Company did not have any outstanding debentures during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. The Company has given guarantees for loans taken by others from banks. According to the information and explanations given to us and in our opinion, the terms and conditions of the guarantees are not prejudicial to the Company.
16. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
18. According to the information and explanations given to us, the Company has made preferential allotment of shares to a company covered in the register maintained under Section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co.
Chartered Accountants
Firm registration no. : 101248W

Place : Gurgaon
Date : 30 May, 2012

Kaushal Kishore
Partner
Membership no. : 090075

Balance Sheet as at 31 March 2012

(Amount in `)

	Note	As at 31 March 2012	As at 31 March 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	395,969,800	236,359,900
Reserves and surplus	2.2	2,279,565,251	1,606,009,170
		2,675,535,051	1,842,369,070
Non-current liabilities			
Long-term borrowings	2.3	105,253,920	158,850,454
Deferred tax liabilities (Net)	2.4	51,302,438	45,993,000
Other long term liabilities	2.5	38,544,997	39,190,953
Long-term provisions	2.6	65,885,270	41,976,440
		260,986,625	286,010,847
Current liabilities			
Short-term borrowings	2.7	837,898,215	300,046,060
Trade payables	2.8	902,354,896	742,445,634
Other current liabilities	2.9	231,403,516	252,858,582
Short-term provisions	2.10	87,558,744	57,419,940
		2,059,215,371	1,352,770,216
		4,995,737,047	3,481,150,133
ASSETS			
Non-current assets			
Fixed assets			
-Tangible assets	2.11	949,071,299	879,292,928
-Intangible assets		85,613,055	44,071,182
-Capital work-in-progress		97,414,497	81,418,154
-Intangible assets under development		-	6,813,407
Non-current investments	2.12	742,556,017	599,040,817
Long-term loans and advances	2.13	182,584,854	50,681,493
Other non current assets	2.14	4,240,000	-
		2,061,479,722	1,661,317,981
Current assets			
Current investments	2.15	144,564,130	-
Inventories	2.16	497,557,093	321,351,641
Trade receivables	2.17	1,060,264,327	860,423,914
Cash and bank balances	2.18	758,207,534	458,756,221
Short-term loans and advances	2.13	464,770,649	177,789,518
Other current assets	2.19	8,893,592	1,510,858
		2,934,257,325	1,819,832,152
		4,995,737,047	3,481,150,133
Significant accounting policies and notes to the financial statements	1 to 2.36		

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

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Statement of Profit and Loss for the year ended 31 March 2012

(Amount in `)

Particulars	Note	For the year ended 31 March 2012	For the year ended 31 March 2011
Revenue from operations (gross)	2.20	5,879,601,630	5,129,601,710
Less: Excise duty		282,143,185	287,972,860
Revenue from operations (net)		5,597,458,445	4,841,628,850
Other income	2.21	80,874,727	39,642,656
Total revenue		5,678,333,172	4,881,271,506
Expenses			
Cost of materials consumed	2.22	3,622,141,201	3,018,338,121
Changes in inventories of finished goods and work-in-progress	2.23	(101,984,066)	(7,761,003)
Employee benefits expense	2.24	646,828,691	489,430,050
Finance costs	2.25	129,865,738	130,082,036
Depreciation and amortisation expense	2.11	143,460,291	119,252,913
Other expenses	2.26	821,677,844	687,375,198
Total expenses		5,261,989,699	4,436,717,315
Profit before tax		416,343,473	444,554,191
Tax expense			
Current tax [Minimum alternate tax (MAT)]		81,453,903	90,000,000
Less : MAT credit entitlement (refer to to note 2.13)		(72,069,815)	-
Net current tax		9,384,088	90,000,000
Deferred tax charge	2.4	5,309,438	12,664,000
Profit for the year		401,649,947	341,890,191
Earnings per equity share (Basic and diluted)	2.2.2	20.02	18.14
Significant accounting policies and notes to the financial statements	1 to 2.36		

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

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Statement of cash flow for the year ended 31 March 2012

(Amount in `)

	For the year ended 31 March 2012	For the year ended 31 March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation and after prior period item	416,343,473	444,554,191
Adjustments for:		
Depreciation and amortisation expense	143,460,291	119,252,913
Provision for doubtful debts/advances	1,127,004	4,812,911
Interest expense	117,988,993	105,424,705
Loss/(profit) on sale/discard of fixed assets	1,346,268	(34,108,687)
Bad debts	210,028	19,857
Unrealised foreign exchange differences	2,051,153	-
Exchange difference to the extent considered as an adjustment to borrowing cost	5,707,825	-
Interest income	(61,074,462)	(3,392,620)
Liabilities/provision no longer required written back	(5,722,144)	-
Dividend income	(9,914,505)	-
Operating profit before changes in assets and liabilities	611,523,924	636,563,270
Adjustments for:		
Increase in trade receivables	(198,493,547)	(374,862,623)
Increase in inventories	(176,205,452)	(91,362,208)
(Increase)/decrease in loans and advances	(319,221,558)	2,116,051
Increase in other assets	(4,240,000)	-
Decrease in other liabilities	(22,101,021)	(58,747,131)
Increase in trade payables	160,896,355	212,611,301
Increase in provisions	14,661,971	8,310,576
Cash generated from operations	66,820,672	334,629,236
Income tax paid	(109,047,022)	(81,811,921)
Net cash (used in)/ generated from operating activities (A)	(42,226,350)	252,817,315
Cash flows from investing activities		
Purchase of fixed assets	(277,369,005)	(175,875,189)
Sale of fixed assets	15,059,265	37,393,250
Purchase of current/non current investments	(288,079,330)	(177,847,516)
Dividend received	9,914,505	-
Maturity of Investment/investment made in bank deposits (held for initial maturity of more than 3 months) (net)	99,064,082	(421,653,647)
Interest received	53,691,729	2,610,574
Net cash used in investing activities (B)	(387,718,754)	(735,372,528)

Statement of cash flow for the year ended 31 March 2012

(Amount in `)

	For the year ended 31 March 2012	For the year ended 31 March 2011
Cash flows from financing activities		
Proceeds from issuance of share capital	501,500,000	938,765,000
Payment of dividend (including dividend distribution tax)	(33,598,306)	(25,175,811)
Repayment of term loan	(40,781,619)	(173,182,336)
Movement in working capital loan	487,003,040	(102,411,298)
Repayment of sales tax deferment loan	(12,785,900)	(14,309,704)
Proceeds from Short term loans (Purchase order financing)	50,849,118	145,506,008
Repayment of Short term loans (Purchase order financing)	-	(186,511,315)
Repayment of vehicle loan	(29,015)	(1,149,705)
Interest paid	(123,696,818)	(105,424,705)
Net cash from financing activities (C)	828,460,500	476,106,134
Net increase in cash and cash equivalents (A + B + C)	398,515,395	(6,449,079)
Cash and cash equivalents at the beginning of the year	37,102,574	43,551,653
Cash and cash equivalents at the end of the year	435,617,969	37,102,574
Significant accounting policies and note to accounts	1 to 2.36	

- The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', notified by the Companies (Accounting Standards) Rules, 2006.
- Cash and cash equivalents consists of cash in hand and balances with scheduled banks. Refer note 2.18

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

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Notes to financial statements for the year ended 31 March 2012

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of accounting

These financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India, to the extent applicable and as adopted consistently by the Company.

In preparation and presentation of these financial statements, the Company has adopted the Revised Schedule VI to the Companies Act, 1956. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle which has been estimated not to exceed one year in all cases and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Previous year's figures have been regrouped / reclassified to conform to the classification of assets and liabilities as at 31 March 2012.

1.2 Use of estimates

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

1.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criterion must also be met before revenue is recognized:

Sale of goods and services

Sales include sale of manufactured goods, tools, moulds and dies. Revenue from sale of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Sale of goods is inclusive of excise duty and is net of sales tax, value added tax, applicable discounts and allowances and sales returns.

Export benefits

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

Other operating income

Service income including job work income is recognized as per the terms of contracts with customers when the related services are rendered. Income from royalty, technical know-how arrangements is recognized on an accrual basis in accordance with the terms of the relevant agreement.

Dividend and interest income

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on the time proportion method.

1.4 Fixed assets

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advance paid towards the acquisition of fixed assets are shown under non current asset and the cost of assets not ready to put to use before the year end, are disclosed under capital work in progress.

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

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

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

1.5 Depreciation and amortization

Depreciation is provided on fixed assets on the straight-line method. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates and in the opinion of the management, are reflective of the estimated useful lives of the fixed assets. If the management's estimate of

the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Pursuant to this policy, depreciation has been provided at the following rates which are higher or equal to the corresponding rates prescribed in schedule XIV:

Category of Fixed Assets	Rates of depreciation (in percentage)
Building	4.75
Plant and equipment:	
Tools, moulds and dies	19.00
Electrical installation	9.50
Others	9.50
Computer hardware	16.95
Office equipment	19.00
Furniture and fixtures	19.00
Vehicles	19.00

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

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

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

Individual assets costing of `5,000/- or less are fully depreciated in the year of acquisition.

Intangible assets comprise of computer software and technical knowhow acquired for internal use and are stated at cost less accumulated amortization and accumulated impairment loss, if any.

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

1.6 Inventories

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

Raw materials, components and stores and spares : Cost is determined on weighted average basis.

Finished goods : Material cost plus appropriate share of labour and production overheads. Cost of finished goods includes excise duty.

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

Tools, moulds and dies : Material cost plus appropriate share of the labour and production overheads, depending upon the stage of completion and includes excise duty, wherever applicable.

In the current year, the Company implemented SAP wef 1 April 2011, which necessitated a change in its method of valuation of inventory from first-in-first-out method to weighted average method. As per Accounting Standard 2 "Valuation of Inventories", the cost of inventories should be assigned by using the first-in, first-out (FIFO) or weighted average cost formula. In view of the management, the impact of this change is not practically ascertainable due to considerable number of items involved.

1.7 Impairment of assets

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

1.8 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss.

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

In the case of forward contracts:

- a) The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the contract.
- b) The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the contract and the last reporting date. Such exchange differences are recognized in the statement of profit and loss in the reporting period in which the exchange rates change.
- c) Any profit or loss arising on the cancellation or renewal of forward contracts is recognized in the statement of profit and loss.

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

1.9 Research and development

Revenue expenditure on research is expensed off under the respective heads of account in the year in which it is incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Company's policy as stated above. Expenditure incurred at development phase, where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Company, is considered as an intangible asset and amortized over the estimated life of the assets.

1.10 Government grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply all the conditions attached with them; and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholder's funds.

1.11 Employee benefits

Short term employee benefits

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

Defined contribution plan

Provident fund: Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions.

Defined benefit plan

Gratuity: The Company provides for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities related to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date.

Other long term employee benefit

Compensated absence: Un-availed leaves for the year are accumulated and allowed to be carried over to the next year and within service period of the employees in accordance with the service rules of the Company. Provision for compensated absence is made by the Company based on the amount payable as per the above service, based on actuarial valuation as at the balance sheet date.

Actuarial valuation: The liability in respect of all defined benefit plans and other long term employee benefit is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary primarily using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance

sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

1.12 Accounting for warranty

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

1.13 Leases

Where the Company is lessee

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

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

Where the Company is lessor

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

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

1.14 Investments

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made are classified as long-term investments. All long-term investments are classified as non-current investments in the balance sheet restate (as per revised schedule VI). Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares, unquoted shares, government securities and non-government securities/bonds. The diminution in current investments is charged to statement of profit and loss and appreciation, if any, is recognized at the same time of sale. Long-term investments, including investments in subsidiaries, are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value decline and the financial health of and specific prospects of the issuer.

1.15 Income taxes

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

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note on Accounting for Credit Available under Minimum Alternative Tax, issued by the ICAI, the said asset is created by way of a credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the same at each

Balance Sheet date and writes down the carrying amount of MAT, if required.

1.16 Earnings per share

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

1.17 Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

1.18 Cash and cash equivalents

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

2.1 SHARE CAPITAL

2.1.1 Authorised

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
25,000,000 (previous year 15,000,000) equity shares of `10/- each	250,000,000	150,000,000
240,000 (previous year 175,000) 0.001% cumulative redeemable preference shares of `800/- each	192,000,000	140,000,000
	<u>442,000,000</u>	<u>290,000,000</u>

2.1.2 Issued, subscribed and fully paid- up shares

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
a) Equity shares of `10/- each		
20,931,164 (previous year 9,635,990) shares	209,311,640	96,359,900
Less: 534,184 (previous year Nil) shares issued to Minda Corporation Limited Employees' Stock Option Scheme Trust but not allotted to employees (refer to to note 2.1.7)	5,341,840 203,969,800	- 96,359,900
b) 0.001% cumulative redeemable preference shares of `800/- each		
240,000 (previous year 175,000) shares	192,000,000	140,000,000
	<u>395,969,800</u>	<u>236,359,900</u>

2.1.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

a) Equity shares of `10/- each fully paid up

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount (`)	Number of shares	Amount (`)
Balance as at the beginning of the year	9,635,990	96,359,900	8,635,990	86,359,900
Add: Shares issued during the year	11,295,174	112,951,740	1,000,000	10,000,000
Less: Share issued to Minda Corporation Limited Employees' Stock Option Scheme Trust but not allotted to employees	(534,184)	(5,341,840)	-	-
Balance as at the end of the year	<u>20,396,980</u>	<u>203,969,800</u>	<u>9,635,990</u>	<u>96,359,900</u>

b) 0.001% cumulative redeemable preference shares of `800/- each fully paid up

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount (`)	Number of shares	Amount (`)
Balance as at the beginning of the year	175,000	140,000,000	-	-
Add: Shares issued during the year	65,000	52,000,000	175,000	140,000,000
Balance as at the end of the year	<u>240,000</u>	<u>192,000,000</u>	<u>175,000</u>	<u>140,000,000</u>

2.1.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of `10/- each fully paid up

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

Further, certain investors ("Investors") have "Anti dilution rights" i.e. right to further subscription and price protection, ensuring that, in the event of finalisation of the terms of sale of additional shares, the Company shall (as per the procedure set out in the Articles) offer the additional shares on the finalized terms and conditions to the investors and in the event that the Company issues any additional equity shares at a price less than the Investor acquisition cost or have or permit an FPO, at such lower price, then either the Company or promoters shall transfer such number of equity shares (as per the procedures set out in the Articles) at either no additional consideration or at the lowest possible consideration permitted under applicable law that shall be necessary to ensure that in a revised investor acquisition cost per Investor that shall be equal or lower than the price at which the additional shares are proposed to be issued. Such investors also have "pre-emptive rights" wherein any member of the promoter group shall, before selling, transferring or otherwise disposing of any of its shares to a bona fide independent third party purchaser, first give notice to the Investors and each investor shall have the right (but not the obligation) to serve on the transferor a pre-emption notice requiring the transferor to transfer to the purchaser (as per the procedures set out in the articles), or to any person nominated by the purchaser, some or all of the sale shares at the sale price.

Each such investor shall also have the Tag-along right (subject to the other provisions of Articles and such rights as mentioned above) but not the obligation to require the transferor to cause the transferee in a transfer of equity shares to purchase from such investor, for the same consideration per equity share and upon the same terms and conditions as are to be paid and given to the transferor.

562,500 and 267,092 equity shares allotted on preferential basis to the investors and Minda Corporation Limited Employees Stock Option Scheme Trust (MCL ESOS Trust) on 3 November 2011 and 1 November 2011 respectively are locked in for a period of one year from the date of allotment.

b) 0.001% cumulative redeemable preference shares of ` 800/- each fully paid up

The Company has 240,000 cumulative redeemable preference shares of ` 800/- each. The shares carry right of fixed preferential dividend at a rate of 0.001%. The holders of these share do not have the right to vote and are compulsorily redeemable at par on or before the expiry of 20 years from the date of allotment. The dividend on the shares shall be cumulated and any unpaid dividend shall be added to the amount payable as dividend in the following year and no dividend can be paid on equity shares until the entire backlog of unpaid dividends on these shares is cleared. In the event of liquidation, these share holders are entitled to get their capital after satisfaction of dues for secured creditors, but they get preference over equity share capital.

2.1.5 Details of shareholders holding more than 5% shares as at year end

a) Equity shares of ` 10/- each fully paid up

Name of shareholders	As at 31 March 2012		As at 31 March 2011	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	19.36%	4,052,872	21.03%	2,026,436
(ii) Sarika Minda	15.95%	3,339,490	17.33%	1,669,745
(iii) Ashok Minda HUF	9.59%	2,006,690	10.41%	1,003,345
(iv) Bhagwat Sewa Trust	5.18%	1,085,070	5.63%	542,535
(v) Kotak Mahindra Trusteeship Services Limited A/c- Kotak Indian Growth Fund II	11.78%	2,464,810	8.19%	788,739
		12,948,932		6,030,800

b) 0.001% cumulative redeemable preference shares of ` 800/- each fully paid up

Name of shareholders	As at 31 March 2012		As at 31 March 2011	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	15.63%	37,500	21.43%	37,500
(ii) Sarika Minda	10.42%	25,000	14.29%	25,000
(iii) Minda Capital Limited	73.95%	177,500	64.28%	112,500
		240,000		175,000

2.1.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding 31 March 2012)

Particulars	Year (aggregate no. of shares)					
	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Issue of fully paid up equity shares of ₹ 10/- each by way of bonus issue	17,570,522	7,104,940	7,104,940	7,104,940	7,104,940	936,375

2.1.7 Issue of shares to Minda Corporation Limited Employees' Stock Option Scheme

Pursuant to the Board of Director's approval in Board meeting held on 29 September 2011, the Company has constituted a trust under the name "Minda Corporation Limited Employee Stock Option Scheme Trust" (MCL ESOS Trust), with the objective of acquiring and holding of shares, warrants or other securities of the Company for the purpose of implementing the Company's ESOP Scheme. The Company has contributed a sum of ₹ 1,00,000/- towards initial trust fund and later on advanced a sum of ₹ 133,546,000/- to fund the purchase of Company's equity shares by MCL ESOS trust. Later in the year, the Company had issued and allotted, 267,092 equity shares of the face value ₹ 10/- each at the premium of ₹ 490/- per equity share to the MCL ESOS Trust, as approved in the Extra ordinary general meeting dated 24 October 2011. Further, the Company has issued bonus shares in proportion of one equity share for one share held on 29 March 2012, as decided in Extra ordinary general meeting held on 16 March 2012. In accordance with the guidance note on "Accounting for Employee Share-based Payments" issued by the ICAI, the Company has reduced the amount of share capital consideration (including share premium) received from MCL ESOS trust for presentation purposes, with a corresponding reduction in advance to MCL ESOS trust.

2.2 RESERVES AND SURPLUS

Particulars	(Amount in ₹)	
	As at 31 March 2012	As at 31 March 2011
Capital reserve		
Opening balance	-	-
Add: Amount received during the year*	3,000,000	-
Closing balance	3,000,000	-
Securities premium account		
Opening balance	854,031,350	65,266,350
Add: Premium on issue of shares	575,250,080	790,000,000
Less: Premium on shares issued to MCL ESOS trust	130,875,080	-
Less: Amount utilised towards issue of fully paid up bonus shares to others	104,655,820	-
Amount utilised towards issue of fully paid up bonus shares to MCL ESOS trust	(2,670,920)	-
Less: Amount utilised towards expenses for increase in authorised share capital	500,000	1,235,000
Closing balance	1,195,921,450	854,031,350
General reserve		
Opening balance	110,500,000	91,000,000
Add: Amount transferred from surplus during the year	41,634,347	19,500,000
Closing balance	152,134,347	110,500,000
Surplus (Profit and loss balance)		
Opening balance	641,477,820	352,685,935
Add: Net profit for the year	401,649,947	341,890,191
	1,043,127,767	694,576,126
Less: Proposed dividend on		
- 0.001% cumulative redeemable preference shares at ₹ 0.008/- per share (previous year ₹ 0.008/- per share)	1,920	15
- equity shares at ₹ 3/- per share (previous year ₹ 3/- per share)	62,793,492	28,907,970
Less: Dividend distribution tax	10,188,554	4,690,321
Less: Amount transferred to general reserves during the year	41,634,347	19,500,000
Closing balance	928,509,454	641,477,820
	2,279,565,251	1,606,009,170

*During the year, the Company has rectified the accounting treatment of certain grants received by it in the previous years and has accordingly reclassified these amounts under capital subsidy from fixed assets. The resultant impact on depreciation aggregating to ₹ 385,271/- has also been reversed during the year.

2.2.1 Dividend remitted in foreign currencies

Particulars	Year ended 31 March 2012			Year ended 31 March 2011		
	Number of non- resident shareholders	Number of shares held	Dividend remitted	Number of non- resident shareholders	Number of shares held	Dividend remitted
Financial year 2009-10						
- Final Dividend	-	-	-	1	135,000	337,500
Financial year 2010-11						
- Final dividend	2	335,698	1,007,094	-	-	-

2.2.2 Earning per share

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Net profit attributable to equity shareholders		
Profit after tax	401,649,947	341,890,191
Less: Dividend payable to 0.001% cumulative redeemable preference shares	1,920	15
Less: Dividend distribution tax on above dividend	312	2
Balance	401,647,715	341,890,174
Number of weighted average equity shares		
Basic and diluted	20,065,644	18,845,388
Nominal value of equity share (`)	10	10
Earnings per share (`) (basic and diluted)*	20.02	18.14

* The previous year earnings per share have been adjusted for the bonus shares issued during the current year.

2.3 LONG TERM BORROWINGS

Particulars	Footnote	(Amount in `)			
		Long term maturities		Current maturities	
		As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
2.3.1 Secured					
Term loans					
from banks	[1]	85,158,839	143,292,706	108,975,028	160,287,860
Vehicle loans	[2]	-	-	-	29,015
Deferred payment liabilities					
from Pradeshiya Industrial & Investment Corporation of U.P. Limited	[3]	2,771,848	15,557,748	12,585,900	16,556,627
2.3.2 Unsecured					
Finance lease obligations					
for intangibles	[4]	6,666,788	-	16,743,972	-
for plant and machinery	[5]	10,656,445	-	1,979,387	-
		105,253,920	158,850,454	140,284,287	176,873,502
Less: Amount shown under other current liabilities (refer to to note 2.9)		-	-	140,284,287	176,873,502
		105,253,920	158,850,454	-	-

Footnotes:

No.	Lender	Terms of repayment	Loan outstanding as on 31 March 2012	Loan outstanding as on 31 March 2011	Details of security / guarantee
1	State Bank of India, Delhi	<ul style="list-style-type: none"> • Repayment terms: Quarterly installments • Date of maturity : 1 October, 2012 • Number of instalments : Total instalments: 16, Balance instalments: 3 • Amount of instalment: ` 7,400,000/- in 2 instalments, and ` 6,000,000/- in the last instalment • Rate of interest : 1.75% per annum below State bank advance rate 	20,800,000	43,000,000	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 second pari passu charge on entire current assets of the Company, subject to prior change created / to be created on the specified movable assets in favour of bankers for securing working capital borrowings.
	State Bank of India, Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly basis • Date of maturity : 1 September, 2013 • Number of instalments : Total instalments: 16, Balance instalments: 6 • Amount of instalments : ` 6,400,000/- in 5 instalments and ` 5,900,000/- in the last instalment • Rate of interest : 1.50% p.a below State bank advance rate 	37,900,000	63,500,000	
	State Bank of India, Delhi	<ul style="list-style-type: none"> • Repayment terms: Quarterly installments • Date of maturity: 1 July 2011 • Number of instalments : Total instalments: 16, Balance instalments: 1 • Amount of instalment: ` 7,374,924/- • Rate of interest : 1.50% p.a. above State bank advance rate 	-	7,374,924	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 second pari passu charge on entire current assets of the Company, subject to prior change created / to be created on the specified movable assets in favour of bankers for securing working capital borrowings.
	State Bank of Patiala Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Date of maturity : 8 July, 2013 • Number of instalments : Total instalments: 12, Balance instalments: 6 • Amount of instalment: ` 8,300,000/- in 5 instalments, and ` 7,322,707/- in the 6th instalment • Rate of interest : 0.25% below BPLR 	48,822,707	74,586,781	
	Kotak Mahindra Bank Limited	<ul style="list-style-type: none"> • Repayment terms : Monthly instalments • Date of maturity : 30 September 2011 • Number of instalments : Total instalments: 27, Balance instalments: 6 • Amount of instalment: ` 3,500,000/- • Rate of interest : 11.75% p.a (fixed) 	-	21,000,000	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.

No.	Lender	Terms of redemption / repayment	Loan outstanding as on 31 March 2012	Loan outstanding as on 31 March 2011	Details of security / guarantee
	Axis Bank Limited Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Date of maturity : 10 December, 2012 • Number of instalments : (Total instalments : 15, Balance instalments: 3) • Amount of instalments : ` 938,000/- in 2 instalments and ` 792,016/- in last instalments • Rate of interest : 2.50% below BPLR 	2,668,016	6,462,523	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 second pari passu charge on entire current assets of the Company, subject to prior charge created/ to be created on the specified movable assets in favour of bankers for securing working capital borrowings.
	Axis Bank Limited Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Date of maturity : 14 July, 2011 • Number of instalments : Total instalments: 10, Balance instalments: 2 • Amount of instalments : ` 563,000/- and ` 568,294/- • Rate of interest : 2.50% below BPLR 	-	1,131,294	
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : 6 September 2014 • Number of instalments : Total instalments: 60, Balance instalment: 30 • Amount of instalments : ` 700,000/- in 6 instalments, ` 900,000/- in 12 instalments and ` 933,334/- in 12 instalments • Rate of interest : Base rate plus 3.00% p.a 	26,200,000	32,900,000	First and exclusive charge over plant and machineries installed at 2D/2, Ecotech III, Udyog Kendra, Greater Noida, Gat No.307, Nanekarwadi, Pune and 5/2, MIDC, Nanekarwari, Taluk Khed, Chakan, Pune, Maharashtra and also secured by a second pari passu charge by way of hypothecation of current assets of the Company both present and future. Further, corporate guarantee of ` 83,943,144/- is given by Minda S.M.Technocast Limited and Minda Capital Limited.
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 4 July, 2013 • Number of instalments : Total instalments: 60, Balance instalment: 16 • Amount of instalments : ` 225,000/- • Rate of interest : Base rate plus 2.50% p.a 	3,600,000	6,075,000	First and exclusive charge over plant and machineries installed at 2D/2, Ecotech III, Udyog Kendra, Greater Noida, Gat No.307, Nanekarwadi, Pune and E-5/2, MIDC, Nanekarwari, Taluk Khed, Chakan, Pune, Maharashtra and also secured by a second pari passu charge by way of hypothecation of current assets of the Company both present and future. Further, corporate guarantee of ` 83,943,144/- is given by Minda S.M.Technocast Limited and Minda Capital Limited.
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : 11 February 2015 • Number of instalments : Total instalments: 54, Balance instalment: 35 • Amount of instalments : ` 1,037,000/- in 34 instalments, last instalment ` 885,044/- • Rate of interest : Base rate plus 3.00% p.a 	36,143,044	47,550,044	
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 30 September 2016 • Number of instalments : Total instalments: 54, Balance instalment: 54 • Amount of instalments : ` 333,335/- • Rate of interest : Base rate plus 2.00% p.a 	18,000,100	-	

No.	Lender	Terms of redemption / repayment	Loan outstanding as on 31 March 2012	Loan outstanding as on 31 March 2011	Details of security / guarantee
2	ICICI Bank	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 5 June 2011 • Number of instalments : (Total instalments 48, Balance: 3) • Amount of instalments : ` 9,672/- • Rate of interest : 10.5% p.a. 	-	29,015	Secured by hypothecation of vehicles financed by the Company
3	PICUP Lucknow	<ul style="list-style-type: none"> • Repayment terms : Annual installments • Date of maturity : 31 May, 2013 • Number of instalments : Total instalments : 5, Balance instalments: 2 • Amount of instalments : ` 12,585,900/- and ` 2,771,848/- • Rate of interest : Not applicable • Other significant terms : Sales Tax Deferment Loan" 	15,357,748	32,114,375	Second pari passu charge on fixed assets of the Company (except land and building situated at Gurgaon and assets exclusively charged to other banks) both present and future.
4	Leasing IQ (India Private Limited)	<ul style="list-style-type: none"> • Repayment terms : Quarterly EMI • Date of maturity : 1 July, 2013 • Number of instalments : Total EMI : 12, Balance EMI: 6 • Amount of EMI : ` 4,862,363/- • Rate of interest : Not applicable 	23,410,760	-	Unsecured
5	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> • Repayment terms : Quarterly EMI • Date of maturity : 1 July, 2016 • Number of EMI : Total EMI : 20, Balance EMI: 18 • Amount of EMI : ` 948,240/- 	12,635,832	-	Unsecured

2.3.3 Finance Lease- As a lessee

The Company has taken an ERP software and certain plant and equipment under the finance lease arrangement. The lease term of these assets are 3 and 5 years respectively. The lease term is renewable for a further period of 3 and 5 years respectively, at the option of lessee.

(Amount in `)

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Finance Lease- for ERP software				
Not later than one year	19,449,451	-	16,743,972	-
Later than one year but not later than five years	9,724,725	-	6,666,788	-
Total minimum lease payments	29,174,176	-	23,410,760	-
Less: Finance charges	5,763,416	-	-	-
Present value of minimum lease payments	23,410,760	-	23,410,760	-
Disclosed under:				
Long term borrowings	-	-	6,666,788	-
Other current liabilities	-	-	16,743,972	-
	-	-	23,410,760	-
Finance Lease- for plant and equipment				
Not later than one year	3,792,960	-	1,979,387	-
Later than one year but not later than five years	13,275,360	-	10,656,445	-
Total minimum lease payments	17,068,320	-	12,635,832	-
Less: Finance charges	4,432,488	-	-	-
Present value of minimum lease payments	12,635,832	-	12,635,832	-
Disclosed under:				
Long term borrowings	-	-	10,656,445	-
Other current liabilities	-	-	1,979,387	-
	-	-	12,635,832	-

2.4 DEFERRED TAX (ASSETS)/LIABILITIES (Net)

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Deferred tax assets		
- Provision for employee benefits	15,056,137	10,293,430
- Provision for doubtful recoverables	2,357,395	3,612,340
- Expenses disallowable under section 43B	6,163,396	-
	23,576,928	13,905,770
Deferred tax liabilities		
- Excess of tax depreciation over book depreciation	72,475,228	59,898,770
- Excess of allowance for lease rentals under income tax law over depreciation and interest charged on the leased assets in the books	2,404,138	-
	74,879,366	59,898,770
Net deferred tax liabilities	51,302,438	45,993,000

2.5 OTHER LONG TERM LIABILITIES

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Others		
- Security deposits	37,569,420	37,569,420
- Retention money	975,577	1,621,533
	38,544,997	39,190,953

2.6 LONG TERM PROVISION

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Provision for employee benefits		
- Gratuity*	19,892,409	13,675,519
- Compensated absence*	21,451,978	13,916,933
Other provisions		
- Provision for taxation [net of advance tax ` 165,117,163/- (previous year ` 77,922,348/-)]	17,189,174	14,383,988
- Provision for warranties (refer to to note 2.6.1 below)	7,351,709	-
	65,885,270	41,976,440

*refer to note 2.6.2

2.6.1 Movement in warranty cost provision

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 history, the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
At the beginning of the year	17,618,899	12,683,423
Provided during the year	17,310,685	11,044,548
Utilised during the year	(18,063,818)	(6,109,072)
At the end of the year	16,865,766	17,618,899
Current portion	9,514,057	17,618,899
Non-current portion	7,351,709	-

2.6.2 Employee Benefits

a) Defined contribution plans

The Company's employee provident fund and Employee's state insurance schemes are defined contribution plans. The following amounts have been recognised as expense for the year and shown under Employee benefits expense in note 2.24.

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Contribution towards		
- Provident fund	28,010,833	21,456,898
- Employee state insurance	2,300,623	1,925,482
	30,311,456	23,382,380

b) Defined benefit plans-Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested period of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India by whom the plan assets are maintained.

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Changes in the present value of the defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	27,507,698	20,967,009
Interest cost	2,338,154	1,677,361
Current service cost	6,318,180	4,677,167
Past service cost	-	3,905,846
Benefits paid	(1,098,940)	-
Actuarial (gain)/loss on obligation	3,544,560	(3,719,685)
Present value of defined benefit obligation at the end of the year	38,609,652	27,507,698
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	14,456,229	12,415,285
Return on plan asset	1,283,713	1,101,857
Contributions	-	1,000,000
Benefits paid	-	-
Actuarial gain/ (loss) on obligation	(86,249)	(60,913)
Fair value of plan asset at the end of the year	15,653,693	14,456,229
Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:		
Present value of defined benefit obligation at the end of the year	38,609,652	27,507,698
Fair value of plan asset at the end of the year	15,653,693	14,456,229
Net asset / (liability) as at the close of the year	22,955,959	13,051,469
Expenses recognized in the statement of profit and loss account:		
Current service cost	6,318,180	4,677,167
Past service cost	-	3,905,846
Interest cost	2,338,154	1,677,361
Expected return on plan assets	(1,283,713)	(1,101,857)
Net actuarial (gain) / loss	3,630,809	(3,658,772)
Expenses recognized in the statement of profit and loss account	11,003,430	5,499,745
Experience Adjustment gain(loss):		
On defined benefit obligation	(3,448,288)	404,282
On plan assets	(74,684)	(60,913)
Actuarial assumptions:		
Discount rate	8.50%	8.00%
Expected Rate of return on plan assets	8.25% / 9%	8.75% / 9%
Expected salary increase rates	5.00%	5.00%
Mortality	LIC (1994-96)	LIC (1994-96)
Employee attrition rate		
- Up to 30 years of age	12.00%	5.00%
- From 31 years of age to 44 years of age	8.00%	5.00%
- Above 44 years of age	5.00%	3.00%

Enterprise best estimate of contribution during next year is ` 8,266,685/- (previous year ` 6,930,195/-)

Note:

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme and SBI life. The details of investments maintained by Life Insurance Corporation and SBI life are not available with the Company and have not been disclosed.

c) **Defined Benefit Plans-Compensated absence**

The Company operates compensated absences plan, where in every employee is entitled to the benefit as per the policy of the Company in this regard. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

An actuarial valuation of Compensated absence has been carried out by an independent actuary on the basis of the following assumptions.

Assumptions	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Discount rate	8.50%	8.00%
Expected salary increase rates	5%	5%
Mortality	LIC (1994-96)	LIC (1994-96)
Employee attrition rate		
- Up to 30 years of age	12.00%	5.00%
- From 31 years of age to 44 years of age	8.00%	5.00%
- Above 44 years of age	5.00%	3.00%

The defined benefit obligation of compensated absence in respect of employees of the Company as at 31 March 2012 amounts to ` 23,449,147/- (previous year ` 15,161,836/-) and the expense recognised in the statement of profit and loss during the year amounts to ` 21,284,730/- (previous year ` 6,304,713/-)

2.7 SHORT TERM BORROWINGS

Particulars	Footnote	(Amount in `)	
		As at 31 March 2012	As at 31 March 2011
2.7.1 Secured			
Cash credit and working capital demand loan from banks	[1]	637,898,215	150,895,175
2.7.2 Unsecured			
Purchase order financing facility from others parties	[2]	200,000,000	149,150,885
		837,898,215	300,046,060

Footnotes:

No.	Lender	Terms of Repayment	Loan outstanding as on 31 March 2012	Loan outstanding as on 31 March 2011	Details of security	
1	Kotak Mahindra Bank Limited	<ul style="list-style-type: none"> Repayment term: On demand Rate of interest: Linked to bank base rate applicable from time to time 	193,028,884	58,958,404	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)	
	Standard Chartered Bank		142,463,808	92,504,490		
	Karnataka Bank		63,953,113	(16,396,193)		
	HDFC Bank		56,296,108	-		Pledged against fixed deposits
	Karnataka Bank (ODFD)		46,110,222	-		Pledged against fixed deposits and also secured by hypothecation of inventories and book debts, both present and future.
	Karnataka Bank (ODFD)		136,046,080	-		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).
	Axis Bank		-	15,828,474		
2	Bajaj Finance Limited	<ul style="list-style-type: none"> Repayable within 45 days from the date of disbursement 	200,000,000	149,150,885	Unsecured	

2.8 TRADE PAYABLES

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Trade payables (including acceptances) (refer note 2.8.1 below for details of dues to micro and small enterprises included under trade payables)	902,354,896	742,445,634
	902,354,896	742,445,634

2.8.1 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Principal amount due to micro and small enterprises	115,717,550	-
Interest due on above	25,978	-
	115,743,528	-

2.9 OTHER CURRENT LIABILITIES

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Current maturities of: (refer to to note 2.3)		
- term loans	108,975,028	160,287,860
- vehicle loans	-	29,015
- deferred payment liabilities	12,585,900	16,556,627
- finance lease obligations	18,723,359	-
Interest accrued but not due on borrowings	2,178,618	821,917
Other payables		
- Statutory dues payable	20,436,281	32,561,156
- Advances from customers	20,589,200	17,393,581
- Salaries, wages and bonus payable	45,630,542	25,208,426
- Unamortised deferred premium on forward contracts	168,588	-
- Forward cover payable (net of receivable ` 28,406,000/-)	2,116,000	-
	231,403,516	252,858,582

2.10 SHORT TERM PROVISION

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Provision for employee benefits		
- Gratuity*	3,063,550	2,152,647
- Compensated absence*	1,997,169	1,244,903
Others		
- Provision for taxation [net of advance tax Nil (previous year ` 87,194,815/-)]	-	2,805,185
- Provision for warranties (refer to note 2.6.1)	9,514,057	17,618,899
- Proposed dividend	62,795,412	28,907,985
- Dividend distribution tax	10,188,556	4,690,321
	87,558,744	57,419,940

*refer to note 2.6.2

2.11 FIXED ASSETS

Particulars	Gross block				Accumulated depreciation			Net block		
	Balance as at 1 April 2011 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2012 (d) = (a+b-c)	Balance as at 1 April 2011 (e)	Depreciation / amortization for the year (f)	On disposals (g)	Balance as at 31 March 2012 (h) = (e+f-g)	Balance as at 31 March 2011 (i) = (d-h)	Balance as at 31 March 2011 (j) = (a-e)
Tangible assets										
Freehold land	6,962,617	-	-	6,962,617	-	-	-	7,204,700	6,962,617	6,962,617
Leasehold land	63,583,514	-	-	63,583,514	6,547,873	656,827	-	69,130,390	57,035,641	57,035,641
Buildings	265,941,376	-	-	265,941,376	81,551,057	12,611,496	-	353,103,929	184,390,319	184,390,319
Leasehold improvements	15,308,855	43,537,095	-	58,845,950	-	1,076,429	-	59,922,379	15,308,855	15,308,855
Plant and equipment	923,410,445	132,409,108	19,787,121	1,036,032,432	358,561,882	91,199,580	5,283,614	1,423,201,344	564,848,563	564,848,563
Furniture and fixtures	32,826,164	4,668,698	1,584,681	35,910,181	19,199,432	4,278,246	1,407,533	50,785,537	13,626,732	13,626,732
Vehicles	5,110,776	1,287,946	1,463,486	4,935,236	2,460,387	610,826	355,313	5,290,251	2,650,389	2,650,389
Office equipment	39,390,311	5,657,235	3,625,816	41,421,730	22,861,550	4,565,065	3,350,102	48,736,693	17,345,217	16,528,761
Computer hardware	38,324,618	5,719,687	3,012,586	41,031,719	20,383,567	5,290,750	2,671,592	43,750,927	17,941,051	17,941,051
Assets under finance lease										
Plant and equipment	-	14,010,645	-	14,010,645	-	817,288	-	15,827,933	13,193,357	-
Subtotal (A)	1,390,858,676	207,290,414	29,473,690	1,568,675,400	511,565,748	121,106,507	13,068,154	1,707,147,205	879,292,928	879,292,928
Previous year	1,159,740,600	240,683,131	9,565,055	1,390,858,676	408,983,678	108,862,562	6,280,492	1,799,784,366	750,756,922	750,756,922
Intangible assets										
Computer software	39,786,147	7,077,522	-	46,863,669	27,618,626	4,019,977	-	50,883,646	12,167,521	12,167,521
Technical knowhow	42,878,000	-	-	42,878,000	10,974,339	8,575,592	-	53,453,592	31,903,661	31,903,661
Patents	-	8,027,058	-	8,027,058	-	-	-	8,027,058	-	-
Assets under finance lease										
Software Installation	-	48,791,077	-	48,791,077	-	9,758,215	-	58,549,292	39,032,862	-
Subtotal (B)	82,664,147	63,895,657	-	146,559,804	38,592,965	22,353,784	-	184,903,076	85,613,055	44,071,182
Previous year	38,792,115	43,872,032	-	82,664,147	26,840,721	11,752,244	-	114,412,967	44,071,182	11,951,394
Grand total (A+B)	1,473,522,823	271,186,071	29,473,690	1,715,235,204	550,158,713	143,460,291	13,068,154	1,892,098,501	1,034,684,354	923,364,110
Previous year	1,198,532,715	284,555,163	9,565,055	1,473,522,823	435,824,399	120,614,806	6,280,492	1,915,247,176	762,708,316	762,708,316

2.11.1 Fixed assets under operating lease where, the Company is the lessor (already included in the above mentioned fixed assets*)

Particulars	Gross block	Accumulated depreciation / amortisation	Net Book Value
Buildings	9,789,371	3,164,023	6,625,348
Plant and equipment	949,572	609,295	340,277
	10,738,943	3,773,318	6,965,625

*Also refer note 2.21.1 for more details

Fixed assets schedule for the year 2010-11

Particulars	Gross block			Accumulated depreciation			Net block	
	Balance as at 1 April 2010	Additions	Disposals	Balance as at 1 April 2010	Depreciation / amortization for the year Charge for the year	On disposals	Balance as at 31 March 2010	Balance as at 31 March 2011
	(a)	(b)	(c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)
Tangible assets				(d) = (a+b-c)				(j) = (a-e)
Freehold land	6,962,617	-	-	6,962,617	-	-	-	6,962,617
Leasehold land	64,619,046	-	1,035,532	63,583,514	702,252	426,462	6,547,873	57,035,641
Buildings	272,082,116	-	6,140,740	265,941,376	13,411,022	4,482,807	81,551,057	184,390,319
Leasehold improvements	10,965,525	4,343,330	-	15,308,855	-	-	-	15,308,855
Plant and equipment	711,251,532	213,797,766	1,638,853	923,410,445	79,964,316	989,519	358,561,882	564,848,563
Furniture and fixtures	25,173,500	7,652,664	-	32,826,164	3,826,812	-	19,199,432	13,626,732
Vehicles	4,654,711	1,196,245	740,180	5,110,776	1,982,979	380,780	2,460,387	2,650,389
Office equipment	35,465,700	3,934,361	9,750	39,390,311	4,557,910	924	22,861,550	16,528,761
Computer hardware	28,565,853	9,758,765	-	38,324,618	5,542,062	-	20,383,567	17,941,051
Subtotal (A)	1,159,740,600	240,683,131	9,565,055	1,390,858,676	108,862,562	6,280,492	511,565,748	879,292,928
Intangible assets								
Computer software	31,505,696	8,280,451	-	39,786,147	3,176,644	-	27,618,626	12,167,521
Technical Knowhow	7,286,419	35,591,581	-	42,878,000	8,575,600	-	10,974,339	31,903,661
Subtotal (B)	38,792,115	43,872,032	-	82,664,147	11,752,244	-	38,592,965	44,071,182
Grand total (A + B)	1,198,532,715	284,555,163	9,565,055	1,473,522,823	120,614,806	6,280,492	550,158,713	923,364,110

2.11.2 Fixed assets under operating lease where, the Company is the lessor (already included in the above mentioned fixed assets)

Particulars	Net Book Value		
	Gross block	Accumulated depreciation / amortisation	Net Book Value
Buildings	9,789,371	2,699,028	7,090,343
Plant and equipment	949,572	519,086	430,486
	10,738,943	3,218,114	7,520,829

2.11.3 Borrowing costs

The borrowing cost capitalised during the year are ` 1,105,086/- (previous year ` 1,800,000/-)

2.12 NON CURRENT INVESTMENTS

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Trade investments- Unquoted and long term, at cost		
Investment in subsidiaries		
- 3,077,108 (previous year 2,557,108) equity shares of `100/- each fully paid up in Minda SAI Limited	154,904,820	102,904,820
- 3,000 (previous year 3,000) equity shares of Euro 100 each fully paid up in Minda Europe B.V., Netherlands	16,948,800	16,948,800
- 138,320 (previous year Nil) equity shares of `10/- each fully paid up in Minda Management Services Limited	1,383,200	-
- Investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany, Euro 9,097,001 (previous year Euro 7,697,001)	531,945,921	441,813,921
Investment in associates		
- 140,150 (previous year 140,150) Equity shares of `10/- each fully paid up in Minda Automotive Solutions Limited (formerly known as Minda Auto Care Limited)	37,373,276	37,373,276
	742,556,017	599,040,817

Aggregate amount of unquoted investments

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Aggregate amount of unquoted investments	742,556,017	599,040,817

2.13 LOANS AND ADVANCES

Particulars	(Amount in `)			
	Long term		Short term	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Unsecured, considered good unless otherwise stated				
Capital advances	45,536,859	5,473,540	-	-
Security deposits	35,186,534	31,397,461	-	-
Loans and advances to related parties (refer to to note 2.13.1)	-	-	268,300,000	-
Other loans and advances				
- Advances to employees (refer to to note 2.13.2)	5,153,398	3,937,520	9,236,426	9,578,900
- Balances with excise, customs and sales tax authorities	-	-	59,155,947	43,680,290
- Prepaid expenses	-	-	6,290,631	11,179,925
- Advances to suppliers	-	-	77,772,883	79,915,571
- Rebate claim receivable	-	-	18,955,170	17,540,590
- Export benefit receivable	-	-	12,231,749	15,894,242
- Minimum alternate tax credit entitlement	59,241,972	-	12,827,843	-
- Income tax [net of provision `114,648,956/- (previous year `33,195,053/-)]	37,466,091	9,872,973	-	-
- Advances to MCL ESOS trust for purchase of share	133,546,000	-	-	-
Less: Amount utilised by trust for purchase of shares	133,546,000	-	-	-
	182,584,854	50,681,494	464,770,649	177,789,518

2.13.1 Details of loan and advances given to related parties

(Amount in `)

Name of party	Nature of relationship	Nature of loan / advance	As at 31 March 2012	As at 31 March 2011
Minda SAI Limited	Subsidiary	Unsecured short term loan	268,300,000	-
			268,300,000	-

2.13.2 Loans and advances due by officers of the company

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Dues from other officers of the Company (either severally or jointly)	340,769	494,019
	340,769	494,019

2.14 OTHER NON-CURRENT ASSETS

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Balances with banks		
- Deposits with original maturity of more than 12 months	4,240,000	-
	4,240,000	-

2.15 CURRENT INVESTMENTS

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Investments in mutual funds (Unquoted, Non trade)		
1,445,208 units (previous year Nil) of Birla Sun Life Cash Manager Fund	144,564,130	-
	144,564,130	-

2.15.1 Aggregate of amount of unquoted investments

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Aggregate amount of unquoted investments	144,564,130	-

2.16 INVENTORIES

(Amount in `)

Particulars	As at 31 March 2011		As at 31 March 2011	
Raw materials (including packing materials)	275,222,904		221,769,042	
Add: Materials-in-transit	30,107,460	305,330,364	16,816,079	238,585,121
Work-in-progress		98,954,126		42,856,849
Finished goods	40,132,565		34,813,934	
Add: Goods-in-transit	41,563,122	81,695,687	-	34,813,934
Stores and spares		11,576,916		5,095,737
		497,557,093		321,351,641

2.17 TRADE RECEIVABLES

(Amount in `)		
Particulars	As at 31 March 2011	As at 31 March 2011
Trade receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	5,799,164	1,101,380
Unsecured, considered doubtful	5,975,862	7,788,815
Provision for doubtful receivables	(5,975,862)	(7,788,815)
	5,799,164	1,101,380
Other trade receivables		
Unsecured, considered good	1,054,465,163	859,322,534
Unsecured, considered doubtful	1,289,957	3,085,051
Provision for doubtful receivables	(1,289,957)	(3,085,051)
	1,054,465,163	859,322,534
	1,060,264,327	860,423,914

2.18 CASH AND BANK BALANCES

(Amount in `)		
Particulars	As at 31 March 2012	As at 31 March 2011
Cash and cash equivalents		
Balance with bank		
- Deposits with original maturity of less than three months*	353,525,000	-
- On current accounts	79,235,451	36,422,061
Cheques, drafts on hand	1,502,648	7,477
Cash on hand	1,354,870	673,036
	435,617,969	37,102,574
Other bank balances		
Balance with bank		
- Deposits with original maturity of more than three months but less than 12 months**	322,589,565	421,653,647
	322,589,565	421,653,647
	758,207,534	458,756,221

*Out of these, ` 277,500,000/- (previous year ` Nil) is pledged with bank for short term loans

**Out of these, ` 93,440,355/- (previous year ` 71,653,647/-) is held as margin monies against letter of credit and bank guarantees.

2.19 OTHER CURRENT ASSETS

(Amount in `)		
Particulars	As at 31 March 2012	As at 31 March 2011
Interest accrued on fixed deposits	8,893,592	1,510,859
	8,893,592	1,510,859

2.20 REVENUE FROM OPERATIONS

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Sale of products		
- Manufactured goods	5,677,244,609	4,924,492,886
Other operating revenues		
- Royalty / technical know how income	41,613,496	37,183,377
- Service income	26,325,487	7,627,804
- Job work income	101,606,981	133,869,733
- Scrap sales	12,678,715	8,401,746
- Export incentives	20,132,342	18,026,164
Revenue from operations (gross)	5,879,601,630	5,129,601,710
Less: Excise duty	282,143,185	287,972,860
Revenue from operations (net)	5,597,458,445	4,841,628,850

2.20.1 Details of goods sold (net of excise duty)

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Lock Kits	2,273,702,125	1,330,747,185
Locks and switches	939,479,186	1,237,484,459
Spares	912,381,378	1,011,344,147
Wiring Harness	629,974,989	470,826,861
Interior Plastic	316,447,337	191,017,595
Others	323,116,409	395,099,779
	5,395,101,424	4,636,520,026

2.20.2 Earnings in foreign exchange

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
FOB value of exports	601,639,754	674,255,742
Royalty	35,371,471	37,182,628
Technical Know how/ Service Income	4,134,564	-
	641,145,789	711,438,370

2.21 OTHER INCOME

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Interest income*		
- on fixed deposits	52,246,004	3,392,620
- on loan given to body corporate	8,828,458	-
Dividend income on current investments	9,914,505	-
Gain on sale of fixed assets (net)	-	34,108,687
Liabilities/provisions no longer required written back	5,722,144	-
Rental income (refer to note 2.21.1)	1,824,000	1,824,000
Miscellaneous income	2,339,616	317,349
*tax deducted at source `5,950,235/- (previous year `142,469/-)	80,874,727	39,642,656

2.21.1 Operating Lease- As a lessor

The Company has leased (cancellable) some of its premises and 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 31 March 2012 and 31 March 2011 aggregate to `1,824,000 and `1,824,000 respectively.

2.22 COST OF MATERIALS CONSUMED

(Amount in `)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Raw materials consumed (includes packing material and components)		
Opening stock	238,585,121	157,109,662
Add: Purchases during the year	3,688,886,444	3,099,813,580
	3,927,471,565	3,256,923,242
Less: Closing stock (refer to note 2.22.2)	305,330,364	238,585,121
	3,622,141,201	3,018,338,121

2.22.1 Consumption of raw materials (including packing material and components)

(Amount in `)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Zinc	380,441,950	363,661,228
Others	3,241,699,251	2,654,676,893
	3,622,141,201	3,018,338,121

2.22.2 Details of raw material (including packing material and components)

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Raw Materials		
Zinc	10,150,144	14,312,677
Others	295,180,220	224,272,444
	305,330,364	238,585,121

2.22.3 Details of imported and indigenous raw materials consumed

(Amount in `)

Particulars	For the year ended 31 March 2012		For the year ended 31 March 2011	
Imported	258,906,166	7.15%	212,681,127	7.05%
Indigenous	3,363,235,035	92.85%	2,805,656,994	92.95%
	3,622,141,201		3,018,338,121	

2.22.4 Value of Imports calculated on C.I.F basis

(Amount in `)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Raw materials, components and spare parts	293,978,940	199,574,996
Capital goods	1,530,985	24,636,754
	295,509,925	224,211,750

2.23 CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS

(Amount in `)		
Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Finished goods		
Closing stock (refer to note 2.23.1)	81,695,687	34,813,934
Less: opening stock	34,813,934	36,989,037
	46,881,753	(2,175,103)
Impact of excise duty on increase / (decrease) in finished goods	(994,964)	408,313
Work in progress		
Closing stock	98,954,126	42,856,849
Less: opening stock	42,856,849	33,329,056
	56,097,277	9,527,793
Increase in inventories	101,984,066	7,761,003

2.23.1 Details of inventory of finished goods and work in progress*

(Amount in `)		
Particulars	As at 31 March 2012	As at 31 March 2011
Lock kits	49,834,074	6,664,468
Locks and switches	13,656,453	17,111,245
Spares	2,300,144	7,037,944
Wiring harness	3,443,386	-
Interior plastics	1,598,671	44,251
Others	10,862,959	3,956,026
	81,695,687	34,813,934

*There are no items of work in progress that are equal to or more than 10% of the total value of work in progress.

2.24 EMPLOYEE BENEFITS EXPENSE

(Amount in `)		
Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Salaries and wages	568,676,694	421,562,867
Contribution to		
- Provident fund and other funds	33,309,695	25,406,915
- Gratuity fund*	8,429,705	7,746,878
Staff welfare	36,412,597	34,713,390
	646,828,691	489,430,050

* Net of prior period income of ` 2,776,697/- (Previous year ` Nil) on account of erroneous calculation of gratuity provision as at 31 March 2011.

2.25 FINANCE COSTS

(Amount in `)		
Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Interest expense		
on borrowings from banks	108,811,679	96,866,580
on borrowings from others	9,177,314	8,558,125
Exchange difference to the extent considered as an adjustment to borrowing cost	5,707,825	-
Other borrowing costs		
Bank charges	6,168,920	24,657,331
	129,865,738	130,082,036

2.26 OTHER EXPENSES

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Job work charges	137,069,925	84,657,300
Consumption of stores and spare parts (refer to note 2.26.1)	104,676,203	85,616,643
Power and fuel	116,457,646	114,939,917
Rent (refer to note 2.26.2)*	85,171,985	100,364,661
Repairs- buildings	15,827,552	8,521,919
Repairs- plant and machinery	23,163,352	18,277,892
Repairs others	16,640,842	12,801,644
Travelling and conveyance	56,367,342	40,307,457
Legal and professional	29,373,683	22,960,093
Communication	11,767,100	9,395,920
Charity and donations	624,903	1,154,188
Bad debts	210,028	19,857
Provision for doubtful trade receivables	1,127,004	4,812,911
Management fees	79,478,051	70,766,290
Rates and taxes, excluding taxes on income	6,499,514	3,436,888
Exchange fluctuations (net)	2,051,153	-
Warranty expenses	17,310,685	11,044,548
Loss on sale/discard of fixed assets (net)	1,346,268	-
Advertisement and business promotion	14,382,141	13,679,657
Royalty	11,636,041	5,640,763
Cash discount	2,697,860	2,255,151
Freight and forwarding	49,772,740	41,477,607
Miscellaneous expenses	38,025,826	35,243,892
	821,677,844	687,375,198

* Includes prior period reversal of ` 10,732,682/- on account of certain adjustments relating to classification of a leasing arrangement for equipment from operating to finance leases.

2.26.1 Details of imported and indigenous stores and spares parts consumed

Particulars	For the year ended 31 March 2012		For the year ended 31 March 2011	
	`	%	`	%
Imported	1,322,217	1.26%	1,639,016	1.91%
Indigenous	103,353,986	98.74%	83,977,627	98.09%
	104,676,203		85,616,643	

2.26.2 Accounting for Leases

Operating leases- As a lessee

The Company has taken on lease accommodation for factory, godowns for storage of inventories, offices and cars, with an option of renewal at the end of the lease term and escalation clause in a few cases. The leases are in the nature of both cancellable and non cancellable operating leases. Lease rentals amounting to ` 95,904,667/- (previous year: ` 100,364,661/-) in respect of such leases have been recognized in the statement of profit and loss for the year.

The future minimum lease payments in respect of non-cancellable operating leases are as follows:

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Minimum lease payments due:		
Not later than one year	7,852,500	12,564,000
Later than one year and not later than five years	-	7,852,500

2.26.3 Expenditure in Foreign Currency

(Amount in `)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Sales commission	-	4,737,299
Legal and professional expense	230,431	2,584,091
Repair and maintenance (plant and machinery)	-	1,516,627
Travelling and conveyance	3,703,137	3,809,044
Other matters	5,423,366	1,461,398
	9,356,934	14,108,459

2.27 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) `104,937,927/- (Previous year `33,875,661/-).

2.28 CONTINGENT LIABILITIES

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Claims against the Company not acknowledged as debts		
a) Custom duty	32,048,441	25,963,702
b) Corporate guarantees given by the Company	569,455,526	274,751,252
c) Bills of exchange discounted under irrevocable letters of credit	68,237,716	160,256,603
d) Sales tax/ VAT	7,688,185	1,541,015
e) Excise duty	8,692,913	8,692,913

2.29 UNHEDGED FOREIGN CURRENCY EXPOSURE

a) Derivative outstanding as at balance sheet date

Forward contracts in respect of foreign currency outstanding as at 31 March 2012 is US \$ 6,00,000 equivalent to `30,522,000/- (Previous year Nil) to hedge the foreign currency exposure for amount receivable against the export sales proceeds.

b) Particulars of unhedged foreign currency exposure as at the reporting date

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

Particulars	As at 31 March 2012		As at 31 March 2011	
	Amount (in `)	Amount (in original currency)	Amount (in `)	Amount (in original currency)
Receivables in foreign currency				
Export of goods				
-EURO	26,769,873	394,395	42,225,192	679668.00
-USD	55,080,487	1,094,706	84,256,472	1915591.00
-JPY	29,826	48,570	-	-
Royalty income				
-USD	10,850,347	213,296	17,084,114	379,599
Exported services				
-USD	4,955,826	97,421	-	-
Payables in foreign currency				
Import of goods				
-USD	16,401,771	322,388	588,868	12,657
-EURO	20,596,206	303,333	1,265,436	20,131
Technical assistance fee				
-EURO	9,053,333	133,334	8,266,667	€ 133,334
Reimbursement of expenses				
-EURO	3,174,327	46,750	-	-
Packing credit				
-USD	54,401,503	1,069,212	53,418,093	1,183,964
Post shipment credit				
-USD	27,186,827	534,332	5,622,905	121,257
-EURO	14,917,599	219,700	4,632,241	73,812

The above does not include any foreign currency exposures from investment in body corporate outside india, which as treated as non- intergal in nature.

2.30 RELATED PARTY DISCLOSURES AS REQUIRED UNDER ACCOUNTING STANDARD (AS) – 18 “RELATED PARTY DISCLOSURE”:

a) Related parties and nature of related party relationships where control exists	
Description of relationship	Name of the party
Subsidiary	Minda SAI Limited Minda Europe B.V. Minda Management Service Limited* Minda KTSN Plastic Solution Gmbh & Co.KG Mayank Auto Engineers Private Limited KTSN Kunststofftechnik Sachsen Beteiligung GmbH Minda Schenk Plastic Solutions Gmbh Minda Schenk Plastic Solutions Sp. z.o.o. Minda Schenk Plastic Solutions s.r.o.
b) Related parties and nature of related party relationship with whom transactions have taken place during the year	
Description of relationship	Name of the party
Associate	Minda Automotive Solution Limited (formerly known as Minda Autocare Limited)**
Key Managerial Personnel	Mr. Ashok Minda - Chairman Mr. Jeevan Mahaldar - Director
Enterprise in which directors of the Company and their relatives are able to exercise significant influence:	Minda Capital Limited Minda Furukawa Electric Private Limited Minda Industries Limited Minda International Limited Minda S.M. Technocast Limited Minda Silca Engineering Limited Minda Stoneridge Instruments Limited Minda Valeo Security System Private Limited Dorset Kaba Security Systems Private Limited Mars Industries Private Limited Minda Finance Limited Minda Sons Minda Spectrum Advisory Limited Jeevan Mahaldar HUF
Relatives of Key Managerial Personnel	Mrs. Renu Mahaldar

*Minda Management Service Limited became subsidiary of Minda Corporation Limited with effect from 1 April 2011. The same was appearing under “Enterprises in which directors of the Company and their relatives exercise significant influence” uptill 31 March 2011.

**In the previous year, this was inadvertently described as an “Enterprise in which directors of the Company and their relatives are able to exercise significant influence”.

c) Details of transactions with related parties:

Party name	Sale of goods during the year	Job work income during the year	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fee paid during the year	Rent paid during the year	Remuneration paid during the year	Other expenses paid / reimbursed during the year	Investment made during the year	Loan / advance given during the year	Loan recovered during the year	Loan repaid during the year
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Subsidiary companies												
Mayank Auto Engineers Private Limited	-	-	43,127,300	49,806,844 (34,787,231)	-	-	-	(891,972)	-	-	-	(18,600,000)
Minda Europe	-	-	-	-	-	-	-	2,211,839	-	-	-	-
B.V.Netherlands	-	-	-	-	-	-	-	(5,911,299)	-	-	-	-
Minda KTSN Plastic	-	-	-	-	-	-	-	4,295,543	90,132,000	-	-	-
Solution GMBH & Co.KG, Germany	-	-	-	-	-	-	-	(10,333,333)	(37,569,420)	-	-	-
Minda Management Services Limited	-	-	1,800,000	-	66,784,602 (54,497,129)	-	-	-	1,383,200	10,000,000	-	-
Minda SAI Limited	1,909,808 (504,690)	-	10,817,075	5,911,106 (1,985,999)	-	-	-	1,831,321 (346,363)	52,000,000 (102,904,820)	314,000,000 (-)	45,700,000 (-)	-
Associates												
Minda Automotive Solution Limited	1,041,968,726 (7,968,625)	-	-	-	-	-	-	2,224,330	-	-	-	-
Enterprise in which directors of the Company and their relatives are able to exercise significant influence												
Dorset Kaba Security Systems Private Limited	2,550,088 (2,415,669)	-	-	-	-	-	-	-	-	-	-	-
Mars Industries Limited	46,764 (73,560)	-	-	-	-	-	-	-	-	-	-	-
Minda Capital Limited	-	-	24,000 (24,000)	-	-	39,000,000 (41,400,000)	-	-	-	-	-	-
Minda Industries Limited	408,858,357 (378,744,195)	-	-	501,622 (341,972)	-	-	-	(5,567,079)	-	-	-	(119,650,000)
Minda International Limited	-	-	-	-	20,183,923 (16,178,207)	-	-	-	-	-	-	-
Minda S.M.Technocast Limited	-	-	-	-	-	8,760,000 (4,800,000)	-	-	-	-	-	-
Minda Silca Engineering Limited	55,758,457 (45,268,638)	-	-	152,445,758 (251,343,696)	-	-	-	-	-	-	-	-
Minda Spectrum Advisory Limited	-	-	-	-	-	-	-	500,000	-	-	-	-
Minda Stoneridge Instruments Limited	8,189,568 (17,981,192)	-	6,055,178	57,757,279 (12,024,063)	-	-	-	-	-	-	-	-
Minda Valeo Security System (P) Limited	3,262,161 (86,127,172)	107,167,542 (86,127,172)	-	10,704,213 (7,010,468)	-	4,733,495 (4,733,496)	-	5,294,400 (5,294,400)	-	-	-	-
Mr. Jeevan Mahaldar - HUF	-	-	-	-	-	3,069,000 (2,304,000)	-	-	-	-	-	-
Key managerial personnel												
Mr. Ashok Minda - Chairman	-	-	-	-	-	-	12,384,000	-	-	-	-	-
Mr. Jeevan Mahaldar - Director	-	-	-	-	-	-	18,927,525	-	-	-	-	-
Relatives of key managerial personnel												
Ms. Renu Mahaldar	-	-	-	-	-	3,069,000 (2,304,000)	-	-	-	-	-	-

Party name	Purchase of fixed assets during the year	Sale of fixed assets during the year	Security deposit received during the year	Guarantee given during the year	Guarantee taken during the year	Receivable as at the year end	Payable as at the year end	Loan receivable as at the year end	Investment as at the year end	Guarantee given as at the year end	Guarantee taken as at the year end
Subsidiary companies											
Mayank Auto Engineers Private Limited	(-)	(-)	(-)	(-)	(-)	43,134,050	7,881,823	(-)	(-)	(-)	(-)
Minda Europe B.V.Netherlands	(-)	(-)	(37,569,420)	(-)	(-)	(-)	39,082,798	(-)	16,948,800	(-)	(-)
Minda KTSN Plastic Solution GMBH & Co.KG, Germany	(-)	(-)	(-)	569,435,526	(-)	(-)	10,714,283	(-)	531,945,921	569,435,526	(-)
Minda Management Services Limited	(-)	(-)	(-)	(220,381,000)	(-)	6,240,278	(8,266,667)	(-)	(441,813,921)	(220,381,000)	(-)
Minda SAI Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	1,383,200	(-)	(-)
	(10,735,616)	(-)	(-)	(-)	297,521,526	(-)	11,356,204	268,300,000	154,904,820	(-)	297,521,526
				(250,000,000)	(-)	(-)	(9,467,921)	(-)	(102,904,820)	(-)	(250,000,000)
Associates											
Minda Automotive Solution Limited	(-)	(-)	(-)	(-)	(-)	213,348,397	(-)	(-)	37,373,276	(-)	(-)
Enterprise in which directors of the Company and their relatives are able to exercise significant influence											
Dorset Kaba Security Systems Private Limited	(-)	(-)	(-)	(-)	(-)	790,927	(-)	(-)	(-)	(-)	(-)
Mars Industries Limited	(-)	(-)	(-)	(-)	(-)	(635,338)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	5,966	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(384,560)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	11,243,902	(-)	(-)	(-)	(-)	(-)
	(-)	(35,000,000)	(-)	(48,231,582)	(-)	(11,069,859)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	69,744,390	314,579	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(63,852,373)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	29,826	1,935,735	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	1,060,000	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(9,085,155)	(-)	(-)	(-)	(-)	(-)
	2,647,080	(-)	(-)	(-)	(-)	16,347,651	32,933,075	(-)	(-)	(-)	(-)
	(2,924,100)	(-)	(-)	(-)	(-)	(-)	(18,942,290)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)	225,000	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	516,636	9,830,950	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(1,352,627)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	23,876,033	3,972,836	(-)	(-)	(-)	(-)
	(264,377)	(-)	(-)	(-)	(-)	(23,768,098)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Key managerial personnel											
Mr. Ashok Minda - Chairman	(-)	(-)	(-)	(-)	(130,100,000)	(-)	1,332,000	(-)	(-)	(-)	(-)
Mr. Jeevan Mahaldar - Director	(-)	(-)	(-)	(-)	(-)	(-)	403,918	(-)	(-)	(-)	(-)
Relatives of key managerial personnel	(-)	(-)	(-)	(-)	(-)	(-)	(375,261)	(-)	(-)	(-)	(-)
Ms. Renu Mahaldar	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

2.31 UTILISATION OF FUND RAISED BY ISSUE OF SECURITIES DURING THE YEAR

(Amount in `)

Particulars	As at	
	31 March 2012	31 March 2011
a) Equity shares of ` 10/- each fully paid up		
Opening unutilised balance	777,240,860	-
Add: Amounts raised during the year for specific purposes	450,000,000	800,000,000
Less: Amounts utilised for the purposes for which the funds were raised	52,298,191	22,759,140
Closing unutilised balance	1,174,942,669	777,240,860
Details of unutilised amount		
Amounts kept in bank account (including bank deposit)	669,010,669	454,822,061
Amounts temporarily invested in mutual funds	135,000,000	-
Amounts temporarily invested in subsidiaries by way of capital and loans	370,932,000	322,418,799
	1,174,942,669	777,240,860
b) 0.001% cumulative redeemable preference shares of ` 800/- each fully paid up		
Opening unutilised balance	-	-
Add: Amounts raised during the year for specific purposes	52,000,000	140,000,000
Less: Amounts utilised for the purposes for which the funds were raised	52,000,000	140,000,000
Closing unutilised balance	-	-

2.32 AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX)

Legal and professional expense includes auditors' remuneration as follows:

(Amount in `)

Particulars	For the year ended	
	31 March 2012	31 March 2011
Statutory Audit	1,800,000	1,000,000
Out of pocket expenses	584,899	157,368
	2,384,899	1,157,368

2.33 INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS WITH STOCK EXCHANGES

Loans and advances in the nature of loans to wholly-owned subsidiary company is as under:

Particulars	As at 31 March		Maximum balance during the year ended	
	2012	2011	2012	2011
	Minda SAI Limited	268,300,000	-	314,000,000

2.34 The Company operates only in one business segment i.e. manufacture of auto components/accessories from various locations in India. Accordingly, the disclosures for primary segment and secondary segment as specified under Accounting Standard 17 - 'Segment Reporting' prescribed by the Companies (Accounting Standards) Rules, 2006 are not applicable to the Company.

2.35 The financial statements for the year ended 31 March 2012 have been prepared considering changes pursuant to revised schedule VI to the Companies Act, 1956. Accordingly, the previous years figures have also been reclassified to conform to the current year's classification.

2.36 The previous year figures have been audited by another firm of chartered accountants.

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Auditors' Report

Auditors' Report to the Board of Directors of Minda Corporation Limited on the consolidated financial statements of Minda Corporation Limited and its subsidiaries and associate

1. We have audited the attached consolidated balance sheet of Minda Corporation Limited ('the Company'), its subsidiaries and associate (collectively referred to as 'the Group') as at 31 March 2012, and also the consolidated statement of profit and loss and the consolidated cash flow statement (collectively referred to as 'consolidated financial statements') for the year ended on that date, annexed thereto. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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.
3. We did not audit the financial statements and other financial information of certain subsidiaries and of associate (interests in which have been incorporated in these consolidated financial statements), whose financial statements reflect total assets of ` 6,704 millions as at 31 March 2012, the total revenue of ` 5,593 millions and cash outflows amounting to ` 68 millions for the year then ended, on a stand-alone entity basis. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors. Of the above:
 - (a) the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2012;
 - (b) the consolidated statement of profit and loss, of the profit of the Group for the year ended on that date; and
 - (c) the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards 21 – "Consolidated Financial Statements" and Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed by the Companies (Accounting Standards) Rules, 2006.
5. Without qualifying our opinion, attention is drawn to note 2.32 (a), (b) and (c) of the consolidated financial statements, which explains the nature and extent of adjustments carried out to various items of consolidated financial statements as a result of certain prior period adjustments relating to classification of a sale and leaseback arrangement of certain fixed assets, computation of goodwill / capital reserve arising on acquisitions in the previous periods and foreign currency translations on consolidation.
6. Based on our audit, and to the best of our information and according to the explanations given to us, and on consideration of reports of other auditors on separate financial statements, and on consideration of the audited financial statements and on other relevant financial information of the components, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, in the case of:
 - (a) the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2012;
 - (b) the consolidated statement of profit and loss, of the profit of the Group for the year ended on that date; and
 - (c) the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

The financial statements and other financial information of some of the subsidiaries incorporated outside India, as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP'), have been audited by other auditors duly qualified to act as auditors in those countries. For the purpose of preparation of the consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the management of the said entities so that these conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The reporting packages made for this purpose have been audited by the other auditors and

reports of those other auditors have been furnished to us. Our opinion on the consolidated financial statements, insofar as it relates to these entities, is based on the aforesaid audit reports of those other auditors.

For **B S R & Co.**
Chartered Accountants
Registration No.: 101248W

Sd/-
Kaushal Kishore
Partner
Membership No. 090075

Place: Gurgaon
Date: 30 May 2012

Consolidated Balance Sheet as at 31 March 2012

(Amount in `)

	Note	As at 31 March 2012	As at 31 March 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	395,969,800	236,359,900
Reserves and surplus	2.2	3,133,841,845	2,456,967,841
		3,529,811,645	2,693,327,741
Minority Interest	2.33	33,188,055	-
Non-current liabilities			
Long-term borrowings	2.3	1,574,993,019	1,015,636,313
Deferred tax liabilities (Net)	2.4	98,414,273	84,691,000
Other long term liabilities	2.5	135,523,630	2,911,533
Long-term provisions	2.6	155,635,805	58,439,065
		1,964,566,727	1,161,677,911
Current liabilities			
Short-term borrowings	2.7	2,431,698,988	1,078,022,918
Trade payables	2.8	2,368,048,385	1,560,198,807
Other current liabilities	2.9	1,328,921,198	676,320,164
Short-term provisions	2.10	266,021,930	98,452,070
		6,394,690,501	3,412,993,959
		11,922,256,928	7,267,999,611
ASSETS			
Non-current assets			
Fixed assets	2.11		
- Tangible assets		3,891,751,256	1,687,018,000
- Intangible assets		975,364,549	858,134,009
- Capital work-in-progress		111,363,982	88,745,946
- Intangible asset under development		-	6,813,407
Non-current investments	2.12	43,959,352	38,128,759
Long-term loans and advances	2.13	199,130,077	492,380,296
Other non-current assets	2.14	4,240,000	-
		5,225,809,216	3,171,220,417
Current assets			
Current investments	2.15	144,564,130	-
Inventories	2.16	2,372,984,206	909,660,386
Trade receivables	2.17	2,573,258,342	1,824,050,295
Cash and bank balances	2.18	971,841,370	663,611,538
Short-term loans and advances	2.13	610,322,652	668,460,278
Other current assets	2.19	23,477,012	30,996,697
		6,696,447,712	4,096,779,194
		11,922,256,928	7,267,999,611
Significant accounting policies and notes to the financial statements	1 to 2.35		

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

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2012

(Amount in `)

	Note	For the year ended 31 March 2012	For the year ended 31 March 2011
Revenue from operations (gross)	2.20	14,521,389,366	7,633,483,229
Less: Excise duty		666,484,333	287,972,860
Revenue from operations (net)		13,854,905,033	7,345,510,369
Other income	2.21	203,908,706	76,186,796
Total revenue		14,058,813,739	7,421,697,165
EXPENSES			
Cost of materials consumed	2.22	8,549,122,661	4,552,171,804
Purchases of stock-in-trade		148,573,313	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.23	(206,966,091)	3,665,175
Employee benefits expense	2.24	2,239,456,832	951,230,507
Finance costs	2.25	268,474,959	255,216,531
Depreciation and amortization expense	2.11	454,624,885	170,943,198
Other expenses	2.26	1,775,424,997	1,032,374,452
Total expenses		13,228,711,556	6,965,601,667
Profit before tax, exceptional items, share in associates and minority interest		830,102,183	456,095,498
Exceptional items	2.30	176,471,455	4,003,779
Profit before tax, share in associates and minority interest		653,630,728	452,091,719
Tax expense			
Current tax		204,267,356	92,047,144
Less : MAT credit entitlement		(72,069,815)	-
Net current tax		132,197,541	92,047,144
Deferred tax	2.4	2,903,038	12,664,000
Income tax for earlier year		3,152,281	-
Profit before share in associates and minority interest		515,377,868	347,380,575
Add: Share in profit of associates		6,029,546	-
Less: Share of minority interest		2,159,632	-
Profit for the year		519,247,782	347,380,575
Earnings per equity share	2.2.8		
(Basic and diluted)		25.88	18.43
Significant accounting policies and notes to the financial statements	1 to 2.35		

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

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
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Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2012

(Amount in `)

	For the year ended 31 March 2012	For the year ended 31 March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation and after exceptional item	653,630,728	452,091,719
Adjustments for :-		
Depreciation	454,624,885	170,943,198
Provision for doubtful debts and advances	3,235,690	4,812,911
Interest expense	268,474,959	231,637,154
Loss/(Profit) on sale of fixed assets	6,188,301	(34,108,687)
Bad debt	260,438	19,857
Foreign exchange loss (net)	4,961,526	-
Interest income	(60,546,128)	(3,392,620)
Liabilities/provision written back	(13,359,294)	(8,535,766)
Dividend income	(9,914,505)	-
Operating profit before working capital changes	1,307,556,600	813,467,766
Movement in working capital :-		
(Increase)/decrease in trade receivables	(757,665,700)	(604,881,897)
(Increase)/decrease in inventories	(1,463,323,820)	(119,943,145)
(Increase)/decrease in loans and advances	(295,664)	127,747,395
(Increase)/decrease in other assets	16,631,659	-
Increase/(decrease in other liabilities)	(116,731,062)	(8,809,909)
Increase/(decrease) in trade payables	821,208,873	338,988,455
Increase/(decrease) in provisions	186,455,259	7,699,754
Cash generated from operations	(6,163,855)	554,268,419
Taxes paid	(225,805,546)	(81,811,921)
Net cash (used in)/ generated from operating activities (A)	(231,969,401)	472,456,498
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,565,321,559)	(379,598,195)
Sale of fixed assets	23,881,751	37,771,051
Purchase of current investments and non current investments	(144,365,178)	(177,676,165)
Dividend received	9,914,505	-
Net assets of new subsidiaries in excess of carrying value of investments	248,592,357	-
Investment in bank deposits held for initial maturity more than 3 months	90,257,678	(422,507,454)
Interest received	51,434,154	5,152,203
Net cash used in investing activities (B)	(1,285,606,292)	(936,858,560)

Consolidated Cash Flow Statement for the year ended 31 March 2012

(Amount in `)

	For the year ended 31 March 2012	For the year ended 31 March 2011
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	501,500,000	938,765,000
Payment of dividend (incl. of tax)	(33,598,306)	(25,175,811)
Proceeds from/ (repayment) of long term borrowings	280,027,783	(188,641,745)
Proceeds from/ (repayment) of short term borrowings	1,353,676,069	35,303,227
Interest paid	(254,119,137)	(275,096,016)
Net cash from financing activities (C)	1,847,486,409	485,154,655
Net increase in cash and cash equivalents (A + B + C)	329,910,716	20,752,593
Cash and cash equivalents at the beginning of the year from subsidiaries acquired during the year	51,490,213	-
Cash and cash equivalents at the beginning of the year	241,104,084	220,351,491
Translation adjustment	21,326,581	-
Cash and cash equivalents as at the end of the year*	643,831,594	241,104,084
Significant accounting policies and note to accounts	1 to 2.35	

*Out of these, `188,497,195 (previous year `Nil) is pledged with bank for short term loans & `6,340,893 (previous year `9,413,622) as margin money against letter of credit and bank guarantee.

- The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', notified by the Companies (Accounting Standards) Rules, 2006.
- Cash and cash equivalents consists of cash in hand and balances with scheduled banks. Refer note 2.18

As per our report of even date attached

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

Notes to the consolidated financial statements for the year ended 31 March 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of Accounting

These Consolidated financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India, to the extent applicable and as adopted consistently by the Company.

In preparation and presentation of these consolidated financial statements, the Company has adopted the Revised Schedule VI to the Companies Act, 1956. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of consolidated financial statements. However, it has significant impact on presentation and disclosure made in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Previous year's figures have been regrouped/reclassified to conform to the classification of assets and liabilities as at 31 March 2012.

1.2. Use of Estimates

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

1.3. 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. The financial statements of the Company and its subsidiary companies are combined on a line by line basis by adding together the book values of

items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions in accordance with Accounting Standard (AS-21) - "Consolidated financial statements".

- b. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, the extent possible, in the same manner as the Company's stand alone financial statements.
- c. The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian Rupees as follows:-
 - Share capital and opening reserves and surplus are carried at historical cost.
 - All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.
 - Profit and Loss items are translated at the respective quarterly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
 - Contingent liabilities are translated at the closing rate.
 - The resulting net exchange difference is credited or debited to the foreign currency translation reserve.
- d. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.
- e. Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- f. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- g. Investment in an Associate has been accounted under the equity method as per AS-23- "Accounting for investment in Associates in Consolidated Financial Statements".
- h. 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, 2012, except for financial

statements of Minda KTSN Plastic Solutions GmbH & Co. KG, KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH and Minda Schenk Plastic Solutions GmbH (LLP), which are drawn up to December 31, 2011.

- i. During the current financial year, two more companies became the Company's subsidiaries i.e. Minda Management Services Limited and Minda Schenk Plastic Solutions GmbH (LLP).
- j. As per the Accounting Standard Interpretation (ASI-15) on Notes to the Consolidated Financial

Statements, only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the Consolidated Financial Statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries or of the parent having no bearing on the true and fair view of the Consolidated Financial Statements need not be disclosed in the Consolidated Financial Statements.

The consolidated financial statements include the financial statements of Minda Corporation Limited, ("the Company" or "Parent Company"), its subsidiaries, and associates (collectively known as "the Group").

Name of subsidiaries / associates	Country of Incorporation	Nature of Interest	% of Interest	
			2012	2011
Minda Europe B.V.	Netherlands	Subsidiary	100	100
Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	Subsidiary	100	100
KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH	Germany	Step- Subsidiary	100	100
Minda Schenk Plastic Solutions GmbH	Germany	Subsidiary [w.e.f 11 October 2011]	94	-
Minda Schenk Plastic Solutions Sp.z.o.o	Poland	Step- Subsidiary [w.e.f 11 October 2011]	94	-
Minda Schenk Plastic Solutions s.r.o	Czech Republic	Step- Subsidiary [w.e.f 11 October 2011]	94	-
Minda SAI Limited	India	Subsidiary [w.e.f 25 March 2011]	100	100
Mayank Auto Engineers Private Limited	India	Step- Subsidiary [w.e.f 25 March 2011]	100	100
Minda Automotive Solutions Limited (formerly known as Minda Auto Care Limited)	India	Associate	50	50
Minda Management Services Limited	India	Subsidiary [w.e.f 1 April 2011]	100	-

1.4. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criterion must also be met before revenue is recognized:

Sale of goods

Sales include sale of manufactured goods, tools, moulds and dies. Revenue is recognized on transfer of significant risks and rewards of ownership to the customers. Sale of goods is inclusive of excise duty and is net of sales tax, value added tax, applicable discounts and allowances and sales returns.

Export benefits

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

Other operating income

Service income is recognized as per the terms of contracts with customers when the related services

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

Dividend and interest income

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on the time proportion method.

1.5. Fixed Assets

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advance paid towards the acquisition of fixed assets are shown under non current asset and the cost of assets not ready to put to use before the year end, are disclosed under capital work in progress.

Moulds, dies and tools represent Group owned tools, dies and other items used in the manufacture of components specific to a customer. Cost includes

engineering, testing and other direct expenses related to the research and development of such tools.

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

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Goodwill on consolidation 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. Other goodwill represents the excess of purchase consideration over the fair value of net assets/liabilities purchased.

1.6. Depreciation and amortization:

Depreciation on fixed assets is provided on the straight-line method at the rates reflective of the estimated useful life of the assets not lower than the minimum rates subscribed by respective local laws.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use except in case of Minda Management Services Limited, the depreciation on addition is provided on full year basis irrespective of the date of addition. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction as the case may be except in case of Minda Management Services Limited in which no depreciation is charged in the year in which the asset is sold / disposed.

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

Depreciation on leased assets is in line with the depreciation policy of the Group and is depreciated over shorter of the useful life of respected assets and the lease period.

Individual assets costing of `5,000 or less are fully depreciated in the year of acquisition.

Intangible assets comprise goodwill, computer software, patents and technical know how acquired for internal use and are stated at cost less accumulated amortization and accumulated impairment loss, if any.

The assets (except Goodwill on consolidation) are amortized over a period of five years, which in the

management's view represents the economic useful life. Amortization expense is charged on a pro-rata basis for assets purchased during the year. The appropriateness of the amortization period and the amortization method is reviewed at each financial year-end. Goodwill on consolidation is tested for impairment on an annual basis.

1.7. Inventories

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

Raw materials, components and stores and spares	: Cost is determined on weighted average basis.
Finished goods	: Material cost plus appropriate share of labour and production overheads. Cost of finished goods includes excise duty.
Work in progress	: Material cost plus appropriate share of the labour and production overheads depending upon the stage of completion, wherever applicable.
Tools, moulds and dies	: Material cost plus appropriate share of the labour and production overheads, depending upon the stage of completion, wherever applicable.

In the current year, the Company implemented SAP wef 1 April 2011, which necessitated a change in its method of valuation of inventory from first-in-first-out method to weighted average method. As per Accounting Standard 2 "Valuation of Inventories", the cost of inventories should be assigned by using the first-in, first-out (FIFO) or weighted average cost formula. In view of the management, the impact of this change is not practically ascertainable due to considerable number of items involved.

Inventory is valued on weighted average basis, but in case of certain Subsidiaries i.e. Minda SAI Limited and Mayank Auto Engineers Private Limited, inventory is valued at First in first out basis. The impact on account of different accounting policy followed by these subsidiaries is not ascertainable.

1.8. Impairment of Assets

The carrying amounts of assets are reviewed at each reporting date in accordance with Accounting Standard - 28 on 'Impairment of Assets' to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount.

Impairment losses are recognized in the consolidated statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

1.9. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the consolidated statement of profit and loss.

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

In the case of forward contracts:

- a) The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the contract.
- b) The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the contract and the last reporting date. Such exchange differences are recognized in the consolidated statement of profit and loss in the reporting period in which the exchange rates change.
- c) Any profit or loss arising on the cancellation or renewal of forward contracts is recognized in the consolidated statement of profit and loss.

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

The consolidated financial statement includes subsidiaries incorporated outside India whose financial statements have been drawn up in accordance with the generally accepted accounting practices (GAAP) in India. These financial statements has been re-stated in Indian Rupees considering them as non-integral part of the Group's operations and the resultant exchange gain / loss on conversion has been carried forward as Foreign Currency Translation Reserve.

1.10. Research and Development

Revenue expenditure on research is expensed off

under the respective heads of account in the year in which it is incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Group's policy as stated above. Expenditure incurred at development phase, where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Group, is considered as an intangible asset and amortized over the estimated life of the assets.

1.11. Government Grant and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply all the conditions attached with them and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholder's funds.

1.12. Employee Benefits

Short – term employee benefits

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the consolidated statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plan:

Provident fund: Eligible employees of Indian entities receive benefits from the provident fund, which is a defined contribution plan. Both the employees and the Indian entities make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The entities have no further obligations under the plan beyond its monthly contributions.

Eligible employees of certain overseas entities receive benefits from the social security contribution plans, which is a defined contribution plan. These entities have no further obligations under the plan beyond its monthly contributions.

Defined benefit plan:

Gratuity: The Indian entities provide for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities related to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date.

Other long term employee benefit:

Compensated absence: Un-availed leaves for the year are accumulated and allowed to carry over to the next year and are within service period of the employees in accordance with the service rules of the Company. Provision for compensated absence is made by the Indian entities based on the amount payable as per the above service, based on actuarial valuation as at the balance sheet date.

Other benefit employee plans: Certain overseas entities provide for other benefit employee plans, which provides for a lump sum payment to the employees at the time of separation from service and long service awards on completion of vested period of employment. The liability on account of such benefits is based on actuarial valuation as at the end of the financial year

Actuarial valuation: The liability in respect of all defined benefit plans and other long term employee benefit is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary primarily using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities/ other basis as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

1.13. Accounting for warranty

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

1.14. Leases**Where the Company is lessee**

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

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

Where the Company is lessor

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

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

1.15. Investments

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made are classified as long-term investments. All long-term investments are classified as non-current investments in the Consolidated Balance Sheet. The portions of long-term investments which are expected to be realized within twelve months from the Balance Sheet date are classified as current investments. Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares,

unquoted shares, government securities and non-government securities/bonds. The diminution in current investments is charged to consolidated statement of profit and loss and appreciation, if any, is recognized at the same time of sale. Long-term investments, including investments in subsidiaries, are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value decline and the financial health of and specific prospects of the issuer.

1.16. Income taxes

Income tax expense comprises current and deferred tax in Consolidated Profit and Loss Account is the aggregate of the amounts of tax expense appearing in the separate financial statements of the Parent Company and its subsidiaries.

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to each entity using tax rates enacted or substantially enacted at the Balance Sheet date.

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

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Group (wherever applicable) will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note on Accounting for Credit Available under Minimum Alternative Tax, issued by the ICAI, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT, if required.

1.17. Earnings per Share

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

1.18. Provisions, contingent liabilities and contingent assets

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

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

1.19. Cash and cash equivalents

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

2.1 SHARE CAPITAL

2.1.1 Authorised

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
25,000,000 (previous year 15,000,000) equity shares of ` 10 each	250,000,000	150,000,000
240,000 (previous year 175,000) 0.001% cumulative redeemable preference shares of ` 800 each	192,000,000	140,000,000
	442,000,000	290,000,000

2.1.2 Issued, subscribed and paid up

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
a) Equity shares of ` 10 each		
20,931,164 (previous year 9,635,990) shares	209,311,640	96,359,900
Less: 534,184 (previous year Nil) shares issued to Minda Corporation Limited Employees' Stock Option Scheme Trust but not allotted to employees (refer to note 2.1.7)	5,341,840	-
	203,969,800	96,359,900
b) 0.001% cumulative redeemable preference shares of ` 800 each		
2,40,000 (previous year 175,000) shares	192,000,000	140,000,000
	395,969,800	236,359,900

2.1.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

a) Equity shares of ` 10 each fully paid up

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount (`)	Number of shares	Amount (`)
Balance as at the beginning of the year	9,635,990	96,359,900	8,635,990	86,359,900
Add: Shares issued during the year	11,295,174	112,951,740	1,000,000	10,000,000
Less: Share issued to Minda Corporation Limited Employees' Stock Option Scheme Trust but not allotted to employees	534,184	5,341,840	-	-
Balance as at the end of the year	20,396,980	203,969,800	9,635,990	96,359,900

b) 0.001% cumulative redeemable preference shares of ` 800 each fully paid up

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount (`)	Number of shares	Amount (`)
Balance as at the beginning of the year	175,000	140,000,000	-	-
Add: Shares issued during the year	65,000	52,000,000	175,000	140,000,000
Balance as at the end of the year	240,000	192,000,000	175,000	140,000,000

2.1.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of ` 10 each fully paid up

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

Further, certain investors ("Investors") have "Anti dilution rights" i.e right to further subscription and price protection, ensuring that, in the event of finalisation of the terms of sale of additional shares, the Company shall (as per the procedure set out in the Articles) offer the additional shares on the finalized terms and conditions to the Investors and in the event that the Company issues any additional equity shares at a price less than the Investor acquisition

cost or have or permit an FPO, at such lower price, then either the Company or promoters shall transfer such number of equity shares (as per the procedures set out in the Articles) at either no additional consideration or at the lowest possible consideration permitted under applicable law that shall be necessary to ensure that in a revised investor acquisition cost per Investor that shall be equal or lower than the price at which the additional shares are proposed to be issued. Such investors also have "pre-emptive rights" wherein any member of the promoter group shall, before selling, transferring or otherwise disposing of any of its shares to a bona fide independent third party purchaser, first give notice to the Investors and each investor shall have the right (but not the obligation) to serve on the transferor a pre-emption notice requiring the transferor to transfer to the purchaser (as per the procedures set out in the articles), or to any person nominated by the purchaser, some or all of the sale shares at the sale price.

Each such Investor shall also have the Tag-along right (subject to the other provisions of Articles and such rights as mentioned above) but not the obligation to require the transferor to cause the transferee in a transfer of equity shares to purchase from such Investor, for the same consideration per equity share and upon the same terms and conditions as are to be paid and given to the transferor.

562,500 and 267,092 equity shares allotted on preferential basis to the Investors and Minda Corporation Limited Employees Stock Option Scheme Trust (MCL ESOS Trust) on 3 November 2011 and 1 November 2011 respectively are locked in for a period of one year from the date of allotment.

b) 0.001% cumulative redeemable preference shares of ₹ 800 each fully paid up

The Company has 240,000 cumulative redeemable preference shares of ₹ 800 each. The shares carry right of fixed preferential dividend at a rate of 0.001%. The holders of these share do not have the right to vote and are compulsorily redeemable at par on or before the expiry of 20 years from the date of allotment. The dividend on the shares shall be cumulated and any unpaid dividend shall be added to the amount payable as dividend in the following year and no dividend can be paid on equity shares until the entire backlog of unpaid dividends on these shares is cleared. In the event of liquidation, these share holders are entitled to get their capital after satisfaction of dues for secured creditors, but they get preference over equity share capital.

2.1.5 Details of shareholder holding more than 5% shares as at year end

Name of shareholders	As at 31 March 2012		As at 31 March 2011	
	% of holdings	Number of shares held	% of holdings	Number of shares held
a) Equity shares of ₹ 10 each fully paid up				
(i) Ashok Minda	19.36%	4,052,872	21.03%	2,026,436
(ii) Sarika Minda	15.95%	3,339,490	17.33%	1,669,745
(iii) Ashok Minda HUF	9.59%	2,006,690	10.41%	1,003,345
(iv) Bhagwat Sewa Trust	5.18%	1,085,070	5.63%	542,535
(v) Kotak Mahindra Trusteeship Services Limited A/c- Kotak Indian Growth Fund II	11.78%	2,464,810	8.19%	788,739
		12,948,932		6,030,800

Name of shareholders	As at 31 March 2012		As at 31 March 2011	
	% of holdings	Number of shares held	% of holdings	Number of shares held
b) 0.001% cumulative redeemable preference shares of ₹ 800 each fully paid up				
(i) Ashok Minda	15.63%	37,500	21.43%	37,500
(ii) Sarika Minda	10.42%	25,000	14.29%	25,000
(iii) Minda Capital Limited	73.95%	177,500	64.28%	112,500
		240,000		175,000

2.1.6 Shares allotted as fully paid up by way of bonus shares (during five years immediately preceding 31 March, 2012)

Particulars	Year (aggregate no. of shares)					
	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Issue of fully paid up equity shares of ₹ 10 each	17,570,522	7,104,940	7,104,940	7,104,940	7,104,940	936,375

2.1.7 Issue of shares to Minda Corporation Limited Employees' Stock Option Scheme Trust during the year

Pursuant to the Board of Director's approval in Board meeting held on 29 September 2011, the Company has constituted a trust under the name "Minda Corporation Limited Employee Stock Option Scheme Trust" (MCL ESOS Trust), with the objective of acquiring and holding of shares, warrants or other securities of the Company for the purpose of implementing the Company's ESOP Scheme. The Company has contributed a sum of ₹ 1,00,000 towards initial trust fund and later on advanced a sum of ₹ 133,546,000 to fund the purchase of Company's equity shares by MCL ESOS trust. Later in the year, the Company had issued and allotted, 267,092 equity shares of the face value ₹ 10 each at the premium of ₹ 490 per equity share to the MCL ESOS Trust, as approved in the Extra ordinary general meeting dated 24 October 2011. Further, the Company has issued bonus shares in proportion of one equity share for one share held on 29 March 2012, as decided in Extra ordinary general meeting held on 16 March 2012. In accordance with the guidance note on "Accounting for Employee Share-based Payments" issued by the ICAI, the Company has reduced the amount of share capital consideration (including share premium) received from MCL ESOS trust for presentation purposes, with a corresponding reduction in advance to MCL ESOS trust.

2.2 RESERVE AND SURPLUS

2.2.1 Capital reserve

Particulars	(Amount in ₹)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	73,151,080	64,166,120
Add: Amount arising on acquisitions during the year [refer to note 2.32 (d)]	248,592,357	8,984,960
Add: Amount arising on acquisitions during the previous year [refer to note 2.32 (b)]	432,768,588	-
Add: Capital subsidies recorded during the year*	23,080,638	-
Less : Translation adjustments relating to previous years [refer to note 2.32(c)]	(7,936,701)	-
Less: Amount written back / repaid during the year	(10,742,383)	-
Closing balance	758,913,579	73,151,080

2.2.2 Securities premium account

Particulars	(Amount in ₹)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	1,157,611,738	65,266,350
Add: Balance arising on acquisitions during the year	-	303,580,388
Add: Premium on issue of shares	575,250,080	790,000,000
Less: Adjustment for acquisitions made in previous years [refer to note 2.32 (b)]	(303,580,388)	-
Less: Premium on shares issued to MCL ESOS trust	(130,875,080)	-
Less: Amount utilised towards issue of fully paid up bonus shares	(104,655,820)	-
Add: Amount utilised towards issue of fully paid up bonus shares to MCL ESOS trust	2,670,920	(101,984,900)
Less: Amount utilised towards expenses for increase in authorised share capital	(500,000)	(1,235,000)
Closing balance	1,195,921,450	1,157,611,738

2.2.3 Revaluation reserve

Particulars	(Amount in ₹)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	-	-
Add: Adjustment recorded in respect of acquisitions in the previous year #	6,134,883	-
Add: Amount arising out of acquisitions in the current year [refer to note 2.32 (d)]	384,423,511	-
Add: Translation adjustment	35,435	-
Less: Amount utilized during the year	(1,382,531)	-
Closing balance	389,211,298	-

2.2.4 General reserve

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	110,600,000	91,000,000
Add: Amount arising on acquisitions during the year	-	100,000
Less: Adjustment recorded in respect of acquisitions in the previous year [refer to note 2.32 (b)]	(55,556)	-
Add: Amount transferred from surplus during the year	41,634,347	19,500,000
Closing balance	152,178,791	110,600,000

2.2.5 Foreign currency translation reserve

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	93,130,899	8,240,715
Add: Amount transferred during the year	(6,963,752)	84,890,184
Add: Amount recorded in respect of acquisition during the year [refer to the note 2.32 (d)]	(27,616,561)	-
Add: Adjustment recorded in respect of reclassification of lease [refer to note 2.32 (a)]	(120,024,928)	-
Add: Translation adjustment on revaluation reserve	(35,435)	-
Less : Translation adjustments relating to previous years [refer to note 2.32(c)]	(133,622,620)	-
Closing balance	(195,132,397)	93,130,899

2.2.6 Surplus i.e. balance in statement of profit and loss

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Opening balance	1,022,474,124	411,421,540
Add: Adjustment recorded in respect of acquisitions in previous years [refer to note 2.32(b)]	(729,778,907)	-
Add: Amount arising on acquisitions during the year [refer to note 2.32 (d) and 2.33]	183,609,108	316,770,315
Less : Amount of pre-acquisition profit on acquisitions during the year transferred to capital reserve [refer to note 2.32 (d)]	(173,406,378)	-
Less : Amount transferred to minority interest [refer to note 2.33]	(10,202,730)	-
Less : Translation adjustments relating to previous years [refer to note 2.32(c)]	141,559,321	-
Add: Net profit for the year	519,247,782	347,380,575
	953,502,320	1,075,572,430
Less: Proposed dividend on		
- 0.001% cumulative redeemable preference shares at `0.008 per share (previous year `0.008 per share)	(1,920)	(15)
- equity shares at `3 per share (previous year `3 per share)	(62,793,492)	(28,907,970)
Less: Adjustment recorded in respect of revaluation reserve#	(6,134,883)	-
Less: Dividend distribution tax	(10,188,554)	(4,690,321)
Less: Amount transferred to general reserves during the year	(41,634,347)	(19,500,000)
Closing balance	832,749,124	1,022,474,124
	3,133,841,845	2,456,967,841

*During the year, the Company has rectified the accounting treatment of certain grants / subsidies received by it in the previous years and has accordingly recorded amounts of `23,080,638 under capital reserve with corresponding adjustments to fixed assets / expenses (exceptional items).

#The Group in the previous year, had erroneously adjusted the amount of Revaluation reserve in respect of a subsidiary in the Surplus i.e. balance in statement of profit and loss. The same has been rectified in the current year.

2.2.7 Dividend remitted in foreign currencies (cash basis)

Particulars	For the year ended 31 March 2012			For the year ended 31 March 2011		
	Number of non-resident shareholders	Number of shares held	Dividend remitted	Number of non-resident shareholders	Number of shares held	Dividend remitted
Financial year 2009-10						
- Final dividend	-	-	-	1	135,000	337500
Financial year 2010-11						
- Final dividend	2	335,698	1,007,094	-	-	-

2.2.8 EARNING PER SHARE

(Amount in `)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
Net profit attributable to equity shareholders		
Profit after tax	519,247,782	347,380,575
Less: Dividend payable to 0.001% cumulative redeemable preference shares	1,920	15
Less: Dividend distribution tax on above dividend	312	2
Balance	519,245,550	347,380,558
Number of weighted average equity shares	20,065,644	18,845,388
Basic and diluted		
Nominal value of equity share (`)	10.00	10.00
Earnings per share (`) (basic and diluted)*	25.88	18.43

* The previous year earnings per share have been adjusted for the bonus shares issued during the current year.

2.3 LONG TERM BORROWINGS

(Amount in `)

Particulars	Footnote	Long term maturities		Current maturities	
		As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
2.3.1 Secured					
Term loans					
from banks	[1]	295,912,617	184,939,511	388,802,017	229,118,080
Vehicle loans	[2]	192,335	363,183	373,458	956,051
Deferred sales tax liabilities					
from Pradeshiya Industrial & Investment Corporation of U.P. Limited (PICUP)	[3]	2,771,848	24,572,389	21,600,541	27,114,456
2.3.2 Unsecured					
Finance lease obligations					
for intangibles	[4]	6,666,788	-	16,743,972	-
for land, building and plant and machinery [also refer to note 2.32 (a)]	[5]	480,131,851	-	200,401,275	-
Term loans					
from banks	[6]	119,780,495	143,233,705	44,917,688	39,063,738
from others	[7]	600,616,840	590,143,491	75,962,084	66,036,424
Deferred sales tax liabilities					
from State Industrial and Investment Corporation of Maharashtra Limited (SICOM)	[8]	68,920,245	72,384,034	3,463,792	1,407,707
		1,574,993,019	1,015,636,313	752,264,827	363,696,456
Less: Amount shown under other current liabilities [refer to note 2.9]		-	-	752,264,827	363,696,456
		1,574,993,019	1,015,636,313	-	-

Footnotes:

Sl. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2012	Loan outstanding as at 31 March 2011	Details of security / guarantee
1	State Bank of India, Delhi	<ul style="list-style-type: none"> • Repayment terms: Quarterly instalments • Date of maturity : 1 October 2012 • Number of installments : Total installments: 16, Balance installments: 3 • Amount of installments: ` 7,400,000 in 2 instalments, and ` 6,000,000 in the last installment • Rate of interest : 13.75% (Original) and 1.75% per annum below State bank advance rate 	20,800,000	43,000,000	First pari passu charge on all fixed assets of the Minda Corporation Limited, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other banks) and also secured by second pari passu charge on entire current assets of the Minda Corporation Limited, subject to prior charge created/to be created on the specified movable assets in favour of bankers for securing working capital borrowings.
	State Bank of India, Delhi	<ul style="list-style-type: none"> • Redemption terms : Quarterly basis • Date of maturity : 1 September, 2013 • Number of installments : Total instalments: 16, Balance installments: 6 • Amount of installments : ` 6,400,000 in 5 installments and ` 5,900,000 in the last installment • Rate of interest : 1.50% p.a below State bank advance rate 	37,900,000	63,500,000	
	State Bank of India, Delhi	<ul style="list-style-type: none"> • Repayment terms: Quarterly basis • Date of maturity: 1 July 2011 • Number of installments : Total instalments: 16, Balance installments: 1 • Amount of installment: ` 7,374,925 • Rate of interest : 1.50% per annum above State bank advance rate 	-	7,374,925	
	State Bank of Patiala Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Date of maturity : 8 July, 2013 • Number of installments : Total instalments: 12, Balance installments: 6 • Amount of installment: ` 8,300,000 in 5 installments, and ` 7,322,707 in the 6th installment • Rate of interest : 0.25% per annum below BPLR 	48,822,707	74,586,781	
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly instalments • Date of maturity : 6 September 2014 • Number of installments : Total instalments: 60, Balance installment: 30 • Amount of installments : ` 700,000 in 6 instalments, ` 900,000 in 12 installments and ` 933,334 in 12 installments • Rate of interest : Base rate plus 3.00% per annum 	26,200,000	32,900,000	

Sl. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2012	Loan outstanding as at 31 March 2011	Details of security / guarantee
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 4 July, 2013 • Number of installments : Total installments: 60, Balance installment: 16 • Amount of installments : ` 225,000 • Rate of interest : Base rate plus 2.50% per annum 	3,600,000	6,075,000	First and exclusive charge over plant and machineries installed at 2D/, Ecotech III, Udyog Kendra, Greater Noida, Gat No.307, Nanekarwadi, Pune, 5/2, MIDC, Nanekarwari, Taluk Khed, Pune & E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra and also secured by a second pari passu charge by way of hypothecation of current assets of the Minda Corporation Limited both present and future. Further, corporate guarantee of ` 83,943,144 is given by Minda S.M.Technocast Limited and Minda Capital Limited.
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : 11 February 2015 • Number of installments : Total installments: 54, Balance installment: 35 • Amount of installments : ` 1,037,000 in 34 installments, last installment ` 885,044 • Rate of interest : Base rate plus 3.00% per annum 	36,143,044	47,550,044	
	Karnataka Bank Noida	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 30 September 2016 • Number of installments : Total installments: 54, Balance installment: 54 • Amount of installments : ` 333,335 • Rate of interest : Base rate plus 2.00% per annum 	18,000,100	-	
	Axis Bank Ltd Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Date of maturity : 10 December, 2012 • Number of installments : (Total installments : 15, Balance installments: 3) • Amount of installments : ` 938,000 in 2 installments and ` 792,016 in last installments • Rate of interest : 15.00% per annum 	2,668,016	6,462,523	First pari passu charge on all fixed assets of the Minda Corporation Limited, both present and future (except land and building situated at Gurgaon and fixed assets exclusively charged to other banks) and also secured by second pari passu charge on entire current assets of the Minda Corporation Limited, subject to prior charge created/to be created on the specified movable assets in favour of bankers for securing working capital borrowings.
	Axis Bank Ltd Delhi	<ul style="list-style-type: none"> • Repayment terms : Quarterly instalments • Date of maturity : 14 July, 2011 • Number of installments : Total installments: 10, Balance installments: 2 • Amount of installments : ` 563,000 and ` 568,294 • Rate of interest : 2.50% below BPLR 	-	1,131,294	
	Kotak Mahindra Bank Ltd	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : 30 September 2011 • Number of installments : Total installments: 27, Balance installments: 6 • Amount of installment: ` 3,500,000 • Rate of interest : 11.75% per annum (fixed) 	-	21,000,000	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 Minda Corporation Limited, both present and future.

Sl. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2012	Loan outstanding as at 31 March 2011	Details of security / guarantee
	Kotak Mahindra Bank Ltd	<ul style="list-style-type: none"> • Repayment terms : 60 equally monthly installment from 22/7/2010 • Date of maturity : 26/6/2015 • No of Installment: (Total installments : 60, Balance installments: 39) • Rate of Interest: 11.50% per annum 	33,333,340	43,333,336	Secured by first pari passu charge on all existing and future movable and immovable fixed assets of the Minda SAI Limited located at Noida, Chennai and Mumbai and second charge on all existing and future current assets of the Minda SAI Limited
	Karnataka Bank Limited	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : September, 2016 • Number of installments : Total installments: 60, Balance installments: 38 • Amount of installments : ` 250,000 • Rate of interest : 15.50% p.a 	10,362,386	7,785,604	Secured by hypothecation of plant & machinery and other fixed assets existing and/or future. It is further secured by hypotication of equitable mortgage of deposit of original title deed of lease hold industrial land and building situated at plot no. 19-20, 8A, IIE SIDCUL, Haridwar, Uttarkhand.
	Karnataka Bank Limited	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : June, 2015 • Number of installments : Total installments: 60, Balance installments: 56 • Amount of installments : ` 500,000 • Rate of interest : 15.50% p.a 	13,182,983	-	
	Karnataka Bank Limited	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : April, 2012 • Number of installments : Total installments: 34, Balance installments: 1 • Amount of installments : ` 126,000 • Rate of interest : 16.25% p.a 	57,230	2,618,279	
	Karnataka Bank Limited	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Date of maturity : March, 2015 • Number of installments : Total installments: 60, Balance installments: 36 • Amount of installments : ` 67,500 • Rate of interest : 14.50% p.a 	1,902,565	2,405,711	
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> • Redemption / conversion / repayment terms : 4 Years • Period / date of maturity :01/06/2013 • Number of installments : 6 installment left out of 16 installment • Amount of installments : Euro 750,000 • Rate of interest : euribore +4% 	309,208,500	-	
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> • Redemption / conversion / repayment terms : 4 years • Period / date of maturity :01/06/2013 • Number of installments : 12 installment left out of 16 installment • Amount of installments : Euro 125,000 • Rate of interest : euribore +4.5% 	103,069,500	-	
	Sparkaaac Bank	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time 	19,464,263	54,334,094	Secured by hypothecation of SBLC given by Minda Corporation Limited.

Sl. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2012	Loan outstanding as at 31 March 2011	Details of security / guarantee
2	ICICI Bank	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 5 June 2011 • Number of installments : (Total installments 48, Balance Nil) • Amount of installments : ` 9,672 • Rate of interest : 10.5% per annum 	-	29,015	Secured by hypothecation of vehicles.
	ICICI Bank	<ul style="list-style-type: none"> • Repayment terms : Monthly installments • Period / date of maturity : 5 May 2012 • Number of installments : (Total installments 47, Balance 1) • Amount of installments : ` 8,000 • Rate of interest : 12.08% per annum 	18,028	119,392	
	State Bank of India	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Period / date of maturity : 21 Aug 2012 • Number of installments : (Total installments 24, Balance 2) • Amount of installments : ` 43,976 • Rate of interest : 10.00% per annum 	202,610	672,852	
	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Period / date of maturity : 1 Dec 2013 • Number of installments : (Total installments 16, Balance 4) • Amount of installments : ` 18,775 • Rate of interest : 10.58% per annum 	131,425	209,149	
	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> • Repayment terms : Quarterly installments • Period / date of maturity : 14 Nov 2014 • Number of installments : (Total installments 16, Balance 12) • Amount of installments : ` 18,775 • Rate of interest : 10.58% per annum 	213,730	288,826	
3	PICUP Lucknow	<ul style="list-style-type: none"> • Repayment terms : Annual basis • Date of maturity : 31 May, 2013 • Number of installments : (Total installments : 5, Balance installments: 2) • Amount of installments : ` 12,585,900 and ` 2,771,788 • Rate of interest : Not applicable • Other significant terms : Sales Tax Deferment Loan 	15,357,748	32,114,375	Second pari passu charge on fixed assets of the Minda Corporation Limited (except land and building under construction situated at Gurgaon and assets exclusively charged to other banks) both present and future.
	PICUP	<ul style="list-style-type: none"> • Repayment terms : Annual installments • Date of maturity : 31 May, 2012 • Number of installments : Total installments : 9, Balance installments: 1 • Amount of installments : ` 9,014,641 • Rate of interest : Not applicable • Other significant terms : Sales Tax Deferment Loan 	9,014,641	19,572,470	Secured by an equitable mortgage / charge against all movable and immovable properties, both present and future, of the Minda SAI Limited unit situated at Plot No.B-20,21 Hosiery Complex, Phase II Extn. Noida on first pari-passu basis

Sl. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2012	Loan outstanding as at 31 March 2011	Details of security / guarantee
4	Leasing IQ (I Private Limited)	<ul style="list-style-type: none"> Repayment terms : Quarterly EMI Date of maturity : 1 July, 2013 Number of installments : Total EMI : 12, Balance EMI: 6 Amount of EMI : ` 4,862,363 Rate of interest : Not applicable 	23,410,760	-	Unsecured
5	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> Repayment terms : Quarterly EMI Date of maturity : 1 July, 2016 Number of EMI : Total EMI : 20, Balance EMI: 18 Amount of EMI : ` 948,240 	12,635,832	-	Unsecured
	Grisleva / Gameda	<ul style="list-style-type: none"> Repayment terms : Quarterly Date of maturity : 2015 Number of installments : (Total installments : 82, Balance installments: 30) Amount of installments : Various installment 	667,897,294	-	
6	Grisleva / Gameda	<ul style="list-style-type: none"> Repayment terms : Quarterly Date of maturity : 2015 Number of installments : (Total installments : 82, Balance installments: 30) Amount of installments : Various installment 	164,698,183	182,297,443	Unsecured
7	Customers (Audi / Volkswagan / Demllar / Lear / Opel)	<ul style="list-style-type: none"> Repayment terms : Yearly Date of maturity : 31st March 2017 Number of installments : (Total installments : 20, Balance installments: 20) Amount of installments : Various installment 	676,578,924	656,179,914	Unsecured
8	SICOM	<ul style="list-style-type: none"> Repayment terms : Annual installments Date of maturity : 1 May, 2021 Number of installments : Total installments : 11, Balance installments: 10 Amount of installments : Various installment Rate of interest : Not applicable Other significant terms : Sales Tax Deferment Loan 	72,384,037	73,791,741	Unsecured

Finance Lease- As a lessee

The Group has taken ERP software, land, building and certain plant and equipment under the finance lease arrangement. The lease term of these assets is 3 to 10 years respectively. The lease term is renewable for a further period of 3 to 10 years respectively, as mutually decided at the option of the Company.

(Amount in `)

Particulars	Minimum lease payments		Present value of minimum lease payment	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Finance Lease				
Not later than one year	221,665,739	-	217,145,247	-
Later than one year but not later than five years	552,128,948	-	486,798,639	-
Total minimum lease payments	773,794,687		703,943,886	
Less: Finance charges	69,850,801	-	-	-
Present value of minimum lease payments	703,943,886			
Disclosed under:				
Long term borrowings	-	-	486,798,639	-
Other current liabilities	-	-	217,145,247	-
			703,943,886	

2.4 DEFERRED TAX (ASSETS)/LIABILITIES (Net)

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Deferred tax assets		
- Provision for employee benefits	29,329,133	19,133,532
- Provision for doubtful recoverable	4,720,502	5,331,387
- Expenses disallowable under section 43B	9,510,915	-
- Others	9,178,722	4,587,000
	52,739,272	29,051,919
Deferred tax liabilities		
- Excess of tax depreciation over book depreciation	128,496,250	113,742,919
- Differences arising on finance lease obligations	2,404,138	-
- Others	20,253,157	-
	151,153,545	113,742,919
Net deferred tax liabilities	98,414,273	84,691,000

2.4.1 Movement in the balance of deferred tax (assets)/liabilities (net)

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Opening balance	84,691,000	33,329,000
Add: Deferred tax (assets)/liabilities acquired pursuant to acquisitions during the year	10,820,235	38,698,000
Add: Amount of deferred tax (assets)/liabilities created during the year	2,903,038	12,664,000
Closing balance	98,414,273	84,691,000

2.5 OTHER LONG TERM LIABILITIES

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Others		
- Security deposits	1,390,000	1,290,000
- Retention money	975,577	1,621,533
- Deferred gain on sale and lease back [refer to note 2.32 (a)]	132,289,440	-
- Others	868,613	-
	135,523,630	2,911,533

2.6 LONG TERM PROVISIONS

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Provision for employee benefits [refer to note 2.6.3]		
- Gratuity	41,726,202	27,867,004
- Compensated absence	37,112,012	21,925,052
- Others	3,566,411	1,330,808
Others		
- Provision for taxation (net of payment)	17,189,174	7,316,201
- Lease rent equalisation reserve	591,197	-
- Contingencies [refer to note 2.6.2]	48,099,100	-
- Provision for warranties [refer to note 2.6.1 below]	7,351,709	-
	155,635,805	58,439,065

2.6.1 Movement in warranty cost provision.

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

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
At the beginning of the year	17,618,899	13,938,339
Provision for warranties arising out of acquisition during the year	8,987,714	-
Provided during the year	30,746,155	12,943,355
Utilised during the year	(23,039,378)	(9,262,795)
At the end of the year	34,313,390	17,618,899
Current portion	26,961,681	17,618,899
Non- current portion	7,351,709	-

2.6.2 Movement in contingencies

The Group has created a provision in respect of expected refunds of grant received during the previous years, the detail of which are as follows:

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
At the beginning of the year	-	-
Provided during the year	48,099,100	-
Utilised during the year	-	-
At the end of the year	48,099,100	-
Current portion	-	-
Non- current portion	48,099,100	-

2.6.3 Employee benefits

2.6.3.1 For Indian entities

a) Defined Contribution Plans

The Group's employee provident fund and employees' state insurance schemes are defined contribution plans. The following amounts have been recognised as expense for the year and shown under employee benefits expense in note 2.24.

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Contribution towards		
- Provident fund	50,119,955	21,456,898
- Employee state insurance	4,320,589	1,925,482
	54,440,544	23,382,380

b) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Group provides for gratuity as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested period of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which certain entities in the Group contributes the ascertained liability to Life Insurance Corporation of India by whom the plan assets are maintained.

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Changes in the present value of the defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	43,349,453	30,061,048
Present value of defined benefit obligation arising pursuant to acquisition during the year	6,369,316	-
Acquisition adjustment	467,577	96,185
Interest cost	4,176,950	2,404,885
Past service cost	-	5,056,096
Current service cost	10,531,260	7,016,841
Benefits paid	(2,558,284)	(989,435)
Actuarial (gain) / loss on obligation	3,560,313	(296,167)
Present value of defined benefit obligation at the end of the year	65,896,585	43,349,453
Changes in the present value of the plan asset is as follows:		
Fair value of plan asset at the beginning of the year	17,415,072	14,071,607
Fair value of plan asset arising pursuant to acquisition during the year	224,447	-
Return on plan asset	1,560,012	1,282,999
Contributions	484,364	2,469,096
Benefits paid	(213,120)	(347,717)
Actuarial gain / (loss) on obligation	(86,249)	(60,913)
Fair value of plan asset at the end of the year	19,384,526	17,415,072
Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:		
Present value of defined benefit obligation at the end of the year	65,896,585	43,349,453
Fair value of plan asset at the end of the year	19,384,526	17,415,072
Liability as at the close of the year	46,512,059	25,934,381
Expenses recognized in the statement of profit and loss:		
Current service cost	10,531,260	7,016,841
Past services cost	-	5,056,096
Interest cost	4,176,950	2,404,885
Return on plan assets	(1,560,012)	(1,282,999)
Net actuarial (gain) / loss	3,646,562	(235,254)
Expenses recognized in the statement of profit and loss account	16,794,760	12,959,569

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Actuarial assumptions:		
Discount rate	8.50%	8.00%
Expected rate of return on plan assets	8.25% - 9.15%	8.75% - 9.00%
Expected salary increase rates	5.00% - 6.00%	5.00% - 5.50%
Mortality	LIC (1994-96)	LIC (1994-96)

Note:

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme and SBI life. The details of investments maintained by Life Insurance Corporation and SBI life are not available with the Group and have not been disclosed.

c) **Compensated absence**

The Group operates compensated absences plan, where in every employee is entitled to the benefit as per the policy of the Group in this regard. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

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

Assumptions	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Discount rate	8.50%	8.00%
Salary escalation rate	5.00% - 6.00%	5.00% - 5.50%
Mortality	LIC (1994-96)	LIC (1994-96)

The liability of compensated absences in respect of employees of the Company as at 31 March 2012 amounts to `40,687,974 (previous year `22,442,646) and the expense recognised in the statement of profit and loss during the year for the same amounts to `37,465,334 (Previous year `6,304,713).

2.6.3.2 For Overseas entities

a) **Social security contributions**

The Group's employee social security contributions are defined contributions plans. The following amounts have been recognised as expense for the year and shown under employee benefits expense in note 2.24.

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Contribution towards -Social security	161,650,174	76,273,955
	161,650,174	76,273,955

b) **Vacations**

The Group pays for vacations, wherein every employee entitled to the benefit as per the policy of the Group in this regard. The liability of vacation in respect of employees of the Group as at 31 March 2012 amounts to `26,511,520 (Previous year `1,973,564) and the expense recognised in the statement of profit and loss during the year for the same amounts to `34,337,093 (Previous year `1,509,574)

c) **Retirement and service anniversary**

Employees of certain entities in the Group are entitled to retirement benefits, which provides for a lump sum payment to the employees at the time of separation from service and long service awards on completion of vested period of employment. The liability on account of such benefits is based on actuarial valuation as at the end of the financial year

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Changes in the present value of the benefit obligation is as follows :		
Opening balance	-	-
Present value of benefit obligation arising pursuant to acquisition during the year	47,421,836	-
Service cost	572,193	-
Interest cost	89,955	-
Obligation expired during the year	(113,135)	-
Net balance	47,970,849	-
Translation adjustment	(201,123)	-
Closing balance	47,769,726	-

2.7 SHORT TERM BORROWINGS

(Amount in `)

Particulars	Footnote	As at 31 March 2012	As at 31 March 2011
2.7.1 Secured			
Cash credit and working capital demand loan from banks	[1]	1,493,788,369	356,708,077
		1,493,788,369	356,708,077
2.7.2 Unsecured			
Cash credit and working capital demand loan from banks	[2]	295,581,053	189,548,877
Purchase order financing facility from others	[3]	200,000,000	149,150,885
Loans and advances from related parties from related parties	[4]	307,277,592	170,210,505
Bills payable	[5]	135,051,974	212,404,574
		937,910,619	721,314,841
		2,431,698,988	1,078,022,918

Footnotes:

No.	Lender	Terms of Repayment	Outstanding as at 31 March 2012	Outstanding as at 31 March 2011	Details of security
1	Kotak Mahindra Bank Ltd / Standard Chartered bank / Karnataka Bank / HDFC Bank Ltd	<ul style="list-style-type: none"> Repayment term: On demand Rate of interest : Linked to bank base rate applicable from time to time 	455,741,913	135,066,701	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)
	Karnataka Bank (ODFD)		46,110,222	-	Pledged against fixed deposits of ` 50,000,000.
	Kotak Mahindra Bank (ODFD)		136,046,080	-	Pledged against fixed deposits of ` 197,500,000 and also secured by hypothecation of inventories and book debts, both present and future.
	Axis Bank		-	15,828,474	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).
	Karnataka Bank	<ul style="list-style-type: none"> Repayment term: On demand Rate of interest : Linked to bank base rate applicable from time to time 	19,653,044	-	Secured by hypothecation on fixed deposit of ` 30,000,000 given by M/s. Minda Corporation Limited.
	Royal Bank of Scotland	<ul style="list-style-type: none"> Repayment term: On demand Rate of interest : Linked to bank base rate applicable from time to time 	5,654,515	-	Secured by hypothecation on the entire current assets of the Minda Management Services Limited both present and future. It is further guaranteed by Mr. Ashok Minda, Director of the Company.
	Kotak Mahindra Bank Ltd		1,061,221	-	Secured by hypothecation by first charge on all current assets of the Minda SAI Limited, both present and future.

No.	Lender	Terms of Repayment	Outstanding as at 31 March 2012	Outstanding as at 31 March 2011	Details of security
	Kotak Mahindra Bank Ltd	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time 	38,255,066	41,297,156	Secured by hypothecation by first charge on all current assets of the Minda SAI Limited, both present and future.
	Kotak Mahindra Bank Ltd		29,430,292	29,522,758	
	HDFC Bank Ltd		-	115,000,000	
	HDFC Bank Limited		112,944,612	9,996,879	
	Karnataka Bank		15,381,524	9,996,109	
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest :Eurobore + 4% 	549,704,000	-	An exclusive and first ranking charge over the present and future current assets and fixed assets of the Minda Schenk Plastic Solution.
	Ceska Spontelna A.S.	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time 	29,421,395	-	
	Raiffeise Bank Polska S.A.	<ul style="list-style-type: none"> • Repayment terms : Monthly • Period / date of maturity :18.04.2013 • Number of installments : 12 • Amount of installments : 20 000,00 per month • Rate of interest :6.49% 	54,384,485	-	
2	Commerce Bank	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : Linked to bank base rate applicable from time to time 	97,493,577	84,787,616	Unsecured
	HDFC Bank		77,439,541	-	
	Sparkaaac Bank		17,573,625	15,283,322	
	Sachsen Bank		103,074,310	89,477,939	
3	Bajaj finance Limited	Repayable within 45 days from the date of disbursement	200,000,000	149,150,885	

No.	Lender	Terms of Repayment	Outstanding as at 31 March 2012	Outstanding as at 31 March 2011	Details of security
4	Minda Capital Limited*	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : 11.5%” 	36,903,949	-	Unsecured
	Minda Europe GmbH*	<ul style="list-style-type: none"> • Repayment term: On demand • Rate of interest : Interest free” 	270,373,643	170,210,505	
5	Kotak Mahindra Bank	<ul style="list-style-type: none"> • Repayable within 64 days / 45 days from the date of disbursement • Rate of interest: 12.40% 	79,658,345	108,268,852	
	State Bank of India	<ul style="list-style-type: none"> • Repayable within 45 days from the date of disbursement • Rate of interest: 11.25%” 	43,189,804	56,962,784	
	Indusind Bank	<ul style="list-style-type: none"> • Repayable within 30 days from the date of disbursement • Rate of interest: 12.00%” 	12,203,825	47,172,938	

* Enterprise in which directors of the Company and their relatives are able to exercise significant influence

2.8 TRADE PAYABLES

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Trade payables (including acceptances) (refer note 2.8.1 below for details of dues to micro and small enterprises included under trade payables)	2,368,048,385	1,560,198,807
	2,368,048,385	1,560,198,807

2.8.1 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Principal amount due to micro and small enterprises	185,325,921	-
Interest due on above	595,578	-
	185,921,499	-

2.9 OTHER CURRENT LIABILITIES

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Current maturities of long term borrowings [refer to note 2.3]	752,264,827	363,696,456
Interest accrued but not due on borrowings	17,933,795	3,577,974
Other payables		
- Statutory dues payable	194,497,655	105,579,578
- Capital creditors	9,798,931	10,250,406
- Advances from customers	37,455,898	51,489,807
- Security deposits	85,000	85,000
- Salaries, wages and bonus payable	181,313,365	78,060,464
- Unamortised deferred premium on forward contracts	168,588	-
- Forward cover payable [net of receivable ` 28,406,000 (previous year Nil)]	2,116,000	-
- Current portion of deferred gain on sale and lease back [refer to note 2.32 (a)]	66,144,000	-
- Others	67,143,139	63,580,479
	1,328,921,198	676,320,164

2.10 SHORT TERM PROVISION

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Provision for employee benefits [refer to note 2.6.3]		
Gratuity	4,785,857	844,074
Compensated absence	3,575,962	517,594
Vacations	26,511,520	1,973,564
Retirement and anniversary	47,769,726	-
Others		
Provision for warranty [refer to note 2.6.1]	26,961,681	17,618,899
Provision for price decrease	12,182,415	1,984,372
Lease rent equalisation reserve	282,834	-
Proposed dividend	62,795,412	28,907,985
Corporate dividend tax	10,188,556	4,690,321
Provision for taxation (net of payments)	70,967,967	41,915,261
	266,021,930	98,452,070

2.11 FIXED ASSETS

(Amount in `)

Particulars	Gross block								
	Balance as at 1 April 2011	Reclassification	Addition arising out of acquisition [refer to note 2.32 (d)]	Adjustments [refer to note 2.32 (a)]	Adjustment relating to consolidation [refer to note 2.32 (b)]	Additions	Disposals	Translation adjustments	Balance as at 31 March 2012
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (a+b+c+d+e+f-g+h)
Tangible assets									
Freehold land	185,282,404	(175,038,062)	-	-	-	-	-	-	10,244,342
Leasehold land	82,080,398	-	-	-	-	-	-	-	82,080,398
Buildings	510,639,193	-	-	-	-	8,746,121	2,329,236	-	517,056,078
Other land and building	-	175,038,062	1,125,365,328	-	-	1,982,475	47,467	28,467,844	1,330,806,242
Leasehold improvements	15,308,854	-	-	-	-	43,537,095	-	-	58,845,949
Plant and equipment	2,246,169,788	-	664,872,057	-	-	274,630,648	36,920,118	25,179,226	3,173,931,601
Furniture and fixtures	60,005,056	-	275,196	-	-	11,137,843	8,064,099	-	63,353,996
Vehicles	11,973,422	-	2,199,565	-	-	2,926,382	2,378,468	-	14,720,901
Office equipment	143,547,213	-	191,144,812	-	-	17,705,915	6,736,511	5,881,841	351,543,270
Computer	65,742,085	-	4,743,929	-	-	16,288,201	7,875,908	-	78,898,307
Assets under finance lease									
Freehold land	-	-	-	295,980,879	-	-	-	45,283,298	341,264,177
Buildings	-	-	-	522,881,625	-	-	-	79,997,750	602,879,375
Plant and equipment	-	-	-	510,750,771	-	14,010,645	-	78,141,802	602,903,218
Office equipment	-	-	-	29,281,371	-	-	-	4,479,874	33,761,245
(A)	3,320,748,413	-	1,988,600,887	1,358,894,646	-	390,965,325	64,351,807	267,431,635	7,262,289,099
Intangible assets									
Goodwill on consolidation	774,103,972	-	-	562,721,402	(577,836,982)	-	-	-	758,988,392
Other goodwill	-	-	85,205,441	-	-	-	-	2,026,262	87,231,703
Brands / trademarks	-	-	65,089,194	-	-	21,527,530	105,010	2,074,390	88,586,104
Computer software	126,940,895	-	1,061,099	-	-	12,663,643	-	1,320,569	141,986,206
Technical knowhow	42,878,000	-	-	-	-	-	-	-	42,878,000
Patents	-	-	-	-	-	8,027,058	-	-	8,027,058
Assets under finance lease									
Software installation	-	-	-	-	-	48,791,077	-	-	48,791,077
(B)	943,922,867	-	151,355,734	562,721,402	(577,836,982)	91,009,308	105,010	5,421,221	1,176,488,540
Grand total (A+B)	4,264,671,280	-	2,139,956,621	1,921,616,048	(577,836,982)	481,974,633	64,456,817	272,852,856	8,438,777,639

(Amount in `)

Particulars	Accumulated depreciation / amortisation									Net block		
	Balance as at 1 April 2011	Reclassification	Addition arising out of acquisition [refer to note 2.32 (d)]	Adjustments refer to note 2.32 (a)	Charge for the year	Debited to revaluation reserve	Net charge to statement of profit and loss	On disposals	Translation adjustments	Balance as at 31 March 2012	Balance as at 31 March 2012	Balance as at 1 April 2011
	(j)	(k)	(l)	(m)	(n)	(o)	(p) = (n-o)	(q)	(r)	(s) = (j+k+l+m+n-q+r)	(t) = (l-s)	(u) = (a-j)
Tangible assets												
Freehold land	151,917,729	(151,917,729)	-	-	-	-	-	-	-	-	10,244,342	33,364,675
Leasehold land	8,760,264	-	-	-	976,198	-	976,198	-	-	9,736,462	72,343,936	73,320,134
Buildings	139,002,977	-	-	-	22,980,691	-	22,980,691	926,156	-	161,057,512	355,998,566	371,636,216
Other land and building	-	151,917,729	71,091,686	-	11,615,570	1,296,849	10,318,721	-	3,396,876	238,021,861	1,092,784,381	-
Leasehold improvements	-	-	-	-	1,076,429	-	1,076,429	-	-	1,076,429	57,769,520	15,308,854
Plant and equipment	1,170,666,370	-	332,721,254	-	204,814,494	85,682	204,728,812	13,811,857	20,697,686	1,715,087,947	1,458,843,654	1,075,503,418
Furniture and fixtures	32,543,529	-	97,956	-	6,110,202	-	6,110,202	6,311,456	-	32,440,231	30,913,765	27,461,527
Vehicles	6,004,116	-	212,835	-	1,420,964	-	1,420,964	1,098,841	-	6,539,074	8,181,827	5,969,306
Office equipment	84,848,369	-	89,343,880	-	18,805,122	-	18,805,122	5,016,186	3,575,220	191,556,405	159,986,865	58,698,844
Computer	39,987,059	-	1,934,504	-	8,930,806	-	8,930,806	7,116,887	-	43,735,482	35,162,825	25,755,026
Assets under finance lease												
Freehold land	-	-	-	-	-	-	-	-	-	-	341,264,177	-
Buildings	-	-	-	287,584,894	56,761,250	-	56,761,250	-	47,525,450	391,871,594	211,007,781	-
Plant and equipment	-	-	-	401,304,177	80,023,558	-	80,023,558	-	66,318,371	547,646,106	55,257,112	-
Office equipment	-	-	-	23,006,792	4,540,900	-	4,540,900	-	4,221,048	31,768,740	1,992,505	-
(A)	1,633,730,413	-	495,402,115	711,895,863	418,056,184	1,382,531	416,673,653	34,281,383	145,734,651	3,370,537,843	3,891,751,256	1,687,018,000
Intangible assets												
Goodwill on consolidation	-	-	-	-	-	-	-	-	-	-	758,988,392	774,103,972
Other goodwill	-	-	48,456,757	-	2,148,883	-	2,148,883	-	1,143,335	51,748,975	35,482,728	-
Brands / trademarks	-	-	22,633,003	-	1,903,400	-	1,903,400	105,382	530,694	24,961,715	63,624,389	-
Computer software	74,814,519	-	231,308	-	15,565,138	-	15,565,138	-	4,494,186	95,105,151	46,881,055	52,126,376
Technical knowhow	10,974,339	-	-	-	8,575,596	-	8,575,596	-	-	19,549,935	23,328,065	31,903,661
Patents	-	-	-	-	-	-	-	-	-	-	8,027,058	-
Assets under finance lease												
Software installation	-	-	-	-	9,758,215	-	9,758,215	-	-	9,758,215	39,032,862	-
(B)	85,788,858	-	71,321,068	-	37,951,232	-	37,951,232	105,382	6,168,215	201,123,991	975,364,549	858,134,009
Grand total (A+B)	1,719,519,271	-	566,723,183	711,895,863	456,007,416	1,382,531	454,624,885	34,386,765	151,902,866	3,571,661,834	4,867,115,805	2,545,152,009

2.11 FIXED ASSETS

(Amount in `)

Particulars	Gross block								Balance as at 31 March 2011 (l) = (a+b+c+d+e+f-g+h)
	Balance as at 1 April 2010	Reclassification	Addition arising out of acquisition [refer to note 2.32 (d)]	Adjustments [refer to note 2.32 (a)]	Adjustment relating to consolidation [refer to note 2.32 (b)]	Additions	Disposals	Translation adjustments	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Tangible assets									
Freehold land	182,000,679	-	3,281,725	-	-	-	-	-	185,282,404
Leasehold land	64,619,046	-	18,496,884	-	-	-	1,035,532	-	82,080,398
Buildings	283,047,641	-	244,697,816	-	-	4,343,330	6,140,740	-	525,948,047
Plant and equipment	1,499,259,381	-	527,414,118	-	-	221,135,142	1,638,853	-	2,246,169,788
Furniture and fixtures	25,400,520	-	26,951,872	-	-	7,652,664	-	-	60,005,056
Vehicles	4,654,711	-	6,862,646	-	-	1,196,245	740,180	-	11,973,422
Office equipment	116,920,110	-	20,137,364	-	-	6,567,159	77,420	-	143,547,213
Computer	28,565,853	-	27,417,467	-	-	9,758,765	-	-	65,742,085
(A)	2,204,467,941	-	875,259,892	-	-	250,653,305	9,632,725	-	3,320,748,413
Intangible assets									
Goodwill on consolidation	465,131,824	-	-	-	-	308,972,148	-	-	774,103,972
Computer software	97,801,159	-	19,991,888	-	-	9,147,848	-	-	126,940,895
Technical knowhow	7,286,419	-	-	-	-	35,591,581	-	-	42,878,000
(B)	570,219,402	-	19,991,888	-	-	353,711,577	-	-	943,922,867
Grand total (A+B)	2,774,687,343	-	895,251,780	-	-	604,364,882	9,632,725	-	4,264,671,280

(Amount in `)

Particulars	Accumulated depreciation / amortisation								Net block			
	Balance as at 1 April 2010	Reclassification	Addition arising out of acquisition [refer to note 2.32 (d)]	Adjustments refer to note 2.32 (a)	Charge for the year	Debited to revaluation reserve	Net charge to statement of profit and loss	On disposals	Translation adjustments	Balance as at 31 March 2011	Balance as at 31 March 2011	Balance as at 1 April 2010
	(j)	(k)	(l)	(m)	(n)	(o)	(p) = (n-o)	(q)	(r)	(s) = (j+k+l+m+n-q+r)	(t) = (l-s)	(u) = (a-j)
Tangible assets												
Freehold land	150,566,396	-	-	-	1,351,333	-	1,351,333	-	-	151,917,729	33,364,675	31,434,283
Leasehold land	6,272,083	-	2,212,391	-	702,252	-	702,252	426,462	-	8,760,264	73,320,134	58,346,963
Buildings	72,622,842	-	57,451,920	-	13,411,022	-	13,411,022	4,482,807	-	139,002,977	386,945,070	210,424,799
Plant and equipment	848,547,250	-	206,960,416	-	116,148,223	-	116,148,223	989,519	-	1,170,666,370	1,075,503,418	650,712,131
Furniture and fixtures	15,540,059	-	13,117,076	-	3,886,394	-	3,886,394	-	-	32,543,529	27,461,527	9,860,461
Vehicles	1,982,979	-	3,543,729	-	858,188	-	858,188	380,780	-	6,004,116	5,969,306	2,671,732
Office equipment	66,188,367	-	7,908,629	-	10,752,295	-	10,752,295	922	-	84,848,369	58,698,844	50,731,743
Computer	14,841,505	-	19,603,492	-	5,542,062	-	5,542,062	-	-	39,987,059	25,755,026	13,724,348
(A)	1,176,561,481	-	310,797,653	-	152,651,769	-	152,651,769	6,280,490	-	1,633,730,413	1,687,018,000	1,027,906,460
Intangible assets												
Goodwill on consolidation	-	-	-	-	-	-	-	-	-	-	774,103,972	465,131,824
Computer software	53,294,477	-	9,683,672	-	11,836,370	-	11,836,370	-	-	74,814,519	52,126,376	44,506,682
Technical knowhow	2,398,739	-	-	-	8,575,600	-	8,575,600	-	-	10,974,339	31,903,661	4,887,680
(B)	55,693,216	-	9,683,672	-	20,411,970	-	20,411,970	-	-	85,788,858	858,134,009	514,526,186
Grand total (A+B)	1,232,254,697	-	320,481,325	-	173,063,739	-	173,063,739	6,280,490	-	1,719,519,271	2,545,152,009	1,542,432,646

2.11.1 Fixed assets under operating lease where, the Company is the lessor (Already included in the above mentioned fixed assets*)

Particulars	(Amount in `)		
	Gross block	Accumulated depreciation / amortisation	Net Book Value
Buildings	33,165,326	13,181,875	19,983,451
Plant and equipment	6,745,147	1,503,527	5,241,620
	39,910,473	14,685,402	25,225,071

*Also refer note 2.21.1 for more details

2.11.2 Fixed assets under operating lease where, the Company is the lessor (Already included in the above mentioned fixed assets*)

Particulars	(Amount in `)		
	Gross block	Accumulated depreciation / amortisation	Net Book Value
Buildings	33,165,326	12,398,979	20,766,347
Plant and equipment	6,745,147	1,072,317	5,672,830
	39,910,473	13,471,296	26,439,177

2.12.3 Borrowing costs

The borrowing cost capitalised during the year are ` 1,105,086 (Previous year ` 1,800,000)

2.12 NON CURRENT INVESTMENTS

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Trade investments- Unquoted and long term, at cost		
Investment in associates		
140,150 (Previous year 140,150) equity shares of ` 10 each fully paid up in Minda Automotive Solutions Limited (formerly known as Minda Auto Care Limited)	37,373,276	37,373,276
Add: Groups share in the profits of the associate company	6,029,546	-
	43,402,822	37,373,276
In Units of Unit Trust of India		
Nil (Previous year 4,500) Master Gain units 1992 of Unit Trust of India of ` 10 each fully paid up	-	45,000
Other investments	556,530	710,483
	43,959,352	38,128,759

2.12.1 Aggregate amount of unquoted investments

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Aggregate amount of unquoted investments	43,959,352	38,128,759
	43,959,352	38,128,759

2.13 LOANS AND ADVANCES

(Amount in `)

Particulars	Long term		Short term	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Unsecured, considered good unless otherwise stated				
Capital advances [also refer to note 2.32 (a)]	46,415,240	338,969,508	4,258,704	-
Security deposits	44,632,077	76,720,423	10,953,640	200,000
Other loans and advances				
-Prepaid expenses	1,201,267	86,272	135,243,903	35,692,165
-Balance with excise, customs and sales tax authorities	-	-	101,035,146	82,521,184
-Recoverable on account of sale of machinery	-	68,449,327	-	-
-Advances to suppliers	-	-	108,098,305	142,654,474
-Export benefit/rebate claims receivables	-	-	31,186,919	17,540,590
-Income tax (net of provision)	41,127,533	3,716,734	20,300,501	399,712
-Minimum alternate tax credit entitlement	59,241,972	-	12,827,843	-
-Advances to employees [also refer to note 2.13.1]	6,511,988	4,438,032	16,565,519	14,702,879
-Share application money	-	-	-	286,670,250
-Others	-	-	169,852,172	88,079,024
-Advances to MCL ESOS trust for purchase of share	133,546,000	-	-	-
-Less: Amount utilised by trust for purchase of shares	(133,546,000)	-	-	-
Considered doubtful				
-Advances to employees	1,317,000	1,317,000	-	-
-Service tax credit receivable	-	-	1,811,550	1,795,070
-Insurance claim recoverable	-	-	271,704	-
Less: Provision for doubtful loans and advances	(1,317,000)	(1,317,000)	(2,083,254)	(1,795,070)
	199,130,077	492,380,296	610,322,652	668,460,278

2.13.1 Loans and advances due by officer/employee of the company

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Dues from other officer/employee of the Company (either severally or jointly)	340,769	494,019
	340,769	494,019

2.14 OTHER NON-CURRENT ASSETS

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Balance with banks		
- Deposits with original maturity of more than 12 months	4,240,000	-
	4,240,000	-

2.15 CURRENT INVESTMENTS

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Investments in mutual funds (Unquoted, Non trade)		
1,445,208 units (Previous year Nil) of Birla Sun Life Cash Manager Fund	144,564,130	-
	144,564,130	-

2.15.1 Aggregate of amount of unquoted investments

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Aggregate amount of unquoted investments	144,564,130	-
	144,564,130	-

2.16 INVENTORIES

Particulars	(Amount in `)			
	As at 31 March 2012		As at 31 March 2011	
Raw materials (including packing materials and tools and dies)	1,098,921,597		640,480,364	
Add: Material-in-transit	45,742,159	1,144,663,756	27,292,711	667,773,075
Work-in-progress		317,338,015		136,605,158
Finished goods	758,356,831		97,480,273	
Add: Goods-in-transit	66,620,245	824,977,076	-	97,480,273
Stores and spares		14,619,481		7,801,880
Others		71,385,878		-
		2,372,984,206		909,660,386

2.17 TRADE RECEIVABLES

Particulars	(Amount in `)			
	As at 31 March 2012		As at 31 March 2011	
Trade receivables outstanding for a period exceeding six months from the date they became due for payment				
Unsecured, considered good	81,034,552		66,000,315	
Unsecured, considered doubtful	83,974,672		9,851,118	
Provision for doubtful receivables	(83,974,672)		(9,851,118)	
		81,034,552		66,000,315
Other trade receivables				
Unsecured, considered good	2,492,223,790		1,758,049,980	
Unsecured, considered doubtful	1,289,957		24,979,111	
Provision for doubtful receivables	(1,289,957)		(24,979,111)	
		2,492,223,790		1,758,049,980
		2,573,258,342		1,824,050,295

2.18 CASH AND BANK BALANCES

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Cash and cash equivalents		
Balance with banks		
- Deposits with original maturity of less than three months *	369,455,315	16,436,867
- On current Accounts	266,304,913	219,491,461
Cheques, drafts in hand	1,502,648	2,343,588
Cash in hand	6,568,718	2,832,168
	643,831,594	241,104,084
Other bank balances		
Balances with banks		
- Deposits with original maturity of more than three months but less than 12 months**	328,009,776	422,507,454
	328,009,776	422,507,454
	971,841,370	663,611,538

*Out of these, `188,497,195 (previous year Nil) is pledged with bank for short term loans and `6,340,893 (previous year `9,413,622) as margin money against letter of credit and bank guarantee.

**Out of these, `96,554,245 (previous year `71,678,647) is held as margin money against letter of credit and bank guarantees.

2.19 OTHER CURRENT ASSETS

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Unsecured, considered good		
Unbilled revenue	6,050,201	6,820,679
Insurance claims receivable	33,061	-
Interest accrued on fixed deposits	8,934,165	6,739,047
Interest accrued on loan	8,459,585	1,542,729
Others	-	15,894,242
	23,477,012	30,996,697

2.20 REVENUE FROM OPERATIONS

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Sale of products		
-Manufactured goods	13,969,889,268	7,371,308,745
-Traded goods	148,573,312	-
Other operating revenues		
-Royalty / technical know how income	41,616,586	37,183,377
-Service income	189,616,102	57,426,270
-Scrap sales	42,769,259	15,668,940
-Job work income	101,606,981	133,869,733
-Export incentives	20,132,342	18,026,164
-Exchange fluctuations (net)	7,185,516	-
Revenue from operations (gross)	14,521,389,366	7,633,483,229
Less: Excise duty	666,484,333	287,972,860
Revenue from operations (net)	13,854,905,033	7,345,510,369

2.21 OTHER INCOME

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Interest income		
-on fixed deposits	60,086,523	3,392,620
-on amounts overdue from customers	35,065	-
-on income tax refund	424,540	-
Dividend income on current investments	9,914,505	-
Profit from sale of fixed assets (net)	394,184	34,108,687
Liabilities / provisions no longer required written back	13,359,294	-
Rental income	8,299,040	1,824,000
Miscellaneous income	49,120,355	36,861,489
Amortisation of deferred gain on sale and lease back [refer to note 2.32 (a)]	62,275,200	-
	203,908,706	76,186,796

2.21.1 Operating lease - as a lessor

The Group 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 31 March 2012 and 31 March 2011 aggregate to `8,229,040 and `1,824,000 respectively.

2.22 COST OF MATERIALS CONSUMED

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Raw materials consumed (includes packing material and components)		
Opening stock	667,773,075	285,264,720
Add: Opening stock of subsidiary company acquired during the year	302,321,756	245,118,078
Add: Purchases during the year	8,724,990,266	4,689,562,081
	<u>9,695,085,097</u>	<u>5,219,944,879</u>
Less: Closing stock	1,144,663,756	667,773,075
Add: Translation adjustment	1,298,680	-
	<u>1,145,962,436</u>	<u>667,773,075</u>
	8,549,122,661	4,552,171,804

2.23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Finished goods		
Closing stock	824,977,076	97,480,273
Add: Translation adjustment	2,537,187	-
Less: Opening stock of subsidiary company acquired during the year	827,514,263	97,480,273
Less: Opening stock	588,008,040	18,191,591
	<u>97,480,273</u>	<u>94,772,820</u>
	142,025,950	(15,484,138)
Impact of excise duty on increase / (decrease) in finished goods	(6,256,981)	408,313
Work in progress		
Closing stock	317,338,015	136,605,158
Add: Translation adjustment	368,219	-
Less: Opening stock of subsidiary company acquired during the year	317,706,234	136,605,158
Less: Opening stock	109,903,954	48,387,295
	<u>136,605,158</u>	<u>76,807,213</u>
	71,197,122	11,410,650
Increase/(decrease) in inventories	206,966,091	(3,665,175)

2.24 EMPLOYEE BENEFITS EXPENSE

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Salaries and wages	1,937,470,236	805,732,380
Contribution to -		
- Provident fund and other funds	57,438,783	26,120,183
- Gratuity fund*	14,939,000	7,746,878
- Social security taxes	161,650,174	76,273,955
Staff welfare	67,958,639	35,357,111
	2,239,456,832	951,230,507

* Net of prior period income of `2,776,697 (previous year Nil) on account of erroneous calculation of gratuity provision as at 31st March, 2011.

2.25 FINANCE COSTS

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Interest expense		
on borrowings from banks	183,143,917	121,251,430
on borrowings from others	18,057,745	11,186,824
finance charges under finance leases [refer to note 2.32 (a)]	35,586,277	81,101,631
Exchange difference to the extent considered as an adjustment to borrowing cost	5,707,825	-
Other borrowing costs		
Premium / (discount) on borrowings	2,405,708	-
Bank charges	23,573,487	41,676,646
	268,474,959	255,216,531

2.26 OTHER EXPENSES

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Jobwork charges	198,524,737	84,657,300
Consumption of stores and spare parts	121,615,482	88,743,953
Power and fuel	296,158,305	187,966,624
Rent	192,471,937	117,663,891
Repairs to buildings	23,581,495	10,241,536
Repairs to machinery	96,241,303	45,095,108
Repairs others	30,864,511	15,233,243
Travelling and conveyance	136,435,657	103,821,845
Legal and professional	69,077,520	44,266,637
Communication	20,577,258	13,082,090
Charity and donations	1,286,153	1,154,188
Bad debts/amounts written off	260,438	19,857
Provision for doubtful debts/advances	3,235,690	4,812,911
Management fees	35,249,523	70,766,290
Rates and taxes, excluding taxes on income	13,895,615	3,492,284
Exchange fluctuations (net)	7,337,106	-
Warranty expenses	46,450,058	12,943,355
Loss on sale/discard of fixed assets (net)	6,582,485	-
Advertisement and business promotion	34,770,117	13,919,510
Royalty	11,636,041	5,640,763
Cash discount	2,697,860	2,255,151
Freight and forwarding	73,453,030	86,467,265
Insurance	22,919,081	13,929,507
Security expense	16,605,717	5,812,907
Miscellaneous expense	313,497,878	100,388,237
	1,775,424,997	1,032,374,452

2.26.1 Accounting for leases

Operating lease - as a lessee

The Group has taken on lease accommodation for factory, godowns for storage of inventories, offices and cars, with an option of renewal at the end of the lease term and escalation clause in a few cases. The leases are in the nature of both cancellable and non cancellable operating leases. Lease payments amounting to ` 192,471,937 (previous year: ` 117,663,891) in respect of such leases have been recognized in the Statement of Profit and Loss for the year.

The future minimum lease payments in respect of non-cancellable operating leases are as follows:

Particulars	(Amount in `)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Minimum Lease payments due:		
Not later than one year	38,043,263	27,054,683
Later than one year and not later than five years	94,131,047	46,418,149
Later than 5 year	4,500,000	-

2.27 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ` 123,409,857 (Previous year ` 45,791,136).

2.28 CONTINGENT LIABILITIES

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Claims against the Company not acknowledged as debts		
a) Custom duty	32,048,441	25,963,702
b) Corporate guarantees given by the Company	-	54,370,252
c) Bills of exchange discounted under irrevocable letters of credit	68,237,716	160,256,603
d) Income Tax	5,600,000	-
e) Sales tax/ VAT	13,604,332	4,561,966
f) Excise duty	8,692,913	8,692,913

2.29 RELATED PARTY DISCLOSURES AS REQUIRED UNDER ACCOUNTING STANDARD (AS) - 18 "RELATED PARTY DISCLOSURE":

a) Related parties and nature of related party relationship with whom transactions have taken place

Description of relationship	Name of the party
Associate	Minda Automotive Solution Limited (formerly known as Minda Autocare Limited)**
Key Managerial Personnel	Mr. Ashok Minda - Chairman (Minda Corporation Limited)
	Mr. Jeevan Mahaldar - Director (Minda Corporation Limited)
	Mr. Praveen Gupta - Managing Director (Minda SAI Limited)
	Mr. Sanjay Garg - Managing Director (Mayank Auto Engineers Limited)
	Mr. Bhusan Dua - Whole Time Director (Minda Automotive Solution Limited)
	Mr. Mohan Chander Joshi - Whole Time Director (Minda Automotive Solution Limited)
	Mr. Tarun Kumar Banerjee - Whole Time Director (Minda Automotive Solution Limited)
Relative of Key Managerial Personnel	Mrs. Sarika Minda Mrs. Renu Mahaldar Mrs. Rakhi Garg

Enterprise in which directors of the Company and their relatives are able to exercise significant influence:	Minda Capital Limited Minda Furukawa Electric Private Limited Minda Industries Limited Minda International Limited Minda S.M. Technocast Limited Minda Silca Engineering Limited Minda Stoneridge Instruments Limited Minda Valeo Security System Private Limited Dorset Kaba Security Systems Private Limited Mars Industries Private Limited Minda Finance Limited Minda Sons Minda Spectrum Advisory Limited Minda Europe GmbH Minda Schenk Plastic Solutions GmbH# Minda Schenk Plastic Solutions Sp.z.o.o.# Minda Schenk Plastic Solutions s.r.o.# Minda SAI Limited Mayank Auto Engineers Private Limited Minda Management Service Limited*
--	--

*Minda Management Service Limited became subsidiary of Minda Corporation Limited with effect from 1 April 2011. The same was appearing under "Enterprises in which directors of the Company and their relatives exercise significant influence" uptill 31 March 2011.

**In the previous year, this was inadvertently described as an "Enterprise in which directors of the Company and their relatives are able to exercise significant influence".

Subsidiaries w.e.f 11th October 2011

b) Details of transactions with related parties:

Party name	Sale of goods during the year	Job work income during the year	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fee paid during the year	Rent paid during the year	Remuneration paid during the year	Other expenses paid / reimbursed during the year	Investment made during the year	Loan recovered during the year	Guarantee taken during the year
Associates											
-Minda Automotive Solution Limited	1,041,968,726 (7,968,625)	-	-	-	-	-	-	2,466,703	(37,373,276)	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:											
-Minda Industries Limited	413,544,250 (378,744,195)	-	-	501,622 (341,972)	-	-	-	-	-	-	-
-Minda Silca Engineering Limited	55,758,457 (45,268,638)	-	-	152,445,758 (251,343,696)	3,948,000	-	-	-	-	-	-
-Minda Stoneridge Instruments Limited	21,206,455 (33,242,892)	-	6,055,178	71,781,106 (24,707,063)	30,693,969	-	-	-	-	-	-
-Minda Valeo Security System (P) Limited	3,287,921 (69,058)	107,167,542 (86,127,172)	-	10,704,213 (7,010,468)	21,982,854	4,733,495 (4,733,496)	-	5,294,400 (5,294,400)	-	-	-
-Dorset Kaba Security Systems Private Limited	2,550,088 (2,415,669)	-	-	-	2,466,343	-	-	-	-	-	-
-Mars Industries Limited	46,764 (73,560)	-	-	-	-	-	-	-	-	-	-
-Minda Furukawa Electric Private Limited	5,035,951 (4,094,000)	30,942,000 (12,660,000)	-	(63,636) 2,483,528 (205,086)	-	-	-	-	-	-	-
-Minda Management Services Limited	-	-	-	-	(31,136,067)	-	-	-	-	-	-
-Minda Rika Limited	12,558,363 (13,765,095)	-	-	1,868	611,124	-	-	-	-	-	-
-Minda International Limited	4,896	-	-	-	20,344,098 (16,178,207)	-	-	-	-	-	-
-Minda Corporation Limited	(32,151,966)	-	(1,206,019)	1,050,976,165 (196,278)	-	-	-	-	-	-	-
-PT Minda Asean	-	-	-	-	-	-	-	-	-	-	-
-Mayank Auto Engineers Private Limited	(2,026,000)	-	(8,551,580)	(31,440,000)	-	-	-	(2,702,925)	-	-	-
-Minda Capital Limited	-	-	24,000 (846,000)	-	28,561,936	39,000,000 (41,400,000)	-	4,584,970 (5,567,079)	-	49,400,000	-
-Minda Spectrum Advisory Limited	-	-	-	-	-	-	-	7,903,000	-	-	-
-Tuff Engineering Private Limited	-	-	-	-	-	4,875,000	-	-	-	-	-
-Minda SAI Limited	-	-	-	-	-	-	-	-	-	-	-
-Minda Europe Gmbh	-	-	-	-	-	-	-	(5,946,121)	-	-	-
-Mr. Jeevan Mahaldar - HUF	-	-	-	-	-	3,069,000 (2,304,000)	-	(1,259,000)	-	-	-
Key Managerial Personnel:											
- Mr. Ashok Minda - Chairman	-	-	-	-	-	279,000	14,637,200	-	-	-	(130,100,000)
- Mr. Jeevan Mahaldar - Director	-	-	-	-	-	-	18,927,525 (13,310,441)	-	-	-	-

b) Details of transactions with related parties (Contd.):

Party name	Sale of goods during the year	Job work income during the year	Other incomes / expenses recovered during the year	Purchase of goods during the year	Management fee paid during the year	Rent paid during the year	Remuneration paid during the year	Other expenses paid / reimbursed during the year	Investment made during the year	Loan recovered during the year	Guarantee taken during the year
- Mr. Praveen Gupta - Managing Director	-	-	-	-	-	-	15,141,539	-	-	-	-
- Mr. Sanjay Garg - Managing Director	-	-	-	-	-	-	2,723,172 (1,918,656)	-	-	-	-
- Mr. Bhusan Dua - While Time Director	-	-	-	-	-	-	1,341,837	-	-	-	-
- Mr. Mohan Chander Joshi - Whole Time Director	-	-	-	-	-	-	762,465	-	-	-	-
- Mr. Tarun Kumar Banerjee - Whole Time Director	-	-	-	-	-	-	7,276,514	-	-	-	-
Relative of Key Managerial Personnel:											
-Mrs. Sarika Minda	-	-	-	-	-	1,800,000	-	-	-	-	-
-Mrs. Renu Mahaldar	-	-	-	-	-	3,069,000 (2,304,000)	-	-	-	-	-
-Rakhi Garg	-	-	-	-	-	(659,000)	-	-	-	-	-

	Guarantee given during the year	Loan repaid during the year	Sale of Fixed Assets	Purchase of Fixed Assets	Guarantee taken as at the year end	Guarantee given as at the year end	Investment as at the year end	Trade Receivable as at the year end	Payable as at the year end	Loan receivable at the year end	Unsecured Loan at the year end
Associates	-	-	-	-	-	-	-	-	-	-	-
-Minda Automotive Solution Limited	-	(37,373,276)	-	-	-	-	37,373,276	213,348,397	-	-	-
	-						(37,373,276)	(111,794,770)	-	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:											
-Minda Industries Limited	-	-	-	-	-	-	-	71,096,077	314,579	-	-
	-	-	-	-	-	-	-	(63,852,373)	-	-	-
-Minda Silca Engineering Limited	-	-	-	2,647,080	-	-	-	16,728,100	32,933,075	-	-
	-	-	-	(2,924,100)	-	-	-	-	(18,942,290)	-	-
-Minda Stoneridge Instruments Limited	-	-	-	-	-	-	-	10,147,032	12,393,929	-	-
	-	-	-	-	-	-	-	(5,376,468)	(40,080,000)	-	-
-Minda Valeo Security System (P) Limited	-	-	3,262,161	-	-	-	-	33,635,364	3,972,836	-	-
	-	-	-	(264,377)	-	-	-	(23,805,513)	-	-	-
-Dorset Kaba Security Systems Private Limited	-	-	-	-	-	-	-	804,451	-	-	-
	-	-	-	-	-	-	-	(635,338)	-	-	-
-Minda Rika Limited	-	-	-	-	-	-	-	3,098,333	-	-	-
	-	-	-	-	-	-	-	(1,822,851)	-	-	-
-Minda International Limited	-	-	-	-	-	-	-	29,826	1,935,735	-	-
	-	-	-	-	-	-	-	-	-	-	-
-Minda Corporation Limited	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
-Minda Capital Ltd.	(48,231,582)	54,484,790	-	-	-	-	-	11,243,902	18,779	5,000,000	36,903,949
		(119,650,000)	(35,000,000)	-	-	(48,231,582)	-	(11,069,859)	-	(5,221,889)	-
-Minda Spectrum Advisory Limited	-	-	-	-	-	-	-	-	225,000	-	-
	-	-	-	-	-	-	-	-	-	-	-
-Minda S.M. Technocast Limited	-	-	-	-	-	-	-	1,060,000	-	-	-
	-	-	-	-	-	-	-	(9,085,155)	-	-	-

2.30 EXCEPTIONAL ITEM

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Provision for litigation and other contingencies	64,750,726	4,003,779
Prior period adjustment on sale and lease back pertaining to post acquisition period [refer to note 2.32 (a) below]	51,164,355	-
Prior period adjustment of Grant earlier recorded as income [also refer to note 2.2.1]	20,080,638	-
Others	40,475,736	-
	176,471,455	4,003,779

*Represents prior period correction on account of excess management fees accrued in the previous year.

2.31 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 of excise duty) for the year ended March 31, 2012 ` 13,451,978,246 (previous year ` 7,083,335,885). Details of sales and year end assets are as follows:

Particulars	(Amount in `)	
	As at 31 March 2012	As at 31 March 2011
Domestic	8,209,316,813	3,952,824,026
Asia	379,115,965	434,305,000
America	76,401,095	86,445,859
Europe	4,787,144,373	2,609,761,000
Total	13,451,978,246	7,083,335,885
	Carrying amount of segment Assets	
Domestic	5,816,106,485	5,166,721,471
Asia	102,661,660	49,983,000
America	14,831,782	19,294,000
Europe	5,988,657,001	2,032,001,140
	11,922,256,928	7,267,999,611

2.32 a) During the year ended 31 December 2005, Minda KTSN Plastic Solutions GmbH & Co KG (a subsidiary of Minda Corporation Limited w.e.f. 31 January 2007), had entered into a sale and lease back transaction with its bankers for its certain fixed assets. The transaction had continued to be treated as an operating lease since then. However, during the current year, the Group re-examined the accounting treatment of the transaction and rectified the same, whereby the arrangement is now accounted for as a finance lease in accordance with Accounting Standard 19 "Leases". The impact of such correction that pertained to the pre-acquisition period of the subsidiary was adjusted in the amount of goodwill arising on consolidation of the subsidiary in the books of the Group. The impact of such correction which pertained to the post-acquisition period and uptill the previous year was adjusted in the current year statement of profit and loss under exceptional items. The summary of financial statement captions recorded in the current year are as under.

Financial statement captions	(Amount in `)	
	Debit	Credit
Balance sheet captions:		
Deferred gain on sale and lease back (non-current portion)	-	132,289,440
Current portion of deferred gain on sale and lease back	-	66,144,000
Free hold land	341,264,177	-
Building	602,879,375	-
Office equipment	33,761,245	-
Plant and machinery	454,398,798	-
Other tangible assets	134,493,776	-
Goodwill on consolidation	562,721,402	-
Accumulated depreciation	-	970,050,140
Finance lease obligation (non-current portion)	-	469,475,406
Current portion of finance lease obligation	-	198,421,888
Capital advances	-	481,064,912
Foreign currency translation reserve	120,024,928	-
Statement of Profit and Loss captions:		
Depreciation expense	140,508,420	-
Finance charge under finance leases	-	61,495,490
Amortisation of deferred gain on sale and lease back	-	62,275,200
Prior period adjustment pertaining to post acquisition period	51,164,355	-
	2,441,216,476	2,441,216,476

- b) During the current year, the Group recomputed goodwill and capital reserve that arose on consolidation of its subsidiaries and made necessary rectification entries to correct the deficiencies in the previous calculations. Consequently, following corrections were recorded in the current year consolidated financial statements.
- (i) In respect of a wholly owned subsidiary, the Group had recorded a capital reserve on consolidation of ` 152,805,980 as against ` 432,768,588. Further, the same in the financial statements of the previous year was netted off from the goodwill arising on consolidation of other subsidiaries within the Group.
- (ii) In respect of another wholly owned subsidiary, the Group had recorded a goodwill on consolidation of ` 452,202,795. During the year, the same has been recomputed at ` 47,828,915, after taking into account the share capital, securities premium and the other reserves of the subsidiary as on the date of acquisition.
- (iii) In respect an overseas subsidiary, the Group had recorded a goodwill on consolidation of ` 474,707,157 as against ` 148,438,074 due to errors in computing the Group's share in the equity of the subsidiary. The same has been rectified in the current year.
- (iv) The above resulted in decrease in goodwill on consolidation by ` 577,836,982 and increase in capital reserve by ` 432,768,588. This has resulted in an adjustment to the extent of ` 303,580,388 and ` 729,778,907 under securities premium account and surplus i.e. balance in statement of profit and loss respectively and the balance against foreign currency translation reserve.
- c) In the previous years, the Group had incorrectly adjusted certain translation adjustments aggregating ` 133,622,620 under Surplus i.e. balance in statement of profit and loss, which have been rectified during the year and accordingly, included under foreign currency translation reserve. Further, in the current year, the Group has restated certain grants received by it in the previous years to adjust them in accordance with Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates". As a result, an amount of ` 7,936,701 has been reduced from capital reserve with a corresponding adjustment in foreign currency translation reserve.
- d) The Company has during the year acquired two subsidiaries, together with two step subsidiaries. The capital reserve on such acquisitions was computed as under –

Financial statements caption	Total
	(`)
Cost of investment in the subsidiary	339,883,200
(A)	339,883,200
Share capital	342,447,182
Capital reserve	72,621,997
Surplus i.e. balance in statement of profit and loss	173,406,378
(B)	588,475,557
Capital reserve (B-A)	248,592,357

Apart from above, the revaluation reserve aggregating ` 384,423,511 and the foreign currency translation reserve (in relation to step subsidiaries) aggregating ` 27,616,561 relating to the above entities, were consolidated under the respective heads and accordingly, not included in the calculation of the capital reserve above.

2.33 MINORITY INTEREST

(Amount in `)

Particulars	As at 31 March 2012	As at 31 March 2011
Opening balance	-	-
Add : Minority interest on acquisitions during the year		
- Share capital	20,825,693	-
- Share in pre-acquisition profits	10,202,730	-
- Share in post-acquisition profits	2,159,632	-
Closing balance	33,188,055	-

- 2.34 The financial statements for the year ended 31 March 2012 have been prepared considering changes from the revised schedule VI to the Companies Act, 1956. Accordingly, the previous periods/years figures have also been reclassified to conform to the current year's classification.
- 2.35 The previous year figures have been audited by another firm of chartered accountants.

For B S R & Co.
Chartered Accountants
Firm registration number: 101248W

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: 30 May 2012

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

Ashok Minda
Chairman & Group CEO

Vivek Bhatia
Chief financial officer

Place: New Delhi
Date: 30 May 2012

Jeevan Mahaldar
Executive Director & CEO

Ajay Sancheti
Company Secretary

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	Germany		Germany		Germany		Netherlands		India		India		Germany		Czech Republic		Poland	
		Amount in Euro	Amount in `	Amount in Euro	Amount in `	Amount in `	Amount in `	Amount in `	Amount in `	Amount in Euro	Amount in `	Amount in `	Amount in `	Amount in Euro	Amount in `	Amount in Euro	Amount in `	Amount in Euro	Amount in `
a)	Capital	13,772,001	799,800,377	25,000.00	1,504,984	16,948,800	307,710,800	500,000	88,000,000	373,992,647	5,420,000	373,992,647	145,000,000	389,426,500	997,500	15,574,840			
b)	Reserve	(10,784,134)	(676,802,096)	(1,240.15)	(81,309)	6,198,861	478,475,008	17,961,629	370,036,877	565,357	39,010,978	57,536,460	154,525,671	4,460,268	69,642,067				
c)	Total Assets	29,492,154	1,944,187,369	28,061.35	1,928,179	41,746,345	2,237,903,169	144,568,174	909,339,287	37,973,148	2,620,235,836	312,527,000	839,353,764	17,690,200	276,212,572				
d)	Total Liabilities	29,492,154	1,944,187,369	28,061.35	1,928,179	41,746,345	2,237,903,169	144,568,174	909,339,287	37,973,148	2,620,235,836	312,527,000	839,353,764	17,690,200	276,212,572				
e)	Details of Investment (Except in case of investment in subsidiary company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f)	Turnover	46,212,570	3,029,872,478																
g)	Profit before Taxation	(206,653)	(13,548,954)	(1,240.15)	(81,309)	756,165	277,644,720	6,346,587	55,471,432	137,012	9,454,135	95,191,055	259,956,807	175,278	2,736,766				
h)	Provision for Taxation	-	-	-	-	-	94,166,480	2,011,410	16,067,991	114,783	7,920,329	(2,144,936)	(5,857,595)	42,827	668,694				
i)	Profit After Taxation	(206,653)	(13,548,954)	(1,240.15)	(81,309)	756,165	183,478,240	4,335,177	39,403,441	22,228	1,533,806	11,542,783	31,522,132	132,451	2,068,072				
j)	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

For and on behalf of the Board of
Minda Corporation Limited

Place : New Delhi
Date: May 30, 2012

Ashok Minda
Chairman & Group CEO
DIN No. 00054727



ASHOK MINDA GROUP

Powered by Passion

MINDA CORPORATION LIMITED

Registered office

36A, Rajasthan Udyog Nagar, Delhi - 110 033

Corporate Office

D-6-11, Sector-59, Noida, U.P. - 201 301

www.minda.co.in

CORPORATE INFORMATION

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Delhi – 110 033, India

CORPORATE OFFICE

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WEBSITE

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COMPANY SECRETARY & COMPLIANCE OFFICER

Ajay Sancheti

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REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
123, Vinobha Puri, Lajpat Nagar, Phase – II,
New Delhi – 110 024, India

BANKERS

State Bank of India
Kotak Mahindra Bank Ltd.
Standard Chartered Bank
State Bank of Patiala
Karnataka Bank Limited
Axis Bank Limited
HDFC Bank Limited
Indusind Bank Limited

PLANT LOCATIONS, INDIA

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

SUBSIDIARIES

- Minda Europe B.V., Netherlands
- Minda KTSN Plastic Solutions GmbH & Co. KG, Germany
- Minda SAI Limited, India
- Mayank Auto Engineers Private Limited (Step-Subsidiary), India
- Minda Management Services Limited, India
- Minda Schenk Plastic Solutions GmbH, Germany
- Minda Schenk Plastic Solutions s.r.o. (Step-Subsidiary), Czech Republic
- Minda Schenk Plastic Solutions Sp. z.o.o. (Step-Subsidiary), Poland
- KTSN Kunststofftechnik Sachsen Beteiligungs GmbH (Step-Subsidiary), Germany