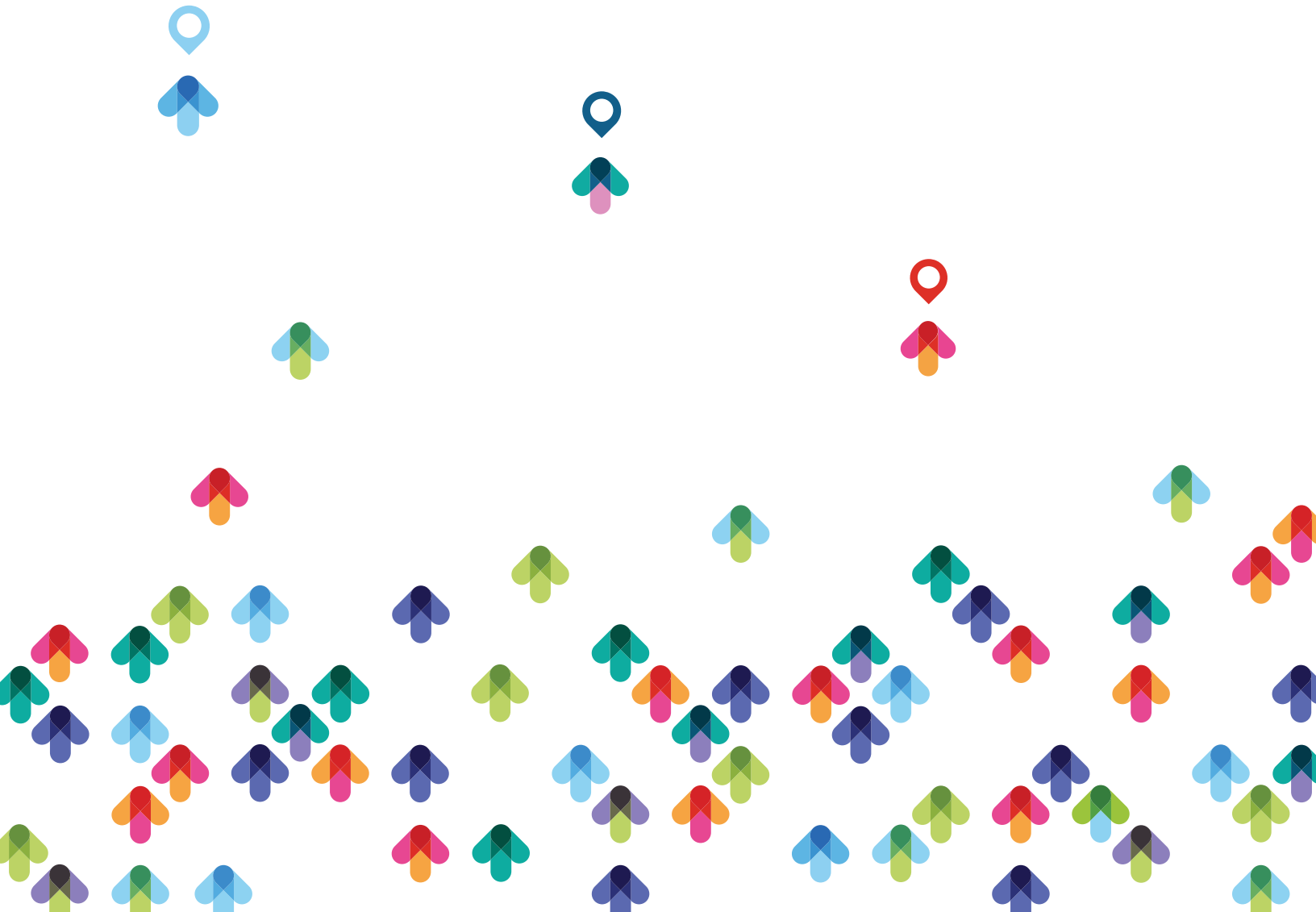


 **The  
Next Level**



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### Cautionary Statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed 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', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Having commenced operation in 1988, we fast evolved as one of the leading automotive component players with global scale, world class manufacturing facilities, international markets and innovation capabilities for diverse product range over the next 25 years. In the process, we created numerous business entities, manufacturing units, functional structures and a significantly large workforce. Our growth journey in this phase gave birth to some structural complexities and operational redundancies as well, very natural for any fast growing enterprise like Minda Corporation Limited. We grew to become a highly reliable name for our OEM customers and a preferred organization to work for our employees. Besides various stakeholders, our expectations from ourselves raised manifold.

At this juncture, we realized that pursuing growth alone couldn't help us realize our long-term vision of emerging as a preferred global supplier and employer in the automotive component segment. In order to realize our true potential, we needed to strengthen our organizational capabilities, become leaner with simplified corporate and functional structures, engrave sustainability in the core of our being and pursue profitable growth in order to create and enhance stakeholders' value sustainably.

It was with this realization that we embarked upon our reorganization and consolidation exercise 3 years ago. The idea was to prepare the organization for 'the next level' of growth and also ensure maximization of current deliverables alongside. Incidentally, the global economic slowdown as well as the two successive years of de-growth for Indian automobile industry coincided with our period of driving transformation. Consequently, while many of our peers and even customers were solely focused on addressing external challenges, we took this adversity as a blessing in disguise and accelerated our transformation journey by allocating disproportionate attention on capability building.

It is again a matter of coincidence that when the growth is appearing to return to the market in the near future, we have completed the ensuing phase of reorganization and consolidation during the fiscal year 2013-14. With all readiness and enhanced profitability, we enter FY15 with a confidence to make it the beginning of our next level of growth.



## A look at the Minda Corporation Limited

Minda Corporation Limited is a part of the Spark Minda, Ashok Minda Group with a turnover of ₹ 1600 Crore and a product portfolio encompassing Safety, Security and Restraint Systems, Driver Information and Telematics Systems, Interior Systems for Automobile OEMs across the globe.



### Vision

To be a dynamic, innovative and profitable global automotive organisation for emerging as the preferred supplier and employer, to create value for all stakeholders.



### Mission

To be an automotive system solution provider and build a brand recognised by vehicle manufacturers progressively all over the world, as an organisation providing products and systems unparalleled in Quality and Price.



### Values

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

## Product Portfolio

Following are the product offerings of the Company:

- **Safety, Security and Restraint Systems** – Electronic & Mechanical locks; Door Handles, Die-Casting Parts, Latches; and Key (Mechanical & Electronics) etc.
- **Driver Information and Telematics Systems** – Wiring Harness, Connectors, Terminals, Steering Roll Connectors, Relay Box, Fuse Box, etc.
- **Interior Systems** – Interior Trim & Sub-Systems, Kinematic Modules, Structural Modules and Soft Touch Technology, etc.

## Major Customers

- Ashok Leyland
- Bajaj Auto
- Daimler
- Mahindra & Mahindra
- Renault Nissan
- Tata Motors
- VW Group
- HMSI

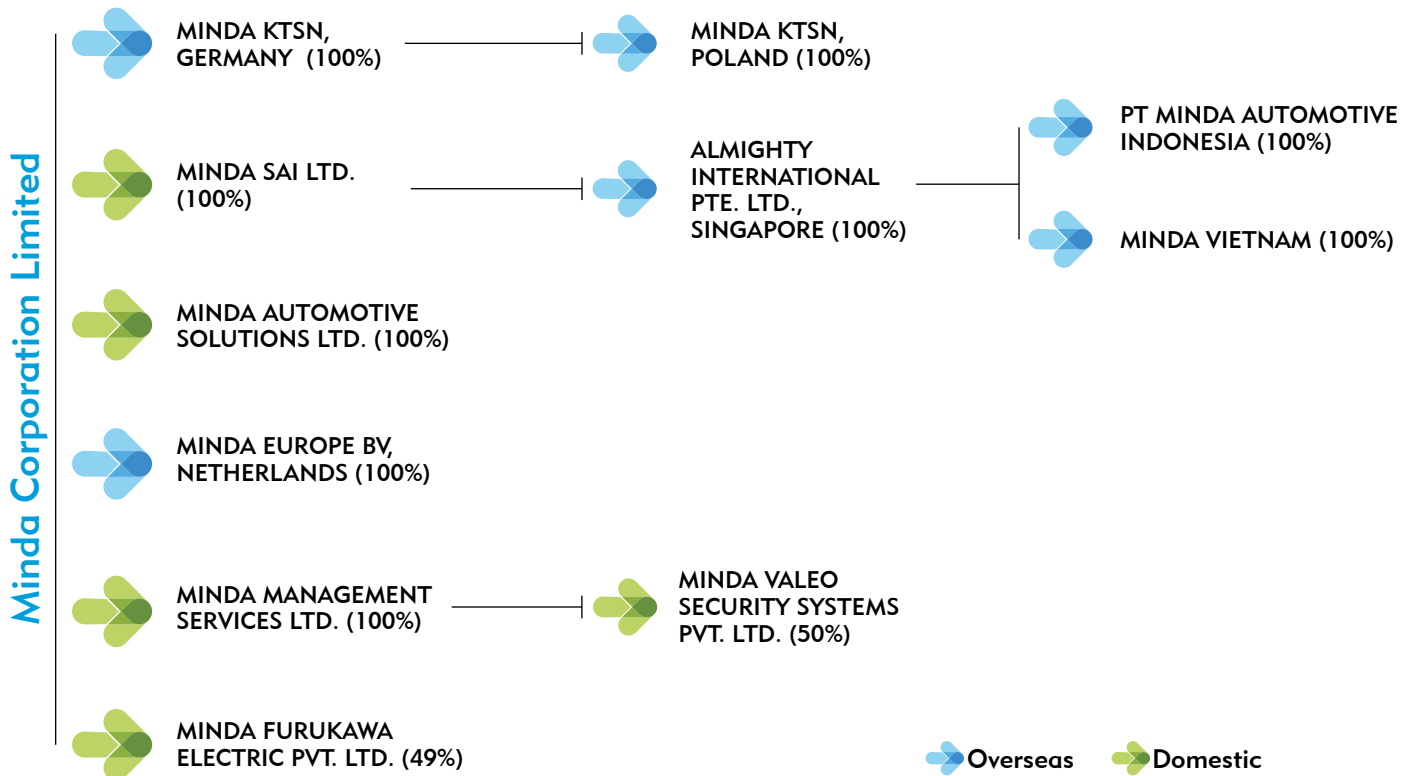
## Strengths

- Highest delivery standards of Quality and Time
- Optimized Cost Structures
- Research & Development led Innovation

# Global Footprints



# Corporate Structure

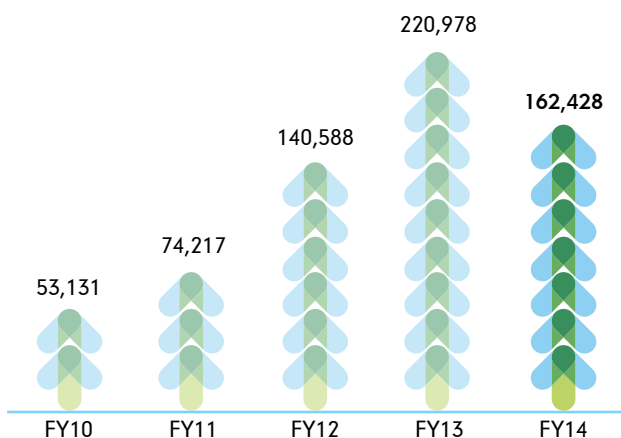


# The Year 2013-14

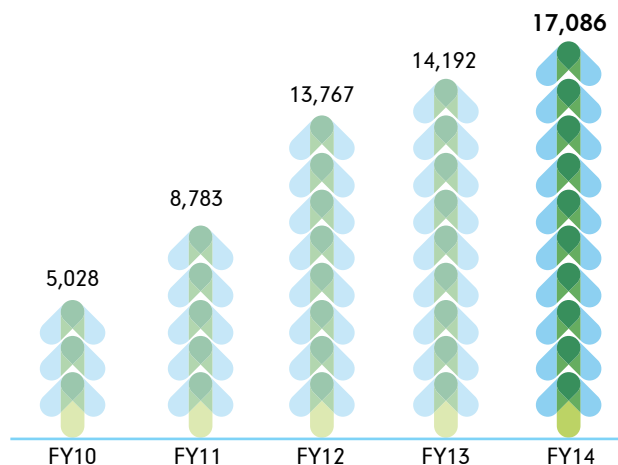
## Financial Highlights (Consolidated)

(Figures in ₹ lacs)

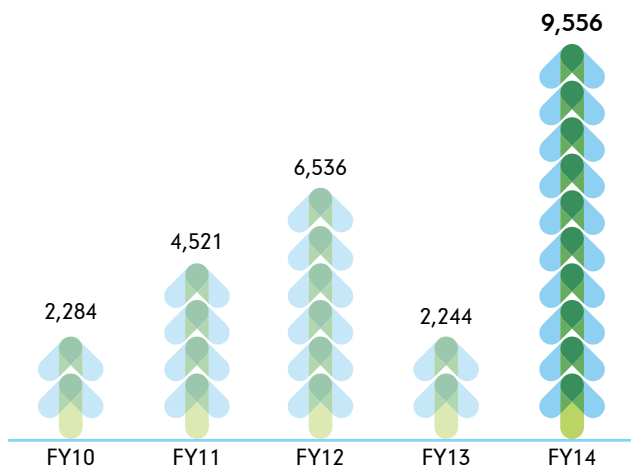
### Total Income



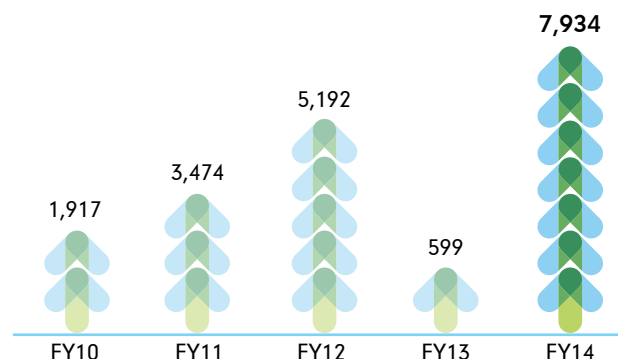
### EBITDA



### PBT



### PAT



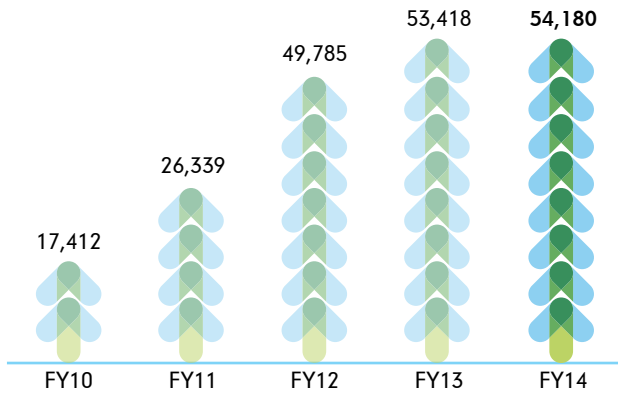
## Operational Highlights

### Consolidation and Reorganization

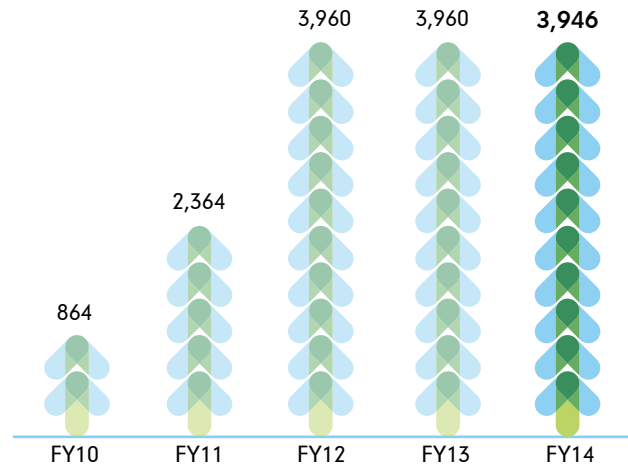
The year marked the completion of the reorganization of the Company's structure to strengthen it with more economies of scale and optimum utilization of resources.

(Figures in ₹ lacs)

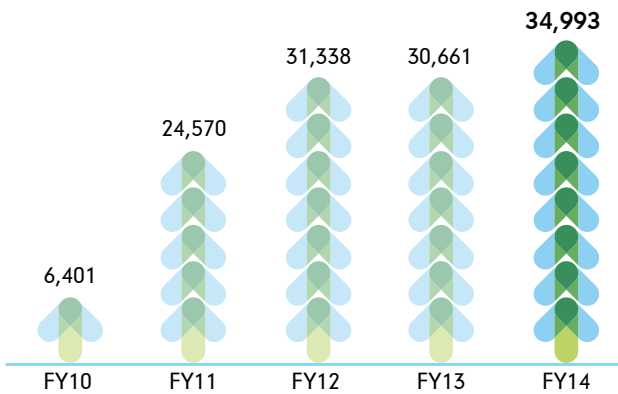
### Net Fixed Assets



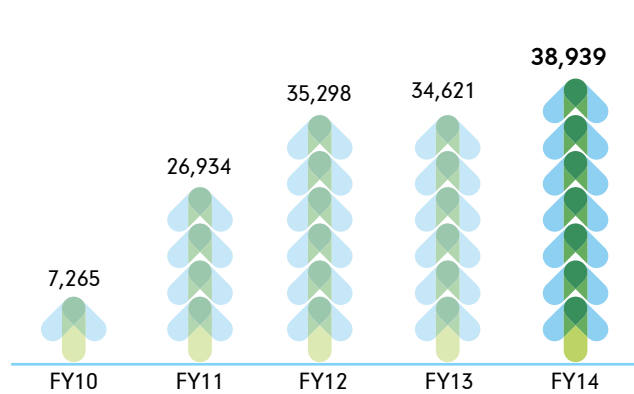
### Share Capital



### Reserve & Surplus



### Net Worth



#### Cost Optimization

The Company has a strong focus on its own cost optimization. During the course of the year, there was a continued stress on fixed cost reduction.



#### Patents Granted

The Company has received grants for 4 (four) patents. 3 (three) for protected device for cylinder locks (magnetic module) for South East Asian Market and 1 (one) for drill free gear lock mounting system in India.



## Structured for the next level

The right structure holds the key to sustainable growth of any enterprise. Getting the corporate structure simplified was the most vital aspect of our transformation journey. We undertook intense introspection, internal deliberation and external consultation that involved even our partners, at times, to arrive at this new structure for our [next level](#). We evolved a structured work plan to approach this mammoth task, breaking it to multiple stages allocating deadlines to each of them. We moved ahead with precision and completed this exercise within a stipulated timeframe.

Alongside this restructuring exercise, achieving two incidental goals was paramount. The first was to make

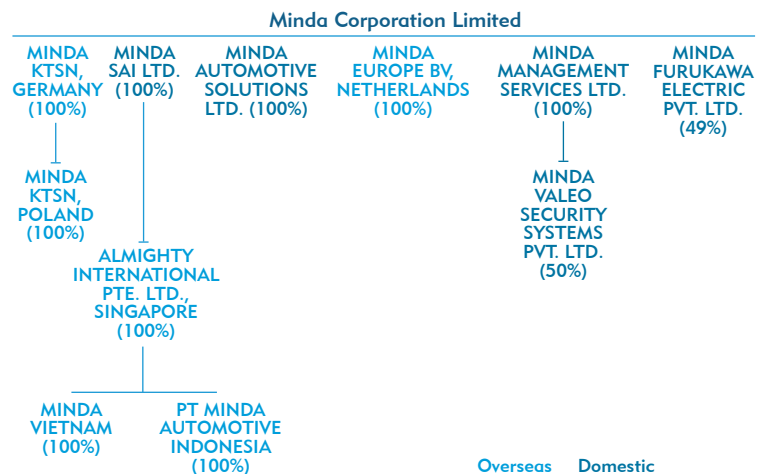




Minda Corporation Limited (MCL) as the flagship Company of the Spark Minda, Ashok Minda Group and the second was to develop a strong common brand identity for the ‘Spark Minda, Ashok Minda Group’. With the standalone revenue moving from ₹ 20,771 lacs in FY09 to ₹ 62,365 lacs in FY14, MCL has already emerged as the flagship Company, which is ready to drive our agenda of sustained profitable growth to ‘the next level’.

In ‘Spark Minda’, we, at Ashok Minda Group, adopted a refreshing brand identity that has since established its mark in the perception of our global customers and employees – current as well as potential. The new identity binds MCL, its Subsidiary, Associate and Joint Venture Companies

along with other group companies in a strikingly refreshing thread and enables each of the Group companies to benefit from the brand equity and salience generated by others.





# Aligned with the next level

Alongside our new structure, it was the consolidation at the backend that could have delivered true impact on profitability. Consequently, we embarked upon the efficiency improvement exercise simultaneously. We analyzed our manufacturing assets with respect of installed capacities, geographic location, current and latent product manufacturing capability, capacity utilization level and potential, vintage and cost efficiency among others. We found out that we were



running more number of plants than what was required – to produce and supply the desired quantity of products, to supply to customers in a specific geography, to enhance utilization levels and to achieve the economy of scale. During the year, a cost reduction committee was also established with a clearly defined mandate.

Our primary focus is to identify initiatives which reduce wastage, increase productivity, use raw materials efficiently,

reduce general expenses and integrate operations. We continued to remain focused on technological innovation across all of our products and processes to meet our customers' product related requirements.





## Profitable to the next level

The guiding focus of our pursuit of 'the next level' is stakeholders' return through enhanced profitability. We did carryout a detailed review of our customer engagements with respect to supplied product-lines and geographies, our operating product-lines and our subsidiary and Joint Venture (JV) companies in order to assess current and potential profitability from each of them. Wherever possible, we are implementing various measures to make those engagements or transactions more profitable.



With a firm view that profitability and product quality have to be not compromised at any cost, we have prepared ourselves to move out of product-lines, customer assignments, business locations as well as business entities if achieving threshold level of profitability becomes non-viable.

To unlock value potential of relatively lesser profitable units, we closed down our surface finishing during the year under review. Also, to further our drive of taking profitability to [the next level](#), there were various aggressive cost reduction measures taken across the Group.





# Endowed for the next level

Acknowledging that the human capital has been the single largest asset behind our growth till the current level, we have chosen to further develop out talent pool in order to realize our new mission critical of 'the next level'.

We have carefully studied the global best practices in HR and worked out a detailed roadmap for adopting some contemporary practices in order to take our human resource management to 'the next level'. In order to achieve this, we have engaged the globally renowned consulting firm, 'People Matrix'. During the fiscal year 2013-14, an organization-wide Employee Satisfaction Survey was conducted as the first step in this direction.

As a Group, we have always believed in nurturing talent with an objective to "Build a pipeline of leaders by spotting objectively and developing experientially." Therefore, we lay emphasis on developing a pool of future leaders from within the organization that will be required to play pivotal role in our next level of growth. A strategic layer



of potential future leaders have been created directly under the CEO and the best available talent across multiple functions have been chosen for direct mentoring by the top management in this promising group. The exercise is aimed at creating ideal employees that will become the torchbearers of the corporate culture that we are endeavoring to imbibe and internalize.

In line with the management's philosophy, a 'Leadership Development' initiative was initiated in the month of June 2013 in which 28 potential employees participated. To execute the process, we partnered with a renowned firm, wherein the consultants had detailed interactions with the Group CEO, CEOs and Group Functional Heads and based on their interaction a competency matrix was amended. Similarly, two workshops, with the

objective of building cohesiveness among the employees, improving operational efficiency at Group's level, help employees learn from each other and move forward jointly were conducted at two levels- one at the level of CEOs in the month of November 2013 and second at the level of SBU Heads in the month of December 2013. Apart from this, an Employee Satisfaction Survey was conducted in Spark Minda, Ashok Minda Group to Diagnose, Develop and Implement solutions, which will enhance the engagement levels and build a belief of "We Care".





## Inclusive and Sustainable Growth initiatives at Spark Minda, Ashok Minda Group

Corporate Social Responsibility is part of the way Spark Minda, Ashok Minda Group do business with commitment to the community, for a green environment, safe workplace and good health, for a sustainable future. CSR is of utmost concern at the Group, while our business Group Companies undertake several CSR initiatives at local level, the Group also undertakes CSR initiatives through Moga Devi Minda Charitable Trust (MDMCT) that was established in 1987 by Late Shri SL Minda, erstwhile founder of Minda Group. Over the years, MDMCT has implemented several CSR projects such as all round development of children, women and youth belonging to the underprivileged section that have been acclaimed at the State and the National level. The following are a few glimpse of our CSR projects: -

**Moga Devi Minda Memorial School , Bagla, Haryana:** Established in 2010, Moga Devi Minda Memorial School, Bagla, Hisar is a School with a difference and offers value based quality education to rural children and helps create opportunities for them to develop and blossom not only into successful professional but also as responsible

citizens. The English Medium Co-education, Senior Secondary School is affiliated with CBSE. With the strength of 40 dedicated teachers, this School is providing access to quality education to 883 children presently. 95% of the children come from nearby villages Bagla, Kabrel, Bhursal, Jakhod, Mohabbatpur, etc.

**Minda Bal Gram, Alipur, Delhi:** Licensed with the Department of Women and Child Development, Government of NCT Delhi, Minda Bal Gram (Children Home) has been providing long term institutional care to the children in need of care and protection since 2001. It provides holistic development opportunities to such children that includes shelter, food, clothing, education, vocational and entertainment to the children recommended by the Government of NCT, Delhi. The attempt is to provide family like environment under institutional care so that physical, mental, spiritual and educational needs are fulfilled for an overall development of children. MBG provides support and financial assistance to its children wishing to pursue academics or other training/skill. Scholarships and sponsorships are



awarded for higher education or training by the Moga Devi Minda Charitable Trust, Delhi. Presently lives of 117 children (Girls - 71, Boys- 46) are being shaped up.

**Promoting Education around the periphery of Manufacturing units:** In the core and periphery of Manufacturing units various promotional drives are organized in the Government Schools and the children are motivated for attending school. Extra-curricular activities are organized by the Employees of the nearby manufacturing unit in the Government Schools to encourage the children coming from the nearby area/ villages. This is how the school dropout issue is being addressed

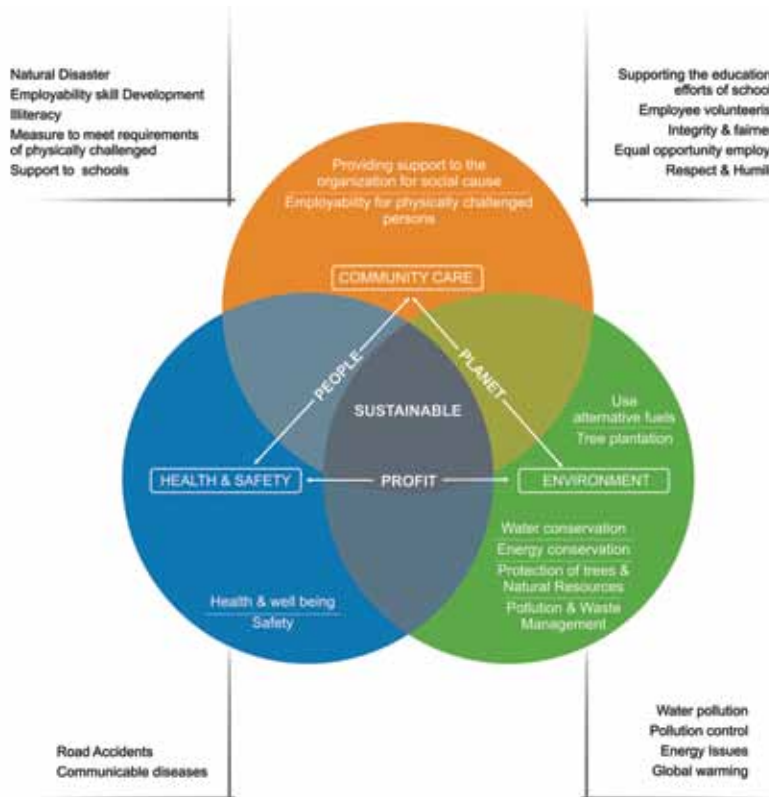
**Engaging differently-abled in Manufacturing works:** It is better to offer a skill set rather than sympathy to the needy. With this philosophy, the Group facilitates engagement of differently abled persons in various works. At present, 56 differently abled persons are engaged in manufacturing functions and they are not only able to make their lives sustainable but they are also contributing financially to their families. Differently abled people are trained in the manufacturing unit on the possible and suitable trades such as Wire Tapping and Part Fitting and they are engaged in different works in Cutting works, Assembly Line Production and Canteen.

**SL Minda Seva Kendra (SLMSK):** Since 2007, the SL Minda Seva Kendra Bagla, Haryana has been providing vocational training to rural youth including women. SLMSK has accreditation with the National Institute of Open Schooling, Ministry of HRD, Government of India. Vocational Training is provided in Computer, Cutting & Tailoring, Beauty Culture and Indian Embroidery. Currently, vocational training is being provided at four centers- Bagla, Siswal, Mohabbatpur and Jakhod villages of Hisar district. Till 2013 the SLMSK has successfully trained thousands of youths for making them employable.

**Sustainability initiatives:** The Group believes in sustainable development. Accordingly various sustainability initiative are being practiced at the manufacturing units. Tree plantation, Energy conservation, Use of alternative fuels, Pollution and waste management, Protection of natural resources and water conservation practices are the major sustainability initiatives of the Group.

**Aakarshan – A Vocational Training Centre:** Recently introduced, Vocational Training Program on Computers is educating more than 40 children and 20 youth at Kuleshra village of Greater Noida. The learners belong to the underprivileged sections. In 6 months duration, the learners will be taught basic and advanced Computers. Similar centers are proposed be opened in Pune and Chennai this year.

**Minda Corporation Limited - Corporate Social Responsibility Model**





### *Dear Shareholders,*

I am delighted to be writing to you having now completed our second full year of our new identity as Spark Minda, part of the overall Ashok Minda Group. However, it has been another challenging year with subdued markets across the automotive industry and the broader Indian economy.

Although global GDP grew at 3%, this was lower than growth recorded in 2012. Both developed and developing economies generally experienced growth rates below market expectations. In particular, the Indian economy grew by only 4.7% compared to a 5% growth rate in the previous year.

Looking forward there is an increasing sense of optimism, as growth prospects are expected to improve across major global economies. The demand of goods and services delivered from emerging economies should also benefit in response to the

improving consumer and business confidence in Europe and the USA.

With this background in mind, the global automotive industry performed relatively better than the previous year by 3.7% growth in sales. With this growth profile, it is estimated that the industry will attain a value of nearly EUR 100 billion by 2020. Various industry sources have forecast a cumulative annual growth rate of 16% over the period 2013-21 for the Indian automotive industry. This is an encouraging outlook for Minda Corporation Limited and our industry overall.

During the last year however, the Indian automotive industry continued to be impacted by rising inflation, slowing growth and a depreciating rupee. All of these factors have contributed to decreasing sales and lower levels of profitability. However, with the new government now in place and development high on

## Message from the Chairman & Group CEO

“The strategy of amalgamating the Group companies on the basis of their product compatibility, resource allocation and use of facilities has proved to be successful.”

the political agenda, consumer spending on industrial activity are both likely to pick up pace.

In the medium term, the Indian automotive industry is strategically and geographically well positioned to benefit from the trend of shifting global automotive production towards Asia. India offers advanced technology, a skilled workforce, cost effective production facilities and an attractive end market customer base. Your Company looks forward to capitalizing on these key industry trends and the future opportunities they bring.

Form an operating perspective, senior management will continue to focus on the core principles of exceeding our customers' expectations. This will be achieved by delivering high quality products, reducing time to market, by lowering costs and optimizing utilisation levels.

Our increased collaboration at a Group level yielded both significant operating and financial benefits. The

strategy of amalgamating the Group companies on the basis of their product compatibility, resource allocation and use of facilities has proved to be successful. Our global geographic and product range diversification have also been key in our performance. The overall results of our market positioning are not only seen in our top-line, but more importantly in the companies' profitability.

I would like to use this opportunity to express my gratitude to all the shareholders for their ongoing trust and confidence in our strategy. In addition, my sincere appreciation goes out to the directors, management and employees of the Minda Corporation Limited for their dedication and contribution over the year.

With Warm Regards

Ashok Minda  
Chairman & Group CEO



### *Dear Shareholders,*

The last year has certainly had its challenges from a group structure and financial perspective. However, the newly simplified organization and fully aligned capital structure now places Minda Corporation Limited in the optimal position from which to pursue its strategic growth plan.

In the context of ongoing difficult economic and market conditions, your Company has emerged stronger through a consolidated manufacturing platform from which to accept the challenges in the near future. Reshaping the organization for long-term growth and moving to the next level of success have been at the center of our financial strategy during the course of the year. Corporate structural changes were successfully implemented at every level along with the introduction of new systems and processes designed to achieve optimum efficiency.

Your Company entered into new agreements, partnerships and joint ventures to strengthen its market

position with core customers and its manufacturing presence globally. Future growth will continue to be based on a combination of organic developments and selective acquisitions. This is an exciting time for Minda Corporation Limited as it enters this new phase of positive growth.

During the year, cost reduction initiatives were started with a clearly defined mandate. Its primary focus is to identify initiatives which reduce wastage, increase productivity, use raw materials efficiently, reduce general expenses and integrate operations.

Overall, our capital structure remains robust and provides flexibility to achieve the Company's growth aspirations. Even during the economic downturn, the Company was able to generate positive operating cash flows.

Your Company remains focused on technological innovation across all of our products and processes,

## Message from the Group CFO

“Reshaping the organization for long-term growth and moving to the next level of success have been at the center of our financial strategy during the course of the year.”

thereby meeting our customers’ product related needs. Our commitment and innovative spirit leads to new market opportunities and strengthened customer relationships.

As an organization, it is critical to retain talented management and operate best industrial practices at all of our operating sites. World-class manufacturing underlines our objective of being considered as the supplier of choice by our customers. With continuous improvement at the core of our manufacturing principles, we are committed to deliver a technologically advanced product range.

For any organization the support of its employees and associates is very important particularly as it embarks on a period of growth. At the Spark Minda, Ashok Minda Group, we consider our employees to be our biggest asset and therefore believe in empowering them with the right systems, processes and operating

frameworks. The foundation of our culture is based on entrepreneurial drive, which in turn builds on ownership and inspires pride in our employees. Our philosophy of building a fair enterprise with a dedicated team allows us to not only attract and motivate the highest quality individuals, but also retain our employees for longer with satisfying career paths.

The guidance of our experienced Board of Directors has enabled us to achieve industrial milestones and operate competitively in current market conditions. I would like to thank all our stakeholders, employees, vendors, distributors, associates and the community at large for their unwavering commitment. It is with your support and confidence that we look forward to the challenges to come.

With Warm Regards

D.C. Sharma  
Group CFO



### *Dear Shareholders,*

The financial year ended 2014 continued to be a period of focused consolidation and reorganization for Minda Corporation Limited. Depressed market conditions across many sub sectors of the automotive industry have naturally had an impact on the Company.

In order to reduce the impact of the slowdown, the Company continued to further streamline operations and refine our organizational structure. To ensure simplicity and transparency, certain business units were consolidated back into the Group and others hived off. The changes in structure have been essential in giving

your Company the platform required to implement the next stage of future growth.

Our global manufacturing platform encompasses twenty plants in India and a plant in each of Germany, Poland, Indonesia and Vietnam. During the year, management's ongoing review of functions and operations resulted in optimized capacity utilization levels and cost rationalization. This included the implementation of significant changes to our production techniques and overall usage of resources. Furthermore, fixed costs were reduced through facility

## Message from the CEO

“Through technological advances and developments, we intend to widen our product range and capture greater market share.”

and resource sharing across the operating plant portfolio. Your Company filed 22 patents and received grants for 4 products in mechanical and electronic locks for various markets.

Looking ahead, we plan to enhance our presence in the west as well as countries where we already have manufacturing facilities. Through technological advances and developments, we intend to widen our product range and capture greater market share.

We are also focusing on people development through various development programs to retain the talent pool

we are proud to have created. External consultants with specialist subject knowledge have been retained to ensure that we achieve these objectives. As a flagship Company of the Group, we believe we have the responsibility to lead by example and deliver value for our customers, our shareholders and set the highest standards in the industry overall.

With Warm Regards

Sudhir Kashyap  
CEO

## Board of Directors



**ASHOK MINDA** *Chairman & Group CEO*

Mr. Minda brings along an extensive experience of more than 30 years in the Automotive Industry. Under his leadership, the Group comprises of various companies in India and abroad and has enjoyed successful track record of partnering with leading global auto companies of US, Germany, Japan and France. He has been instrumental in initiating Greenfield projects in Indonesia, Vietnam and Uzbekistan.



**AVINASH P. GANDHI** *Director*

Mr. Gandhi is a Mechanical Engineer from the Birla Institute of Technology and has completed management programs at IIM and Administration Staff College of India. He has a rich experience of over 50 years in various capacities as Special Advisor, Director and other senior managerial position in leading auto companies. Presently, he serves on the Board of Lumax Industries, FAG Bearings, Indo Alusys Industries and Havells India.



**RAKESH CHOPRA** *Director & Chairman of Audit Committee*

Mr. Chopra is a Chartered Accountant (England & Wales) and MBA from Cranfield University, U.K. having a rich experience of over 37 years. Currently, he is the Director of GPR Enterprises, Kemptoy Cottages, Bharat Gears, Cleantec Infra and Founder member and Chairman of Indraprastha Cancer Society (Rajiv Gandhi Cancer Hospital & Research Centre).



**SUNIL BEHARI MATHUR** *Director*

Mr. Mathur is the Chairman of National Stock Exchange and the Secretary General of Life Insurance Council. Currently, he serves on the Board of ITC, Infrastructure Leasing & Financial Services, Cholamandalam and MS General Insurance, Ultratech Cement, DCM Shriram Industries, IDFC Trustee Company, Housing Development and Infrastructure, Havells India and Axis Bank, Former Chairman of LIC of India and Administrator of SUUTI.

**LAXMAN RAMNARAYAN** *Director - Kotak Private Equity*

Mr. Laxman holds various academic and professional qualifications including CWA and MMS. He has an experience of over two decades in finance and strategy. Currently, he is the Director and Audit Committee Member of Mahindra Aerospace and Mahindra Aero structures, NSL Renewable Power and Samson Maritime.

**SUDHIR KASHYAP** *Executive Director & CEO*

Mr. Kashyap is a Mechanical Engineer and IIM-A graduate having experience of over 25 years in the auto component industry. Associated with the Group for over 12 years, he was responsible for the joint overseas companies of Spark Minda and Uno Minda Group. He has also been instrumental in setting up the first overseas Greenfield project for the Group in Indonesia and Vietnam. Prior to joining Minda, he worked with the Anand Group.



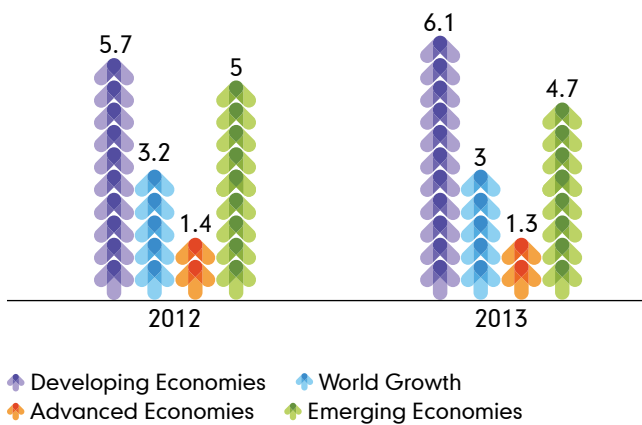
# Management Discussion & Analysis

## Economic Assessment

### World Economy

With global growth of 3% during the calendar year 2013, the world economy expanded almost in line with its average over the past few years. During the previous year, world GDP grew at 3.2%. The variance across the world has been significant, with some countries registering significant growth, while others trying to manage elevated levels of unemployment. The developed nations grew at 1.3%, which is almost the same growth level as last year. Emerging countries grew at 4.7% compared with 5% growth in 2012. Developing countries increased their pace of growth to 6.1% from 5.7% during the previous year.

### World GDP Growth (%)



### Indian Economy

Although India’s GDP growth was in line with the world average, it was a disappointing year for the Indian economy. India’s GDP grew at 4.6% during the fiscal year 2013-14 compared to 4.4% in the previous year. The agriculture sector is a major contributor to Indian GDP with 4.6% growth, significantly up from 1.4% last year. However, pressure remained on the industrial sector with growth estimated at 0.7%, marginally lower than the 0.9% in FY13. The services sector grew by 6.9% compared to last year’s performance at 7.0%.

### Outlook

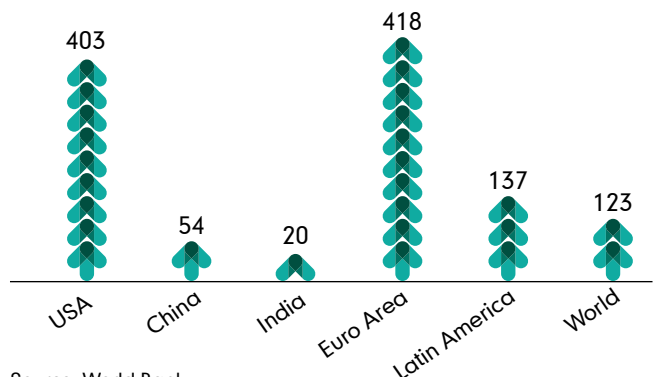
Going forward, the IMF World Economy Outlook April 2014 predicts that the world economy will grow at 3.6% in 2014 and continue to expand in the coming years. Growth in advanced economies is predicted to increase by 1% to reach 2.3% in 2014. In Europe, growth will be skewed towards countries with relatively low levels of debt. The United States is projected to grow at 2.7% percent. With the increasing growth momentum in advanced countries, emerging economies are expected to grow at 5% in 2014.

Upcoming reforms and growing political and economic stability in India are encouraging. The new government and the fact that all sectors have grown in spite of dismal economic scenario sound positive.

### Automotive Industry Overview

Globally the automotive industry contributes to about 3% of GDP output. The industry has been witnessing an increase in demand year-over-year due to advancements in technology and growing enthusiasm amongst people to own new and latest cars. Every sphere of the globe is witnessing an increase in the demand. With recent rise in income and growing urbanization, emerging countries have surfaced as the dominant market. In USA the demand for vehicles has again picked up post recession. European countries have also seen a growth in the overall sales of vehicles.

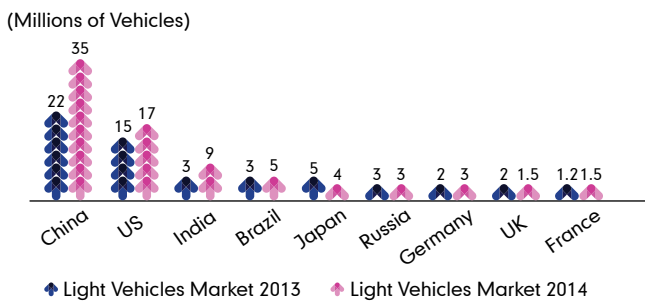
### Passenger Cars per 1000 Population



By 2020, as Standard & Poor’s 2013 report predicts, the global sales of vehicles will be skewed towards emerging countries such as India, China and Brazil.

In response to the emergence of these markets on the global front, the global auto-makers have started enhancing their presence in these markets. Due to this there is a higher degree of competition amongst the auto-makers and increase in demand for automotive component supplies.

**Light Vehicles Market**



Source: Standard & Poor’s Report 2013

Indian automotive market is also witnessing significant enhancement in the presence of global automakers increasing competition for the local manufacturers. The industry currently accounts for almost 7% of the country’s GDP and is one of the major employers. As per recent estimates from the Automotive Component Manufacturers’ Association (ACMA), the automotive industry is projected to reach US\$ 30 billion by 2020-21.

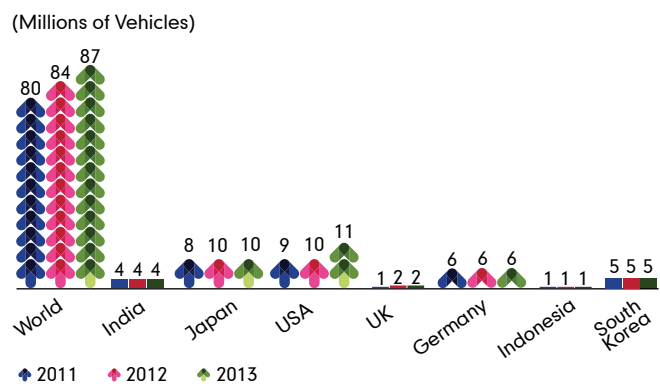
With global producers like Volkswagen, Jaguar Land Rover and BMW scaling their operations in India to meet the increasing demand, there is no looking back for India in terms of its automotive market. In addition to this, the automotive mission plan of India, prepared by the Ministry of Heavy Industries and Public Enterprises, aims to make India a global hub by 2016. The plan also aims at doubling the GDP contribution of the sector and increasing employment of the sector. The government is also working towards a state-of-art and dedicated testing, validation and R&D infrastructure across the country.

All this growth in automobile industry translates to the automotive component manufacturers in terms of induced demand and competition.

**Global Automotive Components Industry**

Even though the world had a tough time during the course of recession, the global vehicle production continued to increase to close to 87 million units (Source: OICA statistics 2013). This is a growth of 3.7% over last year’s production. The improving consumer trend is accompanied with growth in demand for the after-market services also which is now gaining impetus. To this effect, more and more global auto makers are now focusing on building more and more tie-ups and dealership capabilities. Over the years, it is estimated that with the growth in car production, the after-market shares in revenue would also go up. A McKinsey & Company report predicts that the after-sales automotive parts revenues could grow from approximately by 20 percent a year and reach nearly EUR 100 billion by 2020.

**Global Automobile Production trends 2011-2013**



Source: OICA, IHS Automotive

**Indian Automotive Components Industry**

Given its growth trajectory the sub-sector which contributes close to 2% to national income of India has emerged as an outsourcing hub for international companies such as Ford, General Motors, Daimler Chrysler, Fiat, Volkswagen and Toyota.

The Indian auto sector has increased by 4.0% in FY14 as compared to same period last year, led by the growth in the 2 wheeler industry. Demand from

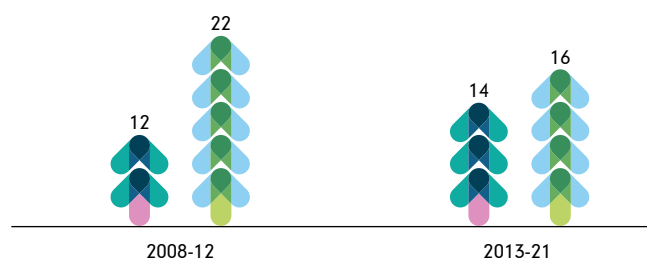
Production Volumes	FY13	FY14	%
Passenger Vehicles	3,231,058	3,072,651	(4.9)
M&HCVs	280,677	221,626	(21.0)
Two Wheelers	15,744,156	16,879,891	7.2
Three Wheelers	839,748	830,120	(1.1)
	20,647,611	21,481,526	4.0

passenger vehicle and commercial vehicle segments remained under pressure.

The outlook for the automotive industry in India has turned positive due to multiple factors. Improved consumer sentiment and the recent excise duty cut are expected to provide a stimulus to the Passenger Vehicle segment. The Two Wheeler segment is also poised to perform well driven by rising incomes and rural penetration. The commercial vehicle segment is likely to face headwinds until economic activity starts to gain a sustainable momentum

During 2008-12, the domestic turnover grew at a CAGR of 12% and is expected to go up to 14% during 2013-21. In terms of exports, the Industry grew at 22% in 2008-2012 while is predicted to fall down to CAGR of 16% during 2013-21.

India: Domestic Demand to go up (in %)



Exports Domestic

Source: ACMA

Road Ahead

● **Growth in Passenger Vehicle segment:** According to Ministry of Heavy Industries and Public Enterprises, the passenger vehicle segment is expected to grow to 9 million units and the two-wheeler segment is expected to grow to 30 million units by 2020. This would certainly work towards growth in auto-component industry.

- **Growth in the after-market segment:** The demand for components is expected to increase in future due to more and more companies coming up in India. Also, Indian component makers are leaving no stone unturned to replace the global component market in India. This should transmit to India’s rapport with global component industry going forward.
- **Global manufacturers entering India:** This comes in as a boon to the Indian component makers as the low cost manufacturing and labor costs are luring the big manufacturers to set up their base in India tying up with the component making companies in India.
- **Government Policies:** The Government of India has reduced its restrictions on Foreign Direct Investment (FDI) in the automobile sector which has opened up an array of opportunities. There is also concerted focus being laid in making the entire automobile industry (inclusive of auto components), a global hub and increasing the exports manifold.

Minda Corporation Limited

Operational Review

● Consolidation Completed

The Company completed the consolidation of its operations during the year to simplify and strengthen its operations. Certain less profitable operations have also been closed down. Going forward the consolidated business will improve overall profitability. At the end of the year, the Company has 100% ownership in its subsidiaries Minda Europe, Minda SAI, Minda Automotive Solutions, Minda Management and Minda KTSN.

● Patents

During the year, management continued to focus on technological advancement and research and



development with the Company filing 22 patent applications. 2 (two) patents were granted during the year. 1 (one) for protected device for cylinder locks (magnetic module) for South East Asian Market and 1 (one) for drill free gear lock mounting system in India.

#### ● Rewards & Recognition

- Owing to the efforts that the Company has put in, Yamaha India recognized Minda Corporation Limited, Security Systems for excellence in quality. The Company was conferred with a “Silver Award” for its superior quality products.
- TUV Nord, a Germany-based inspection association visited and appreciated the HR practices & leadership styles adopted at Minda Corporation Limited, Pune.
- MCL – Pantnagar won the 3rd prize in ‘Manufacturing Excellence Case Study Competition’ in 6th National Cluster Meet of CII (Confederation of Indian Industry) held at Delhi.

#### Financial Review

- **Revenue** – The consolidated net revenue of the business declined by 26% to ₹ 1,624 crores from ₹ 2,210 crores during FY13. This is due to the hive-off of a loss-making foreign subsidiary leading to loss in top line but an increase in bottom line.
- **Net Profit** – The streamlining of operations continuing since past couple of years has started bearing results for the Company with the consolidated profits reaching ₹ 79 crores from ₹ 6 crores in FY13.

- **Fixed Assets** – The fixed assets of the Company stood at ₹ 542 crores compared to ₹ 534 crores last year.

#### Human Resources

The Company considers its human capital to be paramount. Like every year, the Company continued to nurture its employees through various programs and HR initiatives. Professional development of an employee is given due emphasis to give them a sense of belongingness. Various corporate and plant level initiatives are undertaken to provide encouragement to the employees at all levels. All employees are evaluated through a performance management system (PMS). Proper training is imparted at all levels after the recruitment to acclimatize the employees to the value and the culture of the organization.

#### Risk Management

**Economic Crisis Risk** – Due to the ongoing crisis and its impact on Europe, the Company is under a risk of losing on its sales from the region. To ensure that the risk does not impact brutally, Minda Corporation Limited has started looking up to less affected geographies like Russia for expansion.

**Foreign Currency Fluctuation Risk** – Due to its global presence, the Company is under the risk of loss pertaining to fluctuations in foreign currency which could cost it dearly. To mitigate this risk, the Company tries to strike a balance between its global and domestic business.

**Technological superseding Risk** – Due to the nature of the business and globally competitive industry, there is always a risk of technology going obsolete due to some advancement by the competitors. The Company



has been focusing on technological advancements through cohesive R&D capabilities to bring about the best of its capability through its products. Product innovation in all its activities and segments ensures a steady demand for the products of Spark Minda – Ashok Minda Group.

**Foreign Policy Risks** – The Company, due to its global business presence, has to face the risk of change in government policies of India as well as a country where the Company exports its products. To assure itself a safety on this parameter, the Company follows the foreign country guidelines, maintains the quality of its products and benchmarks its products to the global market.

**Procurement Risks** – The Company may face unexpected increase in sourcing of its input materials used for its auto components. To take care of this, the Company has made arrangements through different vendors for timely sourcing of raw material to meet production requirement.

**Commodity Price Risks** – The prices of general commodities and fuel have been increasing during the recent years which may act as an impediment to affect the consumer sentiments. Consumers may delay the purchases of new vehicle in the light of fuel prices increase which may dampen the market for components. This is out of control of the Company and it has to follow the market dynamics. However, the risk takes care of itself through preference for second hand cars and vehicles which demand renewal and replacement of parts.

#### **Internal Controls & Systems**

The Company follows a strong system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported quickly. It keeps reviewing the adequacy of internal control systems from time-to-time. The internal control is well-designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability towards assets. The Audit Committees of group companies keep reviewing the internal audit reports of companies operating in domestic markets and those incorporated in Europe and operating primarily in overseas markets. Suggestions made by internal auditors are reviewed and considered by Audit Committees on a quarterly basis for improvement of internal controls and systems within the Group.

#### **Outlook**

With the renewed optimism around the automotive industry and the Indian economy going forward, Minda Corporation Limited is focused on selectively expanding its business operations across international markets. The ongoing consolidation of its business activities will also result in further cost control and performance measurement. Going forward, the Company intends to follow its strategy of expansion through concerted marketing and selling. With focus to capture Western countries as market, the Company is aiming to scale new heights in the time to come. Going forward, these actions must translate into positive results for the Company.



# Directors' Report

Dear Members,

Your Directors have the pleasure in presenting the 29th Annual Report on the business and operations of the Company and the financial statements for the Financial Year ended March 31, 2014.

## 1. FINANCIAL RESULTS

(Amount ₹ in Lacs)

PARTICULARS	Standalone		Consolidated	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Sales / Income from operations	61,676	59,821	1,59,391	2,17,358
Other income	690	1,231	3,038	3,620
Profit before Interest, Depreciation & Exceptional Item	6,628	6,730	15,612	14,489
Interest	1,123	1,313	2,751	4,243
Depreciation	2,167	1,684	4,780	7,705
Exceptional Item	(225)	(233)	1,475	(298)
Profit before tax	3,113	3,500	9,556	2,244
Provision for Taxation	1,032	724	1,895	1,574
Deferred tax liability / (assets)	(96)	106	(175)	173
Net Profit before share in associate and minority interest	2,177	2,670	7,836	496
Share of Profit in associate	-	-	98	-
Share in minority interest	-	-	-	(103)
Profit for the year	2,177	2,670	7,934	599
Brought forward profit	11,230	9,285	8,412	8,327
Total Profit available for appropriation	13,407	11,955	16,346	8,927

## 2. COMPANY PERFORMANCE

The Indian automobile industry has experienced a period of suppressed demand for almost three consecutive years. As auto component manufacturers generally derive a significant portion of their revenues from sales to the auto Original Equipment Manufacturers (OEMs) based in India, the ongoing weakness in the demand for new vehicles has resulted in an adverse impact on the revenue growth for the component manufacturers.

Despite the lower economic growth trend and overall recession in the economy and the auto component industry, your Company has achieved sustainable revenue growth compared to the last year. During the year under review, your Company has achieved a turnover of ₹61,676 Lacs against ₹59,821 Lacs during 2012-13 registering a growth of 3.1% over the previous year. The Company reported a Net Profit of ₹2,177 Lacs as against ₹2,670 Lacs earned during last year.

Over the near term, the auto component industry's growth in the domestic market to remain low in the absence of any immediate demand triggers from consumers. In the medium term, the auto components industry to grow at a relatively faster pace compared to the OEM segment. This is due to several factors including OEMs' focus on localization, auto supplier's efforts to expand business geographies and the strong upside potential of the replacement market.

## 3. CAPITAL STRUCTURE

The capital structure of the Company comprises of both Equity and Preference share capital. The Authorised Share Capital of the Company is ₹4420 Lacs divided into 2,50,00,000 Equity Shares of ₹10 each and 2,40,000, 0.001% Cumulative Redeemable Preference Shares of ₹800 each.

The paid-up Share Capital of the Company is ₹4013 Lacs divided into 2,09,31,164 Equity Shares of ₹10 each and 2,40,000, 0.001% Cumulative Redeemable Preference Shares of ₹800 each. The entire issued share capital of the Company is fully paid-up.

## 4. DIVIDEND

Your Directors recommend to transfer ₹218 Lacs to General Reserve from the profits of the year as against ₹267 Lacs transferred in the previous year.

Based on the Company's performance, your Directors have recommended a dividend for the financial year 2013-14 for the approval of shareholders in the forthcoming Annual General Meeting:

- On 2,40,000 – 0.001% Cumulative Redeemable Preference Shares @ 0.001%.
- On 2,09,31,164 Equity Shares @ 20% i.e. ₹2/- per equity share.

Your Company has transferred all amount of unclaimed dividend which remains unclaimed for a period of seven (7) years to the Investor Education and Protection Fund.

## 5. 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 Statements provide financial information about your Company and its subsidiaries as a single economic entity. The Consolidated Financial Statements form part of this Annual Report.

## 6. CORPORATE GOVERNANCE

Your Company follows the highest standards of Corporate Governance best practices. It adheres to and has implemented the requirements set out by SEBI's Corporate Governance practices. As a part of this practice, a separate section on Corporate Governance forms a part of the Directors' Report. A certificate from M/s. Sanjay Grover & Associates, Practicing Company Secretaries, confirming compliance of Clause 49 on Corporate Governance of the Listing Agreement is included in this Annual Report. The Executive Director & CEO and Chief Financial Officer of the Company have issued the required certificate to the Board in terms of Clause 49 (V) of the Listing Agreement for the financial year ended on March 31, 2014.

Your Company has been in compliance with the Corporate Governance Voluntary Guidelines, 2009 introduced by the Ministry of Corporate Affairs. These guidelines provide a voluntary framework for the highest business governance standards.

## 7. 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, is presented in a separate section forming part of the Annual Report.

## 8. FIXED DEPOSITS

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

## 9. BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ashok Minda, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

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

Further, in terms of the Section 149 of the Companies Act, 2013, Mr. Avinash P. Gandhi, Mr. Rakesh Chopra and Mr. S. B. Mathur have been appointed as Independent Directors of the Company for a period of five years to hold office until March 31, 2019. This is subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 (Corresponding Section 134(5) of the Companies Act, 2013), 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 no material departure was made for the same;
- b) That Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period ended on March 31, 2014;
- c) That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That Directors have prepared the annual accounts on a going concern basis;
- e) That Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are given in Annexure – I to this Report.

## 12. PARTICULARS OF EMPLOYEES

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

## 13. AUDITORS

The Auditors of the Company M/s B S R & Associates LLP, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. In terms of Section 139 of the Companies Act, 2013 it is proposed to appoint them for a period of two years from this Annual General Meeting until the conclusion of 31st Annual General Meeting of the Company.

The Company has received a certificate pursuant to Section 139 of the Companies Act, 2013 and relevant rules, confirming their eligibility for re-appointment.

## 14. AUDITORS' REPORT

All observations made in the Auditors' Report and notes to the accounts are self-explanatory and do not



call for any further comments under Section 217 of the Companies Act, 1956.

#### 15. LISTING

The Equity Shares of your Company are continued to be listed at Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

#### 16. SUBSIDIARIES

A statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiaries for the year ended on March 31, 2014 is given in **Annexure – III**.

In terms of General Circular No. 2/2011 dated February 8, 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 its registered office.

#### 17. CREDIT RATING

During the year under review CRISIL Ltd. (CRISIL) assigned A-/Stable rating for long-term bank loan facilities and A2+ rating for short-term bank loan facilities availed by the Company.

#### 18. RISK AND INTERNAL ADEQUACY

Your Company has an elaborate Risk Management procedure, which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance Processes. Some of the risks relate to competitive intensity and cost volatility. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed with both Management and Audit Committee.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

#### 19. HUMAN RESOURCES

Your Company's Human Resource agenda for the year was focused on strengthening the leadership capabilities and their successor plans for future readiness, driving greater employee engagement and strengthening greater employee relations.

During the year under review Employee Satisfaction Survey (ESS) and Employee Engagement Survey (EES) were conducted successfully by the Company across the Group and key business charters based on findings have been finalized. These charters are owned by your Company's leadership team and will take off during 2014-15. These interventions will allow your Company to have robust people plan to guide your Company not just for an immediate performance, but also to ensure that the Company is future ready.

Your Company undertook intensive training programmes through a combination of face-to-face and virtual learning approaches.

#### 20. FORWARD LOOKING STATEMENT

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and/or its businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

#### 21. ACKNOWLEDGEMENT

The Directors of your Company wish to place on record their appreciation to all employees for their enthusiasm and commitment throughout the year. In addition, the Directors would also like to take this opportunity to thank all customers, suppliers, financial institutions, government and regulatory authorities, for their continued support. We appreciate the ongoing support of our shareholders and look forward to year ahead.

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

**Ashok Minda**

Chairman & Group CEO

DIN: 00054727

Place: Gurgaon

Date: May 29, 2014

**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**

- Installation of solar water heater for pre-heating process in Canteen.
- Power alarming system installed for power availability at maintenance control room.
- Switch over energy resource from LPG to NG, saving will start in the current year.
- Connecting effluent line to ETP collection tank by gravity in place of lifting pump.
- Remove LPG vaporizing system, saving will start in the current year.
- Changed the design of paint shop and powder coating hangers (Single side to Double side).
- Reduction of lighting load by completely converting all types of light to LED.
- Reduction of power consumption of compressor by introduction of energy efficient blow guns
- Reduction of melting pot size in 30 ton machines.
- Locking of pressure and temperature settings on machine to avoid over usage of energy.
- Introduction of SSR system in cold chamber machine to reduce energy consumption.

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

- Proposed Investment :
  1. ₹8 Lacs for switch over LPG to NG
  2. ₹2.5 Lacs for installation of solar water Heater.
  3. ₹9 Lacs budgeted for process management system including energy and process controls.
  4. ₹4.8 Lacs budgeted for SSR system on hot chamber machines.
  5. ₹3.6 Lacs budgeted for furnace relining to reduce heat loss

6. ₹1.8 Lacs budgeted for insulated pot covers.
7. ₹6 lacs budgeted for servo drive system on one die casting machine.
8. ₹3 lacs budgeted for solar system for office.

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

Above adopted measures has reasonable savings of energy as detailed below:

1. LED saves about 6080 watts of energy.
2. Energy efficient blow gun gives a saving of 4032 units per month.
3. Reduction of pot size reduces the energy consumption by approx. 3000 units per month (5 machines)
4. Locking of process setting saves about 6875 units per month (on 12 m/cs).
5. SSR on cold chamber melting furnace saves 4400 units per month (on 2 machines).
6. Saving expected on proposed investments :
  1. Approx 7000 units per month from monitoring system.
  2. Approx 11000 units per month from SSR system on hot chamber machines (23 nos).
  3. Approx 3000 units per month from insulation and pot cover.
  4. Approx 750 units per month from servo system on one machine.
  5. Approx 800 units per month from solar system.

**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 following products segments:

**Mechanical Security System:**

Focus on Innovation continues by adding New Products, addition of features in existing product range and developed low cost products by proposing new concepts, reducing no of child parts, weight reduction & use of alternate raw materials. Some of the products are as below:

  - Ignition Switch cum Steering Lock with Single and Multiple Cable Actuation Lock.
  - Centralize Cover Rotation Magnetic Module.
  - Auto shut magnetic module (With provision of optional closing at OFF position).
  - Ignition Switch cum Steering Lock, Fuel Tank Caps and other Peripheral Locks with new concepts and alternate raw material to reduce RMC.
  - Lock set developed for New Customers like Harley Davidson India, Yamaha Brazil, BRP Canada, Polaris USA and also Locksets developed for Existing customers for various forthcoming models.
  - 6 provisional patents filed.

**Electronic Security System:**

As the content of Electronics is increasing in the vehicles to provide more comfort, safety and security, more focus is being given on developing Mechatronics Security Systems for Global customers Like MV Augusta Italy, BRP Canada, Triumph UK, Royal Enfield India etc. Some of the examples of products developed / under development are as below:

  - Concept and Prototype developed for Hands free Lock (Smart Key System).
  - Shutter module - Opening and closing using remote.
  - Active Antenna on LIN Bus.
  - Immobilizer with Transponder and Dallas based protocol for BRP.
  - Concept developed for TVSM for “Find Me feature”.
  - RF based Immobilizer for Royal Enfield.

Company is not only focusing on Innovation in Products, but also on Manufacturing Processes. Different types of Semi Automatic assembly lines, End of Line testing fixtures were developed with PLC Programming for Security Systems, Magnetic Modules and Electronic products to cater to different volumes.
2. Benefits derived as a result of above R&D
  - Development of Hands Free Lock (Smart Card Mechatronic Security System) has increased Company’s chances of acquiring business from European customers. Such products are already being used in High end Motorcycle in Europe, where Company did not have its presence.
  - Development of additional feature of Single and Multi Cable actuation Lock is giving edge over competition, increase the market share and addition of new customer in this segment.
  - Development of Magnetic Shutter with different options/features will enable the Company to expand its product portfolio, thereby enabling more business acquisition in this segment in ASEAN and Domestic market.
  - Development of low cost concept and using of alternate raw material helps in business retention and also acquiring better market share.
  - Development of Immobilizers with different protocols will enable the Company to expand its product portfolio and business with OEMS in high end 2 wheeler segment.

New customer added - Harley Davidson India, Yamaha Brazil, BRP Canada, Polaris USA.
3. Future Plan of Action
  - There is a focus to develop Fuel Tank Cap and complete evaporation system to meet Evaporation norms for Indian customers.
  - There is a continuous thrust on Innovations - both in product and process. Culture of innovation is being spread across all the departments at various levels. 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 simultaneously reducing the cost.
  - To address futuristic requirements of customers, Electronic and Mechanical Engineers are working together to bring out Mechatronic products.

		(₹ In Lacs)	
4	Expenditure on Research and Development	2013-14	2012-13
	a. Capital Expenditure	349.51	438.87
	b. Recurring Expenditure	559.53	476.93
	c. Total	909.04	915.80
	d. Total R & D expenditure as a percentage of total turnover	1.51%	1.57%

ii) Technology absorption, adaptation and innovation

1. Efforts, in the brief, made towards technology absorption, adaptation and innovation.
  - a) Exposure given to Engineers to develop Innovative products through guidance of technical experts & IPR consultants from Japan and also interacting with Indian premier institutes.
  - b) Exposure through visits to exhibition, Technology presentation to esteemed customers, sharing & plant visit of Group Companies, Internal Brain storming sessions etc
2. Benefit derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.
  - a) Indian as well as Overseas customers are willing for adaptation of New Tech Products. Minda Corporation Ltd. has established itself as solution provider to most of the customers across the Globe.
  - b) Customers' confidence has increased by offering low cost and reliable products.
  - c) Competence of Engineers has got enhanced to Design Innovative products and advanced learning has resulted in retention and attracting talents in 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 immobilizer system for Motorcycle / two wheelers from Orbital Corporation of Australia
    - b. Design of controllers for BLDC Motors for electric bikes from NEC, Japan.
    - c. Technical Consultancy from Japanese Technical Advisors for Mechanical Security System especially for Magnetic Module.
    - d. Consultancy on IP&R from Japanese IPR consultants.
  - b) Year of Import.
    - a. 2009
    - b. 2009
    - c. 2008 onwards
    - d. 2010 onwards
  - c) Has technology been fully absorbed?
 

Technology have been absorbed to a great extent as many products have been developed using these technologies, however, support of Consultants may be required from time to time
  - d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.
 

Although we have reduced dependency on Japanese Consultants in Mechanical Security System. However, support for Electronic Security System will still be required as productionisation of Electronic products like immobilizer, active antenna etc, has not yet started. There may be some minor modifications/ upgradation required during productionisation phase.

**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) New customers are added i.e. Yamaha Brazil, BRP Canada and Polaris USA.

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

- **Foreign Exchange Used**

a) Traveling & Conveyance - ₹27.70 Lacs (previous year ₹17.28 Lacs)

b) CIF value of import ₹1872.37 Lacs (previous year ₹2681.13 Lacs)

c) Commission on sales ₹Nil (previous year ₹26.97 Lacs)

d) Legal & Professional ₹0.80 Lacs (previous year ₹ NIL)

e) Repair & Maintenance (P&M) ₹3.77 Lacs (previous year ₹3.54 Lacs)

f) Others ₹1.74 Lacs (previous year ₹39.40 Lacs)

- **Foreign Exchange Earned**

a) FOB value of Exports ₹8230.47 Lacs (previous year ₹6617.54 Lacs)

b) Royalty ₹741.22 Lacs (previous year ₹556.73 Lacs)

c) Technical know-how ₹Nil (previous year ₹115.16 Lacs)

d) Financial Assistance Fee ₹125.86 Lacs (previous year ₹69.04 Lacs)

**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, 2014

**Full Time of the year:**

Name	Age (Yrs.)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Qualifications	Experience (Yrs.)	Name of Previous Employer
Mr. Ashok Minda	53	Chairman & Group CEO	01.08.2011	18,576,000	B. COM	30	Minda Management Services Limited

**Part of the year:**

Name	Age (Yrs.)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Qualifications	Experience (Yrs.)	Name of Previous Employer
Mr. Sudhir Kashyap	49	Executive Director & CEO	01.04.2013 & Executive Director w.e.f. 5.5.2013	13,486,794	Mechanical Engineering & MBA	25	Minda International Ltd.

**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 and 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 and other benefits in accordance with Company's Rules.
3. The above employees are not related to any Director, Key Managerial Personnel of the Company or their relatives except Mr. Ashok Minda and Mr. Sudhir Kashyap who are on the Board of the Company.
4. Except Mr. Ashok Minda, none of the above stated employee own more than 2% of the outstanding shares of the Company as on March 31, 2014.

For and on behalf of the Board of  
Minda Corporation Limited

Ashok Minda  
Chairman & Group CEO  
DIN: 00054727

Place: Gurgaon  
Date: May 29, 2014

## 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, 2014		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 down Subsidiary	Extent of Interest (%)	Current year	For the previous Financial year of the Subsidiary since it became a subsidiary	Current year	For the previous Financial year of the Subsidiary since it became a subsidiary
1	Minda KTSN Plastic Solutions GmbH & Co. KG	Germany	31.03.2014	Subsidiary	100%	1,004.16	(1,375.92)	-	-
2	Minda Europe B.V.	Netherlands	31.03.2014	Subsidiary	100%	(23.90)	(45.82)	-	-
3	Minda SAI Limited	India	31.03.2014	Subsidiary	100%	1,647.41	1,511.76	-	-
4	Minda Management Services Limited	India	31.03.2014	Subsidiary	100%	122.58	(57.91)	-	-
5	Minda Automotive Solutions Limited	India	31.03.2014	Subsidiary	100%	42.11	(21.65)	-	-
6	Minda KTSN Plastic and Tooling Solutions Sp. Z. O. O.	Poland	31.03.2014	Step down Subsidiary	100%	222.10	18.63	-	-
7	KTSN Kunststofftechnik Sachsen Beteiligungs-GmbH	Germany	31.03.2014	Step down Subsidiary	100%	1.02	-	-	-
8	Almighty International Pte Limited	Singapore	31.03.2014	Step down Subsidiary	100%	(1.33)	-	-	-
9	PT Minda Automotive Indonesia	Indonesia	31.12.2013	Step down Subsidiary	100%	349.32	-	-	-
10	Minda Vietnam Automotive Limited	Vietnam	31.12.2013	Step down Subsidiary	100%	12.79	-	-	-
11	PT Minda Automotive Trading	Indonesia	31.12.2013	Step down Subsidiary	100%	(3.02)	-	-	-

In case of subsidiaries whose financial year ended on 31-12-2013 the provisional numbers have been taken for the quarter ended on March 31, 2014.

For and on behalf of the Board  
Minda Corporation Limited

Ashok Minda  
Chairman & Group CEO  
DIN No. 00054727

Place: Gurgaon  
Date: May 29, 2014

# Corporate Governance Report

## (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. It also provides the structure through which the objectives of the Company are set and the means of attaining those objectives and monitoring performance are determined. It also refers to the way a corporation is governed. It is the technique by which companies are directed and managed. It means carrying the business as per the stakeholder's desires. It is actually conducted by the Board of Directors and concerned committees for the Company's stakeholder's benefit.

Corporate Governance is concerned with holding the balance between economic and social goals as well as between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society.

The Company through Corporate Governance encourages more transparency of the business, thereby attaining the trust of its stakeholders. Corporate Governance mechanisms and controls are designed to reduce the inefficiencies that arise from moral hazard and adverse selection. Internal Corporate Governance controls monitor activities and then take corrective action to accomplish organizational goals.

## 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 Composition of Board of Directors of the Company is in conformity with the requirement of Clause 49 of the Listing Agreement. The Board has an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2014, the Board of Minda Corporation Limited comprises of 6 (Six) Directors, out of which 2 are Executive Directors, 1 Nominee Director and 3 are Independent 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, as on March 31, 2014 is as follows:

Sl. No.	Name of the Director	Category	Designation	No. of Directorships held in other Companies	No. of Memberships/Chairmanships in various other Board Committees	
1.	Mr. Ashok Minda	Executive Director	Chairman & Group CEO	7	3	1
2.	Mr. Sudhir Kashyap	Executive Director	Executive Director & CEO	-	-	-
3.	Mr. Laxman Ramnarayan	Independent Director	Director - Kotak Private Equity	1	-	-
4.	Mr. Rakesh Chopra	Independent Director	Director	1	2	-
5.	Mr. Avinash P. Gandhi	Independent Director	Director	7	3	3
6.	Mr. S. B. Mathur	Independent Director	Director	12	4	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, 2014 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 are 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 2013-14 is as under:

Name of the Director	No. of Board meetings attended	Whether attended last AGM
Mr. Ashok Minda (Director & Chairman)	5	No
Mr. Sudhir Kashyap (Executive Director & CEO)	5	Yes
Mr. Laxman Ramnarayan (Director-Kotak Private Equity)	5	No
Mr. Rakesh Chopra (Independent Director)	3	Yes
Mr. Avinash P. Gandhi (Independent Director)	5	Yes
Mr. S. B. Mathur (Independent Director)	4	Yes
Mr. Jeevan Mahaldar* (Executive Director)	1	N.A.

Mr. Mahaldar ceased to be Executive Director w.e.f April 1, 2013. Further, He resigned as a Director w.e.f. May 30, 2013

**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, 2014, Five Board meetings were held as per the minimum requirement of four meetings prescribed in the Clause 49 of the Listing agreement. The intervening

period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of the Listing Agreement.

The details of the Board meetings held during the financial year 2013-14 are as under:

Sl. No.	Date of Board meetings held	Board Strength	No. of Directors Present
1	May 29, 2013	7	6
2	August 13, 2013	6	6
3	November 12, 2013	6	5
4	December 07, 2013	6	5
5	February 12, 2014	6	6

**Information available to the Board**

During the year 2013-14, 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](http://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 of 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:
- Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - 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 comprised of Mr. Rakesh Chopra as Chairman, Mr. Avinash P. Gandhi, Mr. S. B. Mathur and Mr. Laxman Ramnarayan as Members.

During the year Committee met Six times, i.e. on May 29, 2013; July 18, 2013; August 13, 2013; November 12, 2013; December 24, 2013; February 12, 2014.

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
Mr. Rakesh Chopra, Chairman	5	Independent Director
Mr. Avinash P. Gandhi, Member	6	Independent Director
Mr. Laxman Ramnarayan, Member	6	Independent Director
Mr. S.B. Mathur, Member	4	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 September 24, 2013.

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

All the members of the Committee possess financial and accounting knowledge.

## 2) REMUNERATION COMMITTEE

**a) Terms of Reference**

The Remuneration Committee has been entrusted with the following responsibilities:

- To review and grant annual increments to Managing/ Executive Director.
- 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.
- 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.
- 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:**

The composition of the Remuneration Committee as at March 31, 2014 is as follows:

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

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 2013-14 are as follows:

i. **Executive Directors:**

(Amount in ₹)

Name	Salary	P. F. and other allowances	Benefits and linked services	Total
Mr. Ashok Minda	10,800,000	7,776,000	-	18,576,000
Mr. Sudhir Kashyap	7,639,740	5,847,054	-	13,486,794

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. Sudhir Kashyap was appointed as an Executive Director by the Board of Directors at their meeting held on May 29, 2013 for a period of 5 (Five) years w.e.f. May 05, 2013

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 details of which are mentioned below:

(Amount in ₹)

Name	Sitting Fees		Total
	Board Meetings	Committee Meetings	
Mr. Avinash P. Gandhi	50,000	80,000	130,000
Mr. Rakesh Chopra	30,000	50,000	80,000
Mr. Laxman Ramnarayan	50,000	70,000	120,000
Mr. S. B. Mathur	40,000	40,000	80,000

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

The Shareholders'/Investors' Grievance Committee has been constituted to specifically look into the redressal of Shareholder and Investor complaints and other Shareholders issues.

The composition of the Shareholder's Grievance Committee as on March 31, 2014 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 the Members	Committee Meetings attended during the year	Date of Meeting held
Mr. Avinash P. Gandhi, Chairman	2	May 29, 2013 November 12, 2013
Mr. Ashok Minda, Member	2	
Mr. Laxman Ramnarayan, Member	2	

**d) Shareholders complaints and disposal thereof**

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

There were no pending complaints or grievances at the end of the year under review.

**Number of pending share transfer:** There was no pending share transfer as on March 31, 2014. The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

**e) Name and Designation of the Compliance Officer**

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

**f) Secretarial Audit**

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

During the last quarter, the secretarial audit report illustrate that ₹20,93,11,640/- is the issued Capital and ₹20,93,11,640/- is the listed Capital.

**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

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

AGM	Financial Year	Venue	Date	Time
28th	2012-13	"Magnolia" India Habitat Centre, Lodhi Road, New Delhi – 110 003	September 24, 2013	11:00 A.M.
27th	2011-12	"Magnolia" India Habitat Centre, Lodhi Road, New Delhi – 110 003	September 20, 2012	11:00 A.M.
26th	2010-11	"Magnolia" India Habitat Centre, Lodhi Road, New Delhi – 110 003	August 06, 2011	9:30 A.M.

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

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

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

Year	Subject Matter of Special Resolution	Date of AGM
2012-13	Approval of appointment and fixation of remuneration of Mr. Sudhir Kashyap as an Executive Director & CEO of the Company	September 24, 2013
2011-12	Nil	September 20, 2012
2010-11	Appointment & fixation of remuneration of Mr. Ashok Minda as Chairman & Group CEO	August 06, 2011

#### 2) EXTRA-ORDINARY GENERAL MEETING

During the year, the Company has not conducted any Extra-Ordinary General Meeting.

Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI). There is no deviation in the Accounting Treatment.

### 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

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, 2014.

f) Disclosure of relationship between Directors inter-se: None of the Directors have any 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:

1. 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 2013-14 were published in leading newspaper (English & Hindi).
2. Information relating to shareholding pattern, compliance with Corporate Governance norms etc., is available at our website [www.minda.co.in](http://www.minda.co.in)

3. "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](http://www.minda.co.in)
4. Financial results are displayed on the website of the Company viz., [www.minda.co.in](http://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) 29th Annual General Meeting

Venue	: "Magnolia" India Habitat Centre, Lodhi Road, New Delhi – 110 003
Time	: 11:00 a.m.
Day & Date	: Wednesday, September 10, 2014
Book Closure Date	: September 01, 2014 to September 10, 2014

### b) Calendar of financial year ended March 31, 2014

The meetings of Board of Directors for approval of quarterly financial results during the financial year ended March 31, 2014 were held on the following dates:

First Quarter Results	August 13, 2013
Second Quarter/	November 12, 2013
Half yearly Results	
Third Quarter Results	February 12, 2014
Fourth Quarter and Annual Results	May 29, 2014

### c) Dividend

The Board of Directors at their meeting held on 29.05.2014 recommended a final dividend @ 20% (₹2/- per equity share) on 20931164 number of fully paid -up Equity Shares of ₹10/- each and @ 0.001% on 240000 – 0.001% Cumulative Redeemable Preference Shares for Financial Year 2013-14.

#### 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 2006-07.

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*
2012-13	May 29, 2013	₹2.00
2011-12	May 30, 2012	₹3.00
2010-11	August 06, 2011	₹3.00
2009-10	September 10, 2010	₹2.50
2008-09	September 11, 2009	₹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 2014-15 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 2014-15, based on the folio/ISIN positions as on 31.03.2014.

The Company's securities have been allowed to dealings on the National Stock Exchange of India Limited in terms of an agreement between the Madras Stock Exchange Limited and National Stock Exchange Limited of India 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 of India 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

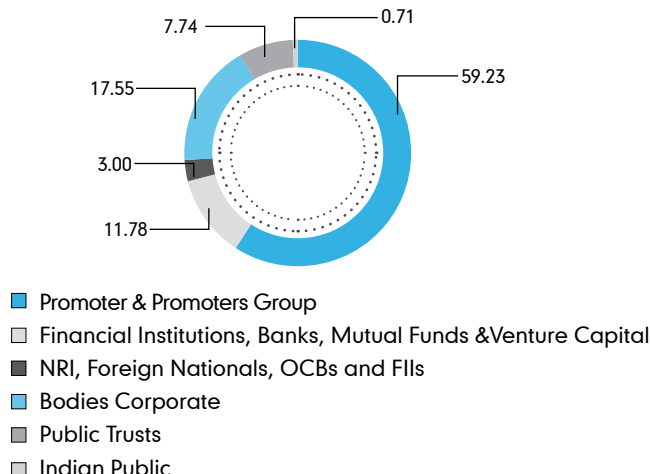
### g) Share Transfer System & RTA:

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, 2014:

Sl. No.	Category	No. of Shares Held	Shareholding (%)
1	Promoter & Promoters Group	12397708	59.23
2	Financial Institutions, Banks and Venture Capital	2464810	11.78
3	NRI, Foreign Nationals, OCBs and FIs	627182	3.00
4	Bodies Corporate	3673214	17.55
5	Trusts	1619254	7.74
6	Indian Public	148996	0.71
	<b>TOTAL</b>	<b>20931164</b>	<b>100</b>

Categories of Shareholders as on 31.03.2014



i) Details of Shareholding as on March 31, 2014

Shareholding (Range)	No. of shares of ₹10/- each	% of Shares	No. of Members	% of Members
Up to 500	11265	0.05	251	72.97
501 - 1000	14272	0.07	20	5.81
1001- 2000	51101	0.24	36	10.47
2001- 3000	12795	0.06	5	1.45
3001- 4000	20650	0.10	6	1.74
4001- 5000	4509	0.02	1	0.29
5001- 10000	34514	0.16	5	1.45
10001 & above	20782058	99.29	20	5.81
<b>Total</b>	<b>20931164</b>	<b>100.00</b>	<b>344</b>	<b>100.00</b>

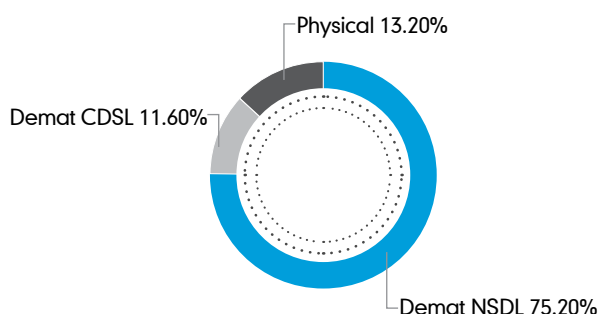
j) Dematerialization of Shares and Liquidity:

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, 2014, 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	1,57,41,154	75.20
Held in dematerialized form in CDSL	24,28,905	11.60
Physical	27,61,105	13.20
<b>Total</b>	<b>2,09,31,164</b>	<b>100.00</b>

Shares held in Demat / Physical form as on 31.03.2014



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

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

l) Location of Plants:

- i. D- 6-11, Sector -59, Noida, U.P. -201 301
- ii. 2D/2, Udyog Kendra, Ecotech-III, Greater Noida, U.P. 201 306
- iii. E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra -410 501
- iv. Gut No. 307, Nanekarwadi, Chakan, Tal-Khed, Dist. Pune, Maharashtra – 410 501
- v. Plot No. 9, Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
- vi. Plot No. 9A Sec-10, IIE Pantnagar, Udham Singh Nagar, Uttarakhand-263 153
- vii. K-150, MIDC, Waluj, Aurangabad, Maharashtra – 431 136
- viii. Plot No. B-7 & B-8, Phase-II, R & N Supplier's Park, Pillaipakkam, Sriperumbudur, Tamil Nadu - 602105.



**m) Address for Investor Correspondence:**

- i. With the Company: Mr. Ajay Sancheti  
Company Secretary & Compliance Officer  
Minda Corporation Limited  
Plot No. 68, Echelon Institutional Area, Sector-32, Gurgaon-122001, Haryana  
Ph.: 0124-4698400  
E-Mail: investor@minda.co.in
- ii. 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 with in 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 - 110 035

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: Gurgaon  
Date: May 29, 2014

**Ashok Minda**  
Chairman & Group CEO  
DIN No. 00054727

## CEO AND CFO CERTIFICATION

We, Sudhir Kashyap, Executive Director & CEO and Sanjay Aneja, 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, 2014;
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: Gurgaon  
Date: May 29, 2014

**Sudhir Kashyap**  
Executive Director & CEO  
DIN No. 06573561

**Sanjay Aneja**  
Chief Financial Officer

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Shareholders 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, 2014 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 26, 2014

**Sanjay Grover**  
CP No. 3850

# Independent Auditors' Report

To the Members of  
Minda Corporation Limited

## 1 Report on the Financial Statements

We have audited the accompanying financial statements of Minda Corporation Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## 2 Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## 3 Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## 4 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements

give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (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.

## 5 Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- (ii) As required by section 227(3) of the Act, we report that:
  - a. 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;
  - b. 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;
  - c. 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;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and
  - e. on the basis of written representations received from the directors as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For B S R & Associates LLP  
Chartered Accountants  
Firm Registration No.: 116231W

Manish Gupta

Partner

Membership No.: 095037

Place: Gurgaon  
Date: 29 May 2014

## Annexure referred to in Independent Auditor's Report to the Members of Minda Corporation Limited on the financial statements for the year ended 31 March 2014

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, 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. 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 has not given any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 ('the Act'). In the previous year, the Company had given a loan amounting to ₹ 4,542 lacs to a company covered in the register maintained under the Act. The maximum amount outstanding during the year was ₹ 4,542 lacs and the yearend balance was ₹ Nil.
  - (b) According to the information and explanations given to us, including that the loan had 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 had been regular.
  - (d) According to the information and explanations given to us, 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.
  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 5(a) above and exceeding the value of ₹ 5 lacs 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 generally been 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 2014 for a period of more than six months from the date they became payable.

- (b) (b) According to the information and explanations given to us, there are no disputed dues of 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 Customs duty 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
		1.74	1.74	2007 – 2012	Appellate authority upto Commissioners' level
Income-Tax Act, 1961	Income-Tax	47.97	24.67	2006 – 2008	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	86.93	-	2006- 2007	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	1617.00	-	2013-2014	Commissioner of Customs (Appeals)

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	-	2001 – 2005	High court
		58.30	6.14	2003 – 2009	Appellate authority upto 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. 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 not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under section 301 of the Act.
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 & Associates LLP  
Chartered Accountants  
Firm Registration No.: 116231W

Manish Gupta  
Partner

Place: Gurgaon  
Date: 29 May 2014

Membership No.: 095037

# Balance Sheet as at 31 March 2014

(Amount in ₹)

Particulars	Note	As at 31 March 2014	As at 31 March 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	395,969,800	395,969,800
Reserves and surplus	2.2	2,672,503,344	2,500,737,541
		<b>3,068,473,144</b>	<b>2,896,707,341</b>
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	137,142,126	178,641,810
Deferred tax liabilities (Net)	2.4	52,302,999	61,891,040
Other long term liabilities	2.5	350,000	230,000
Long-term provisions	2.6	61,250,338	46,478,899
		<b>251,045,463</b>	<b>287,241,749</b>
<b>Current liabilities</b>			
Short-term borrowings	2.7	695,150,929	710,305,786
Trade payables	2.8	782,751,112	870,162,870
Other current liabilities	2.9	419,040,678	288,358,442
Short-term provisions	2.10	73,299,435	83,594,365
		<b>1,970,242,154</b>	<b>1,952,421,463</b>
<b>TOTAL</b>		<b>5,289,760,761</b>	<b>5,136,370,553</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
- Tangible assets	2.11	1,339,030,141	1,043,617,995
- Intangible assets		47,934,846	69,368,577
- Capital work-in-progress		35,664,477	362,048,399
Non-current investments	2.12	1,763,438,292	1,035,440,932
Long-term loans and advances	2.13	88,203,966	149,631,678
Other non current assets	2.14	3,239,127	5,450,227
		<b>3,277,510,849</b>	<b>2,665,557,808</b>
<b>Current assets</b>			
Inventories	2.15	401,111,036	382,427,752
Trade receivables	2.16	1,210,434,376	1,180,351,695
Cash and bank balances	2.17	239,210,388	159,877,795
Short-term loans and advances	2.13	156,332,719	734,286,753
Other current assets	2.18	5,161,393	13,868,750
		<b>2,012,249,912</b>	<b>2,470,812,745</b>
<b>TOTAL</b>		<b>5,289,760,761</b>	<b>5,136,370,553</b>
Significant accounting policies	1		

The accompanying notes from 1 to 2.36 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W

**Manish Gupta**

Partner

Membership No.:095037

Place: Gurgaon

Date: 29 May 2014

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

**Ashok Minda**

Chairman & Group CEO

DIN: 00054727

**Sudhir Kashyap**

Executive Director & CEO

DIN: 06573561

**Sanjay Aneja**

Chief Financial Officer

**Ajay Sancheti**

Company Secretary

Place: Gurgaon

Date: 29 May 2014

# Statement of Profit and Loss for the year ended 31 March 2014

(Amount in ₹)

Particulars	Note	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Income</b>			
Revenue from operations (gross)	2.19	6,613,922,043	6,369,288,634
Less: Excise duty		446,370,498	387,148,831
<b>Revenue from operations (net)</b>		<b>6,167,551,545</b>	<b>5,982,139,803</b>
Other income	2.20	68,963,076	123,065,033
<b>Total revenue</b>		<b>6,236,514,621</b>	<b>6,105,204,836</b>
<b>Expenses</b>			
Cost of materials consumed	2.21	3,849,473,978	3,820,950,590
Purchases of stock-in-trade	2.21.a	20,652,662	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.22	( 23,384,423)	38,566,180
Employee benefits expense	2.23	736,528,660	699,663,964
Finance costs	2.24	112,301,960	131,262,668
Depreciation and amortisation expense	2.11	216,663,111	168,419,501
Other expenses	2.25	990,463,979	873,035,652
<b>Total expenses</b>		<b>5,902,699,927</b>	<b>5,731,898,555</b>
<b>Profit before tax and exceptional items</b>		<b>333,814,694</b>	<b>373,306,281</b>
Exceptional items	2.27	22,466,379	23,318,297
<b>Profit before tax</b>		<b>311,348,315</b>	<b>349,987,984</b>
<b>Tax expense</b>			
Current tax		101,379,059	85,157,400
Less : Reversal of excess provision		-	(12,749,105)
Add : Short provision of Income tax in earlier years		1,812,417	-
Current tax (net)		103,191,476	72,408,295
Deferred tax	2.4	(9,588,041)	10,588,602
<b>Profit for the year</b>		<b>217,744,880</b>	<b>266,991,087</b>
<b>Earnings per equity share [Par value of ₹10 (previous year ₹10) per equity share]</b>	2.2.2		
(Basic and diluted)		10.40	12.76
Significant accounting policies	1		

The accompanying notes from 1 to 2.36 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Manish Gupta**  
Partner  
Membership No.:095037  
Place: Gurgaon  
Date: 29 May 2014

**Sanjay Aneja**  
Chief Financial Officer  
Place: Gurgaon  
Date: 29 May 2014

**Ajay Sancheti**  
Company Secretary

# Statement of Cash Flow for the year ended 31 March 2014

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>A. Cash flow from Operating Activities</b>		
Net profit before taxation	311,348,315	349,987,984
Adjustments for:		
Depreciation and amortisation expense	216,663,111	168,419,501
Provision for doubtful debts / advances	148,864	742,354
Interest expense	112,301,960	128,239,206
Loss on sale / discard of fixed assets	25,474,360	305,879
Bad debts	2,619,630	6,347,762
Foreign exchange differences	(9,686,621)	(1,685,307)
Exchange difference to the extent considered as an adjustment to borrowing cost	-	3,023,462
Interest income	(45,810,854)	(77,667,642)
Liabilities / provision no longer required written back	-	(5,975,862)
(Profit) on sale / discard of investments	-	(4,525,653)
Dividend income	-	(15,179,333)
<b>Operating profit before working capital changes</b>	<b>613,058,765</b>	<b>552,032,351</b>
Adjustments for:		
(Increase) in trade receivables	(23,164,554)	(162,643,615)
(Increase) / decrease in inventories	(18,683,284)	115,129,341
Decrease / (increase) in long term / short term loans and advances	574,595,357	(218,160,420)
Decrease / (increase) in other current / non current assets	2,211,100	(11,222,073)
Increase in other long term / other current liabilities	168,625,996	38,507,625
(Decrease) in trade payables	(87,411,758)	(32,192,026)
Increase in long term and short term provisions	9,151,662	11,991,280
<b>Cash generated from operations</b>	<b>1,238,383,283</b>	<b>293,442,463</b>
Income tax paid	(71,771,989)	(59,040,641)
<b>Net cash generated from operating activities (A)</b>	<b>1,166,611,294</b>	<b>234,401,822</b>
<b>B. Cash flows from Investing Activities</b>		
Purchase of fixed assets	(201,288,368)	(513,933,602)
Sale of fixed assets	36,008,197	2,272,102
Purchase of current / non current investments	(727,997,360)	(292,884,915)
Dividend received	-	15,179,333
Maturity of investment / investment made in bank deposits (held for initial maturity of more than 3 months or more) (net)	(107,378,223)	362,810,194
Interest received	54,518,211	82,704,330
<b>Net cash (used in) investing activities (B)</b>	<b>(946,137,543)</b>	<b>(343,852,558)</b>



# Statement of Cash Flow for the year ended 31 March 2014

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>C. Cash flows from Financing Activities</b>		
Proceeds from realisation incentive	3,000,000	-
Payment of dividend (including dividend distribution tax)	(48,979,074)	(69,823,688)
Addition in term loans	44,341,802	263,303,509
Repayment of term loan	(118,732,721)	(196,109,446)
Movement in working capital loan	54,845,143	(127,592,429)
Repayment of sales tax deferment loan	-	(15,357,748)
Repayment of Short term borrowings (Purchase order financing)	(70,000,000)	-
Interest paid	(112,994,532)	(129,578,790)
<b>Net cash (used in) financing activities (C)</b>	<b>(248,519,382)</b>	<b>(275,158,592)</b>
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>(28,045,630)</b>	<b>(384,609,328)</b>
Cash and cash equivalents at the beginning of the year	51,008,641	435,617,969
<b>Cash and cash equivalents at the end of the year</b>	<b>22,963,011</b>	<b>51,008,641</b>

#### Notes to Cash Flow Statement:

- The Statement of Cash Flow 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 2.17
- Significant accounting policies 1

The accompanying notes from 1 to 2.36 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Manish Gupta**  
Partner  
Membership No.:095037

**Sanjay Aneja**  
Chief Financial Officer

**Ajay Sancheti**  
Company Secretary

Place: Gurgaon  
Date: 29 May 2014

Place: Gurgaon  
Date: 29 May 2014

# Notes to financial statements for the year ended 31 March 2014

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of accounting

These financial statements have been prepared and presented on a going concern basis, 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 and 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.

### 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 Current-non-current classification

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realised within 12 months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

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

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### 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, stock-in-trade, 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.

### 1.5 Fixed assets

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation and

impairment. 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 tangible fixed assets under construction are disclosed as 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 such tools.

#### 1.6 Borrowing Cost

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.

#### 1.7 Intangible assets

Intangible assets (comprising computer software, patents and technical know-how acquired for internal use) are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

#### 1.8 Depreciation and amortization

Depreciation on fixed assets is provided using the straight line method as per the estimated useful lives of the fixed assets estimated by the management or at rates specified in Schedule XIV to the Companies Act, 1956 whichever is higher. In the opinion of the management, the rates of the depreciation used represent the estimated useful life of the fixed assets. The depreciation rates used by the Company are as follows:

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 lower of primary period of lease and the estimated useful life of such assets.

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

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

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.

#### 1.9 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 and Stock-in-trade	: 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.

#### 1.10 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.

#### 1.11 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, 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.

#### 1.12 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.

#### 1.13 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.

#### 1.14 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 absences:** 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 absences 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 account 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.

#### 1.15 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.

#### 1.16 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.

#### 1.17 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as noncurrent investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/ non-current classification scheme of revised Schedule VI.

Long term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the statement of profit and loss.

#### 1.18 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.

#### 1.19 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.

#### 1.20 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.

#### 1.21 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

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
25,000,000 (previous year 25,000,000) equity shares of ₹10 each	250,000,000	250,000,000
240,000 (previous year 240,000) 0.001% cumulative redeemable preference shares of ₹800 each	192,000,000	192,000,000
	<b>442,000,000</b>	<b>442,000,000</b>

### 2.1.2 Issued, subscribed and fully paid- up shares

(Amount in ₹)

Particulars	As at 31 March 2014		As at 31 March 2013	
<b>a) Equity shares of ₹10 each</b>				
20,931,164 (previous year 20,931,164) shares	209,311,640		209,311,640	
Less: 534,184 (previous year 534,184) 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	5,341,840	203,969,800
<b>b) 0.001% cumulative redeemable preference shares of ₹800 each</b>				
240,000 (previous year 240,000) shares		192,000,000		192,000,000
		<b>395,969,800</b>		<b>395,969,800</b>

### 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 2014		As at 31 March 2013	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Balance as at the beginning of the year	20,396,980	203,969,800	20,396,980	203,969,800
Balance as at the end of the year	<b>20,396,980</b>	<b>203,969,800</b>	<b>20,396,980</b>	<b>203,969,800</b>

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

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Balance as at the beginning of the year	240,000	192,000,000	240,000	192,000,000
Balance as at the end of the year	<b>240,000</b>	<b>192,000,000</b>	<b>240,000</b>	<b>192,000,000</b>

### 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 were 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 2014		As at 31 March 2013	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	19.36%	4,052,872	19.36%	4,052,872
(ii) Sarika Minda	15.95%	3,339,490	15.95%	3,339,490
(iii) Ashok Minda HUF	9.59%	2,006,690	9.59%	2,006,690
(iv) Bhagwat Sewa Trust	5.18%	1,085,070	5.18%	1,085,070
(v) Kotak Mahindra Trusteeship Services Limited A/c- Kotak Indian Growth Fund II	11.78%	2,464,810	11.78%	2,464,810
		<b>12,948,932</b>		<b>12,948,932</b>

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

Name of shareholders	As at 31 March 2014		As at 31 March 2013	
	% of holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	15.63%	37,500	15.63%	37,500
(ii) Sarika Minda	10.42%	25,000	10.42%	25,000
(iii) Minda Capital Limited	73.95%	177,500	73.95%	177,500
		<b>240,000</b>		<b>240,000</b>

**2.1.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding 31 March 2014)**

Particulars	Years (number and aggregate number of shares)					
	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Issue of fully paid up equity shares of ₹10 each by way of bonus issue	-	-	10,465,582	-	-	-
Cumulative number of shares	17,570,522	17,570,522	17,570,522	7,104,940	7,104,940	7,104,940

**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. During a prior 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 had 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 "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 2014	As at 31 March 2013
<b>Capital reserve</b>		
Opening balance	3,000,000	3,000,000
Add: Amount received during the year	3,000,000	-
Closing balance	6,000,000	3,000,000
<b>Securities premium account</b>		
Opening balance	1,195,921,450	1,195,921,450
Closing balance	1,195,921,450	1,195,921,450
<b>General reserve</b>		
Opening balance	178,833,456	152,134,347
Add: Amount transferred from surplus during the year	21,774,488	26,699,109
Closing balance	200,607,944	178,833,456
<b>Surplus (Profit and loss balance)</b>		
Opening balance	1,122,982,635	928,509,454
Add: Net profit for the year	217,744,880	266,991,087
	1,340,727,515	1,195,500,541
Less: Proposed dividend on		
- 0.001% cumulative redeemable preference shares at ₹0.008 per share (previous year ₹0.008 per share)	1,920	1,920
- equity shares at ₹2 per share (previous year ₹2 per share)	41,862,328	41,862,328
Dividend distribution tax	7,114,829	7,114,829
Less: dividend distribution tax on dividend received from subsidiary company *	- 7,114,829	3,160,280
Less: Amount transferred to general reserves during the year	21,774,488	26,699,109
Closing balance	1,269,973,950	1,122,982,635
	2,672,503,344	2,500,737,541

\* During the previous year, the Company had received dividend from Minda Automotive solutions Limited, a 100% subsidiary company on which ₹3,160,280 was paid as dividend distribution tax by the subsidiary company. Accordingly, the Company had taken a credit of this amount to set off against the dividend distribution tax on the proposed dividend for the previous year.

### 2.2.1 Dividend remitted in foreign currencies

Particulars	For the year ended 31 March 2014			For the year ended 31 March 2013		
	Number of non-resident shareholders	Number of shares held	Dividend remitted ₹	Number of non-resident shareholders	Number of shares held	Dividend remitted ₹
Financial year 2011-12						
- Final Dividend	-	-	-	2	897,182	2,691,546
Financial year 2012-13						
- Final dividend	2	897,182	1,794,364	-	-	-

## 2.2.2 EARNING PER SHARE

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Net profit attributable to equity shareholders</b>		
Profit after tax	217,744,880	266,991,087
Less: Dividend payable to 0.001% cumulative redeemable preference shares	1,920	1,920
Less: Dividend distribution tax on above dividend	326	326
<b>Balance</b>	<b>217,742,634</b>	<b>266,988,841</b>
<b>Number of weighted average equity shares</b>		
Basic and diluted	20,931,164	20,931,164
Nominal value of equity share (₹)	10	10
Earnings per share (₹) (basic and diluted)	10.40	12.76

## 2.3 LONG TERM BORROWINGS

(Amount in ₹)

Particulars	Footnote	Long term maturities		Current maturities	
		As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
<b>2.3.1 Secured</b>					
Term loans					
from banks	[1]	131,539,409	170,324,653	83,127,040	109,747,968
<b>2.3.2 Unsecured</b>					
Finance lease obligations					
for intangibles	[2]	-	-	-	6,666,788
for plant and machinery	[3]	5,602,717	8,317,157	2,714,438	2,317,957
		<b>137,142,126</b>	<b>178,641,810</b>	<b>85,841,478</b>	<b>118,732,713</b>
Less: Amount shown under other current liabilities (refer to note 2.9)		-	-	85,841,478	118,732,713
		<b>137,142,126</b>	<b>178,641,810</b>	<b>-</b>	<b>-</b>

## Footnotes:

(Amount in ₹)

S. No.	Lender	Terms of repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
1	State Bank of India, Delhi	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly basis</li> <li>Date of maturity : 1 September, 2013</li> <li>Number of instalments : Total instalments: 16, Balance installment nil</li> <li>Amount of installment NA</li> <li>Rate of interest : 1.50% p.a below State bank advance rate</li> </ul>	-	12,300,000	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 charge 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"> <li>Repayment terms: Quarterly installments</li> <li>Date of maturity: 30 June 2016</li> <li>Number of instalments : Total instalments: 12, Balance instalments: 9</li> <li>Amount of instalment: 7 installments of ₹4,000,000 and last 2 installment of ₹5,000,000.</li> <li>Rate of interest : 1.50% p.a. above State bank advance rate</li> </ul>	38,000,000	50,000,000	
	State Bank of Patiala, Delhi	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly instalments</li> <li>Date of maturity : 8 July, 2013</li> <li>Number of instalments : Total instalments: 12, Balance installment nil</li> <li>Amount of installment NA</li> <li>Rate of interest : 0.25% below BPLR</li> </ul>	-	16,381,968	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Date of maturity : 6 September 2014</li> <li>Number of instalments : Total instalments: 60, Balance instalment: 6</li> <li>Amount of instalments : ₹933,334 in 6 instalments</li> <li>Rate of interest : Base rate plus 3.00% p.a</li> </ul>	5,600,000	16,600,000	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalmetns</li> <li>Period / date of maturity : 4 July, 2013</li> <li>Number of instalments : Total instalments: 60, Balance installment: Nil</li> <li>Amount of instalments : ₹225,000</li> <li>Rate of interest : Base rate plus 2.50% p.a</li> </ul>	-	900,000	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Date of maturity : 11 February 2015</li> <li>Number of instalments : Total instalments: 54, Balance instalment: 11</li> <li>Amount of instalments : ₹1,037,000 in 10 instalments, last instalment ₹885,044</li> <li>Rate of interest : Base rate plus 3.00% p.a</li> </ul>	11,255,044	23,699,044	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Period / date of maturity : 30 September 2016</li> <li>Number of instalments : Total instalments: 54, Balance instalment: 36 for partly disbursed loan.</li> <li>Amount of instalments : ₹1,852,000 in 35 installments and 36th installment ₹18,44,000 for partly disbursed loan.</li> <li>Rate of interest : Base rate plus 2.00% p.a"</li> </ul>	52,309,405	60,191,609	

(Amount in ₹)

S. No.	Lender	Terms of repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Period / date of maturity : 27 October 2019</li> <li>Number of instalments : Total instalments: 54, Balance instalment: 54 for partly disbursed loan.</li> <li>Amount of instalments : ₹9,25,000 in 53 installments and 54th installment ₹975,000 for partly disbursed loan.</li> <li>Rate of interest : Base rate plus 1.75% p.a"</li> </ul>	30,000,000	-	First and exclusive charge over plant and machineries installed at 2D/2, 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.
	HDFC Bank Limited	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Period / date of maturity : 25 March 2017</li> <li>Number of instalments : (Total instalments 48, Balance 36 )</li> <li>Amount of instalments : ₹1,041,500 in 35 installments, last installment of ₹1,049,500</li> <li>Rate of interest : Base rate plus 2.00% p.a.</li> </ul>	37,502,000	50,000,000	First and exclusive charge over Land and Building situated at plot no 68, sector 32, Gurgaon and second pari passu charge on entire current assets of the Company, subject to prior charge created on the specified movable assets in favour of bankers for securing working capital borrowings.
	Kotak Mahindra Bank	<ul style="list-style-type: none"> <li>Repayment terms : Monthly installments</li> <li>Period / date of maturity : 28 March 2018</li> <li>Number of instalments : (Total instalments 60, Balance 48 )</li> <li>Amount of instalments : ₹833,333</li> <li>Rate of interest : Base rate plus 1.85% p.a.</li> </ul>	40,000,000	50,000,000	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 charge created on the specified movable assets in favour of bankers for securing working capital borrowings.
2	Leasing IQ (India) Private Limited	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly EMI</li> <li>Date of maturity : 1 July, 2013</li> <li>Number of EMI : Total EMI : 12, Balance EMI: Nil</li> <li>Amount of EMI : NA</li> <li>Rate of interest : Not applicable</li> </ul>	-	6,666,788	Unsecured
3	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly EMI</li> <li>Date of maturity : 1 July, 2016</li> <li>Number of EMI : Total EMI : 20, Balance EMI: 10</li> <li>Amount of EMI : ₹948,240</li> </ul>	8,317,155	10,635,114	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 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
<b>Finance Lease- for ERP software</b>				
Not later than one year	-	9,724,725	-	6,666,788
Later than one year but not later than five years	-	-	-	-
Total minimum lease payments	-	9,724,725	-	6,666,788
Less: Finance charges	-	3,057,937	-	-
Present value of minimum lease payments	-	6,666,788	-	6,666,788
Disclosed under:				
Long term borrowings	-	-	-	-
Other current liabilities	-	-	-	6,666,788
				6,666,788
<b>Finance Lease- for plant and equipment</b>				
Not later than one year	3,792,960	3,792,960	2,714,438	2,317,957
Later than one year but not later than five years	5,689,438	9,482,400	5,602,717	8,317,157
Total minimum lease payments	9,482,398	13,275,360	8,317,155	10,635,114
Less: Finance charges	1,165,243	2,640,246	-	-
Present value of minimum lease payments	8,317,155	10,635,114	8,317,155	10,635,114
Disclosed under:				
Long term borrowings	-	-	5,602,717	8,317,157
Other current liabilities	-	-	2,714,438	2,317,957
			8,317,155	10,635,114

### 2.4 DEFERRED TAX (ASSETS)/LIABILITIES (Net)

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Deferred tax assets</b>		
- Provision for employee benefits	21,416,165	19,172,393
- Provision for doubtful recoverables	309,668	361,611
- Expenses disallowable under section 43B	2,578,089	2,988,308
	24,303,922	22,522,312
<b>Deferred tax liabilities</b>		
- Excess of tax depreciation over book depreciation	69,310,136	76,811,838
- Excess of allowance for lease rentals under income tax law over depreciation and interest charged on the leased assets in the books	7,296,785	7,601,514
	76,606,921	84,413,352
<b>Deferred tax liabilities (net)</b>	<b>52,302,999</b>	<b>61,891,040</b>

### 2.5 OTHER LONG TERM LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Lease equalisation	350,000	230,000
	350,000	230,000

## 2.6 LONG TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits		
- Gratuity*	33,078,735	23,958,248
- Compensated absence*	23,095,269	19,585,138
Other provisions		
- Provision for warranties (refer note 2.6.1 below)	5,076,334	2,935,513
	<b>61,250,338</b>	<b>46,478,899</b>

\*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:

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
At the beginning of the year	18,856,170	16,865,766
Provided during the year	17,100,279	13,157,581
Utilised during the year	(14,549,885)	(11,167,177)
At the end of the year	<b>21,406,564</b>	<b>18,856,170</b>
Current portion	16,330,230	15,920,657
Non-current portion	5,076,334	2,935,513

## 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 2.23.

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Contribution toward		
- Provident fund	35,852,279	35,046,622
- Employee state insurance	2,470,743	2,460,398
	<b>38,323,022</b>	<b>37,507,020</b>

## 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.

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Changes in the present value of the defined benefit obligation is as follows:</b>		
Present value of defined benefit obligation at the beginning of the year	49,026,379	38,609,652
Interest cost	3,922,110	3,088,772
Current service cost	7,571,782	7,756,858
Past service cost		
Benefits paid	(3,339,394)	(5,461,196)
Actuarial (gain) / loss on obligation	(1,213,851)	5,032,293
Present value of defined benefit obligation at the end of the year	55,967,026	49,026,379
<b>Changes in the present value of the plan asset is as follows:</b>		
Fair value of plan asset at the beginning of the year	16,976,487	15,653,693
Return on plan asset	1,400,560	1,291,430
Contributions	-	565,401
Benefits paid	-	(555,401)
Actuarial (gain) / loss on obligation	42,442	21,364
Fair value of plan asset at the end of the year	18,419,489	16,976,487
<b>Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:</b>		
Present value of defined benefit obligation at the end of the year	55,967,026	49,026,379
Fair value of plan asset at the end of the year	18,419,489	16,976,487
Net asset / (liability) as at the close of the year	(37,547,537)	(32,049,892)
<b>Expenses recognized in the statement of profit and loss:</b>		
Current service cost	7,571,782	7,756,858
Interest cost	3,922,110	3,088,772
Expected return on plan assets	(1,400,560)	(1,291,430)
Net actuarial gain / (loss)	(1,256,293)	5,010,929
<b>Expenses recognized in the statement of profit and loss:</b>	<b>8,837,039</b>	<b>14,565,129</b>
<b>Experience Adjustment gain(loss):</b>		
On defined benefit obligation	1,889,767	574,161
On plan assets	42,442	(77,254)
<b>Actuarial assumptions:</b>		
Discount rate	9.00%	8.00%
Expected Rate of return on plan assets	8.50%	8.25%
Expected salary increase rates	Year 1 to 3: 10% Year 4 & 5: 8% Thereafter: 6.5%	6.00%
<b>Mortality</b>		
Employee attrition rate		LIC (1994-96)
- Up to 30 years of age	12.00%	12.00%
- From 31 years of age to 44 years of age	8.00%	8.00%
- Above 44 years of age	5.00%	5.00%

**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.

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

Particulars	31 March 2010	31 March 2011	31 March 2012	31 March 2013	31 March 2014
On Plan Present Value of Obligation	(2,046,085)	404,282	(3,448,288)	574,161	1,889,767
On Plan Assets	(22,261)	(60,913)	(74,684)	(77,254)	42,442

## c) Other long term benefit - 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 2014	For the year ended 31 March 2013
Discount rate	9.00%	8.00%
Expected salary increase rates	Year 1 to 3: 10% Year 4 & 5: 8% Thereafter: 6.5%	6.00%
Mortality	LIC (1994-96)	LIC (1994-96)
Employee attrition rate		
- Up to 30 years of age	12.00%	12.00%
- From 31 years of age to 44 years of age	8.00%	8.00%
- Above 44 years of age	5.00%	5.00%

The other long term benefit of compensated absence in respect of employees of the Company as at 31 March 2014 amounts to ₹25,459,713 (previous year ₹24,356,090) and the expense recognised in the statement of profit and loss during the year for the same amounts to ₹10,373,824 (previous year ₹12,350,367) [Gross payment of ₹10,500,946 (previous year 11,443,424)]

## 2.7 SHORT TERM BORROWINGS

Particulars	Footnote	(Amount in ₹)	
		As at 31 March 2014	As at 31 March 2013
<b>2.7.1 Secured</b>			
Cash credit and working capital demand loan from banks	[1]	565,150,929	510,305,786
<b>2.7.2 Unsecured</b>			
Purchase order financing facility from others parties	[2]	130,000,000	200,000,000
		<b>695,150,929</b>	<b>710,305,786</b>

## Footnotes:

S. No.	Lender	Terms of Repayment	(Amount in ₹)		Details of security
			Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	
1	Kotak Mahindra Bank Limited	<ul style="list-style-type: none"> <li>Repayment term: On demand</li> <li>Rate of interest: Linked to bank base rate applicable from time to time</li> </ul>	273,751,693	228,090,804	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		146,267,211	165,539,945	
	Karnataka Bank		54,205,552	60,676,939	
	HDFC Bank		46,848,482	36,720,450	
	State Bank of India		19,077,991	19,277,648	
	Indusind Bank		25,000,000	-	
2	Bajaj Finance Limited	Repayable within 45 days from the date of disbursement	130,000,000	200,000,000	Unsecured



## 2.8 TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade payables (including acceptances) (refer note 2.8.1 below for details of dues to micro and small enterprises included under trade payables)	782,751,112	870,162,870
	<b>782,751,112</b>	<b>870,162,870</b>

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

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006', are given below:

(Amount in ₹)

S. No.	Particulars	As at 31 March 2014	As at 31 March 2013
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- Principal amount	31,500,269	70,292,514
	- Interest thereon	97,106	48,887
		<b>31,597,375</b>	<b>70,341,401</b>
(ii)	the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	- Principal amount	-	-
	- Interest thereon	-	-
		-	-
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
		-	-
(iv)	the amount of interest accrued and remaining unpaid.	97,106	48,887
		<b>97,106</b>	<b>48,887</b>
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-
		-	-

## 2.9 OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Current maturities of: (refer to note 2.3)		
- term loans	83,127,040	109,747,968
- finance lease obligations	2,714,438	8,984,745
Interest accrued but not due on borrowings	3,169,924	3,862,496
Other payables		
- Statutory dues payable	37,868,937	43,684,504
- Advances from customers	61,087,866	41,645,870
- Salaries, wages and bonus payable	54,520,448	55,275,255
- Unpaid dividend	46,734	-
- Advance received for sale of fixed assets (refer note 2.26)	150,000,000	-
- Advance received from vendors	5,587,641	-
- Creditors for capital items	20,917,650	25,157,604
	<b>419,040,678</b>	<b>288,358,442</b>

## 2.10 SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits		
- Gratuity*	4,468,801	8,091,644
- Compensated absence*	2,364,444	4,770,952
Others		
- Provision for taxation [net of advance tax ₹99,429,496 (previous year ₹79,325,362)]	1,156,883	5,832,038
- Provision for warranties (refer note 2.6.1)	16,330,230	15,920,657
- Proposed dividend	41,864,248	41,864,248
- Dividend distribution tax	7,114,829	7,114,826
	<b>73,299,435</b>	<b>83,594,365</b>

\*refer to note 2.6.2

## 2.11 FIXED ASSETS

Fixed assets schedule for the year 2013-14

	Gross block						Accumulated depreciation			Net block	
	Balance as at 1 April 2013	Additions	Disposals	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation / Amortization for the year	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2014		
	(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)		
<b>Tangible assets</b>											
Freehold land	6,962,617	-	-	6,962,617	-	-	-	-	6,962,617		
Leasehold land	63,583,514	-	-	63,583,514	7,908,349	703,394	-	8,611,743	54,971,771		
Buildings	266,739,758	283,969,322	-	550,709,080	106,766,055	25,083,957	-	131,850,012	418,859,068		
Leasehold improvements	60,604,156	95,576	-	60,699,732	3,886,284	2,879,852	-	6,766,136	53,933,596		
Plant and equipment	1,256,483,404	151,196,770	158,228,871	1,249,451,303	549,941,975	130,840,547	100,887,599	579,894,923	669,556,380		
Furniture and fixtures	41,056,548	54,697,960	1,312,511	94,441,997	26,501,144	14,855,188	184,530	41,171,802	53,270,195		
Vehicles	2,788,825	1,544,900	1,544,648	2,789,077	2,505,797	394,062	1,564,084	1,335,775	1,453,302		
Office equipment	45,645,915	43,424,028	3,625,998	85,443,945	28,199,105	10,795,459	922,290	38,072,274	47,371,671		
Computer hardware	42,798,161	13,937,811	588,347	56,147,625	27,727,422	6,296,147	259,316	33,764,253	22,383,372		
<b>Assets under finance lease</b>											
Plant and equipment	14,010,645	-	-	14,010,645	3,619,417	123,059	-	3,742,476	10,268,169		
<b>Subtotal (A)</b>	<b>1,800,673,543</b>	<b>548,866,367</b>	<b>165,300,375</b>	<b>2,184,239,535</b>	<b>757,055,548</b>	<b>191,971,665</b>	<b>103,817,819</b>	<b>845,209,394</b>	<b>1,339,030,141</b>		
<b>Intangible assets</b>											
Computer software	55,003,855	3,257,715	-	58,261,570	36,542,040	5,895,759	-	42,437,799	15,823,771		
Technical knowhow	43,461,748	-	-	43,461,748	28,117,495	7,432,060	-	35,549,555	7,912,193		
Patents	8,027,058	-	-	8,027,058	1,739,196	1,605,412	-	3,344,608	4,682,450		
<b>Assets under finance lease</b>											
Software	48,791,077	-	-	48,791,077	19,516,430	9,758,215	-	29,274,645	19,516,432		
<b>Subtotal (B)</b>	<b>155,283,738</b>	<b>3,257,715</b>	<b>-</b>	<b>158,541,453</b>	<b>85,915,161</b>	<b>24,691,446</b>	<b>-</b>	<b>110,606,607</b>	<b>47,934,846</b>		
<b>Grand total (A+B)</b>	<b>1,955,957,281</b>	<b>552,124,082</b>	<b>165,300,375</b>	<b>2,342,780,988</b>	<b>842,970,709</b>	<b>216,663,111</b>	<b>103,817,819</b>	<b>955,816,001</b>	<b>1,386,964,987</b>		

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			Net Book Value	
		Accumulated depreciation / amortisation	Net Book Value		
Buildings *	55,710,285	1,603,896	54,106,389		
Furniture & Fixture	4,748,125	902,144	3,845,981		
	<b>60,458,410</b>	<b>2,506,040</b>	<b>57,952,370</b>		

\* Also refer note 2.20.1

## Fixed assets schedule for the year 2012-13

	(Amount in ₹)									
	Gross block					Accumulated depreciation			Net block	
	Balance as at 1 April 2012	Additions	Disposals	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation / Amortization for the year	On disposals	Balance as at 31 March 2013	Balance as at 31 March 2013	
(a)	(b)	(c)	(d) = (a+b-c)	(e)	(f)	(g)	(h) = (e+f-g)	(i) = (d-h)		
<b>Tangible assets</b>										
Freehold land	6,962,617	-	-	6,962,617	-	-	-	-	6,962,617	
Leasehold land	63,583,514	-	-	63,583,514	7,204,700	703,649	-	7,908,349	55,675,165	
Buildings	265,941,376	798,382	-	266,739,758	94,162,553	12,603,502	-	106,766,055	159,973,703	
Leasehold improvements	58,845,950	1,758,206	-	60,604,156	1,076,429	2,809,855	-	3,886,284	56,717,872	
Plant and equipment	1,036,032,432	224,977,423	4,526,451	1,256,483,404	444,477,848	108,781,642	3,317,515	549,941,975	706,541,429	
Furniture and fixtures	35,910,181	5,161,295	14,928	41,056,548	22,070,145	4,444,511	13,512	26,501,144	14,555,404	
Vehicles	4,935,236	-	2,146,411	2,788,825	2,715,900	642,287	852,390	2,505,797	283,028	
Office equipment	41,421,730	4,899,968	675,783	45,645,915	24,076,513	4,730,335	607,743	28,199,105	17,446,810	
Computer hardware	41,031,719	2,980,492	1,214,050	42,798,161	23,002,725	5,933,179	1,208,482	27,727,422	15,070,739	
<b>Assets under finance lease</b>										
Plant and equipment	14,010,645	-	-	14,010,645	817,288	2,802,129	-	3,619,417	10,391,228	
<b>Subtotal (A)</b>	<b>1,568,675,400</b>	<b>240,575,766</b>	<b>8,577,623</b>	<b>1,800,673,543</b>	<b>619,604,101</b>	<b>143,451,089</b>	<b>5,999,642</b>	<b>757,055,548</b>	<b>1,043,617,995</b>	
<b>Intangible assets</b>										
Computer software	46,863,669	8,140,186	-	55,003,855	31,638,603	4,903,437	-	36,542,040	18,461,815	
Technical knowhow	42,878,000	583,748	-	43,461,748	19,549,931	8,567,564	-	28,117,495	15,344,253	
Patents	8,027,058	-	-	8,027,058	-	1,739,196	-	1,739,196	6,287,862	
<b>Assets under finance lease</b>										
Software	48,791,077	-	-	48,791,077	9,758,215	9,758,215	-	19,516,430	29,274,647	
<b>Subtotal (B)</b>	<b>146,559,804</b>	<b>8,723,934</b>	<b>-</b>	<b>155,283,738</b>	<b>60,946,749</b>	<b>24,968,412</b>	<b>-</b>	<b>85,915,161</b>	<b>69,368,577</b>	
<b>Grand total (A+B)</b>	<b>1,715,235,204</b>	<b>249,299,700</b>	<b>8,577,623</b>	<b>1,955,957,281</b>	<b>680,550,850</b>	<b>168,419,501</b>	<b>5,999,642</b>	<b>842,970,709</b>	<b>1,112,986,572</b>	

2.1.1.2 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	9,789,371	3,629,018	6,160,353
Plant and equipment	949,572	699,504	250,068
	<b>10,738,943</b>	<b>4,328,522</b>	<b>6,410,421</b>

\*Also refer note 2.20.1

## 2.12 NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at	As at
	31 March 2014	31 March 2013
<b>Trade investments- Unquoted and long term, at cost</b>		
<b>Investment in subsidiaries</b>		
- 5,577,108 (previous year 3,077,108) equity shares of ₹100 each fully paid up in Minda SAI Limited	404,904,820	154,904,820
- 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
- 5,500,000 (previous year 50,000) equity shares of ₹10 each fully paid up in Minda Management Services Limited	55,883,200	1,383,200
- Investment in Minda KTSN Plastic Solutions GmbH & Co. KG, Germany, Euro 13,030,001 (previous year Euro 13,030,001)	815,156,501	815,156,501
- 280,300 (previous year 280,300) equity shares of ₹10 each fully paid up in Minda Automotive Solutions Limited	47,047,611	47,047,611
<b>Investment in joint venture</b>		
- 48,265,000 (previous year Nil) equity shares of ₹10 each fully paid up in Minda Furukawa Electric Private Limited (refer note 2.32)	423,497,360	-
	<b>1,763,438,292</b>	<b>1,035,440,932</b>

## 2.13 LOANS AND ADVANCES

(Amount in ₹)

Particulars	Long term		Short term	
	As at	As at	As at	As at
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
<b>Unsecured, considered good unless otherwise stated</b>				
Capital advances	7,671,138	36,362,885	-	-
Security deposits	37,764,433	39,457,033	-	-
Loans and advances to related parties (refer note 2.31)	-	-	11,023,219	548,316,050
<b>Other loans and advances</b>				
- Advances to employees (refer to note 2.13.1)	10,478,769	963,621	3,823,949	9,034,080
- Balances with excise, customs and sales tax authorities	-	-	39,621,763	68,807,695
- Prepaid expenses	-	-	14,271,390	13,588,201
- Advances to suppliers	-	-	28,429,931	32,763,635
- Rebate claim receivable	-	-	23,528,241	22,921,321
- Export benefit received and receivable	-	-	19,207,378	26,892,794
- Minimum alternate tax credit entitlement	-	39,822,117	16,426,848	11,962,977
- Income tax [net of provision ₹350,891,284 (previous year ₹284,206,188)]	32,289,626	33,026,022	-	-
- Advances to MCL ESOS trust for purchase of share # 133,546,000	-	-	-	-
Less: Amount utilised by trust for purchase of shares # (133,546,000)	-	-	-	-
	<b>88,203,966</b>	<b>149,631,678</b>	<b>156,332,719</b>	<b>734,286,753</b>

# For both current year and previous year

## 2.13.1 Loans and advances due by officers of the company

(Amount in ₹)

Particulars	As at	As at
	31 March 2014	31 March 2013
Dues from officers of the Company (either severally or jointly)	2,648,882	313,104
	<b>2,648,882</b>	<b>313,104</b>

## 2.14 OTHER NON-CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Balances with banks		
- Deposit due to mature after 12 months from the reporting date	3,239,127	5,450,227
	<b>3,239,127</b>	<b>5,450,227</b>

## 2.15 INVENTORIES

(Amount in ₹)

Particulars	As at 31 March 2014		As at 31 March 2013	
Raw materials (including packing materials)	217,928,446		201,463,491	
Add: Materials-in-transit	8,651,359	226,579,805	25,535,361	226,998,852
Work-in-progress		50,478,535		44,468,600
Finished goods	63,203,733		53,689,895	
Add: Goods-in-transit	52,854,492	116,058,225	44,647,355	98,337,250
Stock in trade		397,779		-
Stores and spares		7,596,692		12,623,050
		<b>401,111,036</b>		<b>382,427,752</b>

## 2.16 TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	27,287,873	10,306,910
Unsecured, considered doubtful	911,058	1,063,876
Provision for doubtful receivables	(911,058)	(1,063,876)
	<b>27,287,873</b>	<b>10,306,910</b>
Other trade receivables		
Unsecured, considered good	1,183,146,503	1,170,044,785
	<b>1,210,434,376</b>	<b>1,180,351,695</b>

## 2.17 CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Cash and cash equivalents</b>		
Balance with bank		
- Deposits with original maturity of 3 months or less*	4,330,499	42,408,552
- On current accounts	16,795,640	7,238,191
- Other bank balances	46,734	-
Cheques, drafts on hand	818,153	-
Cash on hand	971,985	1,361,898
	<b>22,963,011</b>	<b>51,008,641</b>
<b>Other bank balances</b>		
Balance with bank		
- Deposits due to mature within 12 month on the reporting date**	216,247,377	108,869,154
	<b>216,247,377</b>	<b>108,869,154</b>
	<b>239,210,388</b>	<b>159,877,795</b>

\* ₹4,330,499 (previous year ₹42,108,552) is held as margin money against letter of credit and bank guarantees.

\*\* Includes ₹184,248,653 (previous year ₹81,519,702) is held as margin money against letter of credit and bank guarantees.

## 2.18 OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Interest accrued on fixed deposits	5,161,393	3,856,904
Interest accrued on loans and advances to related party	-	10,011,846
	<b>5,161,393</b>	<b>13,868,750</b>

## 2.19 REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Sale of products		
- Manufactured goods	6,464,593,300	6,229,432,888
- Traded goods	21,275,461	-
Other operating revenues		
- Royalty	74,122,288	55,673,009
- Technical know-how and service income	8,886,306	15,704,254
- Job work income	6,667,883	34,798,044
- Scrap sales	15,473,294	13,807,965
- Exchange fluctuations (net)	9,686,621	1,685,307
- Export incentives	13,216,890	18,187,167
Revenue from operations (gross)	6,613,922,043	6,369,288,634
Less: Excise duty	446,370,498	387,148,831
Revenue from operations (net)	<b>6,167,551,545</b>	<b>5,982,139,803</b>

## 2.19.1 Details of goods sold (net of excise duty)

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Lock Kits	2,586,476,773	2,374,469,601
Locks and switches	821,671,920	809,585,095
Spares	1,448,577,733	1,316,964,385
Wiring Harness	609,626,112	648,734,180
Interior Plastic	368,776,678	348,109,542
Others	204,369,046	344,421,254
	<b>6,039,498,262</b>	<b>5,842,284,057</b>

## 2.19.2 Earnings in foreign exchange

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
FOB value of exports	823,047,063	661,753,945
Royalty	74,122,288	55,673,009
Technical know-how and service income	-	11,516,357
Financial assistance fee	12,585,674	6,903,879
	<b>909,755,025</b>	<b>735,847,190</b>

## 2.20 OTHER INCOME

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest income*		
- on fixed deposits	17,255,333	58,119,358
- on loan given to body corporate	28,555,521	19,548,284
Dividend income on current investments	-	15,179,333
Financial assistance fee	18,778,784	13,865,522
Liabilities/provisions no longer required written back	-	5,975,862
Profit on sale of investment	-	4,525,653
Rental income (refer to note 2.20.1)	3,874,000	1,824,000
Miscellaneous income	499,438	4,027,021
	<b>68,963,076</b>	<b>123,065,033</b>

\* tax deducted at source ₹4,581,085 (previous year ₹7,766,764)

## 2.20.1 Operating Lease- As a lessor

The Company has leased (cancellable) some of its premises and fixed assets under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended 31 March 2014 aggregate to ₹3,874,000 (previous year ₹1,824,000).

## 2.21 COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw materials consumed (includes packing material and components)		
Opening stock	226,998,853	305,330,364
Add: Purchases during the year	3,849,054,930	3,742,619,079
	4,076,053,783	4,047,949,443
Less: Closing stock	226,579,805	226,998,853
	<b>3,849,473,978</b>	<b>3,820,950,590</b>

## 2.21 a) PURCHASE OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Cupholders	20,652,662	-
	<b>20,652,662</b>	<b>-</b>

## 2.21.1 Consumption of raw materials (including packing material and components)

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Zinc	592,392,360	475,640,247
Others	3,257,081,618	3,345,310,343
	<b>3,849,473,978</b>	<b>3,820,950,590</b>

## 2.21.2 Details of closing stock of raw material (including packing material and components)

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw Materials		
Zinc	23,478,076	16,639,306
Others	203,101,729	210,359,547
	<b>226,579,805</b>	<b>226,998,853</b>



## 2.21.3 Details of imported and indigenous raw materials consumed

Particulars	For the year ended 31 March 2014		For the year ended 31 March 2013	
	₹	%	₹	%
Imported	189,968,496	4.93%	352,424,217	9.22%
Indigenous	3,659,505,482	95.07%	3,468,526,373	90.78%
	<b>3,849,473,978</b>		<b>3,820,950,590</b>	

## 2.21.4 Value of Imports calculated on C.I.F basis

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw materials, components and spare parts	171,680,322	205,093,643
Capital goods	15,557,129	63,019,756
	<b>187,237,451</b>	<b>268,113,399</b>

## 2.22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Finished goods and stock in trade</b>		
Closing stock	116,456,004	98,337,249
Less: opening stock	98,337,249	81,695,687
	18,118,755	16,641,562
Impact of excise duty on (decrease) in finished goods	(744,267)	(722,216)
<b>Work in progress</b>		
Closing stock	50,478,535	44,468,600
Less: opening stock	44,468,600	98,954,126
	6,009,935	(54,485,526)
Increase / (Decrease) in inventories	<b>23,384,423</b>	<b>(38,566,180)</b>

## 2.22.1 Details of inventory of finished goods and work in progress

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Lock kits	61,350,852	44,759,699
Locks and switches	19,147,576	26,972,387
Spares	18,994,274	10,278,308
Wiring harness	9,542,462	6,330,060
Interior plastics	4,581,933	2,237,476
Others	2,838,907	7,759,319
	<b>116,456,004</b>	<b>98,337,249</b>

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

## 2.23 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Salaries and wages	644,685,142	610,695,600
Contribution to		
- Provident fund and other funds	38,323,022	37,507,020
- Gratuity fund	8,837,039	14,062,939
Staff Welfare	44,683,457	37,398,405
	<b>736,528,660</b>	<b>699,663,964</b>

## 2.24 FINANCE COSTS

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest expense		
on borrowings from banks	105,832,570	115,967,287
on borrowings from others	6,469,390	12,271,919
Exchange difference to the extent considered as an adjustment to borrowing cost	-	3,023,462
	<b>112,301,960</b>	<b>131,262,668</b>

## 2.25 OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Jobwork charges	144,063,081	143,147,835
Consumption of stores and spare parts (refer note 2.25.1)	125,270,921	101,573,322
Power and fuel	169,153,286	168,882,521
Rent (refer note 2.25.2)	104,588,901	97,056,594
Repairs- buildings	16,988,956	13,087,856
Repairs- plant and machinery	39,179,687	29,805,396
Repairs others	16,949,269	17,460,567
Travelling and conveyance	50,334,089	46,766,600
Legal and professional	27,574,247	19,569,335
Communication	10,622,734	12,604,532
Charity and donations	271,856	265,329
Bad debts	2,619,630	6,347,762
Provision for doubtful trade receivables	148,864	742,354
Management fees (net of recovery) *	109,570,149	71,976,150
Insurance	8,781,662	8,270,847
Rates and taxes, excluding taxes on income	13,298,310	5,598,287
Warranty expenses	17,100,279	13,157,581
Loss on sale/discard of fixed assets (net)	8,827,013	305,879
Advertisement and business promotion	16,924,695	5,668,617
Royalty	4,975,073	5,582,567
Cash discount	483,588	143,061
Freight and forwarding	62,727,128	55,465,450
Bank charges	5,193,887	6,554,873
Miscellaneous	34,816,674	43,002,337
	<b>990,463,979</b>	<b>873,035,652</b>

\* \* The Company recovers management fees from Minda SAI Limited and Minda Stoneridge Limited. The recovery during the current year has been ₹nil (previous year ₹2,301,206 and ₹10,355,425 respectively).

### 2.25.1 Details of imported and indigenous stores and spares parts consumed

Particulars	For the year ended 31 March 2014		For the year ended 31 March 2013	
	₹	%	₹	%
Imported	670,861	0.54%	1,155,333	1.14%
Indigenous	124,600,060	99.46%	100,417,989	98.86%
	<b>125,270,921</b>		<b>101,573,322</b>	

### 2.25.2 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 cancellable operating leases. Lease rentals amounting to ₹104,588,901 (previous year: ₹97,056,594) in respect of such leases have been recognized in the statement of profit and loss for the year.

### 2.25.3 Expenditure in foreign currency

(Amount in ₹)

Particulars	For the year ended 31 March 2014		For the year ended 31 March 2013	
	₹	%	₹	%
Sales commission	-		2,696,880	
Legal and professional expense	79,356		-	
Repair and maintenance (plant and machinery)	376,598		353,719	
Travelling and conveyance	2,769,539		1,727,666	
Other matters	174,154		3,940,004	
	<b>3,399,647</b>		<b>8,718,269</b>	

**2.26** During the year, the Company has entered into an agreement to sell its fixed assets pertaining to its facility at Pune, which manufactures plastic products. This agreement is subject to approval from its Board of Directors and subject to finalisation of the consideration to be arrived at on the basis of a valuation, however, at minimum of the net book value at 30th June 2014. The advance received from the other party amounting to ₹1,500 lakhs has been shown as "advances received for sale of fixed assets" under other current liabilities.

### 2.27 EXCEPTIONAL ITEMS

During the year, the Company decided to dispose off certain fixed assets / other assets due to discontinuance of plating business with certain customers. As a result, the Company has recorded a loss on disposal of such assets amounting to ₹225 lakhs (previous year ₹233 lakhs). The exceptional items in the previous year represented expenses incurred by the Company in earlier periods in relation to potential business acquisitions. These amounts were charged off considering the elongated period with no substantial development on such acquisitions.

### 2.28 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹9,703,363 (previous year ₹43,220,800).

### 2.29 CONTINGENT LIABILITIES

(Amount in ₹)

Particulars	As at	
	31 March 2014	31 March 2013
<b>Claims against the Company not acknowledged as debts</b>		
a) Custom duty	161,776,450	5,512,848
b) Sales tax/ VAT	1,466,749	29,865,733
c) Excise duty	8,692,913	8,692,913
<b>Others</b>		
Corporate guarantees given by the Company	1,875,062,985	1,386,552,070

## 2.30 UNHEDGED FOREIGN CURRENCY EXPOSURE

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 2014		As at 31 March 2013	
	Amount (in ₹)	Amount (in original currency)	Amount (in ₹)	Amount (in original currency)
<b>Receivables in foreign currency</b>				
Export of goods				
- EURO	30,194,334	365,173	39,535,022	568,090
- USD	184,272,033	3,075,558	99,384,567	1,829,782
Royalty income				
- USD	18,397,140	307,054	26,198,525	482,389
Exported services				
- USD	-	-	1,585,689	29,365
Financial assistance services				
- USD	19,111,128	231,132	6,903,870	100,000
<b>Payables in foreign currency</b>				
Import of goods				
- USD	4,040,359	67,435	9,455,793	174,084
- EURO	9,936,374	120,171	16,668,779	239,516
Reimbursement of expenses				
- EURO	-	-	1,994,282	28,658
Sales commission				
- EURO	-	-	1,568,435	22,759
Royalty payable				
- EURO	8,791,057	106,313	1,498,222	21,767
Packing credit (classified as a part of cash credit and working capital demand loan)				
- USD	51,519,249	859,872	98,839,551	1,819,579

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

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

Related parties and nature of related party relationship with whom transactions have taken place during the year

### a) Related parties and nature of related party relationships where control exists

Description of relationship	Name of the party
Subsidiary (including step down subsidiaries)	Minda SAI Limited, India
	Minda Europe B.V., Netherlands
	Minda Management Service Limited, India
	Minda KTSN Plastic Solution GMBH & Co.KG, Germany
	KTSN Kunststofftechnik Sachsen Beteiligung, Germany
	Minda Automotive Solution Limited, India
	P T Minda Automotive, Indonesia (note 1)
	Minda Vietnam Automotive Co. Ltd., Vietnam (note 1)
	P T Minda Automotive Trading, Indonesia (note 1)
	Almighty International PTE Limited, Singapore (note 1)
	Minda KTSN Plastic & Tooling Solutions Sp.Z.O.O. Poland (Formerly known as Minda Schenk Plastic Solutions Sp.Z.O.O. Poland)

### b) Key Managerial Personnel

Mr. Ashok Minda - Chairman  
 Mr. Sudhir Kashyap - Executive Director and CEO  
 Mr. Jeevan Mahaldar - Executive Director and CEO (note 5)

c)	<b>Enterprise in which directors of the Company and their relatives are able to exercise significant influence:</b>	Minda Capital Limited, India Minda Industries Limited, India Minda International Limited, India Minda S.M. Technocast Limited, India Minda Silca Engineering Limited, India Minda Stoneridge Instruments Limited, India Dorset Kaba Security Systems Private Limited, India Mars Industries Limited, India Jeevan Mahaldar HUF (note 5) Minda Spectrum Advisory Limited, India
d)	<b>Joint venture</b>	Minda Furukawa Electric Private Limited, India (note 2)
e)	<b>Associates</b>	Minda Valeo Security System Private Limited, India (note 3) Mayank Auto Engineers Private Limited, India (note 4) Minda Schenk Plastic Solutions GmbH (LLP), Germany (note 4) Minda Schenk Plastic Solutions S.R.O. Czech Republic (note 4)
f)	<b>Relatives of key managerial personnel</b>	Mrs Renu Mahaldar (note 5)

Note 1 During the current year, one of the Company's subsidiary, Minda SAI Limited has acquired 100% stake in Almighty International PTE Limited, Singapore w.e.f. 14 February 2014. Further, pursuant to this acquisition, Almighty International PTE Limited, Singapore including its step down subsidiaries viz. Minda Vietnam Automotive Co. Limited, Vietnam, PT Minda Automotive, Indonesia and P T Minda Automotive Trading, Indonesia have become subsidiaries of the Company.

Note 2 The Company has acquired 49% stake in Minda Furukawa Electric Private Limited w.e.f 1 February 2014. Further, pursuant to this acquisition, the Company has become a joint venture partner in Minda Furukawa Electric Private Limited. Before this date, Minda Furukawa Electric Private Limited was an enterprise in which directors of the Company and their relatives are able to exercise significant influence. For the sake of convenience this entity has been shown under Joint venture, whereas till 31.03.2013 it was shown under enterprises in which directors of the Company and their relatives are able to exercise significant influence.

Note 3 During the current year, one of the Company's subsidiary has acquired a 50% stake in Minda Valeo Security Systems Private Limited, w.e.f. 18 February 2014. Pursuant to this acquisition, Minda Valeo Security Systems Private Limited has become an associate of the Company's subsidiary. Before this date Minda Valeo Security Systems Private Limited was an enterprise in which directors of the Company and their relatives are able to exercise significant influence. For the sake of convenience this entity had been shown under Associates, whereas till 31.03.2013 it was shown under enterprises in which directors of the Company and their relatives are able to exercise significant influence.

Note 4 During the year, two of the Company's subsidiaries disposed of their investment in the Company's step down subsidiary. Pursuant to this Mayank Auto Engineers Private Limited along with its subsidiaries Minda Schenk Plastic Solutions GmbH (LLP), Germany and Minda Schenk Plastic Solutions S.R.O. Czech Republic has become enterprise in which directors of the Company and their relatives are able to exercise significant influence w.e.f 1 April 2013. The same were appearing under "Subsidiaries" until 31 March 2013. For the sake of convenience this entity had been shown under associates, whereas till 31.03.2013 it was shown under Subsidiaries.

Note 5 Mr Jeevan Mahaldar (executive director and CEO) has resigned w.e.f. 01.04.2013. Pursuant to this, he is no more Key Managerial Personnel in the Company and Jeevan Mahaldar (HUF) is no more an enterprise in which directors of the Company and their relatives are able to exercise significant influence and Mrs Renu Mahaldar is no more a relative of key managerial personnel.

## 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	Purchase of traded 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
<b>Subsidiary companies</b>												
Minda Europe B.V./Netherlands	-	-	-	-	-	-	-	-	(2,696,880)	-	-	-
Minda KTSN Plastic Solution GmbH & Co.KG, Germany	-	-	12,585,675	-	-	-	-	-	1,528,562	-	-	-
Minda Management Services Limited	-	-	(6,903,870)	-	-	-	-	-	(1,498,222)	(283,210,580)	-	-
Minda SAI Limited	-	-	25,070,100	-	-	72,103,376	-	-	36,821,420	54,500,000	(47,000,000)	47,000,000
Minda Automotive Solution Limited	610,445	-	(1,800,000)	16,879,040	20,001,795	(61,640,121)	-	-	(13,286,207)	250,000,000	(454,200,000)	454,200,000
Minda Automotive, Indonesia	(451,414)	-	28,555,521	(2,848,505)	-	-	-	-	3,794,873	-	-	(276,550,000)
PT Minda Automotive, Vietnam	1,090,942,386	-	(21,849,490)	-	-	-	-	-	(2,660,553)	-	-	-
Minda Vietnam Automotive Co. Ltd., Vietnam	(1,141,894,394)	-	9,577,377	27,780	-	-	-	-	13,729,973	(9,674,335)	-	-
63,042,488	-	-	-	-	-	-	-	-	-	-	-	-
1,752,879	-	-	-	-	-	-	-	-	-	-	-	-
<b>Associates</b>												
Minda Valeo Security System (P) Limited	196,333,523	-	5,750,654	39,230,277	-	-	-	-	2,135,977	-	-	-
Mayank Auto Engineers Private Limited	(192,443,107)	(24,559,397)	(6,903,870)	(12,519,622)	650,867	-	(2,937,705)	-	(898,880)	-	-	-
Enterprise in which directors of the Company and their relatives are able to exercise significant influence	2,593,601	-	7,723,260	17,361,158	-	-	-	-	-	-	-	-
Dorset Kaba Security Systems Private Limited	(75,665)	-	(6,961,652)	(40,261,452)	-	-	-	-	-	-	-	-
Mars Industries Limited	4,678,653	-	-	-	-	-	-	-	-	-	-	-
Minda Capital Limited	(3,347,011)	-	-	2,604,197	-	-	-	-	-	-	-	-
Minda Industries Limited	(149,627)	-	24,000	-	-	-	43,875,000	-	-	-	(2,250,000)	-
Minda International Limited	397,467,697	-	(24,000)	-	-	-	(39,480,000)	-	57,221	-	-	-
Minda S.M. Technocast Limited	(451,464,013)	-	-	(539,326)	-	-	-	-	-	-	-	-
Minda Silca Engineering Limited	-	-	(8,983,192)	-	-	(25,856,346)	8,700,000	-	-	-	-	-
Minda Spectrum Advisory Limited	-	-	-	-	-	-	(8,760,000)	-	-	-	-	-
Minda Stoneridge Instruments Limited	25,571,226	-	-	136,666,028	-	-	-	-	-	-	2,555,044	-
Mr. Jeevan Mahaldar - HUF	(27,227,381)	-	(10,355,425)	(89,876,715)	-	-	-	-	250,000	-	(292,500)	-
Tuff Engineering Pvt Ltd	(1,170,560)	-	6,343,452	6,343,452	-	-	-	-	(225,000)	-	-	-
Joint venture	-	-	-	(35,929,577)	-	-	(3,069,000)	-	2,024,469	-	-	-
Minda Furukawa Electric (P) Limited	-	-	43,235	(20,514)	-	-	-	-	98,588	-	-	-
Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Ashok Minda - Chairman	-	-	-	-	-	-	-	18,576,000	-	-	-	-
Mr. Jeevan Mahaldar - Director	-	-	-	-	-	-	-	(18,576,000)	-	-	-	-
Mr. Sudhir Kashyap - Director	-	-	-	-	-	-	-	(21,302,934)	-	-	-	-
Relatives of key managerial personnel	-	-	-	-	-	-	-	13,486,794	-	-	-	-
Ms. Renu Mahaldar	-	-	-	-	-	-	(3,069,000)	-	-	-	-	-

Party name	Purchase of fixed assets during the year	Sale of fixed assets during the year	Security deposit given during the year	Guarantee given during the year	Receivable as at the year end	Payable as at the year end	Loan / advances receivable as at the year end	Investment as at the year end	Guarantee outstanding as at the year end	Guarantee taken as at the year end	Purchase of Shares	Loan / advances received during the year
<b>Subsidiary companies</b>												
Minda Europe B.V.Netherlands	-	-	-	-	-	(1,568,435)	-	16,948,800	-	-	-	-
Minda KTSN Plastic Solution GmbH & Co.KG, Germany	(3,056,205)	-	-	418,884,158	19,111,128	8,791,057	-	(16,948,800)	1,275,062,985	-	-	-
Minda Management Services Limited	-	-	-	(690,386,950)	(6,916,586)	(6,645,070)	-	815,156,501	(690,386,950)	-	-	-
Minda SAI Limited	-	-	-	-	45,622,402	8,580,039	(47,000,000)	55,883,200	-	-	-	-
	-	-	-	-	(12,776,957)	-	-	(1,383,200)	-	-	-	-
Minda Automotive Solution Limited	-	-	-	600,000,000	1,934,140	10,031,286	(454,200,000)	404,904,820	600,000,000	(297,521,526)	-	155,587,641
	-	-	-	-	(74,887)	-	-	(154,904,820)	-	-	-	-
PT Minda Automotive, Indonesia	-	-	-	-	189,993,503	-	-	47,047,611	-	-	-	-
	-	-	-	-	(256,589,296)	-	-	(47,047,611)	-	-	-	-
Minda Vietnam Co Ltd, Vietnam	-	-	-	-	104,960,361	-	-	-	-	-	-	-
	-	-	-	-	2,484,555	41,217	-	-	-	-	-	-
<b>Associates</b>												
Minda Valeo Security System (P) Limited	-	-	-	-	37,780,002	14,968,139	-	-	-	-	-	-
	-	-	-	-	(50,610,211)	(4,273,778)	-	-	-	-	-	-
Mayank Auto Engineers Private Limited	-	22,139,134	-	-	12,512,860	1,690,216	5,127,300	-	-	-	-	-
	-	-	-	-	(6,968,402)	(4,951,870)	(43,127,300)	-	(696,165,120)	-	-	-
<b>Enterprise in which directors of the Company and their relatives are able to exercise significant influence</b>												
Dorset Kaba Security Systems Private Limited	-	-	-	-	966,096	-	-	-	-	-	-	-
	-	-	-	-	(1,150,020)	-	-	-	-	-	-	-
Mars Industries Limited	-	-	-	-	-	2,919,001	-	-	-	-	-	-
	-	-	-	-	(88,900)	-	-	-	-	-	-	-
Minda Capital Limited	-	-	-	-	13,150,000	-	2,250,000	-	-	-	323,400,000	-
	-	-	-	-	(15,626,104)	-	-	-	-	-	-	-
Minda Industries Limited	-	-	(2,250,000)	-	84,887,891	57,221	-	-	-	-	-	-
	-	-	-	-	(66,562,917)	(364,718)	-	-	-	-	-	-
Minda International Limited	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(5,784,715)	-	-	-	-	-	-
Minda S.M.Technocast Limited	-	-	887,034	-	1,176,684	446,250	-	-	-	-	-	-
	-	-	-	-	(1,643,428)	-	-	-	-	-	-	-
Minda Silca Engineering Limited	-	-	-	-	1,166,501	21,283,754	3,199,670	-	-	-	-	-
	-	-	-	-	(3,614,824)	(26,124,842)	(292,500)	-	-	-	-	-
Minda Spectrum Advisory Limited	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(225,000)	-	-	-	-	-	-
Minda Stoneridge Instruments Limited	-	-	-	-	-	2,363,090	-	-	-	-	-	-
	-	-	-	-	(3,270,217)	(2,218,679)	-	-	-	-	-	-
Mr. Jeevan Mahaldar - HUF	-	-	-	-	-	(230,175)	-	-	-	-	-	-
	-	-	-	-	-	959,332	-	-	-	-	-	-
Tuff Engineering Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Joint venture</b>												
Minda Furukawa Electric (P) Limited	-	-	-	-	43,235	(7,449)	-	423,497,360	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Key managerial personnel</b>												
Mr. Ashok Minda - Chairman	-	-	-	-	-	897,077	-	-	-	-	99,041,250	-
	-	-	-	-	-	(758,919)	-	-	-	-	-	-
Mr. Jeevan Mahaldar - Director	-	-	-	-	-	(3,029,259)	-	-	-	-	-	-
	-	-	-	-	-	547,865	-	-	-	-	-	-
Mr. Sudhir Kashyap - Director	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Relatives of key managerial personnel</b>												
Ms. Renu Mahaldar	-	-	-	-	-	(230,175)	-	-	-	-	-	-

- 2.32 a) The Company has acquired 49% interest in Minda Furukawa Electric Pvt. Ltd. on 1st Feb, 2014. Minda Furukawa Electric Pvt. Ltd. is a joint venture between Spark Minda, Ashok Minda Group and Furukawa of Japan engaged in manufacturing of wiring hireness and components related to wiring hireness. The interest in the joint venture companies are accounted for in accordance with Accounting Standard (AS-13) - "Accounting for Investments"
- b) The Company's share in respect of the assets, liabilities, reserves, income and expenses, related to interests in jointly controlled entities are:-

		(Amount in ₹)
Particulars		As at 31 March 2014
<b>A</b>	<b>Assets</b>	
	<b>Non Current Assets</b>	
	a Fixed Assets	
	- tangible assets	301,523,277
	- intangible assets	2,384,814
	- capital work-in-progress	62,636,784
	b Long-term loans and advances	21,620,010
	c Other non-current assets	98,000
	<b>Current assets</b>	
	a Inventories	221,672,961
	b Trade receivables	119,019,187
	c Cash and bank balances	60,575,624
	d Short-term loans and advances	117,365,173
	e Other current assets	129,065
<b>B</b>	<b>Liabilities</b>	
	<b>Non-current liabilities</b>	
	a Long-term borrowings	96,863,200
	b Long Term Provisions	2,394,391
	<b>Current liabilities</b>	
	a Short-term borrowings	195,337,672
	b Trade payables	333,483,933
	c Other current liabilities	44,455,621
	d Short-term provisions	4,805,813
<b>C</b>	<b>Reserves</b>	a Reserves -
<b>D</b>	<b>Income</b>	a Revenue from operations 279,502,066
		b Other income 1,931,687
<b>E</b>	<b>Expenses</b>	a Raw Material 197,025,094
		b Employee benefits expense 20,769,874
		c Finance costs 5,892,850
		d Depreciation and amortisation expense 7,187,398
		e Other expenses 30,769,500
<b>F</b>	<b>Contingent Liability</b>	
	a Contingent liabilities, if any, incurred in relation to interests in joint ventures	-
	b Share in contingent liabilities of joint ventures themselves for which the Company is contingently liable	-
	c Contingent liabilities in respect of liabilities of other ventures of joint ventures	-
<b>G</b>	<b>Capital Commitments</b>	
	a Capital commitments, if any, in relation to interests in joint ventures	-
	b Share in capital commitments of joint venture	4,214,000



### 2.33 AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX)

Legal and professional expense includes auditors' remuneration as follows:

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Statutory Audit	2,500,000	1,800,000
Out of pocket expenses	920,490	779,804
	<b>3,420,490</b>	<b>2,579,804</b>

### 2.34 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	(Amount in ₹)			
	As at 31 March		Maximum balance during the year ended	
	2014	2013	2014	2013
Minda SAI Limited	-	454,200,000	454,200,000	462,400,000

- 2.35 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 2.36 The Company operates only in one business segment i.e. manufacture of auto components / accessories from various locations in India. Further, in accordance with Accounting Standard 17 - 'Segment Reporting', segment information has been given in the Consolidated Financial Statement of Minda Corporation Limited, and therefore, no separate disclosure on segment information is given in these financial statements.

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Manish Gupta**  
Partner  
Membership No.:095037  
Place: Gurgaon  
Date: 29 May 2014

**Sanjay Aneja**  
Chief Financial Officer

**Ajay Sancheti**  
Company Secretary

Place: Gurgaon  
Date: 29 May 2014

# Independent Auditors' Report

To  
The Board of Directors  
Minda Corporation Limited

## Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated balance sheet of Minda Corporation Limited ('the Company') and its subsidiaries, an associate and a joint venture (hereinafter collectively referred to as 'the Group') as at 31 March 2014, 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, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the consolidated financial statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

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

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

the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

## Basis for Qualified Opinion

4. *During the year, two of the Company's wholly owned subsidiaries sold their respective stakes (jointly held 100%) in another step subsidiary, to two related parties, at a consideration of ₹160 million and Euro 5.9 million (₹487.2 million) respectively. As explained to us by the management of the Company, the sales consideration has been arrived after considering costs of acquisition in respective subsidiaries and negotiations with the buyers. In absence of sufficient appropriate audit evidence to support the amount of respective sales consideration, we are unable to comment on the arm's length basis of the aforementioned sale transactions with the related parties, and accordingly, consequential impact on the total gain (₹170 million) resulting from the sale of the step down subsidiary and profit after tax in the Consolidated Statement of Profit and Loss and accumulated Reserves and Surplus in the Consolidated Balance Sheet.*

## Qualified Opinion

5. *In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:*
  - (a) *in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;*
  - (b) *in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and*
  - (c) *in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.*

## Other matters

6. We did not audit the financial statements and other financial information of certain subsidiaries, a joint venture and an associate (interests in which have been incorporated in these consolidated financial statements), whose financial statements reflect total assets of ₹6,464 millions as at

31 March 2014 and total revenues of ₹7,017 millions for the year then ended on a stand-alone entity basis. Of the above:

- (a) The financial statements and other financial information of certain subsidiaries and the associate have been audited by other auditors whose reports have been furnished to us by the management and our opinion is based solely on the reports of the other auditors.
- (b) The financial statements and other financial information of certain subsidiaries incorporated outside India, as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP'), have been audited by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for ₹3,467 millions of the total assets and ₹4,542 millions of the total revenue [including other income and exceptional items (net basis)] of the Group. 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.

- (c) The financial statements and other financial information of a step subsidiary (including its 3 subsidiaries) and a Joint venture (all acquired during the current year) have not been subjected to audit either by us or by other auditors, and therefore, unaudited financial statements for the period from the date of acquisition till the year end, of the respective entities have been furnished to us by the management, whose financial statements reflect total assets of ₹2,229 millions as at 31 March 2014 and total revenues of ₹484 millions for the period then ended on a stand-alone entity basis, and therefore are not material to the consolidated financial statements, either individually or in the aggregate.

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

**Manish Gupta**  
Partner

Place: Gurgaon  
Date: 29 May 2014

Membership No: 095037

# Consolidated Balance Sheet as at 31 March 2014

(Amount in ₹)

	Notes	As at 31 March 2014	As at 31 March 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	394,619,800	395,969,800
Reserves and surplus	2.2	3,499,266,008	3,066,100,000
		<b>3,893,885,808</b>	<b>3,462,069,800</b>
<b>Minority interest</b>	2.32	-	51,206,420
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	2,097,376,778	1,891,370,266
Deferred tax liabilities (net)	2.4	85,936,367	103,416,627
Other long term liabilities	2.5	21,502,565	73,228,090
Long-term provisions	2.6	145,670,611	124,333,146
		<b>2,350,486,321</b>	<b>2,192,348,129</b>
<b>Current liabilities</b>			
Short-term borrowings	2.7	2,789,005,724	2,782,109,740
Trade payables	2.8	2,487,573,620	2,445,651,864
Other current liabilities	2.9	1,447,568,694	1,534,723,273
Short-term provisions	2.10	153,262,269	261,263,464
		<b>6,877,410,307</b>	<b>7,023,748,341</b>
		<b>13,121,782,436</b>	<b>12,729,372,690</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
- tangible assets	2.11	4,112,851,570	3,655,698,220
- intangible assets		1,154,996,380	1,009,231,905
- capital work-in-progress		150,201,920	676,844,338
Non-current investments	2.12	245,162,090	-
Long-term loans and advances	2.13	149,662,232	222,736,682
Other non-current assets	2.14	4,125,519	6,677,140
		<b>5,816,999,711</b>	<b>5,571,188,285</b>
<b>Current assets</b>			
Inventories	2.15	1,866,520,574	2,527,428,975
Trade receivables	2.16	2,914,812,704	3,054,875,872
Cash and bank balances	2.17	540,203,931	575,025,741
Short-term loans and advances	2.13	1,882,368,055	934,523,056
Other current assets	2.18	100,877,461	66,330,761
		<b>7,304,782,725</b>	<b>7,158,184,405</b>
		<b>13,121,782,436</b>	<b>12,729,372,690</b>
Significant accounting policies	1		
Notes to the financial statements	2.1 to 2.32		

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

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W

**Manish Gupta**

Partner

Membership No.:095037

Place: Gurgaon

Date: 29 May 2014

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

**Ashok Minda**

Chairman & Group CEO

DIN: 00054727

**Sudhir Kashyap**

Executive Director & CEO

DIN: 06573561

**Sanjay Aneja**

Chief Financial Officer

Place: Gurgaon

Date: 29 May 2014

**Ajay Sancheti**

Company Secretary

# Consolidated Statement of Profit and Loss for the year ended 31 March 2014

(Amount in ₹)

	Notes	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Revenue</b>			
Revenue from operations (gross)	2.19	16,919,716,410	22,617,777,952
Less: Excise duty		980,663,938	882,027,471
Revenue from operations (net)		15,939,052,472	21,735,750,481
Other income	2.20	303,774,096	362,017,090
<b>Total revenue</b>		<b>16,242,826,568</b>	<b>22,097,767,571</b>
<b>Expenses</b>			
Cost of materials consumed	2.21	9,527,350,154	12,740,404,184
Purchases of stock-in-trade		108,621,150	305,151,755
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	97,221,579	22,320,255
Employee benefits expense	2.23	2,657,381,291	4,636,219,702
Finance costs	2.24	275,077,156	424,254,839
Depreciation and amortisation expense	2.11	477,965,872	770,544,990
Other expenses	2.25	2,291,073,085	2,944,739,405
<b>Total expenses</b>		<b>15,434,690,287</b>	<b>21,843,635,130</b>
<b>Profit before tax, exceptional items, share in associates and minority interest</b>		<b>808,136,281</b>	<b>254,132,441</b>
Exceptional items	2.29	147,452,909	(29,752,231)
<b>Profit before tax, share in associates and minority interest</b>		<b>955,589,190</b>	<b>224,380,210</b>
<b>Tax expense</b>			
Current tax		190,063,738	169,254,136
Deferred tax charge	2.4.1	(17,473,809)	17,308,091
Reversal of excess provision in earlier years		-	(12,749,105)
Income tax for earlier year		(602,432)	917,601
<b>Profit before share in associates and minority interest</b>		<b>783,601,693</b>	<b>49,649,487</b>
Add: Share in profit of associates (Refer to note 2.31 (e))		9,803,616	-
Less: Share of minority interest		-	(10,291,563)
<b>Profit for the year</b>		<b>793,405,309</b>	<b>59,941,050</b>
<b>Earnings per equity share</b>			
(Basic and diluted) of ₹10 per share	2.2.8	37.91	2.86
Significant accounting policies	1		
Notes to the financial statements	2.1 to 2.32		

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

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Manish Gupta**  
Partner  
Membership No.:095037  
Place: Gurgaon  
Date: 29 May 2014

**Sanjay Aneja**  
Chief Financial Officer  
Place: Gurgaon  
Date: 29 May 2014

**Ajay Sancheti**  
Company Secretary

# Consolidated Cash Flow Statement for the year ended 31 March 2014

(Amount in ₹)

	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation and after exceptional item	955,589,190	224,380,210
<b>Adjustments for :-</b>		
Depreciation	477,965,872	770,544,990
Provision for doubtful debts and advances	14,324,777	11,893,911
Exceptional Items	(147,452,909)	-
Interest expense	237,238,062	374,898,685
Loss on sale/discard of fixed assets (net)	14,241,459	1,409,371
Bad debts/amounts written off	66,145,919	10,807,469
Exchange fluctuations (net)	-	(7,830,098)
Interest income	(71,045,182)	(61,576,591)
Profit on sale of investments	-	(4,525,653)
Liabilities / provisions no longer required written back	(25,971,390)	(112,376,642)
Dividend income on non current investments	(323,675)	(5,438,908)
<b>Operating profit before working capital changes</b>	<b>1,520,712,123</b>	<b>1,202,186,745</b>
<b>Movement in working capital :-</b>		
(Increase)/decrease in trade receivables	(396,289,523)	(496,488,812)
(Increase)/decrease in inventories	(84,155,703)	(154,444,769)
(Increase)/decrease in long term/ short term loans and advances	(1,388,321,514)	(484,619,954)
(Increase)/decrease in other current / non current assets	(104,910,409)	(31,930,021)
Increase/(decrease in other long term / other current liabilities	319,516,171	257,912,173
Increase/(decrease) in trade payables	51,960,634	189,980,121
Increase/(decrease) in long term/ short term provisions	73,643,640	58,009,211
<b>Cash generated from operations</b>	<b>(7,844,581)</b>	<b>540,604,693</b>
Taxes paid	(168,762,831)	(233,563,701)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>(176,607,412)</b>	<b>307,040,992</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(732,889,208)	(1,390,946,823)
Sale of fixed assets	37,387,178	233,769,245
Sale / (Purchase) of non current investments	(901)	188,523,483
Purchase of business	(151,705,826)	-
Dividend received	323,675	5,438,908
Investment in subsidiaries	(983,497,382)	-
Proceeds from sale of subsidiaries	643,800,000	-
Net assets of new subsidiaries in excess of carrying value of investments	-	(15,863,156)
Investment in bank deposits held for initial maturity more than 3 months	(108,421,507)	213,483,916
Interest received	12,651,140	74,937,459
<b>Net cash used in investing activities (B)</b>	<b>(1,282,352,831)</b>	<b>(690,656,969)</b>

# Consolidated Cash Flow Statement for the year ended 31 March 2014

(Amount in ₹)

	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from capital subsidy	3,000,000	-
Payment of dividend (incl. of tax)	(48,979,074)	(69,823,775)
Proceeds from/ (repayment) of long term borrowings	495,726,142	209,323,194
Proceeds from/ (repayment) of short term borrowings	1,125,605,638	350,410,752
Interest paid	(241,051,252)	(382,250,270)
Net cash from financing activities (C)	1,334,301,454	107,659,901
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(124,658,789)</b>	<b>(275,956,076)</b>
Cash and cash equivalents arising on acquisition of subsidiaries	185,172,923	67,873,552
Cash and cash equivalents reduction on disposal of subsidiaries	(277,648,145)	-
Cash and cash equivalents at the beginning of the year	462,937,022	643,831,594
Translation adjustment on cash balance acquired during the year	18,138,024	27,187,951
<b>Cash and cash equivalents as at the end of the year*</b>	<b>263,941,035</b>	<b>462,937,022</b>

Significant accounting policies and note to accounts

\*Out of these, ₹53,000,000 (previous year ₹Nil) is pledged with bank for short term loans and ₹4,330,499 (previous year ₹42,408,552) held as margin money against letter of credit and bank guarantee and ₹Nil (previous year ₹500,000) as pledged as security with sales tax department.

1. The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', notified by the Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents consists of cash in hand and balances with banks. Refer note 2.17

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

**Manish Gupta**  
Partner  
Membership No.:095037  
Place: Gurgaon  
Date: 29 May 2014

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sanjay Aneja**  
Chief Financial Officer

Place: Gurgaon  
Date: 29 May 2014

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Ajay Sancheti**  
Company Secretary

# Notes to the Consolidated Financial Statements for the year ended 31 March 2014

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1. Basis of Accounting

These Consolidated financial statements have been prepared and presented on a going concern basis, 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 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013, 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.

### 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 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. Current-non-current classification

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realised within 12 months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is due to be settled within 12 months after the reporting date; or
- (iv) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### 1.4. Principles of Consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 on "Consolidated financial statements", Accounting Standard 23 on "Accounting for investment in Associates in consolidated financial statements" and Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" 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 monthly average rates.
  - 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, associates and joint venture over the net assets at the time of acquisition of shares 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. 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 31 March 2014.
- h. During the current year, one of the wholly owned subsidiary of the Company acquired 100% equity stake in Almighty International PTE Limited, Singapore, making it a wholly owned step subsidiary of the Company. Almighty International PTE Limited has two wholly owned subsidiaries, PT Minda Automotive Indonesia and Minda Vietnam Automotive and a step down subsidiary PT Minda Automotive Trading Indonesia, which have also become step subsidiaries of the Company.
- i. During the current year, the Company acquired a 49 % equity stake in a Joint venture entity, Minda Furukawa Electric Private Limited, and became a joint venture partner in the Joint venture entity. The interest in the Joint venture has been accounted for as a jointly controlled entity as per AS-27 on "Financial Reporting of Interests in Joint Ventures" and reported using proportionate consolidation to the extent of 49% in the Consolidated Financial Statements.
- j. During the current year, a wholly owned subsidiary of the Company acquired a 50 % stake in Minda Valeo Security Systems Private Limited making it an associate of the Company. Investment in the Associate has been accounted under the equity method as per AS-23- "Accounting for investment in Associates in Consolidated Financial Statements".
- k. On 1 April 2013, Minda SAI Limited sold its entire stake (held to the extent of 56%) in Mayank Auto Engineers Private Limited ('MAEPL'), as a result of which there was loss of control over MAEPL and MAEPL's subsidiary (Minda Schenck Plastic Solutions). Further, the balance stake (held to the extent of 44%) in MAEPL was sold by the wholly owned subsidiary of the Company (Minda KTSN Plastic Solutions GmbH & Co. KG) in two tranches on 3 September 2013 and 30 September 2013. Accordingly, MAEPL was accounted as an Associate for the period 1 April 2013 to 3 September 2013 and thereafter as an Investment in accordance with AS-13- "Accounting for investment".
- l. The differences between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of profit and Loss being the profit or loss on disposal of investment in subsidiary.
- m. 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, associate and joint venture 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, an associate and a joint venture (collectively known as "the Group").

Name of subsidiaries / associates	Country of Incorporation	Nature of Interest	% of Interest	
			31 March 2014	31 March 2013
<b>(a) Subsidiaries / Sub-Subsidiaries</b>				
Minda SAI Limited ('SAI')	India	Subsidiary	100	100
Minda Automotive Solutions Limited	India	Subsidiary	100	100
Minda Management Services Limited	India	Subsidiary	100	100
Minda KTSN Plastic Solutions GmbH & Co. KG ('Minda KTSN')	Germany	Subsidiary	100	100
Minda KTSN Plastic and Tooling Solutions Sp.z.o.o., Poland (Formerly known as Minda Schenk Plastic Solutions Sp.z.o.o.)	Poland	Subsidiary	100	100
KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH	Germany	Subsidiary of ('Minda KTSN')	100	100
Minda Europe B.V.	Netherlands	Subsidiary	100	100
Almighty International PTE Ltd. ('Almighty')	Singapore	Subsidiary of SAI [w.e.f 14 Feb 2014]	100	-
PT Minda Automotive Indonesia ('PT Minda')	Indonesia	Subsidiary of Almighty [w.e.f 14 Feb 2014]	100	-
PT Minda Automotive Trading Indonesia	Indonesia	Subsidiary of PT Minda [w.e.f 14 Feb 2014]	100	-
Minda Vietnam Automotive Company Limited	Vietnam	Subsidiary of Almighty [w.e.f 14 Feb 2014]	100	-
Mayank Auto Engineers Private Limited ('MAEPL') Refer note 'k' above	India	Subsidiary of SAI	-	100
Minda Schenck Plastic Solutions GmbH Refer note 'k' above	Germany	Subsidiary of MAEPL	-	94
<b>(b) Joint Venture</b>				
Minda Furukawa Electric Private Limited Refer note 'i' above	India	Joint Venture [w.e.f 1 Feb 2014]	49	-
<b>(c) Associate</b>				
Minda Valeo Security Systems Private Limited Refer note 'j' above	India	Associate [w.e.f 18 Feb 2014]	50	-

### 1.5. 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, traded 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 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.

### 1.6. 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 tangible fixed assets under construction are disclosed as 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 such tools.

**1.7. Borrowing Cost**

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 consolidated statement of profit and loss in the year in which they are incurred.

**1.8. Intangible Asset**

Intangible assets comprises goodwill, computer software, patents and technical know-how acquired for internal use and are recorded at the consideration paid for acquisition of such assets are carried at cost less accumulated amortization and accumulated 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.

**1.9. 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 the lower of useful life of such 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 intangible 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.

**1.10. 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 and stock in trade	: 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.

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

**1.11. 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.

### 1.12. 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 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 statements include 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.

### 1.13. 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.

### 1.14. 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.

### 1.15. 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 the Indian entities receive benefits from the provident fund, which is a defined contribution plan. Both the employees and the Indian entity make monthly contributions to the provident fund (with Regional Provident Fund Commissioner) equal to specified percentage of the covered employee's basic salary. The Company has 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 be carried 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 employee benefit plan:**

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 the cost relating to the period of service already completed by the employee.

**Actuarial valuation:** The liability in respect of all defined benefit plans and other long term employee benefit is accrued in the books of account 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 Consolidated 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.

**1.16. 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.

**1.17. 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 operating lease 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.

**1.18. Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/ non-current classification scheme of revised Schedule VI.

Long term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done

separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures etc.

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the consolidated statement of profit and loss.

#### 1.19. Income taxes

Income tax expense comprises current and deferred tax in the consolidated statement of profit and loss and is the aggregate of the amounts of tax expense appearing in the separate financial statements of the Parent Company, its subsidiaries and joint venture.

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 Consolidated 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 Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT, if required.

#### 1.20. 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 is 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.

#### 1.21. 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.

#### 1.22. 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

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
25,000,000 (previous year 25,000,000) equity shares of ₹10 each	250,000,000	250,000,000
240,000 (previous year 240,000) 0.001% cumulative redeemable preference shares of ₹800 each	192,000,000	192,000,000
	<b>442,000,000</b>	<b>442,000,000</b>

### 2.1.2 Issued, subscribed and fully paid- up

(Amount in ₹)

Particulars	As at 31 March 2014		As at 31 March 2013	
<b>a) Equity shares of ₹10 each</b>				
20,931,164 (previous year 20,931,164) shares	209,311,640		209,311,640	
Less: 135,000 (previous year Nil) shares held by step subsidiary company (refer note 2.1.8)	1,350,000		-	
Less: 534,184 (previous year 534,184) 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	202,619,800	5,341,840	203,969,800
<b>b) 0.001% cumulative redeemable preference shares of ₹800 each</b>				
240,000 (previous year 240,000) shares		192,000,000		192,000,000
		<b>394,619,800</b>		<b>395,969,800</b>

### 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 2014		As at 31 March 2013	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Balance as at the beginning of the year	20,931,164	209,311,640	20,931,164	209,311,640
Balance as at the end of the year	<b>20,931,164</b>	<b>209,311,640</b>	<b>20,931,164</b>	<b>209,311,640</b>

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

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Balance as at the beginning and at the end of the year	240,000	192,000,000	240,000	192,000,000
Balance as at the end of the year	<b>240,000</b>	<b>192,000,000</b>	<b>240,000</b>	<b>192,000,000</b>

### 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 were 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**

**a) Equity shares of ₹10 each fully paid up**

Name of the shareholder	As at 31 March 2014		As at 31 March 2013	
	% of total holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	19.36%	4,052,872	19.36%	4,052,872
(ii) Sarika Minda	15.95%	3,339,490	15.95%	3,339,490
(iii) Ashok Minda HUF	9.59%	2,006,690	9.59%	2,006,690
(iv) Bhagwat Sewa Trust	5.18%	1,085,070	5.18%	1,085,070
(v) Kotak Mahindra Trusteeship Services Limited A/c- Kotak Indian Growth Fund II	11.78%	2,464,810	11.78%	2,464,810
		<b>12,948,932</b>		<b>12,948,932</b>

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

Name of the shareholder	As at 31 March 2014		As at 31 March 2013	
	% of total holdings	Number of shares held	% of holdings	Number of shares held
(i) Ashok Minda	15.63%	37,500	15.63%	37,500
(ii) Sarika Minda	10.42%	25,000	10.42%	25,000
(iii) Minda Capital Limited	73.95%	177,500	73.95%	177,500
		<b>240,000</b>		<b>240,000</b>



### 2.1.6 Shares allotted as fully paid up by way of bonus shares (during five years immediately preceding 31 March 2014)

Particulars	Years (number and aggregate number of shares)					
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Issue of fully paid up equity shares of ₹10 each by way of bonus shares	-	-	10,465,582	-	-	-
Cumulative number of shares	17,570,522	17,570,522	17,570,522	7,104,940	7,104,940	7,104,940

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

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. During the previous 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 had 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 "Guidance Note on Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountant of India, 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.

2.1.8 During the year ended 31 March 2014, one of the wholly owned subsidiary company has acquired Almighty International Pte. Limited, which held 135,000 shares in the Company. Accordingly the Share capital has been reduced by an amount of ₹1,350,000 owing to the holding of Investment by Almighty International Pte Limited.

## 2.2 RESERVE AND SURPLUS

### 2.2.1 Capital reserve

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Opening balance	766,005,093	758,913,579
Add: Amount arising on acquisitions during the year [refer to note 2.31 (b)]	244,604,608	-
Add: Addition pursuant to acquisition of business [refer to note 2.31 (d)]	5,706,078	-
Less: Adjustment arising on account of sale of subsidiary [refer to note 2.29]	(240,484,511)	-
Add: Capital subsidies recorded during the year	3,000,000	11,726,961*
Add: Amount transferred to Minority interest (prior period adjustment)	-	(4,635,447)
Closing balance	778,831,268	766,005,093

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
2.2.2 Securities premium account	1,195,921,450	1,195,921,450

### 2.2.3 Revaluation reserve

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Opening balance	273,119,762	389,211,298
Less : Adjustment arising on account of sale of subsidiary [refer to note 2.29]	(267,156,243)	-
Less: Amount utilized during the year	(85,682)	(116,091,536)
Closing balance	5,877,837	273,119,762

## 2.2.4 General reserve

(Amount in ₹)

Particulars	As at	
	31 March 2014	31 March 2013
Opening balance	179,627,899	152,178,791
Add: Amount arising on acquisitions during the year	-	750,000
Add: Amount transferred from surplus during the year	21,774,488	26,699,108
Closing balance	201,402,387	179,627,899

## 2.2.5 Foreign currency translation reserve

(Amount in ₹)

Particulars	As at	
	31 March 2014	31 March 2013
Opening balance	(189,749,742)	(195,132,397)
Less : Adjustment arising on account of sale of subsidiary [refer to note 2.29]	(8,016,747)	-
Add: Amount transferred during the year	(29,813,038)	7,774,360
Add: Amount transferred to Minority interest (prior period adjustment)	-	(2,391,705)
Closing balance	(227,579,527)	(189,749,742)

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

(Amount in ₹)

Particulars	As at	
	31 March 2014	31 March 2013
Opening balance	841,175,538	832,749,124
Add: Amount arising on acquisitions during the year	(19,014,689)	3,699,405
Add: Other adjustment	-	17,303,948
Add: Net profit for the year	793,405,309	59,941,050
	1,615,566,158	913,693,527
Less: Proposed dividend on		
- 0.001% cumulative redeemable preference shares at ₹0.008 per share (previous year ₹0.008 per share)	(1,920)	(1,920)
- equity shares at ₹2 per share (previous year ₹2 per share)	(41,862,328)	(41,862,412)
Less: Dividend distribution tax **	(7,114,829)	(3,954,549)
Less: Amount transferred to general reserves during the year	(21,774,488)	(26,699,108)
Closing balance	1,544,812,593	841,175,538
	3,499,266,008	3,066,100,000

\*During the previous 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 ₹Nil (previous year ₹11,726,961) under capital reserve with corresponding adjustments to fixed assets/expenses (exceptional items), by reclassifying these amounts under Capital Subsidy from fixed assets.

\*\* The Company has received dividend from Minda Automotive Solutions Limited, a 100% subsidiary company on which ₹Nil (previous year ₹3,160,196) was paid as dividend distribution tax by the subsidiary company. Accordingly, the Company had taken a credit of this amount to set off against the dividend distribution tax on the proposed dividend for the previous year.

## 2.2.7 Dividend remitted in foreign currencies

Particulars	For the year ended 31 March 2014			For the year ended 31 March 2013		
	Number of non-resident shareholders	Number of shares held	Dividend remitted ₹	Number of non-resident shareholders	Number of shares held	Dividend remitted ₹
Financial year 2011-12						
- Final dividend	-	-	-	2	897,182	2,691,546
Financial year 2012-13						
- Final dividend	2	897,182	1,794,364	-	-	-

## 2.2.8 EARNING PER SHARE

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Net profit attributable to equity shareholders</b>		
Profit after tax	793,405,309	59,941,050
Less: Dividend payable to 0.001% cumulative redeemable preference shares	1,920	1,920
Less: Dividend distribution tax on above dividend	326	326
<b>Balance</b>	<b>793,403,063</b>	<b>59,938,804</b>
<b>Number of weighted average equity shares</b>		
Basic and diluted	20,931,164	20,931,164
Nominal value of equity share (₹)	10.00	10.00
<b>Earnings per share (₹) (basic and diluted)</b>	<b>37.91</b>	<b>2.86</b>

## 2.3 LONG TERM BORROWINGS

(Amount in ₹)

Particulars	Footnote	Long term maturities		Current maturities	
		As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
<b>2.3.1 Secured</b>					
Term loans					
from banks	[1]	1,221,038,733	835,930,814	290,090,092	319,525,365
Vehicle loans	[2]	1,168,820	2,357,326	790,260	1,304,652
<b>2.3.2 Unsecured</b>					
Finance lease obligations					
for intangibles	[3]	-	-	-	6,666,788
for land, building and plant and machinery	[4]	130,068,800	281,766,217	215,511,825	185,327,657
Term loans					
from banks	[5]	-	64,402,768	100,996,481	45,460,783
from others	[6]	688,082,658	553,463,494	22,839,592	81,574,877
from related party	[7]	-	89,711,502	-	-
Deferred sales tax liabilities					
from State Industrial and Investment Corporation of Maharashtra Limited (SICOM)	[8]	57,017,767	63,738,145	6,720,380	5,350,652
		<b>2,097,376,778</b>	<b>1,891,370,266</b>	<b>636,948,630</b>	<b>645,210,774</b>
Less: Amount shown under other current liabilities [refer to note 2.9]		-	-	636,948,630	645,210,774
		<b>2,097,376,778</b>	<b>1,891,370,266</b>	<b>-</b>	<b>-</b>

## Footnotes:

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
1	State Bank of India, Delhi	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly basis</li> <li>Date of maturity : 1 September 2013</li> <li>Number of instalments : Total instalments: 16, Balance installment nil</li> <li>Amount of installment NA</li> <li>Rate of interest : 1.50% p.a below State bank advance rate</li> </ul>	-	12,300,000	First pari passu charge on all fixed assets of 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 Minda Corporation Limited, subject to prior charge 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"> <li>Repayment terms: Quarterly instalments</li> <li>Date of maturity: 30 June 2016</li> <li>Number of instalments : Total instalments: 12, Balance instalments: 9</li> <li>Amount of instalment: 7 instalments of ₹4,000,000 and last 2 installment of ₹5,000,000.</li> <li>Rate of interest : 1.50% p.a. above State bank advance rate</li> </ul>	38,000,000	50,000,000	
	State Bank of Patiala, Delhi	<ul style="list-style-type: none"> <li>Repayment terms : Quarterly instalments</li> <li>Date of maturity : 8 July 2013</li> <li>Number of instalments : Total instalments: 12, Balance installment Nil</li> <li>Amount of installment NA</li> <li>Rate of interest : 0.25% below BPLR</li> </ul>	-	16,381,968	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Date of maturity : 6 September 2014</li> <li>Number of instalments : Total instalments: 60, Balance instalment: 6</li> <li>Amount of instalments : ₹933,334 in 6 instalments</li> <li>Rate of interest : Base rate plus 3.00% p.a</li> </ul>	5,600,000	16,600,000	First and exclusive charge over plant and machineries installed at 2D/2, Ecotech III, Udyog Kendra, Greater Noida, Gat No.307, Nanekarwadi, Pune, 5/2, MIDC, Nanekarwari, Taluk Khed, Pune and E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra and also secured by a second pari passu charge by way of hypothecation of current assets of Minda Corporation Limited both present and future.
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Period / date of maturity : 4 July, 2013</li> <li>Number of instalments : Total instalments: 60, Balance instalment: Nil</li> <li>Amount of instalments : ₹225,000</li> <li>Rate of interest : Base rate plus 2.50% p.a</li> </ul>	-	900,000	Further, corporate guarantee of ₹Nil (previous year ₹83,943,144) is given by Minda S.M. Technocast Limited and Minda Capital Limited.
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Date of maturity : 11 February 2015</li> <li>Number of instalments : Total instalments: 54, Balance instalment: 11</li> <li>Amount of instalments : ₹1,037,000 in 10 instalments, last instalment ₹885,044</li> <li>Rate of interest : Base rate plus 3.00% p.a</li> </ul>	11,255,044	23,699,044	

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>• Repayment terms : Monthly installments</li> <li>• Period / date of maturity : 30 September 2016</li> <li>• Number of instalments : Total instalments: 54, Balance instalment: 36 for partly disbursed loan.</li> <li>• Amount of instalments : ₹1,852,000 in 35 installments and 36th instalment ₹18,44,000 for partly disbursed loan.</li> <li>• Rate of interest : Base rate plus 2.00% p.a</li> </ul>	52,309,405	60,191,609	
	Karnataka Bank, Noida	<ul style="list-style-type: none"> <li>• Repayment terms : Monthly installments</li> <li>• Period / date of maturity : 27 October 2019</li> <li>• Number of instalments : Total instalments: 54, Balance instalment: 54 for partly disbursed loan.</li> <li>• Amount of instalments : ₹9,25,000 in 53 installments and 54 instalment ₹975,000 for partly disbursed loan.</li> <li>• Rate of interest : Base rate plus 1.75% p.a</li> </ul>	30,000,000	-	First and exclusive charge over plant and machineries installed at 2D/2, Ecotech III, Udyog Kendra, Greater Noida, Gat No.307, Nanekarwadi, Pune, 5/2, MIDC, Nanekarwari, Taluk Khed, Pune and E-5/2, Nanekarwadi, Chakan, Pune, Maharashtra.
	HDFC Bank Limited	<ul style="list-style-type: none"> <li>• Repayment terms : Monthly installments</li> <li>• Period / date of maturity : 25 Mar 2017</li> <li>• Number of instalments : (Total instalments 48, Balance Instalments 36 )</li> <li>• Amount of instalments : ₹1,041,500 in 35 installments, last instalment of ₹1,049,500</li> <li>• Rate of interest : Base rate plus 2.00% p.a.</li> </ul>	37,502,000	50,000,000	First and exclusive charge over Land and Building situated at plot no 68, Sector 32, Gurgaon and second pari passu charge on entire current assets of Minda Corporation Limited, subject to prior charge created on the specified moveable assets in favour of bankers for securing working capital borrowings.
	Kotak Mahindra Bank Ltd	<ul style="list-style-type: none"> <li>• Repayment terms : Monthly installments</li> <li>• Period / date of maturity : 28 Mar 2018</li> <li>• Number of instalments : (Total instalments 60, Balance 48 )</li> <li>• Amount of instalments : ₹833,333.33</li> <li>• Rate of interest : Base rate plus 1.85% p.a.</li> </ul>	40,000,000	50,000,000	First pari passu charge on all fixed assets of 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 Minda Corporation Limited, subject to prior charge created on the specified movable assets in favour of bankers for securing working capital borrowings.

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Kotak Mahindra Bank Limited	<ul style="list-style-type: none"> <li>• Repayment terms: Monthly installments</li> <li>• Date of maturity :21 July 2015</li> <li>• Number of instalments : 60</li> <li>• Balance instalments: 16</li> <li>• Amount of instalment: 8,33,333</li> <li>• Rate of interest : 11.50% p.a.</li> </ul>	13,333,348	23,467,389	<ol style="list-style-type: none"> <li>1. First Pari - passu charge on all existing and future movable fixed assets of Minda SAI Limited excluding units acquired under business transfer agreement.</li> <li>2. Second Pari - passu charge on all existing and future existing and future current assets of Minda SAI Limited excluding units acquired under business transfer agreement.</li> <li>3. First pari passu mortgage charge on immovable fixed assets of Minda SAI Limited being land and building situated in Chennai, Mumbai and Noida.</li> </ol>
	HDFC Bank Limited	<ul style="list-style-type: none"> <li>• Repayment terms: Quarterly installments</li> <li>• Date of maturity :26 May 2018</li> <li>• Number of instalments : 16</li> <li>• Balance instalments: 16</li> <li>• Amount of instalment: 8,750,000</li> <li>• Rate of interest : 11.70% p.a.</li> <li>• Moritaruim Period : 1 Year</li> </ul>	140,000,000	-	<ol style="list-style-type: none"> <li>1. First Pari - passu charge on the entire fixed asset of Minda SAI Limited both movable and immovable excluding units acquired under business transfer agreement.</li> <li>2. Second Pari passu charge on all existing present and future current assets of Minda SAI Limited excluding units acquired under business transfer agreement.</li> </ol>
	Standard Chartered Bank	<ul style="list-style-type: none"> <li>• Repayment terms: Quarterly installments</li> <li>• Date of maturity : 07August 2018</li> <li>• Number of instalments : 17</li> <li>• Balance instalments: 17</li> <li>• Amount of instalment: 35,294,117</li> <li>• Rate of interest : 11.50% p.a.</li> <li>• Moritaruim Period : 6 Month</li> </ul>	600,000,000	-	<ol style="list-style-type: none"> <li>1. First pari passu charge on the movable fixed assets of Minda Corporation Limited, (excluding those under exclusive charge to other banks) covering to the term limits.</li> <li>2. First pari passu charge on land and building owned by Minda Corporation Limited situated at Plot No. 6-11, Block D, Sector 59, Phase II, Noida.</li> <li>3. First pari passu charge on land and building owned by Minda Corporation Limited situated at Plot No. 9, Sector 10, Industrial Area, Kalayanpur, Tehsil Kichha, Distt. Udhm Singh Nagar.</li> <li>4. First pari passu charge on land and building owned by Minda Corporation Limited situated at Plot No. 1, Sector 10, PCNTDA, Bhosari, Pune.</li> <li>5. Corporate Gurantee of Minda Corporation Limited.</li> <li>6. Exclusive charge on land and building owned by Minda Corpoartion Limited situated at Plot No. 9A, Sector 10, Industrial Area, Kalyanpur, Tehsil Kichha, Distt. Udhm Singh Nagar.</li> <li>7. First pari passu charge over land and building located at 2D/1, Udyog Kendra, Ecotech III, Greater Noida, U.P. owned by Minda S.M. Technocast Limited.</li> </ol>

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Karnataka Bank Term Loan -II	<ul style="list-style-type: none"> <li>● Repayment terms: Monthly installments</li> <li>● Date of maturity : 01 November 2016</li> <li>● Number of instalments : 60 Balance instalments: 32</li> <li>● Amount of instalment: 500,000</li> <li>● Rate of interest : 14.75% p.a.</li> </ul>	16,000,000	-	<ol style="list-style-type: none"> <li>1. Hypothecation of plant and machineries, equipments, furniture and fixtures purchased out of the proceeds of the term loan of Minda SAI Limited.</li> <li>2. Hypothecation of existing plant and machineries of Minda SAI Limited.</li> <li>3. Equitable mortgage by deposit of original title deeds of leasehold industrial land and building of Minda SAI Limited situated at Haridwar.</li> <li>4. Equitable Mortgage for factory building (front portion) located at Greater Noida belonging to M/s Tuff Engineering Pvt. Ltd.</li> </ol>
	Karnataka Bank Term Loan -I	<ul style="list-style-type: none"> <li>● Repayment terms: Monthly installments</li> <li>● Date of maturity : 01 August 2015</li> <li>● Number of instalments : 60</li> <li>● Balance instalments: 17</li> <li>● Amount of instalment: 250,000</li> <li>● Rate of interest : 14.75% p.a.</li> <li>● Partially disbursed loan</li> </ul>	4,231,220	-	<ol style="list-style-type: none"> <li>1. Hypothecation of plant and machineries, equipments, utilities and tools purchased of Minda SAI Limited out of the proceeds of the term loan.</li> <li>2. Hypothecation of existing plant and machineries of Minda SAI Limited.</li> <li>3. Equitable mortgage by deposit of original title deeds of leasehold industrial land and building of Minda SAI Limited situated at Haridwar.</li> </ol>
	Karnataka Bank Term Loan -III	<ul style="list-style-type: none"> <li>● Repayment terms: Monthly installments</li> <li>● Date of maturity : 14 July 2014</li> <li>● Number of instalments : 4</li> <li>● Balance instalments: 4</li> <li>● Amount of instalment: 675,000</li> <li>● Rate of interest : 13.25% p.a.</li> <li>● Partially disbursed loan</li> </ul>	2,372,752	-	<ol style="list-style-type: none"> <li>1. Hypothecation of new machineries/ equipments to be purchased of Minda SAI Limited</li> <li>2. Equitable mortgage by way of deposit of original title deeds of industrial property, land and factory building constructed thereon of Minda SAI Limited situated at Haridwar.</li> </ol>

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Karnataka Bank Limited	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Date of maturity : September, 2016</li> <li>Number of instalments : Total instalments: 60, Balance instalments: Nil</li> <li>Amount of instalments : ₹250,000</li> <li>Rate of interest : 15.50% p.a</li> </ul>	-	7,231,220	Secured by hypothecation of plant and machinery and other fixed assets of Mayank Auto Engineers Private Limited. It is further secured by hypothecation 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, Uttarakhand
	Karnataka Bank Limited	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Date of maturity : June, 2015</li> <li>Number of instalments : Total instalments: 60, Balance instalments: Nil</li> <li>Amount of instalments : ₹500,000</li> <li>Rate of interest : 15.50% p.a</li> </ul>	-	18,932,679	and equitable mortgage of factory building situated at 2D/1 Udyog Kendra Ecotech III Greater Noida U.P. belonging to Tuff Engineering Pvt Ltd. And also, further secured by corporate guarantee of M/s Tuff Engineering Private Limited
	Karnataka Bank Limited	<ul style="list-style-type: none"> <li>Repayment terms : Monthly instalments</li> <li>Date of maturity : March, 2015</li> <li>Number of instalments : Total instalments: 60, Balance instalments: Nil</li> <li>Amount of instalments : ₹67,500</li> <li>Rate of interest : 14.50% p.a</li> </ul>	-	1,331,740	
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> <li>Repayment terms : 4 Years</li> <li>Period / date of maturity : 1 June 2013</li> <li>Number of instalments : Total instalments: Balance instalments: Nil</li> <li>Amount of instalments : Euro 750,000</li> <li>Rate of interest : Euribor + 4%</li> </ul>	-	52,157,850	An exclusive and first ranking charge over the present and future current assets and fixed assets of the Minda Schenk Plastic Solutions GmbH (LLP), Germany. Further, corporate guarantee of Euro 19 million is given by Minda Capital Limited.
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> <li>Repayment terms : 4 years</li> <li>period / date of maturity : 1 June 2013</li> <li>Number of instalments : Total instalments: 16, Balance instalments: Nil</li> <li>Amount of instalments : Euro 125,000</li> <li>Rate of interest : Euribor + 4.5%</li> </ul>	-	60,850,825	
	ICICI, Frankfurt	<ul style="list-style-type: none"> <li>Repayment terms : One time</li> <li>Date of maturity : 04.06.2016</li> <li>Number of instalments : (Total instalments : 1, Balance instalments: 1)</li> <li>Amount of instalments : ₹247,729,500</li> <li>Rate of interest : 3 Months Euribor plus 3.2%</li> <li>Other significant terms : Term Loan</li> </ul>	247,729,500	-	First pari passu charge on the entire fixed assets of Minda Corporation Limited. Further Guarantee given by Minda Corporation Limited
	Raiffeisen Bank, Poland	<ul style="list-style-type: none"> <li>Repayment terms: Monthly instalments</li> <li>Date of maturity : 31st May 2015</li> <li>Total No of Instalments: 25 , Balance Number of instalments : 14</li> <li>Amount of instalment: Euro 4763</li> <li>Rate of interest : 4.36%</li> </ul>	5,506,804	-	Hypothecation of Land and Buildings based on current and future valuation of Minda KTSN Plastic and Tooling Solutions SP. Zoo, Poland



(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Indovina Bank, Vietnam	<ul style="list-style-type: none"> <li>● Repayment terms: 1 year after grace period</li> <li>● Date of maturity : 21 Feb 2017</li> <li>● Total no of instalments:12 , Balance instalments: 11</li> <li>● Amount of instalment: USD 33,460</li> <li>● Rate of interest : 6% p.a.</li> </ul>	22,120,251	-	Hypothecation of plant and machinery and all equipment of Minda Vietnam Automotive Company Limited.
	Standard Chartered Bank	<ul style="list-style-type: none"> <li>● Repayment terms : 4 years</li> <li>● Period / date of maturity : 29 August 2017</li> <li>● Number of instalments : Nil</li> <li>● Amount of instalment: Euro 625,000</li> <li>● Rate of interest : Euribor + 3.14%</li> </ul>	-	711,411,855	First pari passu charge on all land and building, moveable fixed assets of Minda Corporation Limited (except land and building situated at Gurgaon and fixed assets exclusively charged to other banks). Further secured by the corporate guarantee of Minda Corporation Limited
	Permata Bank, Indonesia	<ul style="list-style-type: none"> <li>● Repayment terms: Monthly instalments</li> <li>● Date of maturity : 25 July 2014</li> <li>● Total No of Instalments: 48 , Balance</li> <li>● Number of instalments : 48</li> <li>● Amount of instalment: USD 49,311</li> <li>● Rate of interest : 6% p.a.</li> </ul>	142,251,351	-	First pari passu charge on land, building and machinery upto Indonesia Rupiah 15,000,000,000 of PT Minda Automotive Indonesia.
	Standered Chartered Bank	<ul style="list-style-type: none"> <li>● Repayment terms: 20 Quarterly instalments</li> <li>● Date of maturity : 21 January ,2019</li> <li>● Number of instalments : Total instalments: 20 , Balance instalments: 20</li> <li>● Amount of instalment: ₹5,145,857</li> <li>● Rate of interest : 11.50% p.a.</li> </ul>	102,917,150	-	First Charge on current assets of Minda Furukawa Electric Private Limited both present and future. First charge on the immovable industrial property at Bawal plant. Further guarantee by Minda Capital Limited.
2	HDFC Bank Limited	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Date of maturity : Sept , 2016</li> <li>● Number of instalments : Total instalments: 240, Balance instalments: 174</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 11.50% p.a</li> </ul>	1,789,314	1,257,545	Secured by hypothecation of vehicles.
	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> <li>● Repayment terms : Quarterly instalments</li> <li>● Date of maturity : May 2015</li> <li>● Number of instalments : (Total instalments 48, Balance instalments 14)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 11.50% p.a.</li> </ul>	111,482	2,346,144	
	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> <li>● Repayment terms: Quarterly instalments</li> <li>● Date of maturity : 10 November 2014</li> <li>● Number of instalments :17 Balance instalments: 3</li> <li>● Amount of instalment: 19430</li> <li>● Rate of interest : 11.72% p.a.</li> </ul>	58,284	58,289	

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
3	Leasing IQ ( I Private Limited)	<ul style="list-style-type: none"> <li>● Repayment terms : Quarterly Instalments</li> <li>● Date of maturity : 1 July, 2013</li> <li>● Number of Instalments : Total Instalments : 12</li> <li>● Balance Instalments : Nil</li> <li>● Amount of Instalments : NA</li> <li>● Rate of interest : Not applicable</li> </ul>	-	6,666,788	Unsecured
4	Kotak Mahindra Prime Limited	<ul style="list-style-type: none"> <li>● Repayment terms : Quarterly Instalments</li> <li>● Date of maturity : 1 July, 2016</li> <li>● Number of Instalments : Total Instalments : 20, Balance Instalments: 10</li> <li>● Amount of Instalments : ₹948,240</li> <li>● Instalments inclusive of interest</li> </ul>	8,317,155	10,635,114	Unsecured
	Grisleva / Gameda	<ul style="list-style-type: none"> <li>● Repayment terms : Quarterly</li> <li>● Date of maturity : 2015</li> <li>● Number of instalments : (Total instalments : 82, Balance instalments: 6)</li> <li>● Amount of instalments : Various instalment amounts</li> </ul>	324,694,169	456,458,760	Unsecured
	Deutsche Leasing	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 15 May 2014</li> <li>● Total instalments : - 47, Balance instalments: 2</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 5% p.a.</li> </ul>	561,191	-	Unsecured
	Deutsche Leasing	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 9 May 2014</li> <li>● Number of instalments : (Total instalments:- 47, Balance instalments: 1)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 5% p.a.</li> </ul>	851,859	-	Unsecured
	Volkswagen Leasing SP ZOO	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 28 September 2014</li> <li>● Number of instalments : (Total instalments:- 35, Balance instalments: 6)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 5% p.a.</li> </ul>	144,179	-	Unsecured

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Pekao Leasing ZOO	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 17 January 2015</li> <li>● Number of instalments : (Total instalments:- 36, Balance instalments: 10)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 4.75% p.a.</li> </ul>	1,302,066	-	Unsecured
	IKB Leasing Polska	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 11 December 2015</li> <li>● Number of instalments : (Total instalments:- 49, Balance instalments: 21)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 6% p.a.</li> </ul>	5,155,499	-	Unsecured
	Volkswagen Leasing Polska Sp. ZOO	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 30 March 2016</li> <li>● Number of instalments : (Total instalments:- 35, Balance instalments: 24)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 5% p.a.</li> </ul>	443,600	-	Unsecured
	Deutsche Leasing	<ul style="list-style-type: none"> <li>● Repayment terms : Monthly instalments</li> <li>● Period / date of maturity : 15.07.15</li> <li>● Number of instalments : (Total instalments:- 48, Balance instalments: 40)</li> <li>● Amount of instalments : Various instalment amounts</li> <li>● Rate of interest : 4.16% p.a.</li> </ul>	4,110,906	-	Unsecured
5	Grisleva / Grameda	<ul style="list-style-type: none"> <li>● Repayment terms : Quarterly</li> <li>● Date of maturity : 2015</li> <li>● Number of instalments : (Total instalments : 41, Balance instalments: 6)</li> <li>● Amount of instalments : Various instalment amounts</li> </ul>	76,471,981	109,863,551	Unsecured
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	<ul style="list-style-type: none"> <li>● Repayment terms: 20 quarterly instalments</li> <li>● Date of maturity : 08 July, 2014</li> <li>● Number of instalments : Total instalments: 20, Balance instalments: 2</li> <li>● Amount of instalment: ₹3,773,000</li> <li>● Rate of interest : 10.25% p.a.</li> </ul>	7,546,000	-	Unsecured

(Amount in ₹)

S. No.	Lender	Terms of redemption / repayment	Loan outstanding as at 31 March 2014	Loan outstanding as at 31 March 2013	Details of security / guarantee
	Mizuho Corporate Bank Limited	<ul style="list-style-type: none"> <li>• Repayment terms: 20 quarterly instalments</li> <li>• Date of maturity : 19 December, 2014</li> <li>• Number of instalments : Total instalments: 20, Balance instalments: 3</li> <li>• Amount of instalment: ₹5,659,500</li> <li>• Rate of interest : 9.75% p.a.</li> </ul>	16,978,500	-	Unsecured
6	Customers (Audi / Volkswagen / Daimler / Lear / Opel)	<ul style="list-style-type: none"> <li>• Repayment terms : Quarterly</li> <li>• Date of maturity : 31 March 2019</li> <li>• Number of instalments : (Total instalments : 240, Balance instalments: 200)</li> <li>• Amount of instalments : Various instalment amounts</li> </ul>	710,922,250	635,038,371	Unsecured
7	Minda Europe GmbH	<ul style="list-style-type: none"> <li>• Repayment terms : Annual instalments</li> <li>• Date of maturity : 1 May, 2021</li> <li>• Number of instalments : Total instalments : 11, Balance instalments: Nil</li> <li>• Amount of instalments : Various instalment amounts</li> <li>• Rate of interest : Not applicable</li> <li>• Other significant terms : Sales Tax Deferral Loan</li> </ul>	-	89,711,503	Unsecured
8	SICOM	<ul style="list-style-type: none"> <li>• Repayment terms : Annual instalments</li> <li>• Date of maturity : 1 May, 2021</li> <li>• Number of instalments : Total instalments : 11, Balance instalments: 8</li> <li>• Amount of instalments : Various instalment amounts</li> <li>• Rate of interest : Not applicable</li> <li>• Other significant terms : Sales Tax Deferral Loan</li> </ul>	63,738,147	69,088,797	Unsecured

### 2.3.3 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.

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31 March 2014 ₹	As at 31 March 2013 ₹	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>Finance Lease</b>				
Not later than one year	256,477,949	213,793,623	215,511,825	191,994,445
Later than one year but not later than five years	122,970,666	293,206,633	130,068,800	281,766,217
Total minimum lease payments	<b>379,448,615</b>	<b>507,000,256</b>	<b>345,580,625</b>	<b>473,760,662</b>
Less: Finance charges	33,867,990	33,239,594	-	-
Present value of minimum lease payments	<b>345,580,625</b>	<b>473,760,662</b>	<b>345,580,625</b>	<b>473,760,662</b>
Disclosed under:				
Long term borrowings	-	-	130,068,800	281,766,217
Other current liabilities	-	-	215,511,825	191,994,445
	-	-	<b>345,580,625</b>	<b>473,760,662</b>

### 2.4 DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Deferred tax assets</b>		
- Provision for employee benefits	43,303,493	32,714,423
- Provision for doubtful recoverable / advances	6,347,453	2,056,378
- Expenses disallowable under section 43B of Indian Income Tax Act, 1961	3,734,795	4,555,848
- Others	3,901,913	5,213,932
<b>Total (A)</b>	<b>57,287,654</b>	<b>44,540,581</b>
<b>Deferred tax liabilities</b>		
- Difference between written down value of fixed assets of Income Tax Act, 1961 and Companies Act, 1956	135,927,236	140,355,694
- Excess of allowance for lease rentals under income tax law over depreciation and interest charge on the leased assets in the books	7,296,785	7,601,514
<b>Total (B)</b>	<b>143,224,021</b>	<b>147,957,208</b>
<b>Net deferred tax liabilities (net) (B-A)</b>	<b>85,936,367</b>	<b>103,416,627</b>

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

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Opening balance	103,416,627	98,414,273
Less: Translation adjustment	(474,306)	-
Add: Adjustment arising on account of sale of subsidiary [refer to note 2.29]	757,700	-
Less: Deferred tax (assets)/liabilities acquired pursuant to acquisitions during the year	(289,845)	(12,305,737)
Add/ Less: Amount of deferred tax (assets)/liabilities created during the year	(17,473,809)	17,308,091
Closing balance	<b>85,936,367</b>	<b>103,416,627</b>

## 2.5 OTHER LONG TERM LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Others		
- Security deposits	21,152,565	22,227,836
- Lease equalisation	350,000	230,000
- Deferred gain on sale and lease back	-	50,071,536
- Others	-	698,718
	<b>21,502,565</b>	<b>73,228,090</b>

## 2.6 LONG TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits [refer to note 2.6.3]		
- Gratuity	70,746,915	51,590,039
- Compensated absence	44,608,047	38,492,858
- Retirement and anniversary	1,466,192	24,758,025
Others		
- Lease rent equalisation reserve	1,245,506	2,036,364
- Contingencies [refer to note 2.6.2]	22,527,617	-
- Provision for warranties [refer to note 2.6.1 below]	5,076,334	7,455,860
	<b>145,670,611</b>	<b>124,333,146</b>

## 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 2014	For the year ended 31 March 2013
At the beginning of the year	40,393,000	34,313,390
Provided during the year	82,943,908	34,539,980
Adjustment arising on account of sale of subsidiary [refer to note 2.29]	(15,286,326)	-
Utilised during the year	(84,020,562)	(28,460,370)
At the end of the year	<b>24,030,020</b>	<b>40,393,000</b>
Current portion	18,953,686	32,937,140
Non- current portion	5,076,334	7,455,860

## 2.6.2 Movement in contingencies

The Group has created a provision in respect of expected outflow for claim against the Company:

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
At the beginning of the year	18,972,178	48,099,100
Liability on account of joint venture acquired during the year (refer note no. 2.31 (c))	2,930,036	-
Provided during the year	3,555,439	3,826,107
Utilised during the year	-	(32,953,029)
At the end of the year	<b>25,457,653</b>	<b>18,972,178</b>
Current portion	6,485,475	18,972,178
Non- current portion	18,972,178	-

## 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 2.23.

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Contribution towards		
- Provident fund	69,198,830	67,236,639
- Employee state insurance	5,940,862	5,982,514
	<b>75,139,692</b>	<b>73,219,153</b>

#### 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 2014	For the year ended 31 March 2013
<b>Changes in the present value of the defined benefit obligation is as follows:</b>		
Present value of defined benefit obligation at the beginning of the year	88,172,381	65,896,585
Present value of defined benefit obligation arising pursuant to acquisition during the year	7,306,593	12,372,375
Acquisition adjustment	(3,545,008)	(5,471,890)
Interest cost	7,490,634	6,227,727
Past service cost	-	-
Current service cost	15,290,283	13,084,959
Benefits paid	(6,152,711)	(7,898,304)
Actuarial (gain) / loss on obligation	(2,206,704)	3,960,929
Present value of defined benefit obligation at the end of the year	<b>106,355,468</b>	<b>88,172,381</b>
<b>Changes in the present value of the plan asset is as follows:</b>		
Fair value of plan asset at the beginning of the year	24,511,577	19,384,526
Fair value of plan asset arising pursuant to acquisition during the year	-	1,656,071
Return on plan asset	2,935,998	2,656,108
Contributions	1,251,441	1,516,917
Benefits paid	(212,506)	(737,301)
Actuarial gain / (loss) on obligation	(792,735)	35,256
Fair value of plan asset at the end of the year	<b>27,693,775</b>	<b>24,511,577</b>
<b>Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:</b>		
Present value of defined benefit obligation at the end of the year	106,355,468	88,172,381
Fair value of plan asset at the end of the year	27,693,775	24,511,577
Liability as at the close of the year	<b>78,661,693</b>	<b>63,660,804</b>
Current portion	7,914,778	12,070,765
Non- current portion	70,746,915	51,590,039

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Expenses recognized in the consolidated statement of profit and loss:</b>		
Current service cost	14,574,476	13,992,516
Past services cost	-	-
Interest cost	7,508,771	6,227,727
Return on plan assets	(2,942,365)	(2,660,799)
Net actuarial (gain) / loss	624,837	3,930,364
<b>Expenses recognized in the consolidated statement of profit and loss</b>	<b>19,765,719</b>	<b>21,489,808</b>

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Actuarial assumptions:</b>		
Discount rate	8.50% - 9.00%	8.00%
Expected rate of return on plan assets	8.00% - 9.00%	8.25% - 9.15%
Expected salary increase rates		
- for Minda Corporation Limited	Year 1 to 3: 10% Year 4 and 5: 8% Thereafter: 6.5%	5.50% - 6.00%
- for others	6.00% to 6.50%	5.50% - 6.00%
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	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	8.50% - 9.00%	8.50%
Expected salary escalation rate - for Minda Corporation Limited	Year 1 to 3: 10% Year 4 and 5: 8% Thereafter: 6.5%	5.50% - 6.00%
- for others	6.00% to 6.50%	5.50% - 6.00%
Mortality	LIC (1994-96)	LIC (1994-96)

The liability of compensated absences in respect of employees of the Company as at 31 March 2014 amounts to ₹50,473,706 (previous year ₹45,683,588) and the expense recognised in the consolidated statement of Profit and Loss during the year for the same amounts to ₹17,592,386 (previous year ₹16,278,500).

#### 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 2014	For the year ended 31 March 2013
Contribution towards		
- Social security	141,025,378	459,615,238
	<b>141,025,378</b>	<b>459,615,238</b>

##### 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 2014 amounts to ₹1,584,976 (previous year ₹35,507,358) and the expense recognised in the consolidated statement of profit and loss during the year for the same amounts to ₹6,334,282 (previous year ₹3,156,211)

## 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

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Changes in the present value of the benefit obligation is as follows :</b>		
Opening balance	24,758,025	51,336,137
Adjustment arising on account of sale of subsidiary [refer to note 2.29]	(24,758,025)	-
Present value of benefit obligation arising pursuant to acquisition during the year	5,412,838	-
Service cost	-	4,764,657
Interest cost	-	-
Obligation expired during the year	-	(30,706,812)
Net balance	5,412,838	25,393,982
Translation adjustment		(635,957)
Closing balance	5,412,838	24,758,025
Current portion	3,946,646	-
Non- current portion	1,466,192	24,758,025

## 2.7 SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	Footnote	As at 31 March 2014	As at 31 March 2013
<b>2.7.1 Secured</b>			
Cash credit and working capital demand loan from banks	[1]	1,178,007,209	1,373,315,777
		<b>1,178,007,209</b>	<b>1,373,315,777</b>
<b>2.7.2 Unsecured</b>			
Cash credit and working capital demand loan from banks	[2]	1,147,694,688	689,665,865
Purchase order financing facility from others	[3]	130,000,000	200,000,000
Loans and advances from related parties	[4]	20,644,125	257,358,877
Bills payable	[5]	312,659,702	261,769,221
		<b>1,610,998,515</b>	<b>1,408,793,963</b>
		<b>2,789,005,724</b>	<b>2,782,109,740</b>

## Footnotes:

(Amount in ₹)

S. No.	Lender	Terms of Repayment	Outstanding as at 31 March 2014	Outstanding as at 31 March 2013	Details of security
1	Kotak Mahindra Bank Ltd	● Repayment term: On demand	273,751,693	228,090,804	Secured by hypothecation of inventories and book debts, both present and future and also secured by a second charge on all fixed assets of Minda Corporation Limited, both present and future (except land and building under construction situated at Gurgaon and assets exclusively charged to other banks).
	Standard Chartered Bank	● Rate of interest : Linked to bank base rate applicable from time to time	146,267,211	165,539,945	
	Karnataka Bank Ltd.		54,205,552	60,676,939	
	State Bank of India		19,077,991	19,277,648	
	HDFC Bank Ltd		46,848,482	36,720,450	
	IndusInd Bank		25,000,000	-	

(Amount in ₹)

S. No.	Lender	Terms of Repayment	Outstanding as at 31 March 2014	Outstanding as at 31 March 2013	Details of security
	Karnataka Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	7,679,224	20,433,428	Secured by hypothecation on fixed deposit of ₹30,000,000 given by Minda Corporation Limited.
	Royal Bank of Scotland	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	-	15,926,721	Secured by hypothecation on the entire current assets of Minda Management Services Limited both present and future. It is further guaranteed by Mr. Ashok Minda, Director of the Company.
	Kotak Mahindra Bank Limited	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	95,571,528	44,310,313	Secured by hypothecation by first charge on all current assets of the Minda SAI Limited, both present and future.
	HDFC Bank Limited	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : 3.05% above base rate.</li> </ul>	38,130,826	21,688,403	<ol style="list-style-type: none"> <li>1. First pari passu charge on current assets of the company.</li> <li>2. Second pari passu charge on all existing &amp; future fixed assets of Minda SAI Limited including equitable mortgage for company's plant at Mumbai, Chennai and Noida.</li> </ol>
	HDFC Bank Limited	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	105,000,000	113,000,000	<ol style="list-style-type: none"> <li>1. First pari passu charge on current assets of Minda SAI Limited.</li> <li>2. Second pari passu charge on all existing &amp; future fixed assets of Minda SAI Limited including equitable mortgage for company's plant at Mumbai , Chennai and Noida.</li> </ol>
	Karnataka Bank Ltd.	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	-	15,680,455	Secured by hypothecation of plant and machinery and other fixed assets existing and/or future of Mayank Auto Engineers Private Limited. It is further secured by hypothecation 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.
	IndusInd Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : 0.75% above base rate.</li> </ul>	100,469,745	-	<ol style="list-style-type: none"> <li>1. First pari passu charge on the entire current assets of Minda SAI Limited, present and future.</li> <li>2. Second pari passu charge on the entire fixed assets of Minda SAI Limited, present and future.</li> </ol>
	Standard Chartered Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	55,124,262	-	<ol style="list-style-type: none"> <li>1. First pari passu charge on all existing and future current assets of Minda SAI Limited.</li> <li>2. Second pari passu charge on all existing and future movable fixed assets of Minda SAI Limited.</li> <li>3. Second pari passu charge on immovable fixed assets of Minda SAI Limited located at Mumbai, Noida and Chennai.</li> </ol>

(Amount in ₹)

S. No.	Lender	Terms of Repayment	Outstanding as at 31 March 2014	Outstanding as at 31 March 2013	Details of security
	Karnataka bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	42,903,783		Exclusive first hypothecation charge on the inventories and trade receivables of Minda SAI Limited units situated at Haridwar.
	State Bank of India, Frankfurt	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Euribor+ 4%</li> </ul>	-	486,806,600	An exclusive and first ranking charge over the present and future current assets and fixed assets of Minda Schenk Plastic Solutions GmbH, Germany.
	Ceska Spontelna A.S.	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	-	78,555,985	
	UniCredit Leasing CZ, a.s.	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Interest free</li> </ul>	-	5,788,336	
	Mizuho Corporate Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	41,307,000	-	Letter of Guarantee from Furukawa Electric Company Limited, Japan for ₹50,580,000 . Letter of Guarantee from Furukawa Automotive System INC , Japan for ₹33,720,000. Second pari passu charge on current assets, moveable fixed assets of Minda Furukawa Electric Private Limited.
	Standared Chartered Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : 13.5%</li> </ul>	31,688,384	-	First Charge on current assets of Minda Furukawa Electric Private Limited both present and future. First charge on the immovable industrial property at Bawal plant. Further loan is backed by corporate guarantee of Minda Capital Limited.
	Kotak Mahindra Bank	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	25,885,017		Secured by hypothecation on the entire current assets of Minda Management Services Limited both present and future. It is guaranted by Minda Corporation Limited.
	Raiffeise Bank Polska S.A.	<ul style="list-style-type: none"> <li>● Repayment term: On demand</li> <li>● Rate of interest : Linked to bank base rate applicable from time to time</li> </ul>	69,096,511	60,819,750	An exclusive and first ranking charge over the present and future current assets and fixed assets of the Minda KTSN Plastic & Tooling Solutions SP. Zoo, Poland

					(Amount in ₹)
S. No.	Lender	Terms of Repayment	Outstanding as at 31 March 2014	Outstanding as at 31 March 2013	Details of security
2	The Bank of Tokyo-Mitsubishi UFJ Ltd	● Repayment term: On demand	27,538,000	-	Unsecured
	HDFC Bank	● Rate of interest : Linked to bank base rate applicable from time to time	323,452,151	272,403,065	
	Deutsche Bank		94,804,287	-	
	ICICI Bank		701,900,250	417,262,800	
3	Bajaj Finance Limited	Repayable within 45 days from the date of disbursement	130,000,000	200,000,000	
4	Minda Capital Limited*	● Repayment term: On demand ● Rate of interest : 10.5%	-	9,831,583	
	Minda Europe GmbH*	● Repayment term: On demand ● Rate of interest : Interest free	20,644,125	247,527,294	
5	Kotak Mahindra Bank	● Repayable within 45 days / 64 days from the date of disbursement ● Rate of interest: 12.35%	165,693,365	205,482,582	
	State Bank of India	● Repayable within 45 days from the date of disbursement ● Rate of interest: At base rate	142,200,168	45,878,567	
	Indusind Bank	● Repayable within 90 days from the date of disbursement ● Rate of interest: Base Rate plus 1.25%	4,766,169	10,408,072	

\* 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 2014	As at 31 March 2013		
Trade payables (including acceptances)	2,487,573,620	2,445,651,864		
(refer note 2.8.1 below for details of dues to micro and small enterprises included under trade payables)	2,487,573,620	2,445,651,864		

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

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006', are given below:		
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
Principal amount	84,123,978	129,118,820
Interest due on above	325,906	175,370
	<b>84,449,884</b>	<b>129,294,190</b>
(ii) the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
Principal amount	-	-
Interest due on above	-	-
	-	-
(iii) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		
	-	-
	-	-
(iv) the amount of interest accrued and remaining unpaid.	852,344	175,370
	<b>852,344</b>	<b>175,370</b>
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.		
	-	-
	-	-

## 2.9 OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Current maturities of long term borrowings [refer to note 2.3]	636,948,630	645,210,774
Interest accrued but not due on borrowings	6,769,020	10,582,210
Other payables		
- Statutory dues payable	219,648,774	211,929,356
- Capital creditors	39,278,866	79,468,294
- Advances from customers	283,995,535	180,340,503
- Security deposits	85,000	85,000
- Salaries, wages and bonus payable	196,349,629	204,432,569
- Unpaid dividend	46,734	-
- Forward cover payable	4,639,075	-
- Current portion of deferred gain on sale and lease back	59,455,080	66,762,048
- Others	352,351	135,912,519
	<b>1,447,568,694</b>	<b>1,534,723,273</b>

## 2.10 SHORT TERM PROVISION

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits [refer to note 2.6.3]		
Gratuity	7,914,778	12,070,765
Compensated absence	5,865,659	7,190,730
Vacations	1,584,976	35,507,358
Retirement and anniversary	3,946,646	-
Other employee benefit provisions	-	68,405,470
Others		
Provision for warranty [refer to note 2.6.1]	18,953,686	32,937,140
Provision for material rejection	1,853,014	-
Provision for contingency [refer to note 2.6.2]	2,871,435	18,972,178
Provision for price decrease	36,606,348	19,101,476
Provision for loss on onerous contract	3,421,153	-
Lease rent equalisation reserve	45,569	7,574
Proposed dividend	41,864,248	41,864,248
Corporate dividend tax	7,114,829	7,114,826
Provision for taxation (net of advances)	21,219,928	18,091,699
	<b>153,262,269</b>	<b>261,263,464</b>

**2.11 FIXED ASSETS**  
**Fixed assets schedule for the year 2013-14**

	Gross block										Accumulated depreciation				Net book	
	Balance as at 1 April 2013	Addition arising pursuant to business trans-fer agreement (refer to note 2.31 (d))	Addition arising out of Acquisition (refer to note 2.31 (b))	Disposals	Adjustment arising on account of sale of subsidiary (refer to note 2.29)	Balance as at 1 April 2013	Trans-formation Adjustment	Balance as at 31 March 2014	Depreciation / Amortization for the year	Debited to revaluation reserve	Net charge to statement of profit and loss	Adjustment arising on account of sale of subsidiary (refer to note 2.29)	Trans-formation Adjustment	On disposals	Balance as at 31 March 2014	Net book Balance as at 31 March 2014
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (a+b+c+d-e+f+g)	(k) = (j)- (i)	(i)	(m) = (k)- (l)	(n)	(o)	(p)	(q) = (i)+(m)- (n+o+p)	(r) = (h-q)
<b>Tangible assets</b>																
Freehold land	10,244,342	-	-	-	-	-	-	10,244,342	-	-	-	-	-	-	-	10,244,342
Leasehold land	82,080,398	14,400,000	144,312,176	2,754,750	4,849,375	-	800,706	239,498,655	10,728,439	1,101,423	1,101,423	222,961	-96,711	-	14,272,127	225,226,528
Buildings	541,242,457	13,944,358	286,396,606	346,990,622	24,754,418	5,043,682	494,193	1,159,270,136	185,106,026	37,982,485	37,982,485	6,383,394	45,142	728,899	241,674,933	917,595,203
Other land and building	1,151,310,664	-	-	29,372,659	900,306,851	-	46,669,518	327,045,970	271,742,379	10,108,290	10,108,290	64,258,616	38,721,049	-	256,313,102	70,730,868
Leasehold improvements	94,728,042	8,393,563	-	19,149,082	-	955,940	-	121,334,747	4,000,549	8,164,865	8,164,865	-	-	-	12,165,414	109,169,333
Plant and equipment	3,656,840,066	106,911,429	368,831,344	645,305,111	751,792,597	168,406,484	202,442,340	4,060,131,209	2,084,863,465	272,308,648	272,222,966	440,773,677	162,302,740	108,160,306	2,106,372,243	1,953,358,966
Furniture and fixtures	92,487,479	2,883,723	19,428,341	60,331,859	4,876,485	2,925,629	143,659	167,472,947	42,346,552	18,440,261	18,440,261	1,401,523	2,918	1,409,675	65,618,303	103,854,644
Vehicles	16,516,293	-	23,447,519	2,174,852	412,705	6,459,508	142,208	35,408,659	7,731,531	1,965,794	1,965,794	211,148	46,691	3,942,806	11,510,328	23,898,331
Office equipment	418,577,337	5,379,525	12,089,517	111,304,160	225,783,948	5,280,315	20,546,317	336,834,593	239,031,724	30,068,690	30,068,690	124,487,770	13,581,866	1,871,946	158,861,123	177,973,470
Computer hardware	92,621,448	2,249,436	18,776,869	20,423,153	4,454,235	6,955,987	65,133	122,745,817	38,603,370	12,281,904	12,281,904	1,787,906	-11,710	5,819,059	70,798,167	51,947,650
<b>Assets under finance lease</b>																
Freehold land	344,450,442	-	-	-	-	-	64,550,963	409,001,405	-	-	-	-	-	-	-	409,001,405
Buildings	608,508,250	-	-	-	-	-	114,036,125	722,544,375	539,716,122	38,044,444	38,044,444	786,445	96,387,593	-	673,361,714	49,182,661
Plant and equipment	608,401,505	-	-	-	-	-	111,390,486	719,791,991	598,440,347	123,059	123,059	430,071	111,390,487	-	709,523,822	10,268,169
Office equipment	34,076,462	-	-	-	-	-	6,386,023	40,462,485	34,076,462	-	-	-	6,386,023	-	40,462,485	-
Subtotal (A)	7,732,085,185	154,162,034	873,282,372	1,237,806,228	1,897,212,614	1,96,007,545	567,669,671	8,471,785,331	4,076,386,966	430,589,863	430,504,181	640,743,511	428,756,088	121,932,691	4,358,933,761	4,112,851,570
<b>Intangible assets</b>																
Goodwill on Consolidation	774,851,548	-	333,034,493	-	47,828,916	-	-	1,060,057,125	-	-	-	-	-	-	-	1,060,057,125
Other Goodwill	88,286,410	-	-	-	86,970,502	-	246,605	1,562,513	64,626,129	-	-	64,626,129	-	-	-	1,562,513
Brands/trademarks	149,587,948	-	-	-	132,961,763	-	2,345,886	18,972,071	39,249,479	3,016,294	3,016,294	36,120,008	610,476	-	6,756,241	12,215,830
Computer software	177,946,179	1,641,306	6,650,237	18,886,407	-	1,834,534	14,538,182	217,807,777	128,471,330	25,649,710	25,649,710	-1,610,484	12,199,698	1,814,372	168,757,936	49,049,841
Technical knowhow	43,461,748	-	-	-	-	-	-	43,461,748	28,117,499	7,432,060	7,432,060	-	-	-	35,549,559	7,912,189
Patents	8,027,058	-	-	-	-	-	-	8,027,058	1,739,196	1,605,412	1,605,412	-	-	-	3,344,608	4,682,450
<b>Assets under finance lease</b>																
Software	48,791,077	-	-	-	-	-	-	48,791,077	19,516,430	9,758,215	9,758,215	-	-	-	29,274,645	19,516,432
Subtotal (B)	1,290,951,968	1,641,306	339,664,730	18,886,407	267,761,181	1,834,534	17,130,673	1,998,679,369	281,720,063	47,461,691	47,461,691	99,135,653	12,810,174	1,814,372	2,43,682,989	1,154,966,380
Grand total (A+B)	9,023,037,153	155,803,340	1,212,947,102	1,256,692,635	2,164,973,795	1,97,842,079	584,800,344	9,870,464,700	4,358,107,029	478,051,554	477,965,872	739,879,164	441,566,262	123,747,063	4,602,616,750	5,267,847,950



## 2.11 FIXED ASSETS

## Fixed assets schedule for the year 2012-13

	(Amount in ₹)																		
	Gross block					Accumulated depreciation					Net block								
	Balance as at 1 April 2012	Addition arising pursuant to business transfer agreement (refer to note 2.31 (d))	Addition arising out of Acquisition (refer to note 2.31 (b))	Additions	Adjustment arising on account of subsidiary (refer to note 2.25)	Disposals	Translation Adjustment	Balance as at 31 March 2013 (e+b+c+d-e+f+g)	Balance as at 1 April 2012	Addition arising out of Acquisition (refer to note 2.31 (b))	Depreciation / Amortization for the year (K)	Debited to revaluation reserve	Net charge to statement of profit and loss	Adjustment arising on account of sale of subsidiary (refer to note 2.29)	Translation Adjustment	On disposals	Balance as at 31 March 2013 (q) = (f)+m-n+o-p	Balance as at 31 March 2013 (r) = (h-q)	
<b>Tangible assets</b>																			
Freehold land	10,244,342	-	-	-	-	-	-	10,244,342	-	-	-	-	-	-	-	-	-	-	10,244,342
Leasehold land	82,080,398	-	-	-	-	-	-	82,080,398	9,756,462	991,977	991,977	-	991,977	-	-	-	-	10,728,439	71,351,959
Buildings	517,056,078	-	2,186,717	21,999,662	-	-	-	541,242,457	161,057,512	485,933	23,562,581	-	23,562,581	-	-	-	-	185,106,026	356,136,431
Other land and building	1,330,806,242	-	-	5,956,705	-	201,547,453	16,090,170	1,151,310,664	238,021,861	-	36,340,627	-	36,340,627	-	2,908,068	5,528,176	-	271,742,379	879,568,285
Leasehold improvements	58,845,949	-	-	35,882,093	-	-	-	94,728,042	1,076,429	-	2,924,120	-	2,924,120	-	-	-	-	4,000,549	90,727,493
Plant and equipment	3,173,931,601	-	1,596,990	523,847,438	-	45,668,031	(16,867,932)	3,636,840,066	1,715,087,947	757,279	375,427,343	85,090	375,342,253	-	12,490,610	18,899,713	2,084,863,465	1,551,976,601	
Furniture and fixtures	63,353,996	-	7,290,547	22,118,745	-	275,808	-	92,487,479	32,440,231	3,086,778	6,981,123	-	6,981,123	-	-	161,581	42,346,552	50,140,928	
Vehicles	14,720,901	-	10,782,918	2,127,665	-	11,115,191	-	16,516,293	6,539,074	5,695,724	2,513,769	-	2,513,769	-	-	7,017,036	7,731,531	8,784,762	
Office equipment	351,543,270	-	15,091,131	57,508,795	-	15,062,152	9,496,303	418,577,337	191,556,405	5,298,158	50,296,340	-	50,296,340	-	1,841,362	9,960,540	239,031,724	179,545,613	
Computer hardware	78,898,307	-	14,261,084	8,356,913	-	8,894,856	-	92,621,448	43,735,482	9,258,447	11,786,383	-	11,786,383	-	-	6,176,941	58,603,370	34,018,078	
<b>Assets under finance lease</b>																			
Freehold land	341,264,177	-	-	-	-	-	3,186,265	344,450,442	-	-	-	-	-	-	-	-	-	-	344,450,442
Buildings	602,879,375	-	-	-	-	-	5,628,875	608,508,250	391,871,594	-	144,029,170	-	144,029,170	-	3,815,357	-	-	539,716,122	68,792,128
Plant and equipment	602,903,218	-	-	-	-	-	5,498,287	608,401,505	547,646,106	-	45,685,730	-	45,685,730	-	5,108,512	-	-	598,440,347	9,961,158
Office equipment	33,761,245	-	-	-	-	-	315,217	34,076,462	31,768,740	-	2,015,021	-	2,015,021	-	292,700	-	-	34,076,462	-
Subtotal (A)	7,262,289,099	-	51,209,387	677,798,006	-	282,558,492	23,347,186	7,732,085,186	3,370,537,843	24,582,319	702,554,184	85,090	702,469,094	-	26,456,609	47,743,988	4,076,386,966	3,653,698,220	
<b>Intangible assets</b>																			
Goodwill on Consolidation	758,988,392	-	15,863,156	-	-	-	-	774,851,548	-	-	-	-	-	-	-	-	-	-	774,851,548
Other Goodwill	87,231,703	-	-	-	-	-	1,054,707	88,286,410	51,748,975	-	12,241,128	-	12,241,128	-	636,025	-	-	64,626,129	23,660,281
Brands/trademarks	88,586,104	-	-	59,930,761	-	-	1,071,083	149,587,948	24,961,715	-	13,974,157	-	13,974,157	-	313,606	-	-	39,249,479	110,338,469
Computer software	141,986,206	-	17,941,066	18,078,848	-	887,965	828,024	177,946,179	95,105,151	11,514,885	21,795,635	-	21,795,635	-	579,512	523,853	128,471,330	49,474,849	
Technical knowhow	42,878,000	-	-	583,748	-	-	-	43,461,748	19,549,935	-	8,567,564	-	8,567,564	-	-	-	-	28,117,499	15,344,249
Patents	8,027,058	-	-	-	-	-	-	8,027,058	-	-	1,739,196	-	1,739,196	-	-	-	-	1,739,196	6,287,862
<b>Assets under finance lease</b>																			
Software	48,791,077	-	-	-	-	-	-	48,791,077	9,758,215	-	9,758,215	-	9,758,215	-	-	-	-	19,516,430	29,274,647
Subtotal (B)	1,176,488,540	-	33,804,222	78,593,357	-	887,965	2,953,813	1,290,951,968	201,123,991	11,514,885	68,075,897	-	68,075,897	-	1,529,143	523,853	281,720,062	1,009,231,905	
Grand total (A+B)	8,438,777,639	-	85,013,609	756,391,363	-	283,446,457	26,300,999	9,023,037,153	3,571,661,834	36,097,204	770,630,080	85,090	770,544,990	-	27,985,752	48,267,841	4,358,107,028	4,664,930,125	

## 2.11 FIXED ASSETS (Contd.)

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

(Amount in ₹)

Particulars	Gross block as at 1 April 2013	Accumulated depreciation	Net Book Value as at 31 March 2014
Buildings	79,086,240	13,194,618	65,891,622
Plant and equipments	5,795,575	1,754,298	4,041,277
Furniture and fixtures	4,748,125	902,144	3,845,981
	<b>89,629,940</b>	<b>15,851,060</b>	<b>73,778,880</b>

\*Also refer note 2.20.1 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\*)

(Amount in ₹)

Particulars	Gross block as at 1 April 2012	Accumulated depreciation	Net Book Value as at 31 March 2013
Buildings	33,165,326	14,433,305	18,732,021
Plant and equipment	6,745,147	2,023,769	4,721,378
	<b>39,910,473</b>	<b>16,457,074</b>	<b>23,453,399</b>

## 2.12 NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at 31 March 2014		As at 31 March 2013	
<b>Other investments- Unquoted and long term, at cost</b>				
<b>Investment in associates</b>				
2,13,32,700 (previous year Nil) Equity shares of ₹10 each fully paid up in Minda Valeo Security System Private Limited (including capital reserve of ₹179,285,164)*	179,286,065		-	
Add: Share in the profits of the associate company	13,358,816	192,644,881	-	-
960 (previous year Nil) Equity shares of Euro 1 each fully paid up in Minda Schenk Plastic Solutions S.r.o, Czech Republic		517,209		-
<b>Investment in Preference Shares</b>				
520,000, 0.001% Cumulative Redeemable preference shares (previous year Nil) of ₹100 each in Mayank Auto Engineers Private Limited, (fully paid up of ₹100 each)		52,000,000		-
		<b>245,162,090</b>		<b>-</b>

\* The Company has acquired 50% stake in Minda Valeo Security System Private Limited thereby making it a associate company w.e.f. 18 February 2014. Also refer note 2.31 (b)

### 2.12.1 Aggregate amount of unquoted investments

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Aggregate amount of unquoted investments	245,162,090	-
	<b>245,162,090</b>	<b>-</b>

## 2.13 LOANS AND ADVANCES

(Amount in ₹)

Particulars	Long Term		Short Term	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
<b>Unsecured, considered good unless otherwise stated</b>				
Capital advances	19,880,508	45,618,070	-	2,412,117
Security deposits	53,528,413	70,922,152	20,407,099	8,910,344
Loans and advances to related parties	13,887,034	-	727,806,061	24,851,890
Other loans and advances				
- Prepaid expenses	340,939	8,652,733	52,798,247	158,996,367
- Balance with excise, customs and sales tax authorities	-	-	203,335,518	114,968,039
- Advances to suppliers	-	-	723,458,301	382,583,889
- Export benefit/rebate claims receivables	-	-	42,749,851	49,814,115
- Income tax (net of provision)	50,335,250	54,827,771	55,241,131	32,960,609
- Rent equalisation reserve	671,213	995,674	-	-
- Recoverable on account of sale of building	-	-	-	48,037,241
- Minimum alternate tax credit entitlement	-	39,822,117	16,426,848	11,962,978
- Advances to employees [also refer to note 2.13.1]	11,018,875	1,898,165	35,495,169	18,723,338
Others	-	-	4,649,830	80,302,129
Advances to MCL ESOS trust for purchase of shares	133,546,000	133,546,000	-	-
Less: Amount utilised by trust for purchase of shares	(133,546,000)	(133,546,000)	-	-
<b>Considered doubtful</b>				
- Advances to employees	1,317,000	1,317,000	-	-
- Service tax credit receivable	-	-	422,722	-
Less: Provision for doubtful loans and advances	(1,317,000)	(1,317,000)	(422,722)	-
	<b>149,662,232</b>	<b>222,736,682</b>	<b>1,882,368,055</b>	<b>934,523,056</b>

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

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Dues from other officer/employee of the Company (either severally or jointly)	2,648,882	313,104
	<b>2,648,882</b>	<b>313,104</b>

## 2.14 OTHER NON-CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Balance with banks	4,125,519	6,677,140
- Deposits due to mature after 12 months for the reporting date*	4,125,519	6,677,140

\*Out of these, ₹1,35,375 (previous year ₹Nil) is pledged as security with sales tax department.

## 2.15 INVENTORIES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Raw materials (including packing materials and tools and dies)	1,088,791,246	1,045,196,588
Add: Material-in-transit	30,946,984	49,021,518
	1,119,738,230	1,094,218,106
Work-in-progress	277,299,428	378,206,619
Finished goods	363,174,770	950,278,371
Add: Goods-in-transit	83,536,420	87,105,178
	446,711,190	1,037,383,549
Stores and spares	22,771,726	17,620,701
	<b>1,866,520,574</b>	<b>2,527,428,975</b>

## 2.16 TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	33,326,015	208,674,909
Unsecured, considered doubtful	20,042,389	33,227,363
Provision for doubtful receivables	(20,042,389)	(33,227,363)
	33,326,015	208,674,909
Other trade receivables		
Unsecured, considered good	2,881,486,689	2,846,200,963
Unsecured, considered doubtful	-	740,432
Provision for doubtful receivables	-	(740,432)
	2,881,486,689	2,846,200,963
	<b>2,914,812,704</b>	<b>3,054,875,872</b>

## 2.17 CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Cash and cash equivalents</b>		
Balance with banks		
- Deposits with original maturity of less than three months *	57,330,499	42,908,552
- On current accounts	162,481,463	414,640,497
- Other bank balance	46,734	-
Cheques in hand	38,591,149	47,774
Cash in hand	5,491,190	5,340,198
	263,941,035	462,937,021
<b>Other bank balances</b>		
Balances with banks		
- Deposits due to mature within 12 months of the reporting date**	276,262,896	112,088,720
	276,262,896	112,088,720
	<b>540,203,931</b>	<b>575,025,741</b>

\*Out of these, ₹53,000,000 (previous year ₹Nil) is pledged with bank for short term loans and ₹4,330,499 (previous year ₹42,408,552) held as margin money against letter of credit and bank guarantee and ₹Nil (previous year ₹500,000) as pledged as security with sales tax department.

\*\*Out of these, ₹19,523,228 (previous year ₹Nil) is pledged with bank for short term loans and ₹208,969,981 (previous year ₹87,538,947) is held as margin money against letter of credit and bank guarantees and ₹670,000 (previous year ₹Nil) as pledged as security with sales tax department.

## 2.18 OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
<b>Unsecured, considered good</b>		
Unbilled revenue	36,751,513	6,037,275
Insurance claims receivable	1,698,024	23,089,738
Interest accrued on fixed deposits	6,538,790	3,972,810
Interest accrued on loan	55,888,134	60,072
Energy tax recoverable	-	29,229,898
Others	1,000	3,940,968
	<b>100,877,461</b>	<b>66,330,761</b>
<b>Unsecured, considered doubtful</b>		
Insurance claims receivable	786,068	33,061
Less: Provision for doubtful advances	(786,068)	(33,061)
	<b>100,877,461</b>	<b>66,330,761</b>

## 2.19 REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Sale of products</b>		
- Manufactured goods	16,168,898,972	21,596,245,221
- traded goods	454,222,944	634,887,663
<b>Other operating revenues</b>		
- Royalty / technical know how income	64,544,911	55,673,028
- Service income	137,041,928	197,974,918
- Contract income	4,280,925	3,787,957
- Scrap sales	30,917,891	33,154,923
- Job work income	25,179,492	70,036,977
- Export incentives	13,231,122	18,187,167
- Exchange fluctuations (net)	21,398,225	7,830,098
Revenue from operations (gross)	16,919,716,410	22,617,777,952
Less: Excise duty	980,663,938	882,027,471
Revenue from operations (net)	<b>15,939,052,472</b>	<b>21,735,750,481</b>

## 2.20 OTHER INCOME

Particulars	(Amount in ₹)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Interest income</b>		
- on fixed deposits	18,436,396	60,352,469
- on loan given to body corporate	52,145,405	-
- on amounts overdue from customers	-	188,839
- on others	-	80,671
- on income tax refund	463,381	954,612
Dividend income on non-current investments	323,675	5,438,908
Financial assistance	6,193,111	-
Profit on sale of investments	-	4,525,653
Liabilities / provisions no longer required written back	23,555,520	112,376,642
Provisions for doubtful debts written back (net)	2,415,870	-
Bad debt recovered	6,917,272	-
Rental income	6,896,521	6,627,604
Indemnity Consideration	77,000,000	-
Amortisation of deferred gain on sale and lease back	78,647,520	83,382,120
Insurance claim	-	52,531,188
Miscellaneous	30,779,425	35,558,384
	<b>303,774,096</b>	<b>362,017,090</b>

**2.20.1 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 2014 and 31 March 2013 aggregate to ₹6,896,521 and ₹6,627,604 respectively.

**2.21 COST OF MATERIALS CONSUMED**

(Amount in ₹)

Particulars	For the year ended 31 March 2014		For the year ended 31 March 2013	
<b>Raw materials consumed (includes packing material and components)</b>				
Opening stock	1,094,218,106		1,144,663,756	
Add: Translation adjustment	(6,388,567)		1,298,680	
Add: Inventories acquired as part of acquisitions of subsidiaries and joint venture during the year	175,545,649		-	
Add: Adjustment of stock due to deconsolidation of step subsidiaries	(331,930,704)		-	
Add :Acquired pursuant to business transfer agreement [refer to note 2.31 (d)]	61,900,460	993,344,944	-	1,145,962,436
Add: Purchases during the year		9,611,146,162		12,682,271,287
		10,604,491,106		13,828,233,723
Less: Closing stock	1,119,738,230		1,094,218,106	
Add: Translation adjustment	(42,597,278)	1,077,140,952	(6,388,567)	1,087,829,539
		9,527,350,154		12,740,404,184

**2.22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE**

(Amount in ₹)

Particulars	For the year ended 31 March 2014		For the year ended 31 March 2013	
<b>Finished goods</b>				
Closing stock	446,711,191		1,037,383,549	
Add: Translation adjustment	(23,147,453)	423,563,738	(6,079,825)	1,031,303,724
Less: Inventories acquired as part of acquisitions of subsidiaries and joint venture during the year	45,571,240		285,625,679	
Less: Adjustment of stock due to deconsolidation of step subsidiaries	(643,559,935)		-	
Less: Opening stock	1,037,383,549		827,514,263	
Add: Translation adjustment	(6,079,825)	433,315,029	-	1,113,139,942
		(9,751,291)		(81,836,218)
Impact of excise duty on increase / (decrease) in finished goods		(1,264,642)		720,447
<b>Work in progress</b>				
Closing stock	277,299,428		378,206,619	
Add: Translation adjustment	(35,764,548)	241,534,880	(1,704,869)	376,501,750
Add: Adjustment of stock due to deconsolidation of step subsidiaries	(71,549,642)		-	
Less: Inventories acquired as part of acquisitions of subsidiaries and joint venture during the year	22,788,418		-	
Less: Opening stock	378,206,619		317,706,234	
Add: Translation adjustment	(1,704,869)	327,740,526	-	317,706,234
		(86,205,646)		58,795,516
Increase/(decrease) in inventories		(97,221,579)		(22,320,255)

## 2.23 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Salaries and wages	2,308,368,311	3,893,597,079
Contribution to		
- Provident fund and other funds	75,139,692	73,219,153
- Gratuity	19,765,719	21,489,808
- Vacation	6,334,282	-
- Social security contribution	141,025,378	459,615,238
Staff welfare	106,747,909	188,298,424
	<b>2,657,381,291</b>	<b>4,636,219,702</b>

## 2.24 FINANCE COSTS

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest expense		
on borrowings from banks	224,004,424	246,543,525
on borrowings from others	13,233,638	28,387,076
finance charges under finance leases	-	93,704,226
Exchange difference to the extent considered as an adjustment to borrowing cost	-	6,263,858
Other borrowing costs		
Premium / (discount) on borrowings	-	19,317,361
Bank charges	37,839,094	30,038,793
	<b>275,077,156</b>	<b>424,254,839</b>

## 2.25 OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Jobwork charges	201,996,467	401,955,678
Consumption of stores and spare parts	160,199,379	154,684,306
Power and fuel	323,018,951	669,709,119
Rent (refer note 2.25.1)	322,915,212	324,939,568
Repair and maintenance		
- buildings	27,611,643	43,859,984
- plant and machineries	122,147,880	165,514,908
- others	76,468,632	82,472,914
Travelling and conveyance	177,420,550	168,244,269
Legal and professional	168,081,945	168,458,872
Communication	37,322,503	86,732,182
Commission	4,348	729,886
Charity and donations	2,045,856	308,800
Bad debts/amounts written off	66,145,919	10,807,469
Provision for doubtful debts/advances	14,324,777	11,893,911
Management fees	2,159,974	-
Rates and taxes	29,486,174	28,867,825
Warranty expenses	82,943,908	47,171,084
Loss on sale/discard of fixed assets (net)	14,241,459	1,409,371
Advertisement and business promotion	55,547,510	28,798,466
Provision for inventory obsolescence	-	732,056
Royalty	5,147,709	1,423,792
Cash discount	40,261,679	65,868,719

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Freight and forwarding	207,565,046	220,034,731
Insurance	35,796,370	53,853,801
Security expense	28,705,460	28,043,224
Miscellaneous expense	89,513,734	178,224,470
	<b>2,291,073,085</b>	<b>2,944,739,405</b>

### 2.25.1 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 ₹322,915,212 (previous year ₹324,939,568) 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:

(Amount in ₹)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Minimum Lease payments due:</b>		
Not later than one year	114,625,137	18,632,639
Later than one year and not later than five years	218,049,362	14,896,369
Later than 5 year	66,700,000	-

### 2.26 CAPITAL AND OTHER COMMITMENTS

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
a) In respect of joint venture	4,214,000	-
b) In respect of others	15,248,771	69,597,137
	<b>19,462,771</b>	<b>69,597,137</b>

### 2.27 CONTINGENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Claims against the Company not acknowledged as debts- Other than joint venture</b>		
a) Custom duty	161,776,450	5,512,848
b) Income Tax	15,336,907	20,537,539
c) Sales tax/ VAT	4,164,621	34,924,536
d) Excise duty	8,971,635	9,264,521
e) Service Tax	242,132	1,347,422



## 2.28 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
Key Managerial Personnel	Mr. Ashok Minda - Chairman (Minda Corporation Limited)
	Mr. Sudhir Kashyap - Executive Director and CEO (Minda Corporation Limited) (w.e.f 1st April 2013)
	Mr. Praveen Gupta - Managing Director (Minda SAI Limited)
	Mr. Jeevan Mahaldar - Director (Minda Corporation Limited) (Uptill 1st April 2013)
	Mr. Bhushan Dua - Whole Time Director (Minda Automotive Solutions Limited)
	Mr. Sanjay Bhagat- Managing Director (Minda Automotive Solutions Limited)
	Mr. Sanjay Garg- Managing Director (Mayank Auto Engineers Private Limited)*
	Mr. Tarun Kumar Banerjee - Whole Time Director (Minda Automotive Solutions Limited) (uptill 20th March 2013)
	Mr. Mohan Chander Joshi - Whole Time Director (Minda Automotive Solutions Limited)
	Mr. A. Maenishi- Managing Director (Minda Furukawa Electric Private Limited)
	Relative of Key Managerial Personnel
Mr. Aakash Minda	
Mrs. Renu Mahaldar	
Subsidiaries	Minda SAI Limited
	Minda Management Service Limited
	Minda Automotive Solution Limited
	Minda Europe BV
	Minda KTSN Plastic Solutions GmbH & Co. KG
Step Subsidiaries	Minda KTSN Plastic and Tooling Solutions Sp Z.O.O (formerly known as Minda Schenk Plastic Solutions S.P. Z O.O. Poland)
	KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH
	PT Minda Automotive Indonesia (wef 15 February 2014)
	Almighty International PTE Limited (wef 15 February 2014)
	PT Minda Automotive Trading (wef 15 February 2014)
	Minda Vietnam Automotive Co. Limited (wef 15 February 2014)
	Minda Valeo Security Systems Private Limited (wef 18 February 2014)
Associate	Minda Valeo Security Systems Private Limited (wef 18 February 2014)
Joint Venture	Minda Furukawa Electric Private Limited (wef 1 February 2014)

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

Minda Capital Limited  
Minda Industries Limited  
Minda International Limited  
Minda S.M. Technocast Limited  
Minda Silca Engineering Limited  
Minda Stoneridge Instruments Limited  
Dorset Kaba Security Systems Private Limited  
Mars Industries Limited  
Minda Finance Limited  
Minda Sons  
Minda Spectrum Advisory Limited  
Minda Europe GmbH  
Minda Rika Private Limited  
Tuff Engineering Private Limited  
Jeevan Mahaldar - HUF (Uptill 1st April 2013)  
Whiteline Barter Limited  
Minda Schenk Plastic Solutions GmbH (LLP) \*  
Mayank Auto Engineers Private Limited \*  
Minda Schenk Plastic Solutions S.R.O. Czech Republic \*

\*Mayank Auto Engineers Private Limited along with its subsidiaries Minda Schenk Plastic Solutions GmbH (LLP), Germany and Minda Schenk Plastic Solutions S.R.O. Czech Republic has become enterprise in which directors of the Company and their relatives are able to exercise significant influence w.e.f 1 April 2013. The same were appearing under "Subsidiaries" until 31 March 2013.

## b) Details of transactions with related parties:

Party name	Sale of goods	Job work income during the year	Rent Received	Interest Income	Other incomes / expenses recovered	Purchase of goods	Management fee paid	Rent paid	Remuneration paid	Other expenses paid / reimbursed	Investment made	Loan / advance given	Loan / advance taken
<b>Associate</b>													
- Minda Valeo Security Systems (P) Limited	196,333,523 (192,514,874)	(24,559,397)	-	-	24,991,613 (24,254,997)	39,230,277 (12,520,537)	-	(2,937,705)	-	2,135,977 (898,880)	-	-	-
<b>Enterprise in which directors of the Company and their relatives exercise significant influence:</b>													
- Mayank Auto Engineers Private Limited	9,310,614	831,990	942,540	51,778,482	17,915,260	194,381,322	-	-	-	-	-	138,000,000	-
- Minda Industries Limited	398,907,045 (454,382,013)	-	-	-	-	195,627 (539,376)	-	-	-	57,221	-	-	-
- Minda Silca Engineering Limited	25,571,226 (27,227,381)	-	-	-	3,672,000 (3,600,000)	136,666,028 (89,876,715)	-	-	-	-	-	2,555,044	-
- Minda Stoneridge Instruments Limited	118,044 (1,170,560)	-	-	-	41,392,692 (37,681,251)	14,838,674 (45,154,577)	-	-	-	5,413,715	-	-	-
- Dorset Kaba Security Systems Private Limited	4,678,653 (3,347,011)	-	-	-	-	-	-	-	-	-	-	-	-
- Mars Industries Limited	-	-	-	-	-	2,604,197	-	-	-	-	-	-	-
- Minda Furukawa Electric Private Limited	(149,627) 16,063,278	24,560,965	942,540	-	72,000	7,434,956 (3,094,200)	-	-	-	24,024	-	-	-
- Minda Rika Private Limited	(6,013,000) 9,903,593 (13,476,244)	(35,239,000)	24,000	-	-	382	-	-	-	-	-	-	-
- Minda International Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
- PT Minda Asean Automotive	-	-	-	-	(9,123,656)	-	-	-	-	-	-	-	-
- Minda Capital Limited	-	-	-	-	(1,034,731)	-	-	-	-	-	-	-	-
- Minda Spectrum Advisory Limited	-	-	24,000	366,738	126,444,055 (32,303,484)	-	-	73,917,500 (46,380,000)	-	432,827 (2,966,028)	-	69,400,000 (36,413,140)	12,000,000
- Tuff Engineering Private Limited	-	-	-	-	-	-	-	-	-	250,000 (225,000)	-	-	-
- Minda Europe GmbH	-	-	-	-	32,769,780	-	-	6,900,000 (9,000,000)	-	98,588	-	-	-
- Jeevan Mahaldar - HUF	-	-	-	-	-	-	-	-	-	-	-	-	(337,238,796)
- Minda S.M.Technocast Limited	-	-	-	-	-	-	-	(3,069,000) 8,700,000 (8,740,000)	-	-	-	-	-
<b>Key Managerial Personnel:</b>													
- Mr. Ashok Minda - Chairman of Minda Corporation Limited	-	-	-	-	-	-	-	162,750 (279,000)	18,576,000 (18,576,000)	-	-	-	-
- Mr. Sudhir Kashyap - Executive Director and CEO (Minda Corporation Limited)	-	-	-	-	-	-	-	13,486,794	-	-	-	-	-
- Mr. Jeevan Mahaldar - Director of Minda Corporation Limited	-	-	-	-	-	-	-	-	(15,817,522)	-	-	-	-
- Mr. Praveen Gupta - Managing Director (Minda SAI Limited)	-	-	-	-	-	-	-	-	14,368,501 (15,237,540)	-	-	-	-

## b) Details of transactions with related parties:

Party name	Sale of goods	Job work income during the year	Rent Received	Interest Income	Other incomes / expenses recovered	Purchase of goods	Management fee paid	Rent paid	Remuneration paid	Other expenses paid / reimbursed	Investment made	Loan / advance given	Loan / advance taken
- Mr. Sanjay Garg - Managing Director of Mayank Auto Engineers Private Limited	-	-	-	-	-	-	-	-	(3,144,000)	-	-	-	-
- Mr. Bhusan Dua - While Time Director of Minda Automotive Solution Limited	-	-	-	-	-	-	-	-	3,596,397 (2,810,679)	-	-	-	-
- Mr. Tarun Kumar Banerjee - Whole Time Director of Minda Automotive Solution Limited	-	-	-	-	-	-	-	-	(3,000,000)	-	-	-	-
- Mr. A. Maenishi - Director of Minda Furukawa Electric Private Limited	-	-	-	-	-	-	-	-	653,333	-	-	-	-
- Mr. Sanjay Bhagat- Managing Director of Minda Automotive Solution Limited	-	-	-	-	-	-	-	-	5,495,712 (4,180,775)	-	-	-	-
<b>Relative of Key Managerial Personnel:</b>													
- Mrs. Sarika Minda	-	-	-	-	-	-	-	1,800,000 (1,800,000)	-	-	-	-	-
- Mr. Aakash Minda	-	-	-	-	-	-	-	116,250	-	-	-	-	-
- Mrs. Renu Mahaldar	-	-	-	-	-	-	-	(3,069,000)	-	-	-	-	-

## b) Details of transactions with related parties:

Party name	Guarantee given	Loan repaid	Purchases of Shares	Sale of Investment	Sale of Fixed Assets	Purchase of Fixed Assets	Accrued Interest (Receivable)	Security Deposit 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/ Advances receivable at the year end	Unsecured Loan at the year end
Associate													
- Minda Valeo Security Systems Private Limited	-	-	-	-	-	-	-	-	-	-	(4,319,908)	-	-
Enterprise in which directors of the Company and their relatives exercise significant influence:													
- Mayank Auto Engineers Private Limited	-	-	-	22,139,134	-	-	55,886,850	-	52,000,000	12,512,860	1,690,216	435,545,308	-
- Minda Industries Limited	-	-	-	-	-	-	-	-	-	85,657,258	63,531	-	-
- Minda Silca Engineering Limited	-	-	-	-	-	-	-	-	-	(67,446,917)	(364,718)	-	-
- Minda Stoneridge Instruments Limited	-	-	-	-	-	-	-	-	-	1,482,881	21,283,754	3,199,670	-
- Dorset Kaba Security Systems Private Limited	-	-	-	-	-	-	-	-	-	(3,958,431)	(26,417,342)	-	-
- Minda Rika Private Limited	-	-	-	-	-	-	-	-	-	3,910,091	7,083,682	-	-
- Minda International Limited	-	-	-	-	-	-	-	-	-	(6,803,691)	(5,459,679)	-	-
- Minda Capital Limited	-	15,323,128	603,400,000	160,000,000	-	-	-	13,000,000	-	45,790,165	(5,784,715)	2,850,000	-
- Minda Spectrum Advisory Limited	-	(32,838,394)	-	-	-	-	-	(11,000,000)	-	(36,489,244)	(29,888,931)	-	(9,831,583)
- Minda Europe GmbH	-	198,493,262	-	487,201,350	-	-	-	-	-	-	(225,000)	-	-
- Tuff Engineering Private Limited	-	-	-	-	-	-	-	-	-	-	-	285,014,834	20,644,125
- Mars Industries Limited	-	-	-	-	-	-	-	887,034	-	(1,643,428)	730,434	446,250	-
- Minda Furukawa Electric Private Limited	-	-	-	-	-	-	-	-	-	-	2,597,092	-	-
- Whiteline Barter Limited	-	-	280,000,000	-	-	-	-	-	-	(88,900)	2,919,001	-	-
- Jeevan Mahaldar - HUF	-	-	-	-	-	-	-	-	-	(11,584,204)	(7,449)	-	-
Key Managerial Personnel:													
- Mr. Ashok Minda - Chairman of Minda Corporation Limited	-	-	99,041,250	-	-	-	-	(750,000)	-	-	-	-	-
Relative of Key Managerial Personnel													
- Mr. Aakash Minda	-	-	-	-	-	-	-	750,000	-	-	-	-	-
- Ms. Renu Mahaldar	-	-	-	-	-	-	-	-	-	-	(230,175)	-	-

## 2.29 EXCEPTIONAL ITEM

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
Discontinuation of plating business *	22,466,379	-
Adjustment arising out of sale of subsidiary **	(169,919,288)	-
Prior period adjustment of grant earlier recorded as income	-	18,652,175
Advances written off ***	-	23,318,297
Restructuring activities****	-	(12,218,241)
	<b>(147,452,909)</b>	<b>29,752,231</b>

\* During the current year, the Company decided to dispose off certain fixed assets / other assets due to discontinuance of plating business with certain customers. As a result, the Company has recorded a loss on disposal of such assets amounting to ₹22,466,379 (previous year ₹Nil).

\*\* During the current year, one of the Company's step down subsidiary (in which two of the Company's subsidiaries held investment) was disposed off in two tranches at a total consideration of ₹643,800,000 resulting in a total gain of ₹169,919,288. Accordingly, all assets and liabilities (including revaluation reserve and capital reserves) as at the beginning of the year have been removed on a line by line basis.

\*\*\* During the previous years, the Company had incurred expenditure amounting to ₹23,318,297 (including ₹15,793,049 jointly with other party) in respect of potential business acquisitions and pending recovery/ capitalisation along with cost of investments. However, considering the elongated period with no substantial development on such potential respective acquisitions, the management considered it prudent to charge off these expenses in previous year.

\*\*\*\* During the previous year, one of the step subsidiary (Minda Schenk Plastic Solutions GmbH (LLP), Germany) of the Company has carried out restructuring activities ('plan') to reduce costs and achieve operational efficiencies. Under the plan, the Company has sold of 2 buildings (gain amounting to ₹89,485,717), retrenched 57 employees to whom an one time amount of ₹27,794,040 has been paid as severance cost and has also incurred other costs amounting to ₹49,473,436.

2.30 The Group's operations predominantly is manufacture of automotive parts and accessories. The Group is organised in term of various geographies in which it operates.

Details of sales, year end assets and tangible fixed assets and intangible fixed assets are as follows:

Particulars	(Amount in ₹)	
	As at 31 March 2014	As at 31 March 2013
	<b>Revenue (Sale, net of excise duty)</b>	
Domestic	10,224,652,978	9,209,983,562
Asia (excluding domestic)	753,746,578	294,562,833
America	150,957,968	88,797,131
Africa	38,780	-
Europe	4,513,061,674	11,755,761,887
Total	<b>15,642,457,978</b>	<b>21,349,105,413</b>
	<b>Carrying amount of assets</b>	
Domestic	8,201,874,363	5,835,605,344
Asia (excluding domestic)	1,522,641,398	106,278,458
America	62,843,118	4,156,312
Europe	3,334,423,557	6,783,332,576
	<b>13,121,782,436</b>	<b>12,729,372,690</b>

(Amount in ₹)

Particulars	As at 31 March 2014	As at 31 March 2013
	<b>Additions of Tangible fixed assets and Intangible fixed assets</b>	
Domestic		
- Tangible fixed assets	1,369,320,228	487,001,864
- Intangible fixed assets	284,904,640	52,224,249
	<b>1,654,224,868</b>	<b>539,226,113</b>
Europe		
- Tangible fixed assets	435,907,976	242,005,529
- Intangible fixed assets	6,224,462	60,173,329
	<b>442,132,438</b>	<b>302,178,858</b>
Asia (excluding domestic)		
- Tangible fixed assets	460,022,429	-
- Intangible fixed assets	69,063,342	-
	<b>529,085,771</b>	-

- 2.31 a) During the previous year (3 April 2012), the Company had acquired the balance 50% stake in Minda Automotive Solutions Limited ('MASL'), thereby making it a wholly owned subsidiary of the Company from an associate. The computation of goodwill is as follows: -

(Amount in ₹)

Financial statement captions	Total
Cost of investment in the subsidiary	47,047,611
(A)	<b>47,047,611</b>
Share capital	2,803,000
Capital reserve	1,283,547
General reserve	12,250,000
Surplus i.e. balance in statement of profit and loss	14,847,908
(B)	<b>31,184,455</b>
<b>Goodwill (A-B)</b>	<b>15,863,156</b>

- b) The Computation for Goodwill / (Capital Reserve) arising on account of acquisition of step subsidiaries, associate and joint venture during the year are as follows:-

(Amount in ₹)

Name of Company	Almighty International Pte Limited *	PT Minda Automotive Indonesia	Minda Furukawa Electric Private Limited	Minda Vietnam Automotive Company Limited	Minda Valeo Security System Private Limited
Relationship	Step Subsidiary	Step Subsidiary	Joint Venture	Step Subsidiary	Associate
Acquisition date	15 February 2014	15 February 2014	1 February 2014	15 February 2014	18 February 2014
Cost of investment	585,047,041	372,675,450	423,497,360	77,921,336	901
(A)	<b>585,047,041</b>	<b>372,675,450</b>	<b>423,497,360</b>	<b>77,921,336</b>	<b>901</b>
Share capital	177,909,939	285,792,000	482,650,000	29,238,851	213,327,000
Share premium	-	-	-	-	62,456,500
Surplus i.e. balance in statement of profit and loss	354,990,333	19,597,857	(272,754,772)	114,001,929	(96,497,435)
(B)	<b>532,900,271</b>	<b>305,389,857</b>	<b>209,895,228</b>	<b>143,240,780</b>	<b>179,286,065</b>
<b>Goodwill / (Capital Reserve) (A-B)</b>	<b>52,146,770</b>	<b>67,285,593</b>	<b>213,602,132</b>	<b>(65,319,444)</b>	<b>(179,285,164)</b>

\* Include Goodwill of ₹23,697,041 on account of shares held by Step Subsidiary (refer note no. 2.1.8)

- c) The Company has acquired 49% interest in Minda Furukawa Electric Private Limited on 1 February, 2014 . Minda Furukawa Electric Private Limited is a joint venture between Minda Corporation Limited and Furukawa Electric Company Limited and Furukawa Automotive Parts Inc of Japan engaged in manufacturing of wiring hireness and components related to wiring hireness. The Financial statements of the Company and its joint venture companies are proportionately consolidated on a line by line basis by adding together the book values of items of assets, liabilities, income and expenses after fully eliminating the unrealised profit/losses on intra-group transactions in accordance with Accounting Standard (AS-27) - “Financial Reporting of Interests in Joint Ventures”

Disclosures in respect of Joint ventures pursuant to Accounting Standard (AS) 27 “Financial Reporting of Interests in Joint Ventures”

a) List of Joint Ventures

S. No.	Name of Joint Venture	Ownership Interest %	Description of Interest/(description of job)	Country of residence
1	Minda Furukawa Electric Pvt. Ltd.	49%	Jointly Controlled Entity (Manufacturing of wiring hireness)	India

- b) The Company’s share in respect of the assets, liabilities, reserves, income and expenses, related to interests in jointly controlled entity, incorporated in the Consolidated Financials Statements are:-

		(Amount in ₹)
Particulars		As at 31 March 2014
<b>Assets</b>	<b>Non Current Assets</b>	
	Fixed Assets	
	-tangible assets	301,523,277
	-intangible assets	2,384,814
	-capital work-in-progress	62,636,784
	Long-term loans and advances	21,620,010
	Other non-current assets	98,000
	<b>Current assets</b>	
	Inventories	221,672,961
	Trade receivables	119,019,187
	Cash and bank balances	60,575,624
	Short-term loans and advances	117,365,173
	Other current assets	129,065
<b>Liabilities</b>	<b>Non-current liabilities</b>	
	Long-term borrowings	96,863,200
	Long Term Provisions	2,394,391
	<b>Current liabilities</b>	
	Short-term borrowings	195,337,672
	Trade payables	333,483,933
	Other current liabilities	44,455,621
	Short-term provisions	4,805,813
<b>Income</b>	Revenue from operations	279,502,066
	Other income	1,931,687
<b>Expenses</b>	Raw Material consumed	205,101,948
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(8,076,855)
	Employee benefits expense	20,769,874
	Finance costs	5,892,850
	Depreciation and amortisation expense	7,187,398
	Other expenses	30,769,500
<b>Capital Commitments</b>	Capital commitments in relation to joint venture	4,214,000



- d) During the year ended 31 March 2014, one of the wholly owned subsidiary (Minda SAI Limited) of the group has acquired two business divisions under a Business Transfer Agreement from Mayank Auto Engineers Private Limited ('transferee Company') and acquired all the assets and liabilities of the units located at Greater Noida and Haridwar. The said acquisition was done on a going concern, on slump sale basis, with effect from 1 October 2013 for a lump sum consideration amounting to ₹153,213,554 (adjusted subsequently between the parties). The consideration paid was allocated to acquire assets and liabilities on the basis of fair valuation carried out.

(Amount in ₹)	
Particulars	Amount
Non Current Assets	159,620,697
Current Assets	315,163,978
<b>Total assets (a)</b>	<b>474,784,675</b>
Borrowings	46,812,460
Current liabilities and provisions	269,052,583
<b>Total liabilities (b)</b>	<b>315,865,043</b>
<b>Total fair value of net assets acquired c= (a)-(b)</b>	<b>158,919,632</b>
<b>Amount of purchase consideration (d)</b>	<b>153,213,554</b>
<b>(Capital reserve )/ Goodwill</b>	<b>5,706,078</b>

- e) The profit/ loss from associates are as follows:

(Amount in ₹)	
Financial statement caption	Amount
Share of Profit from Minda Valeo Security System Private Limited	13,358,816
Share of Loss from Mayank Auto Engineers Private Limited (for the period 1 April 2013 to 30 September 2013)	(3,555,200)
<b>Profit/ (loss) from associates</b>	<b>9,803,616</b>

### 2.32 MINORITY INTEREST

(Amount in ₹)		
Particulars	As at 31 March 2014	As at 31 March 2013
Opening balance	51,206,420	33,188,055
Add :		
- Deconsolidation of step subsidiaries	(51,206,420)	-
- Share capital (further investment)	-	21,282,776
- Share in pre-acquisition profits/reserves (prior period adjustment)	-	7,027,152
- Share in post-acquisition profits / (loss)	-	(10,291,563)
Closing balance	-	51,206,420

As per our report of even date attached

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W

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

**Ashok Minda**  
Chairman & Group CEO  
DIN: 00054727

**Sudhir Kashyap**  
Executive Director & CEO  
DIN: 06573561

**Manish Gupta**  
Partner  
Membership No.:095037  
Place: Gurgaon  
Date: 29 May 2014

**Sanjay Aneja**  
Chief Financial Officer

Place: Gurgaon  
Date: 29 May 2014

**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	Minda KTSN Plastic Solutions GmbH & Co. KG		KTSN Kunststofftechnik Sachsen Beteiligungs-GmbH		Minda Europe B.V.		Minda SAI Limited		Minda Management Services Limited		Minda KTSN Plastic and Tooling Solutions Sp Z.O.O (formerly known as Minda Schenk Plastic Solutions S.P Z.O.O.)		Minda Automotive Solutions Limited		Almighty International Pte Limited		Minda Vietnam Automotive Company Limited		PT Minda Automotive Indonesia		PT Minda Trading Indonesia					
		Germany	Germany	Germany	Germany	Netherlands	India	India	India	India	India	India	India	India	India	India	India	India	India	India	India	India	India	India	Indonesia	Indonesia	
2	Country of Incorporation	Amount in Euro	Amount in ₹	Amount in Euro	Amount in ₹	Amount in Euro	Amount in ₹	Amount in Euro	Amount in ₹	Amount in ₹	Amount in ₹	Amount in Euro	Amount in ₹	Amount in Euro	Amount in ₹	Amount in ₹	Amount in USD	Amount in ₹	Amount in VND	Amount in ₹	Amount in ₹	Amount in IDR	Amount in ₹	Amount in ₹	Amount in IDR	Amount in ₹	
a)	Capital	18,272,001	1,508,837,891	25,000	2,064,413	300,000	24,772,950	557,710,800	55,000,000	55,000,000	241,215	19,918,690	2,834,938	170,379,207	10,082,362,500	28,230,615	2,834,938	170,379,207	10,082,362,500	28,230,615	54,960,000,000	291,286,000	2,430,207,500	12,880,100			
b)	Reserve	(11,538,579)	(952,815,499)	(2,504)	(206,772)	(1,355)	(111,891)	799,926,901	24,427,993	24,427,993	1,377,837	113,776,961	5,697,749	342,433,575	39,757,245,498	111,320,287	5,697,749	342,433,575	39,757,245,498	111,320,287	10,359,683,658	54,906,323	(429,101,396)	(2,274,237)			
c)	Total Assets	42,155,401	3,481,045,433	25,418	2,098,890	570,817	47,136,070	3,960,552,005	205,152,680	205,152,680	4,002,882	330,543,967	8,532,687	512,812,782	69,612,932,488	194,916,211	8,532,687	512,812,782	69,612,932,488	194,916,211	115,966,220,342	614,620,968	3,305,367,883	17,518,450			
d)	Total Liabilities	42,155,401	3,481,045,433	25,418	2,098,890	570,817	47,136,070	3,960,552,005	205,152,680	205,152,680	4,002,882	330,543,967	8,532,687	512,812,782	69,612,932,488	194,916,211	8,532,687	512,812,782	69,612,932,488	194,916,211	115,966,220,342	614,620,968	3,305,367,883	17,518,450			
e)	Details of Investment (Except in case of investment in subsidiary company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f)	Turnover	48,451,717	3,969,380,228	-	-	-	-	4,452,666,973	298,087,824	298,087,824	7,060,756	578,448,531	-	-	10,349,382,120	29,671,679	-	-	10,349,382,120	29,671,679	31,618,596,384	167,578,561	921,851,852	4,885,815			
g)	Profit before Taxation	1,225,717	100,416,190	1,250	102,406	(29,171)	(2,389,852)	222,192,263	22,154,303	22,154,303	355,960	29,161,851	(2,160)	(132,544)	482,416,831	1,383,089	(2,160)	(132,544)	482,416,831	1,383,089	8,967,106,029	47,525,662	(57,044,060)	(302,354)			
h)	Provision for Taxation	-	-	-	-	-	-	57,451,103	9,896,572	9,896,572	84,861	6,952,191	-	-	36,181,262	103,732	-	-	36,181,262	103,732	2,376,241,115	12,594,078	-	-			
i)	Profit After Taxation	1,225,717	100,416,190	1,250	102,406	(29,171)	(2,389,852)	164,741,160	12,257,731	12,257,731	271,099	22,209,661	(2,160)	(132,544)	446,235,569	1,279,357	(2,160)	(132,544)	446,235,569	1,279,357	6,590,864,914	34,931,584	(57,044,060)	(302,354)			
j)	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

For and on behalf of the Board of  
Minda Corporation Limited

Place : Gurgaon

Date : May 29, 2014

Ashok Minda  
Chairman & Group CEO  
DIN No. 00054727

# Corporate Information

## REGISTERED OFFICE

36A, Rajasthan Udyog Nagar,  
Delhi – 110 033, India

CIN : L74899DL1985PLC020401

## OFFICES

- D-6-11, Sector-59, Noida, U.P. - 201301, India
- Plot No. 68, Echelon Institutional Area, Sector-32, Gurgaon-122001, Haryana, India

## WEBSITE

[www.minda.co.in](http://www.minda.co.in)

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Sancheti

## STATUTORY AUDITORS

B S R & Associates, LLP, Chartered Accountants  
Building No. 10, 8th Floor, Tower - B,  
DLF Cyber City, Phase - II, Gurgaon,  
Haryana - 122 002, India

## REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase - 1,  
New Delhi – 110 020, India

## BANKERS

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

## PLANT LOCATIONS

- D-6-11, Sector -59, Noida, U.P. -201 301
- 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. B7-B8, Sipcot Industrial Area, Pillapakam, Sriperumbudur – 602 105

## SUBSIDIARIES

- Minda SAI Limited, India
- Minda Management Services Limited, India
- Minda Automotive Solutions Limited, India
- Minda Europe B.V., Netherlands
- Minda KTSN Plastic Solutions GmbH & Co. KG, Germany
- Minda KTSN Plastic and Tooling Solutions Sp. z.o.o., Poland (formerly known as Minda Schenk Plastic Solutions Sp. z.o.o.) (Step down Subsidiary)
- KTSN Kunststofftechnik Sachsen Beteiligungs GmbH, Germany (Step down Subsidiary)
- PT Minda Automotive Indonesia (Step down Subsidiary)
- Almighty International Pte Limited, Singapore (Step down Subsidiary)
- PT Minda Automotive Trading, Indonesia (Step down Subsidiary)
- Minda Vietnam Automotive Company Limited, Vietnam (Step down Subsidiary)

## ASSOCIATE

Minda Valeo Security Systems Private Limited, India

## JOINT VENTURE

Minda Furukawa Electric Private Limited, India





ASHOK MINDA GROUP

*Powered by Passion*

**Minda Corporation Limited**

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

CIN: L74899DL1985PLC020401