

# B S R and Company

Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

Telephone:+91-124-2549191  
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## To the Board of Directors of Minda Industries Limited

1. We have audited the accompanying Consolidated Financial Results ('Statement') of Minda Industries Limited ('the Group') for the year ended 31 March 2012, attached herewith, being submitted by the Group pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2012 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. We have not reviewed the un-audited consolidated financial results/ statements of the Group for the previous periods/year and the period upto 31 December 2011, which have been reviewed/audited till 30 June 2011 by the erstwhile statutory auditors of the Group, and we have relied solely on their report for the purposes of our review. The consolidated financial results for the period 1 July 2011 till 31 December 2011 have not been subject to a review / audit.
2. The Statement has been prepared on the basis of the annual consolidated financial statements. Management is responsible for the preparation of the Statement that gives a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India, and in compliance with Clause 41 of the Listing Agreement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on the Statement based on our audit of the annual consolidated financial results. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement (s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements of a subsidiary, a joint venture entity and certain associates, interests in which have been incorporated in the Statement. This subsidiary, joint venture entity and associates account 8% of the total assets as at 31 March 2012 as well as 7 % of the total revenue for the year ended 31 March 2012. Their financial statements and other financial information has been audited by other auditors whose reports have been furnished to us, and our opinion on this statement, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.



5. *The Battery Division of the Company is incurring continuous losses. Based on its estimates and report of an independent valuer, the management has recorded an impairment charge amounting to Rs. 1,324 lakhs during the quarter ended 31 March 2012 (year to date Rs. 2,206 lakhs) being the excess of the carrying amount of the assets at the Battery Division over their recoverable amount. However, in the absence of sufficient appropriate evidence, we are unable to comment on the amount of the impairment charge created during the quarter as required by Accounting Standard 28 on Impairment of Assets. The carrying value of fixed assets (including capital work in progress) amounts to Rs 1,994 lakhs as at 31 March 2012 (also refer to note 7 of these financial results).*
6. Without qualifying our report, attention is drawn to note 2 of these financial results where it has been explained that during the previous periods, the management had not consolidated certain joint ventures and associates as part of their consolidated financial results in pursuant with the requirements of the Clause 41 of the Listing Agreement. Accordingly, during the current year, management has adjusted the effect of the same with the current quarter profits in accordance with Accounting Standard – 5 ‘Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies’. Had these joint ventures and associates been consolidated in the previous periods, the profit for the current quarter and year would have been lower by Rs. 402.74 lakhs and Rs. 340.20 lakhs respectively. The financial results of the prior periods upto 30 June 2011 were audited/ reviewed by the predecessor auditors.
7. *Except for the impact, if any, on account of our comments in paragraph 5, the effect of which is not ascertainable, in our opinion and to the best of our information and according to the explanations given to us the Statement:*
- (i) is presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) gives a true and fair view of the net profit and other financial information of the Group for the year ended 31 March 2012.
8. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Group in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **B S R and Company**  
Chartered Accountants  
Firm Registration Number: 128900W



**Rajesh Arora**  
Partner  
Membership number: 076124

Place: Gurgaon  
Date: 19 June 2012

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For **MINDA INDUSTRIES LIMITED**



**H. C. DHAMIJA**  
V.P. Group A/cs & Taxation  
Company Secretary



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Chartered Accountants

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## To Board of Directors of Minda Industries Limited

1. We have audited the accompanying annual standalone financial results of Minda Industries Limited ('the Company') for the year ended 31 March 2012 attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2012 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit. We have not reviewed the un-audited financial results/ statements of the Company for the previous periods/year and the period upto 30 June 2011, which have been reviewed/audited by the erstwhile statutory auditors of the Company, and we have relied solely on their report for the purposes of our review.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. *The Battery Division of the Company is incurring continuous losses. Based on its estimates and report of an independent valuer, the management has recorded an impairment charge amounting to Rs. 1,324 lakhs during the quarter ended 31 March 2012 (year to date Rs. 2,206 lakhs) being the excess of the carrying amount of the assets at the Battery Division over their recoverable amount. However, in the absence of sufficient appropriate evidence, we are unable to comment on the amount of the impairment charge created during the quarter as required by Accounting Standard 28 on Impairment of Assets. The carrying value of fixed assets (including capital work in progress) amounts to Rs 1,994 lakhs as at 31 March 2012 (also refer to note 6 of these financial results).*
5. *Except for the impact, if any, on account of our comments in paragraph 4 above, in our opinion and to the best of our information and according to the explanations given to us these financial results:*

**B S R and Company**

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2012.
6. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

**For B S R and Company**

*Chartered Accountants*

Firm Registration Number: 128900W



**Rajesh Arora**

Partner

Membership number: 076124

Place: Gurgaon

Date: 19 June 2012

**CERTIFIED TRUE COPY**

**For MINDA INDUSTRIES LIMITED**



**H. C. DHAMIJA**  
V.P. Group A/cs & Taxation  
Company Secretary