Annual Report
2012-2013

www.onida.com

MIRC

MIRC ELECTRONICS LIMITED

Vision

Our aim is to make Indians proud of the " Made In India " label by providing highly innovative products, which are better than the competition, which simplify lives and provide an unmatched customer experience.

CORPORATE INFORMATION

Board of Directors

Mr. Gulu L. Mirchandani, Chairman and Managing Director

Mr. Vijay J. Mansukhani, Managing Director

Mr. Shyamsunder Dhoot, Whole-time Director (Appointed w.e.f. February 16, 2013)

Mr. Manoj Maheshwari, Director

Mr. Vimal Bhandari, Director

Mr. Ranjan Kapur, Director

Company Secretary & Head- Corporate Affairs

Mr. Anoop Pillai

Auditors

M/s. N.M. Raiji & Co., Chartered Accountants

Bankers

1. State Bank of India
2. ICICI Bank Limited
3. HDFC Bank Limited
4. IDBI Limited
5. Canara Bank
6. Royal Bank of Scotland
7. Yes Bank
8. Axis Bank Limited
9. Corporation Bank

Registered office

Onida House, G-1, MIDC, Mahakali Caves Road, Andheri(E), Mumbai-400 093

Works

1. Village Kudus, Bhiwandi Wada Road, Taluka Wada, Dist.Thane – 421 312
2. Khasra No.158, Village- Raipur, Pargana - Bhagwanpur, Roorkee, Dist -Haridwar, Uttarakhand.
3. Khasra No.399 to 401 & 405 to 410, 158 KMS Milestone, Delhi-Roorkee Highway – NH 58, Village– Mundiyaki, Pargana–Manglour, Tehsil- Roorkee, District–Haridwar, Uttarakhand– 247670

Website

www.onida.com

Registrar & Share Transfer Agent:

M/s. Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai:-400078

PS: Shareholder/Proxy holders are requested to bring his/her copy of the Annual Report for reference at the Annual General Meeting.

Forward Looking Statement

Forward looking statements in this annual report should be read in conjunction with the following cautionary statements. Certain expectations and projections regarding future performance of the Company referenced in this annual report are forward looking statements. These expectations and projections are based on currently available competitive, financial and economic data alongwith the Company's operating plans and are subject to certain future events and uncertainties that could cause actual results to defer from those that may be indicated by such statements.

Chairman's Note

MIRC has come a long way today; the journey traversed has enriched us with its experience. Taking a leaf out from this experience and to keep up to the fast pace of change, one needs to be proactive and think differently. Today it is important to be relevant to the consumer to stand out amongst aggressive competition. This has kept the fire of innovation alive at MIRC .

Consumer today is more knowledgeable of the Technological advancements and more empowered than ever. Today's consumer is ready to discover more and more innovative products which help in making life simple and comfortable. Your Company is constantly listening to these consumer voices and working to innovate products having design and functionality as needed by consumers.

Your Company is committed to reaching out to the new generation consumers and keeping them closely connected with the Company by using new and innovative mediums. Digital has emerged as one of the best medium to reach out to a large numbers of consumers and to understand their needs. Digital media is driving the consumer evaluation of products and brands and has started becoming an integral part of the purchase cycle. Your Company is working on the digital marketing strategy and will be launching several initiatives to engage the consumer in a conversation with the brand. Going forward this would be our key strategy to communicate with the young nesters who are our targeted consumers.

The gap between the urban sector and the rural sector is also reducing because of internet's reach and it is increasing the consumer aspiration and demand for quality products. Your Company will add on to the distribution reach in rural markets to harvest this opportunity. Products would be designed for rural conditions, and keeping rural consumers in mind.

Your Company takes pride in announcing successful launch of Slimmest Smart Inverter Air Conditioners, large screen 47 Smart 3D LED TV for ultimate viewing experience and new range of "Splendor" Fully Automatic Washing Machines this year. We expect that these products will drive consumer preference for your brand.

I will conclude by sharing that, in these challenging times, entire economy is engulfed in a slowdown. Your Company has had its own challenges with the technology transformation from Colour TV to Flat Panels. However, your Company will endeavor to lead the transformation in Consumer Durables Industry in India by launching products with cutting edge technology, which will make Indian's proud, of the "Made In India" label.

Let's Transform Tomorrow.

Managing Director's Note

The year gone by has been a tough one due to the economic slowdown and has rubbed off on the present fiscal year as well. The depreciation of rupee against the major currencies of the world has impacted the Indian economy adversely. With growing inflation and increasing fuel prices the purchasing power of consumer has definitely depleted. Budget 2013 made a positive move for Consumer Durable Industry by promoting the manufacturing of set top boxes and by increasing import duty from 5% to 10%.

Onida during these tough times is focusing on driving operational efficiency. Costs are being scrutinized in detail, and are being minimized wherever possible so that resources can be managed efficiently. Minimum stock levels are being carried so that the stock turnover increases thus reducing the cost of carrying and warehousing. Making the right people work at the right place to deliver the best is the mantra at Onida.

Cost Rationalization is another key to the success of the Company. To survive in these adverse conditions, cost management becomes one of the most important things. By rotating the man-power & embracing the technological changes and advancements, the Company aims at reducing the cost overheads and increasing profit margins. The state-of-the art plants and the latest machinery also help in achieving economies of scale.

Onida continuously strives to manufacture new and innovative products. The Research and Development team understands the needs of the consumer and thus come up with products that are futuristic and advanced. The foresight is commendable as this is what helps in keeping the Company ahead of competition.

The value system of the company is another major strength. All employees are treated with equal respect and given profiles according to their talents and abilities. The atmosphere at work is very friendly, like working with a big family. And it is precisely these work cultures that makes employees loyal and go that extra mile. It is this drive to come out as the best which makes Onida the leaders in innovation.

We at Onida are looking forward with optimism and hope. We intend to do this with our initiatives in the digital marketing space, network expansion to better the reach and improving the operational efficiency of the organization.

Together we will overcome all obstacles and succeed .

Let's Transform Tomorrow.

3D Smart LED TV

47 UE

At Onida, innovation is the crux of every product. With advanced technology, superior quality, aesthetic design and eco-friendly material, our 47 UE 3D Smart LED TV standouts of the clutter, adding more value to your TV viewing experience.

Onida 47 UE 3D Smart LED TV allows you to experience the finest, most cinematic 3D entertainment, right at home. That's not all; you can also convert 2D content to high quality 3D content, which means you can enjoy your favourite movies, games and shows in colours that are truly realistic and crisp. Also you can browse, play and connect to the internet with its Android based Technology and built in Wi-Fi. So go ahead, enjoy the thrill of 3D Smart LED TV at its best with Onida 47UE.

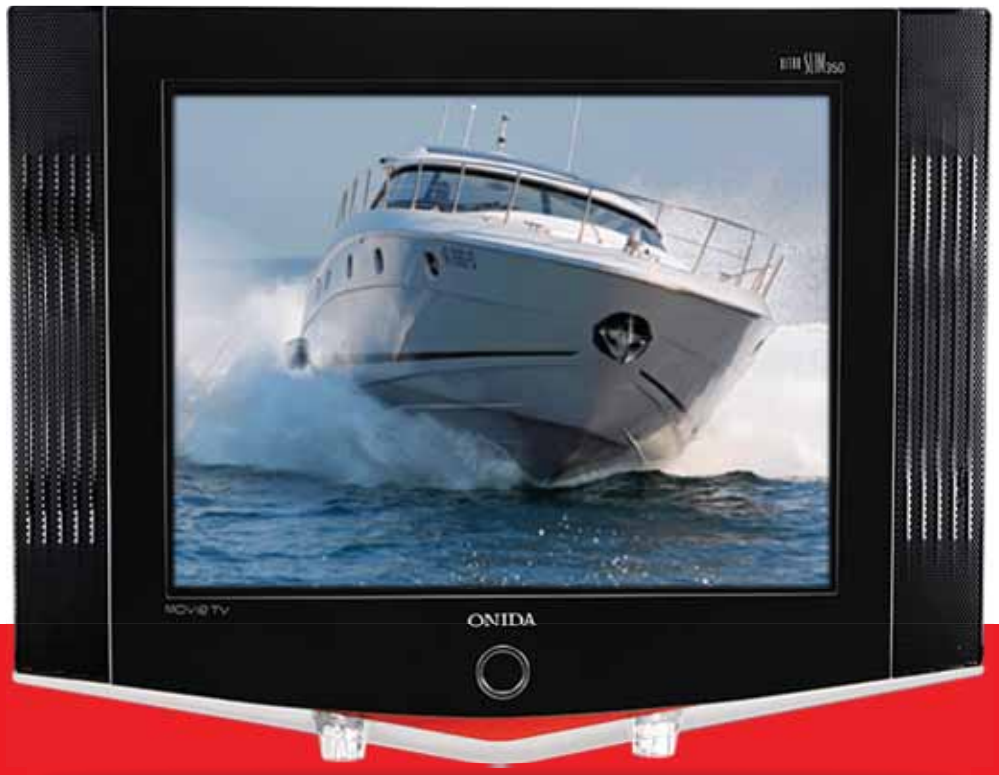
Smart Air Conditioners

Jade Inverter

Onida Air Conditioners are continuously innovated to deliver Powerful Cooling with lower power consumption. The design is based on delivering superior consumer experience.

JADE is designed with World's best DC Inverter Compressor using Frequency based Automatic Speed Control Technology (FAST). This advanced control technology continuously senses and monitors the room temperature. Using an advanced algorithm it changes the frequency and speed of the compressor motor to provide super high efficiency and saves up to 65% in energy bills under part load conditions. Onida JADE Smart Inverter AC has Unique Super Slim design, Super Silent operation and Super Fast Cooling which is 170% faster than normal ACs making it the World's Best .

Colour Television



Ultra Slim Movie TV

At Onida Colour Televisions are continuously innovated to have unmatched sound quality, stunning aesthetics and superior picture quality. The Onida Ultra Slim Movie TV range is not only 40% slimmer but also lets you instantly connect your USB flash drive to the TV. Enjoy your favourite movies, videos, music and photos with this superior range of TVs that are specially designed for complete family entertainment. We were the First in India to launch this feature in our range of Colour Television.

This Television is loaded with a host of innovative features like Music Mode which allows you to put the picture off and listen to music thereby saving power and Favourite Channel which helps four different users to store 10 channels of their likings for easy and fast access.

Front Load Washing Machines

Hydroplus 70

Born out of today's revolutionary washing technologies, Onida presents a new range of Front Loading Washing Machines with path breaking 'Twin Jet' technology. It gives clean washing in just 12mins, thus saving 15% water and 30% energy.

The Onida Front Load Washing Machine range is equipped with Failure Detection System which is programmed to caution certain errors caused during the functioning of the Washing Machine. It has innovative Foam Protection feature which maintains the required foam level. A smart way to do the laundry without stress.

Microwave Oven

Black Beauty

Presenting India's First Chef-Cum-Dietician: Onida presents the most stylish Microwave in India. Black Beauty Microwave Oven, comes with a unique in-built-calorie meter that takes care of your health while you enjoy cooking your favourite Indian Delicacies at just a touch of a button!! Now surprise everyone with a wide choice of Indian Cuisines with first in class 123 Indian Recipes which includes North Indian, South Indian, Bengali, Gujarati, Maharashtrian, Rajasthani, Punjabi and International menus. Just select the dish you want to cook, enter weight and 'Start' to have mouth watering cuisines everyday. So full of taste and health every menu promises to be a fulfilling experience. Onida's Microwave Ovens allows to do more for your near and dear ones, everyday.

Smart Phone

i101

Onida i101 Mobile - A powerful Android Smartphone with the latest Ice Cream Sandwich (ICS) OS and impressive features such as 4.3 inch Full Touch Capacitive Touch Screen, Dual Camera and an array of high-end connectivity features like 1.0 GHz Processor, high internal memory of 4 GB RAM, USB 2.0, Bluetooth 3.0 , Wi-Fi and 3G network connectivity that boosts the phone's performance. These high end specs will not only help you to stay connected with your business and loved ones but will also let you access millions of apps with just one touch of play store on your device.

The Dual SIM option gives you the flexibility to switch between official and personal calls with the least of hassles. What's more, the device has a user friendly interface that makes calling, texting, browsing or enjoying entertainment on your phone an absolute pleasure.

Annual Report 2012-2013

Financial Highlights....1

Director's Profile....2

Director's Report....3

Management Discussion and Analysis Report....9

Corporate Governance Report....13

Auditors' Certificate on Corporate Governance....25

Auditors' Report....26

Balance Sheet....30

Profit and Loss Statement....31

Notes forming part of the Accounts....32

Cash Flow Statement....55

Section 212....57

Consolidated Accounts....58

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MIRC ELECTRONICS LIMITED

3 YEAR HIGHLIGHTS

` in cr.

	2012-13	2011-12	2010-11
Balance Sheet			
I. EQUITY AND LIABILITIES			
Shareholders Funds			
Share capital	14.19	14.19	14.19
Reserves and Surplus	184.74	213.38	252.32
	198.93	**227.57**	**266.51**
Non-current Liabilities			
Long-term borrowings	-	15.00	35.00
Deferred tax liabilities (Net)	-	15.45	18.12
Other Long term liabilities	-	-	-
Long-term provisions	2.13	2.15	1.77
	2.13	**32.60**	**54.89**
Current Liabilities			
Short-term borrowings	112.84	121.65	105.45
Trade Payables	339.68	309.27	368.73
Other current liabilities	69.83	80.64	78.59
Short-term provisions	2.58	5.42	17.69
	524.93	**516.98**	**570.46**
TOTAL EQUITY AND LIABILITIES	**725.99**	**777.15**	**891.86**
II. ASSETS			
Non-current Assets			
Fixed assets			
Tangible assets	154.14	164.95	206.46
Intangible assets	0.06	0.08	0.09
Capital work-in-progress	7.67	-	0.06
	161.87	**165.03**	**206.61**
Non-current investments	26.25	26.25	26.25
Long-term loans and advances	37.58	41.36	43.93
Other non-current assets	0.45	0.34	-
Current Assets			
Current investments	0.17	0.19	0.29
Inventories	251.06	303.60	346.46
Trade Receivables	132.54	127.50	163.51
Cash, cash equivalents and bank balances	30.73	28.51	47.13
Short-term loans and advances	35.33	40.24	57.62
Other current assets	50.01	44.13	0.06
	499.84	**544.17**	**615.07**
TOTAL ASSETS	**725.99**	**777.15**	**891.86**
Profit and loss statement			
Sales	**1365.23**	**1735.15**	**2001.26**
Excise	72.94	85.87	87.79
Net Sales	**1292.29**	**1649.28**	**1913.47**
Other Income	2.01	2.55	2.47
Total Income	**1294.30**	**1651.83**	**1915.94**
Material Consumed	520.01	667.11	571.47
Cost Of Traded Goods Sold	537.35	653.10	906.59
Personnel Expenses	77.23	92.26	92.25
Freight and Forwarding Expenses	40.74	61.01	62.81
Advertisement Expenses	30.95	56.02	90.40
Other Expenses	80.39	101.52	116.93
Total Cost	**1286.67**	**1631.02**	**1840.45**
PBDIT	**7.63**	**20.81**	**75.49**
Interest	38.72	35.86	18.68
PBDT	**(31.09)**	**(15.05)**	**56.81**
Depreciation	15.79	21.55	21.60
Exceptional Items	-	5.01	-
PBT	**(46.88)**	**(41.61)**	**35.21**
Tax	(18.24)	(2.67)	7.92
PAT	**(28.64)**	**(38.94)**	**27.29**
Equity Dividend Paid	-	-	14.18
Year End Price (`)	6.60	14.35	21.10
Market Capitalisation (` in Cr)	93.56	203.41	299.10

DIRECTORS' PROFILE

A brief profile of all the Directors, the nature of their expertise in specific functional areas and the names of companies in which they hold directorships are provided below.

Mr. Gulu L. Mirchandani

Mr. Gulu L. Mirchandani, the Chairman and Managing Director of Mirc Electronics Limited, is an alumnus of BITS, Pilani and holds a degree in BE (Mechanical). Mr. Mirchandani is closely involved with the development of corporate strategy and formulating, incubating and delivering emerging technologies and services in the area of televisions and other products of the company. Mr. Mirchandani is also on the Board of many companies, including Shopper's Stop Limited, VIP Industries Limited and KEC International Limited etc.

Mr. Vijay J. Mansukhani

Mr. Vijay J. Mansukhani is a co-promoter of Mirc Electronics Limited which he founded in 1981. Currently he is the Managing Director of the company. A graduate from the College of Marine Engineering, Mumbai. Mr. Mansukhani has over 31 years of experience and proven expertise in driving the organisational growth through the enhancement of existing growth areas and developing potential opportunities. He is the key member in devising and implementing corporate growth strategy for Mirc.

As the Managing Director of Adino Telecom Limited, he is involved in the telecom sector as a wireless solution provider.

Mr. Shyamsunder Dhoot

Mr. Shyamsunder Dhoot, Whole-time Director of MIRC Electronics Limited is a Production Engineer from VJTI, Mumbai. Mr. Dhoot has vast experience in handling and implementing various projects including setting up of manufacturing facilities with large capital investments in electronics industry.

Mr. Vimal Bhandari

Mr. Vimal Bhandari, aged 54 years, is a Commerce graduate from Mumbai University and a Chartered Accountant. Mr. Bhandari is a proficient and a proven top management professional with over twenty five years of experience in a range of businesses in the financial services industry.

He is currently the CEO and Managing Director of Indostar Capital Finance, a wholesale credit institution sponsored by private equity houses like Everstone, Goldman Sachs, Ashmore and others with an initial capitalization of ` 9,000 million.

Prior to joining Indostar Capital, he was Country Head of AEGON N.V., the large Dutch financial services player, which has established a life insurance business in India.

In his early career, Mr. Bhandari was with IL&FS, the Indian infrastructure financing and financial services institution, of which twelve years were spent as the Executive Director on the Board of Directors of the Company. He was directly responsible for the financial services business of IL&FS.

He sits on the Board of various public limited companies as an Independent director including Bayer CropScience, DCM Shriram Consolidated, Kalpataru Power Transmission, Mirc Electronics, Piramal Glass, The Ratnakar Bank, JK Tyre & Industries and ING Investment Management (India) Pvt Ltd, Bharat Forge Limited.

He has been a member of the Executive Committee of National Stock Exchange of India and is an Executive Committee member of FICCI, the apex Chamber of Commerce.

Mr. Ranjan Kapur

Mr. Ranjan Kapur is currently Country Manager - India of WPP one of the world's largest communications group and the holding company that owns JWT, Ogilvy, Grey, Y&R and Bates, some of the largest advertising agencies worldwide and in India.

Mr. Ranjan is a veteran of the advertising business having spent 38 years with Ogilvy. He was honoured in 2008 with the Industry's Lifetime Achievement Award from AAAI. His last assignment with Ogilvy was as Chairman of Ogilvy, India from 1993 to 2003 and is largely credited with its turnaround and accelerated growth thereafter which saw it become India's largest communications group.

Mr. Ranjan is currently on the Boards of MIRC Electronics (Onida), Pidilite Industries, Abbott India Limited, Annik Technologies among others. He is also involved in his personal capacity in the development of technology based on-line and mobile services companies including Tagit, a mobile banking software development company based in Singapore.

Mr. Ranjan heads the Fund-raising Committee at the Indian Cancer Society and has recently been elected Vice-Chairman of its National Managing Committee.

Mr. Ranjan was born in Lahore on 25th November, 1942 and holds a Masters in English from Delhi University.

Mr. Manoj Maheshwari

Mr. Manoj Maheshwari is a graduate from Mumbai University with a major in Chemistry and holds a post-graduation degree in Industrial Management. He has extensive management experience, through his own business interests, in general, strategic and marketing management. In addition to the Boards of his own business initiatives, Mr. Maheshwari is also on the Board of several public limited companies as an Independent Non-Executive Director and brings a judicious mix of entrepreneurial and professional skills to the Mirc Board.

Dear Shareholders,

Your Directors have pleasure in presenting their Annual Report and Accounts for the year ended 31st March 2013. The financial highlights for the year under review are as under:

Results of Operations

(` in Crores)

Particulars	2012-13	2011-12
Turnover	**1365.23**	1735.15
Profit/(Loss) before tax	**(46.88)**	(41.61)
Income Tax of earlier years	**2.79**	-
Deferred Tax	**15.45**	2.67
Profit /(Loss) after tax	**(28.64)**	(38.94)
Surplus carried to balance sheet	**76.71**	105.35

Performance:

During the year under review, the Turnover of the Company stood at ` 1365.23 Crores as against ` 1735.15 Crores, during the previous financial year, a decline in turnover by 21.32%. The Company incurred a net loss of ` 28.64 Crores as against a net loss of ` 38.94 Crores recorded during the previous financial year.

Your Board is pleased to inform you that the management has initiated a slew of measures to improve both the top line and bottom line of the organization going forward. With these initiatives, the management is confident of overcoming the present situation and accelerating the pace of growth of the Company.

Dividend

In view of the loss incurred by the Company, no dividend has been proposed for the year ended March 31, 2013.

Transfer to General Reserves

In view of the loss incurred by the company, your Board of Directors is not appropriating any amount to General Reserves during the year under review.

Subsidiary Company

Your company is having a subsidiary company i.e. Akasaka Electronics Limited. In view of circular no. 2/2011 dated 21st February 2011 issued by the Ministry of Corporate Affairs, New Delhi, the Board of Directors of the Company have decided to present the audited consolidated statement of accounts of the company and its subsidiary in the annual report for the year under review. Your company believes that the consolidated accounts present a true and fair view of the state of affairs of the company and its subsidiary. Accordingly the annual report of your company does not contain the financial statement of its subsidiary, but contains the audited consolidated financial statements of the company and its subsidiary.

The annual accounts of the subsidiary company along with the related detailed information, is available for inspection by the shareholders of the Company and its subsidiary company during business hours at the respective registered offices of Company and subsidiary company. Copies of the audited accounts of the company's subsidiary can be sought by any member by making a written request addressed to the Company Secretary & Head–Corporate Affairs of the company at the registered office of the Company.

Consolidated Financial Statements

In accordance with Accounting Standard 21 on Consolidated Financial Statement and the Listing Agreement entered into with the Stock Exchanges, the audited Consolidated Financial Statement for the financial year ended 31st March, 2013 is provided in this Annual Report.

Cash flow statement

In conformity with the provisions of Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash flow statement for the year ended 31st March, 2013 is annexed hereto.

Directors

Mr. Shyamsunder Dhoot was appointed as an Additional Director with effect from 16th February, 2013, in accordance with Article 127(a) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. Mr. Dhoot holds office only up to the date of the forthcoming Annual General Meeting and a notice under Section 257 of the Act has been received from a member signifying his intention to propose Mr. Dhoot's appointment as a Director. The Board recommends his appointment as Director.

Mr. Shyamsunder Dhoot was also appointed as a Whole Time Director with effect from 16th February, 2013. An appropriate Resolution has, therefore, been proposed in the Notice convening the Annual General Meeting for approval of Mr. Shyamsunder Dhoot's appointment and remuneration.

In terms of section 255 and 256 of the Companies Act, 1956, read with the Articles of Association of the Company, Mr. Vimal Bhandari and Mr. Ranjan Kapur, Non-executive and Independent Directors, retires by rotation and being eligible offers them self for re-appointment at the ensuing annual general meeting of the Company. A brief resume of Mr. Vimal Bhandari and Mr. Ranjan Kapur as required under clause 49 of the Listing Agreement, is provided in the notice convening the Annual General Meeting of the Company.

The tenure of Mr. Gulu L. Mirchandani, Chairman & Managing Director will be expiring on 30th November, 2013. In view of his excellent performance, your Directors propose re-appointment of Mr. Gulu L. Mirchandani as Chairman & Managing Director of the Company for a further period of 3 years with effect from 1st December, 2013 to 30th November 2016 on the existing terms and conditions subject to the approval of Central Government.

Directors' Responsibility Statement

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

a) In the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed and no material departures have been made from the same;

b) They have selected such accounting polices 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 loss of the company for the year under review;

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis.

Corporate Governance

Your Company believes in adopting effective Corporate Governance practices. Clause 49 of the Listing Agreement deals with the Corporate Governance requirements which every listed company is required to comply with. The Company has accordingly taken effective steps to comply with the requirements of the clause 49 of the Listing Agreement with the Stock Exchanges.

A separate section on the Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors M/s N. M. Raiji & Co., Chartered Accountants, Mumbai confirming compliance with the conditions of Corporate Governance as stipulated under the clause 49 of the Listing Agreement, is annexed to this report for your perusal.

The Chief Executive Officer's declaration regarding compliance of Code of Business Conduct and Ethics for Board members and senior management personnel forms part of the Report on Corporate Governance.

Green Initiative in the Corporate Governance

In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs vide its circular no. 17/2011 dated 21.04.2011, all members who are holding shares of the Company in physical mode, are requested to register their e-mail IDs with the Company, so as to enable the company to send all notices/ reports/documents/ intimations and other correspondences etc. through e-mails, in the electronic mode instead of receiving physical copies of the same. A specimen of request form for registering e-mail IDs to be filled and submitted by the members to the Registrar & Transfer Agent or the Company is annexed separately alongwith the notice of the AGM.

Members holding shares in demat mode, who have not registered their e-mail IDs with DPs, are also requested to register/ update their e-mail Ids with their DPs.

Management Discussion and Analysis

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under clause 49 of the Listing Agreement, is presented in a separate section forming part of Annual Report under the head 'Management Discussion and Analysis'.

Persons Acting in Concert

The names of the Persons Acting in Concert as defined under the SEBI (Acquisition of Shares and Takeovers) Regulation 2011 is disclosed separately in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 2011, as amended.

Fixed deposits

The company has neither invited nor accepted any public deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder, during the year under review.

Electronic filing

The Company is also periodically uploading Annual Reports, Financial Results, Shareholding Pattern, Corporate Governance Reports etc. on its website viz. www.onida.com within the prescribed time limit.

Listing fees

The equity shares of the company are listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited. The Company has paid the applicable listing fees to the above Stock Exchanges up to date. The Company's equity shares are also traded in the dematerialized segment for all investors

compulsorily and the company has entered into agreements with The Central Depository Services (India) Limited and The National Securities Depository Limited for trading in electronic form.

Clause 5A of the Listing Agreement

Pursuant to clause 5A of the Listing Agreement the details of the shares lying with the Company in Unclaimed Suspense Account as on 31st March, 2013 is as under:

SL. No	Description	No. of cases	No. of shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	4700	104677
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	8	2222
3	Number of shareholders to whom shares were transferred from suspense account during the year:	8	2222
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	4692	102455

All the unclaimed shares are credited to a DEMAT Unclaimed Suspense Account and all the corporate benefits in terms of securities, accruing to on these unclaimed shares shall be credited to such account. The Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Transfer of Unpaid and Unclaimed Dividend to IEPF

Pursuant to section 205A(5) of the Companies Act, 1956, the dividend declared for the financial year 2004-05 which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to section 205C of the said Act.

Shareholders who have not claimed dividend for the financial year 2005-06, which is due for transfer to IEPF on or after 28th October, 2013 are requested to write to the Company Secretary for claiming their unpaid/ unclaimed dividend.

Auditors

M/s. N. M. Raiji & Co., the existing Auditors retire at the ensuing Annual General Meeting of your Company. A shareholder has proposed the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai as statutory Auditors in place of M/s. N.M.Raiji & Co. in the ensuing Annual General Meeting. M/s S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai have indicated their eligibility, and willingness to be appointed as Statutory Auditors of your Company. A resolution seeking your approval for the appointment of the said auditors has been included in the Notice convening the Annual General Meeting.

The company has received a written confirmation from M/s S.R. Batliboi & Co. LLP, to the effect that their appointment, if made, would be in conformity with the limits prescribed in Section 224 (1B) of the Companies Act, 1956. The report of the auditors on audited accounts for the financial year 2012-13, is self-explanatory and does not require any further explanation.

The Auditors have further confirmed to the Company that they are holding a certificate of Peer Review as per requirement stipulated in the Listing Agreement.

M/s. N.M. Raiji & Co. have not indicated their willingness to be reappointed as auditors of the company.

Cost Auditors

Pursuant to the Order dated 24th January, 2012 passed by the Ministry of Corporate Affairs (MCA), Cost Audit Branch, directing all companies to which the Companies (Cost Accounting Records) Rules, 2011 apply, to get their cost accounting records for products covered under specified chapters of the Central Excise Tariff Act, 1985 audited by a Cost Auditor, the Company has, based on an application made, received the Central Government's approval for appointment of Mr. Suresh D. Shenoy as the Cost Auditor of the Company for the year ending 31st March, 2013 in respect of products covered under Chapters 84 and 85 of the Central Excise Tariff Act, 1985.

The Cost Audit Report of Mr. Suresh D. Shenoy, for the year ended 31st March, 2013 will be filed with the Central Government within the due date i.e. (27th September, 2013).

Audit Committee

In accordance with Clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956, the company has constituted an Audit Committee, which consists of three Independent and Non-executive Directors of the company viz. Mr. Vimal Bhandari, Chairman, Mr. Ranjan Kapur and Mr. Manoj Maheshwari. The Audit Committee functions in terms of the role and powers delegated by the Board of Directors keeping in view the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Employee relations and particulars of Employees

Relations between employees and the management continued to be cordial during the year. In terms of provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the particulars of employees are set out in Annexure to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary & Head–Corporate Affairs at Registered Office of the Company.

Research and Development

Mirc recognizes that a vigorously intelligent research initiative enables not only cost reduction through effective process improvement but also value-addition through sustained innovative and customized products in line with customer requirements.

We are proud to have a team of dedicated engineers at the Onida Research and Development Centres in Mumbai and Shenzhen (China), who facilitate in making state-of-the-art technology products, satisfying customer expectations.

This team conducts research in the areas of:

- Embedded Software
- Industrial Design
- Mechanical Design
- Electrical Circuit Design

Conservation of energy, research and development, technological absorption, foreign exchange earnings and outgo

The particulars as prescribed under Section 217(1)(e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in the Annexure forming part of this report.

Acknowledgement

Your Directors take this opportunity to thank our customers, vendors, investors and bankers for their continued support during the year and we place on record our appreciation to the contribution made by our employees at all levels and you shareholders.

We also thank the Government of India particularly the Income Tax Department, the Customs and Excise Departments, Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Reserve Bank of India, the State Governments and other government agencies for their support and look forward for their continued support in the future.

On behalf of the Board of Directors

Sd/-

Date : 14th May 2013 **Gulu L. Mirchandani**

Place : Mumbai **Chairman and Managing Director**

Particulars pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

1. Conservation of energy

Your company is conscious about its responsibility to conserve energy, power and other energy sources wherever possible. It lays great emphasis towards a safe and clean environment and continues to adhere to all regulatory requirements and guidelines. Your Company has implemented innovative measures at Wada and Roorkee factory, to save the environment and to reduce energy consumption, by introducing Solar Panel for process heating, installation of Poly carbonate transparent sheet for Natural light. This has resulted in 10% reduction in energy consumption.

For further reduction of energy consumption, your company has reduced Maximum Demand from 3300 KVA to 2950 KVA resulting in 2% saving in Power cost. Company has maintained unity power factor which reduces Maximum Demand and Cable losses. Company has rearranged the lights in store area and replaced Mercury lamp of 250W with 80 W CFL resulting in Energy Saving and Boiler Furnace oil saving by using inhouse developed Heat Exchanger and Solar system for feed water resulted in increase in Steam/Furnace oil Ratio.

Company has with zero investment initiative taken to rearrange the workplace arrangement to reduce Air condition consumption. Total cost savings due to energy conservation was ` 55.81 Lacs.

The production team under the able guidance of expert engineers from the Research and Development Centre of the company continuously monitor and devise various means to conserve energy and identify methods for the optimum use of energy without affecting productivity. This is ensured through the adoption of the latest techniques of production which helps in better productivity levels, timely maintenance and upgradation of machines and equipments to ensure that energy consumption is at the minimal level possible, on-the-job training to production team members is also given in order to conserve energy.

2. Research and development

At the Research and Development Centre, new, innovative and quality products in the field of home appliances are developed to provide better value for money. Products are developed through customer research, customer- centric innovation using customer connect program.

Products are developed with research in all areas of consumer concern like quality, safety, reliability, performance, aesthetics and ease of operation by implementing the latest technologies. Implementation of new and innovative technological ideas in the products developed has given a young, vibrant and innovative brand image in the consumer market.

a) Specific areas in which Research and Development was carried out by the company:

Colour televisions, LEDs/LCDs, LED lighting, Washing Machines, Air-conditioners, Microwave Ovens & Induction cookers.

This year the Company introduced the complete range of LCD/LED TVs ranging from 19"model to the 47"model. Nearly 35+ new models were developed this year. New Rave, Platinum & Intelli tube series models were launched this year. As per market requirements, we could cater to the customer needs in terms of basic, mid-end & high end models. Substantial growth was seen in terms of export models also. Around 10 new models were developed for the exports market.

We continued to work on development of new CRT TV's & launched new 14" & 21" models.

Washing Machines:

Splendor series of Fully Automatic washing machines:

- 45 min Air Dry function is given, almost ready to iron clothes.
- Damper door closing mechanism.
- Multiple lint filters to give lint free laundry.
- Anti-foam cycle.
- Front loading machine with twin jet system, to give enhanced washing performance using less detergent.

Green Initiative:

Copper motors are scarcely available and are expensive, hence aluminum motors were introduced on entire ranges of top loading Washing Machines. Aluminum is cheaper and available in natural abundance.

Air Conditioners:

In Air conditioner range we have launched products using Inverter Technology. The consumer benefits by savings on energy bills. The variable speed of the compressor maintains

temperature precisely. Inverter models are with Eco friendly R410a refrigerant with low GWP (Global Warming Protection).

b) Benefits derived as a result of the above Research and Development:

The Research and Development initiatives taken by the company helped in introducing energy efficient products with superior technology. As stated above products were designed keeping in view customers requirements. Such in-house efforts facilitate all round savings in costs as well.

c) Future plan of action:

The company has plans to further expand the range of LED/ LCD televisions in all the categories, taking into consideration the emerging new-technologies. As per the new government norms when the Electronics & Information Technology Goods Compulsory registration Order 2012 comes in to effect, our products will positively meet the requisite IS standards & registered with the BIS.

The company has planned to Introduce higher capacity range of washing machines with innovative features like mechanized brush, highly efficient pulsators, water recirculation - to reduce the detergent consumption. We are working on revolutionary concept of washing machine in order to reduce the water and detergent consumption significantly.

d) Expenditure on research and development

(` in lacs)

	Particulars of expenditures	2012-13	2011-12
1	Capital	-	9.96
2	Recurring	**591.10**	906.76
	Total	**591.10**	916.72
	Percentage of research & development as expenditure to total turnover	**0.43**	0.53

3. Technological absorption:

Your company has not imported any technology. However, the management believes that information technology can be extensively used in all spheres of its activities to improve productivity and efficiency levels. The company has already implemented SAP, a customised ERP module, at all its branches and manufacturing facilities. As regards product technologies the company would like to state as follows:

a) Efforts, in brief, made towards technology absorption, adaptation and innovation:-

The company believes in offering world class technological products to its valued customers. With this objective, the Research and Development personnel of the company periodically visit foreign exhibitions and trade shows to understand the latest technology used in electronic products. Besides the Research and Development team also works closely with world class technology developers to understand their technology. Efforts are also made by the team to bring in immaculate features in the products which are consumer-centric.

b) Benefits derived as a result of above efforts:

The efforts made by the company towards technology absorption have resulted in the introduction of innovative energy efficient products at competitive costs, which are likely to enlarge the market share of the company in the future. The company's focus has been to develop state-of-the-art products and be a leader in new technological areas.

4. Foreign exchange earnings and outgo

(` in lacs)

Particulars	2012-13	2011-12
Foreign exchange earnings	**1716.14**	1207.32
Foreign exchange outgo (including capital goods and imported software packages)	**68831.88**	88237.80

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management has pleasure in presenting this report in adherence to the Code of Corporate Governance enacted by the Securities and Exchange Board of India under Clause 49 of the Listing Agreement.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Belying hopes of recovery, India's economic growth rate is estimated to slip to a decade's low of 5 per cent in 2012-13, pulled down by poor performance of manufacturing, agriculture and services sectors. The previous low at 4 per cent was recorded in 2002-03.

India's industrial output registered a sluggish 1 percent growth in 2012-13, the worst performance in more than two decades, due to poor show by the manufacturing and mining sectors. However, the factory output, measured in terms of the Index of Industrial Production (IIP), witnessed some improvement towards the end of the year, but overall performance remained sluggish.

The Consumer electronics and durables market in India is divided into three segments namely

- White Goods (ACs, Refrigerators, Washing Machines, Microwave ovens etc.)
- Brown Goods (TVs, CD/DVD players, radio, still camera etc.)
- Grey Goods: IT and Telecom equipment used in offices such as Fax machines, computers, printers etc.)

Consumer electronics (durables) sector continues to be the main stay of the Indian electronic industry contributing about 32% of the total hardware production. The market is expected to grow at 10 to 12% annually. Some high growth categories within this segment include mobile phones, TVs and music systems. Consumer Durables play an important role in the economy of the nation. Consumer Durables sector contributes more than 5.5% to the IIP and also is an employment intensive sector. Considering the low levels of penetration of Consumer Durables, this sector has immense growth potential and job creating opportunities.

By 2015 it is expected that every village in India will be connected by an all weather road, and will have internet connectivity and almost all homes will have electricity connection and possess a mobile phone. The industry thus expects the rural market to reach an inflexion point which could lead to explosion in demand.

The future thus appears quite encouraging. Besides, low penetration levels, easy availability of finance options, growing prominence of consumer electronics' retail stores, online retail industry and a robust 400 million plus Indian middle class with a comprehensive rise in level of affluence is also fuelling the demand in this industry.

MIRC stands attractively positioned in this regard for more than 25 years, the company leveraged advanced technology, focused on introduction of innovative products aligned with evolving Indian lifestyles and in doing so, emerged as a popular household brand. Gradually the company has extended from televisions to a range of successful products comprising air-conditioners, LCD/LED TVs, Mobiles phones, Microwave ovens, DVD players, Washing Machines etc.

At Mirc, this evolution and growth has been driven by its innovation-driven research and development team resulting in the creation of cutting-edge products of the highest quality and standards designed as per the needs of the Indian consumers.

2. OPPORTUNITIES AND THREATS

The key growth drivers for the Indian consumer durables industry:

- **Rise in disposable income:**

  The demand for consumer electronics has been rising with the increase in disposable income coupled with more and more consumers falling under the double income families. The growing Indian middle class is an attraction for companies who are out to woo them.

- **Low penetration levels:**

  In India, the penetration level of consumer durables is lower than in other developing countries. Other than television segment most of the products in the consumer durable segment have very low penetration levels ranging from 3% in airconditioners to about 24% in Flat panel TVs. Thus low penetration levels offer a huge market opportunity for the company.

- **Availability of newer variants of a product:**

  Consumers are spoilt for choice when it comes to choosing products. Newer variants of a product help a company in getting the attention of consumers who look for innovation in products.

- **Product pricing:**

  The consumer durables industry is highly price sensitive, making price the determining factor in increasing volumes, at least for lower range consumers. For middle and upper range consumers, it is the brand name, technology and product features that are important.

- **Availability of financing schemes:**

  Apart from steady growth in income of consumers, consumer financing has become a major driver in the consumer durables industry. In the case of more expensive consumer goods, such as refrigerators, washing machines, color televisions and personal computers, retailers are marketing their goods more aggressively by providing easy financing options to the consumers by partnering with banks. The easy-availability of consumer financing is beneficial mainly for the lower and middle income group, especially when the cost of capital and flexibility of the scheme is in their favor.

- **Existing Potential in Rural Markets:**

  Growth is coming in a big way from the smaller towns and rural markets and is expected to be the next growth opportunity for the consumer durables market. The total sales of consumer durables from the rural market is expected to grow by 40-45% in the near future. The rural durables market has been growing by 30% annually, mainly due to the growing affordability of products as well as the general buoyancy in the economy. Products like mobile phones, televisions and music systems are the ones which have witnessed high growth among the rural market.

- **Increasing share of Organised Retail:**

  There has been an incremental shift towards organized retail (brands) from the unorganized (unbranded) products. With rising income and purchasing power, that the younger generation preferring branded products, the share of organized shopping is increasing. Shopping in malls is considered more of an experience these days.

- **Availability of Power:**

  With the commissioning of various power plants across the country the power supply position is improving at a rapid pace. This is a great opportunity for the consumer durable industry for expanding its business across the nation.

  The consumer durables market in India has seen a proliferation of brands and product categories in recent years. All the major international brands from Japan, Korea, US, Europe and China have launched in India with varying degrees of success. Most brands are still trying to build a pan-India dealer network.

  In the times to come the Consumer durables sector is poised for a quantum leap due to technological improvements, falling prices due to competition, aggressive marketing and declining import tariffs.

  The changing dynamics of consumer behaviour indicate that luxury goods are now being perceived as necessities with higher disposable incomes being spent on lifestyle products.

  In response to the aforesaid opportunities the company expanded its scope from a single product to a multi-product portfolio, resulting in enhanced possibility to occupy a larger shelf space. It prudently invested its resources to drive its innovation and promote its products.

Threats

- Private labels of Modern format stores have made entry in Indian market. Aided by availability of low-cost Chinese made products, it remains to be seen whether such products sustain and take off well. There is little differentiation between these products, and they also lack in terms of brand awareness.

- Mirc faces stiff competition from existing multinational players that have established themselves strongly in this industry. These companies have been gaining market share over the last few years and have greater marketing budgets.

- Domestic markets are growing at a brisk pace with continued dependence on imports. About 30-35% electronic components required for local equipment manufacturing are available from domestic sources. For semiconductors, there is almost 100% dependence on imports.

- Domestic Taxes and Levies impose Fiscal Disabilities with very high indirect taxes.

- High cost of Finance, Power and Logistics/ Regulatory and Procedural problems add to disabilities estimated at 7-8%. This discourages capital intensive, high value add investments in manufacture of components / parts which require high and long term investments necessitating a supportive fiscal and infrastructural environment.

- With stiff competition, the consumer durables industry faces a persistent pressure on margins due to its inability to pass on input cost rises to consumers. The interest rates have recently started moving up, which is a cause of concern. Hence, the company's future profitability may come under pressure.

- Continuous increase in raw material costs, commodity prices like copper and petroleum products along with wage inflation increase the cost of product, which at many times not be able to pass on the end consumer leads to the pressure on margin.

- Tight liquidity conditions have led to increased interest rates.
- Economic slowdown leading to declining GDP growth is also another factor which could affect demand very much.
- Wide volatility in foreign currency against Indian currency affects the profitability margin.

However, we are optimistic that our Company will be able to strike a right balance between smart growth, pricing/ mix actions and control over discretionary expenditure to proactively manage the situation and protect profitability. Efficient working capital/ asset management, cash generation and robust stewardship will continue to be our focus areas.

3. PRODUCT-WISE PERFORMANCE

During the year under review, the Company witnessed growth in sales of LCD/LED of about 28%. However, the Colour Television segment degrew by about 31% in the current financial year. There was about 11% degrowth in sale of Onida Washing machines. The sale of Airconditioners during the year under review witnessed a degrowth of about 6%.

4. OUTLOOK

The coming year provides us with tremendous opportunity and we are motivated by the thought of building a stronger MIRC. While there will undoubtedly be challenges, we believe that we have a sound strategy and a strong management team to lead this change.

In the times to come, Brand strength, product mix, a well-established distribution network, after-sales service, and technological superiority would be factors which will determine the competitive advantage of industry players. Market shares are expected to consolidate; however, the pace of consolidation would decline. While major industry players would continue to focus on prices in the low-medium range, advertising and promotional spends would continue to be an integral part of the company's expenses.

With easy availability of finance, fall in prices due to increased competition, growth of media, growth in consumer base of rural sector, the consumer durables industry is growing at a fast pace. Given these factors, a good growth is projected in the future, too.

The Company has extended its offerings under the Onida brand across products as well as geographical boundaries. The company expects to increase its presence in these products and emerge as a leading solutions provider for electronic home improvement goods. The company has also positioned an exclusive brand 'IGO' for the rural market to capture the potential demand from the rural areas. Since rural market offers a great opportunity to expand its business the company will be making an aggressive rural foray through 'IGO' branded products in LCD/LED and Washing Machine segments.

5. RISKS AND CONCERNS

At MIRC, we have recognized that managing business risk is an integral part of generating substantial and sustainable shareholder value. This positive interpretation of risk reflects the new understanding of the connection between well-managed risk and improved performance. That is, where the management seeks to mobilize the linkage between risk management, achievement of corporate goals and reduced volatility of outcomes. A more dynamic approach to risk management is critical to deliver superior performance and superior returns to shareholders. To this end, the management has always been proactive on risk identification and mitigation.

As part of a comprehensive de-risking strategy, the company initiated an organized system of forecasting and cost budgeting leading to an optimal utilization of resources. The company expects to enhance its global presence to rationalize its significant dependence on the Indian geography.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The management continuously reviews the internal control systems and procedures leading to the orderly and efficient conduct of its business. The Company adheres to the prescribed guidelines with respect to all transactions including related party transactions, financial reporting and budgeting to ensure that all its assets are safeguarded and protected against losses from unauthorized use or disposition and that transaction are authorised, recorded and reported correctly.

Internal Audit is conducted on a regular basis by external auditors to monitor and report on the effectiveness of the internal control in the organization.

Significant findings of the Internal Audit are brought to the notice of the Audit Committee of the Board of Directors of the Company and corrective measures recommended for implementation. Reports of the Internal Auditor are also continuously reviewed by the management and corrective action initiated to strengthen the controls and enhance the effectiveness of the existing systems.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

The financial year 2012-13 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis, volatile prices, sharp movement in currencies, crashing stock markets and severe liquidity crisis. Your company too was not insulated from these challenges as the business had its impact on overall margins. The exchange rate fluctuation led to a fair degree of strain on the company's operating efficiencies and profit as well. During the financial year 2012-13, the turnover of the Company stood at ` 1365.23 crores as against ` 1735.15 crores in the previous financial year 2011-12. The Company recorded a net loss of ` 28.64 Crores as against a net loss of ` 38.94 Crores during the previous financial year. The company has taken adequate measures to improve its performance in the coming year and the Board is confident of better results in the financial year 2013-14.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

At MIRC, human capital is considered to be the most valuable resource, since people deliver results. People are nurtured, developed, motivated and rewarded to ensure business growth. We ensure that we attract right competency, develop them continuously, and keep our people motivated through implementation of various HR processes.

The objective of the Human resource initiative at Mirc is that all ONIDIANS will collectively perform to realize the goals of the company and catapult the organization to the elite league of companies which grace the hall of fame of the corporate world.

The company's H.R. department takes a proactive role in responding to genuine grievances of employees to foster a warm positive relationship between the management and employees, increase job satisfaction and ensure that employees can add value to their lives.

The Human resource approach of the Company embodies the following:

- A unique variable pay plan linked to company's profitability for executives.
- A highly conducive and enabling work atmosphere. A well-designed safe campus.
- Empowering our employees to innovate in an open, informed and challenging work place. Encouraging the richness of ideas, approaches and points of view within a work environment conducive to both superior performance and personal fulfillment.
- Conducting and facilitating need-based training empowered by structured career plans that optimize individual potential.
- Stress upon lateral thinking across all levels.

The management is continuously working on the development of human capital to enhance responsiveness, efficiency and effectiveness in an ever-changing business environment. Employee performance is continuously evaluated against agreed KRAs as well as feedback on behavioral competencies. The company had about 1494 employees on its roll as on 31st March, 2013.

Material financial & commercial transactions involving Senior management:- The company has in place a Code of Corporate Governance which stipulates that senior management personnel shall make disclosures to the Board of Directors regarding any material financial and/or commercial transactions in which they are interested which may have a potential conflict with the interest of the company. In terms of the said Code senior management personnel have confirmed to the Board that they had no such dealings/transactions with the company during the financial year ended 31st March, 2013.

Cautionary Statement

The Statements made in this report describing the company's projections, expectations and estimations may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results may differ from those expressed or implied in this report due to the influence of external and internal factors beyond the control of the Company.

The company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

On behalf of the Board of Directors

Date : 14th May 2013 **Gulu L. Mirchandani**
Place : Mumbai **Chairman and Managing Director**

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report in compliance with clause 49 of the Listing Agreement with the Stock Exchanges, as applicable for the year ended 31st March, 2013, is set out below for the information of shareholders and investors of the Company.

I. Company's philosophy on code of Corporate Governance

The Company's philosophy on the corporate governance is based on the following principles:

- Integrity & ethics in all our dealings.
- Have a simple and transparent corporate structure driven solely by business needs.
- Be transparent with a high degree of disclosure & adequate control system.
- Make a clear distinction between personnel conveniences and corporate resources.

MIRC is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholders' value on a sustained basis.

II. Board of Directors

A] Composition

At present the Board of Directors comprises six Directors, out of which two directors are promoters cum executive directors, one non-promoter executive director and three are non-executive independent directors. The Chairman is an executive director. Thus 50% of the Board comprises non-executive and independent directors.

During the Financial year 2012-13, four Board Meetings were held on 25th May, 2012 (Adjourned to 29 th May, 2012), 06th August, 2012, 02nd November, 2012 and 02nd February, 2013. The interval between any two meetings was not more than four calendar months. The constitution of the Board of Directors, the details of meetings attended by the Directors and the information with regard to their membership of Committees are as under:

Name	Category	Attendance Particulars			No. of Directorships and Committee Memberships/ Chairmanships including MIRC		
		Number of Board Meetings		Last AGM			
		Held	Attended		Directorship	Committee Chairman-ship	Committee Member-ship
Mr. Gulu L. Mirchandani	Promoter [CMD]	4	4	Yes	6	0	2
Mr. Vijay J. Mansukhani	Promoter [MD]	4	4	No	2	0	1
Mr. Shyamsunder Dhoot	Non Promoter [WTD]	4	0	No	1	0	0
Mr. Vimal Bhandari	I & NED*	4	4	Yes	8	3	2
Mr. Manoj Maheshwari	I & NED*	4	2	No	6	0	4
Mr. Ranjan Kapur	I & NED*	4	4	Yes	4	1	3

* Independent & Non Executive Director

Note:

1. *As detailed in the table above, none of the Directors is a member of more than 10 Board level Committees of public Companies in which they are Directors, nor is Chairman of more than five such committees.*
2. *Only directorship in public limited Companies (listed or unlisted) has been considered.*
3. *Membership/ Chairmanship of Audit Committee and Investor Grievance Committee of public companies have been considered.*
4. *Mr. Shyamsunder Dhoot was appointed as Additional & Whole Time Director on February 16, 2013 by the Board of Directors, subject to the approval of members of the Company.*

B] Role of Independent Directors

The independent directors play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of finance, management and public policy.

C] Information placed before the Board of Directors

The Board of Directors is provided all the required information wherever applicable and materially significant. These informations are submitted either as a part of agenda papers or are tabled in the course of Board Meeting for enabling them to give their valuable inputs.

D] Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management of the Company and it is posted on the website of the Company i.e. www.onida.com. The Code has been circulated to all members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration by the Chief Executive Officer of the Company is given below:

"I hereby confirm that:

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and senior management personnel have affirmed the compliance with the Code of Business Ethics and Conduct of MIRC Electronics Limited for the year ended 31st March, 2013."

Sd/-

G. Sundar, CEO

Committees of the Board:

The Board has established various committees such as Audit Committee, Shareholders & Investors Grievance Committee and Remuneration Committee as per the requirement of clause 49 of the Listing Agreement. The minutes of Committee meetings are circulated and discussed in the Board Meetings.

III. Audit Committee

A] Constitution:

The composition, role and powers of the audit committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. Presently, the Audit committee comprises of Mr. Vimal Bhandari, Chairman, Mr. Ranjan Kapur and Mr. Manoj Maheshwari. All are independent non-executive Directors of the Company. Mr. Anoop Pillai, Company Secretary & Head - Corporate Affairs, acts as the Secretary to the Committee.

Mr. Vimal Bhandari is a Chartered Accountant from the ICAI, New Delhi. All the members of the audit committee are financially literate and one of the members possesses excellent accounting and financial management expertise. At the Annual General Meeting held on 26th July, 2012, Mr. Vimal Bhandari, the Chairman of the audit committee was present to reply to shareholders' queries.

B] Meetings of Audit Committee

During the financial year 2012-13, the Audit Committee met four times on 25th May, 2012, 06th August, 2012, 02nd November, 2012 and 02nd February, 2013. Mr. Gulu L. Mirchandani, CMD, Mr. Vijay J. Mansukhani, MD and Mr. G. Sundar, the Chief Executive Officer are permanent invitees to the audit committee meetings. The Chief Financial Officer, the Internal Auditors, the Statutory Auditors and Vice Presidents of various functions are also invited to the committee meetings as and when necessary. The attendance of each Audit Committee member in the above meetings is given hereunder:-

Name	Audit Committee Meetings (F.Y. 2012-13)	
	Held	Attended
Mr. Vimal Bhandari	4	4
Mr. Manoj Maheshwari	4	2
Mr. Ranjan Kapur	4	4

C] Powers of Audit Committee

The Board has delegated the following powers to the Audit Committee:-

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.

3. To obtain external legal or other professional advice.
4. To secure the attendance of outsiders with relevant expertise, if it considers necessary.

D] Role of Audit Committee

The role of the Audit Committee includes the following:

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, reappointment and, if required, the replacement or removal of the statutory auditors and fixation of audit fees.
3. Approval of payment to the statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Directors' Responsibility Statement which forms part of the Directors' Report pursuant to Section 217 (2AA) of the Companies Act, 1956.
   b) Changes, if any, in the accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by the management.
   d) Significant adjustments made in the financial statements arising out of the audit findings.
   e) Compliance with the 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, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, the reporting structure coverage and the frequency of internal audit.
8. Discussion with the internal auditors any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of the internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividend) and the creditors.
12. To review the functioning of the Whistle Blower Mechanism.
13. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

E] Review of information by Audit Committee

The following informations are reviewed by the Audit Committee on a mandatory basis:

1. Management discussion and analysis of the financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by the management;
3. Management letters/letters on internal control weaknesses issued by the Statutory Auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

IV. Shareholders' and Investors' Grievance Committee (SIGC).

Shareholders' and Investors' Grievance Committee comprises of Mr. Ranjan Kapur, Mr. Gulu L. Mirchandani and Mr. Vijay J. Mansukhani. Mr. Ranjan Kapur, Non-executive and Independent Director is the Chairman of the Committee. Mr. Anoop Pillai, Company Secretary & Head - Corporate Affairs, has been nominated as the Compliance Officer of the Company.

The Committee is entrusted with the responsibility of redressing the shareholders'/ investors' complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend and other queries/ complaints, if any. This committee also oversees the performance of the Registrar and Share Transfer Agent of the Company relating to the investor services and recommends measures for improvement. The attendance of each Committee member in the meetings during the financial year ended 31st March 2013 is given hereunder:-

Name	Shareholders'/Investors' Grievance Committee meetings	
	Held	Attended
Mr. Ranjan Kapur	12	12
Mr. Gulu L. Mirchandani	12	12
Mr. Vijay J. Mansukhani	12	12

The total number of complaints received and resolved to the satisfaction of the investors during the year under review is as under:

No. of complaints received	:	90
No. of complaints resolved	:	90
No. of complaints pending	:	Nil

V. Remuneration Committee

The Committee is vested with all necessary powers and authority to ensure appropriate disclosure on the remuneration of the Directors and to deal with all elements of the remuneration package of all the directors including but not restricted to the following:

- To review, assess and recommend the appointment and remuneration of executive directors.
- To review the remuneration packages payable to executive directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors.
- To recommend the commission payable to the non-executive director(s) in accordance with and upto the limits laid down under the Companies Act, 1956.
- To carry out such other functions as delegated by the Board from time to time.

Remuneration Committee comprises of five directors out of whom three are Non-executive Independent Directors viz. Mr. Ranjan Kapur, Mr. Vimal Bhandari and Mr. Manoj Maheshwari and two other Executive Directors namely Mr. Gulu L. Mirchandani, CMD and Mr. Vijay J. Mansukhani, MD. Mr. Ranjan Kapur is the Chairman of the Remuneration Committee.

During the financial year 2012-13, Remuneration Committee on 16th February, 2013 approved the appointment of Mr. Shyamsunder Dhoot as Whole Time Director of the Company for a period of three years w.e.f. 16-02-2013 to 15-02-2016 and unanimously recommended the above proposal for approval by the Board and Shareholders of the Company.

Remuneration policy

The Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. MIRC's Executive Directors have been appointed on a contractual basis subject to the approval of shareholders in the general meeting. The remuneration package of the Executive Directors is determined by the Remuneration Committee within the permissible limits, subject to approval by the Board and shareholders in the general meeting and as per applicable provisions of the Companies Act, 1956. The remuneration comprises of basic salary, allowances, perquisites and commissions etc. The Remuneration Committee decides and recommends annual increments for executive directors within the limits stipulated by the Board of Directors/Shareholders and other applicable approvals.

The details of remuneration paid/ payable to the Directors for the financial year 2012-13 are as follows:

(Amount in `)

Sr. No.	Director	Relation with MIRC	Inter–se Relation	Remuneration for F.Y. 2012–13				
				Sitting fees	Salary allowance & perquisites	Commi-ssion	PF & Superannuation	Total
1	Mr. G. L. Mirchandani	Promoter [CMD]	Brother in law of sr. no.2	Nil	1,28,80,000	Nil	15,39,000	1,44,19,000
2	Mr. V. J. Mansukhani**	Promoter [MD]	Brother in Law of sr. no.1	Nil	1,09,02,000	Nil	17,01,000	1,26,03,000
3	Mr. Shyamsunder Dhoot	Non Promoter [WTD]	NA	Nil	4,05,624	Nil	12,433	4,18,057
4	Mr. Vimal Bhandari	I & NED*	NA	40,000	Nil	Nil	Nil	40,000
5	Mr. Manoj Maheshwari	I & NED*	NA	20,000	Nil	Nil	Nil	20,000
6	Mr. Ranjan Kapur	I & NED*	NA	40,000	Nil	Nil	Nil	40,000

* Independent & Non Executive Director

** In view of non-availability of profits for the current year, remuneration paid to the managerial personnel is in excess of the limit prescribed under Schedule XIII of the Companies Act, 1956 by ` 65,07,000. The said amount is subject to approval from Central Government and therefore the amount paid is held in trust by the concerned managerial personnel.

Note:

1. *Mr. Shyamsunder Dhoot was appointed as Additional & Whole Time Director on February 16, 2013 by the Board of Directors, subject to the approval of members of the Company.*

Non-executive Directors' Compensation and disclosures

All fees/ compensation paid to non-executive directors, including independent directors are fixed by the remuneration committee/ Board of Directors and are subject to approval by the shareholders in general meeting.

The elements of the remuneration package of the Non-Executive Directors consist of annual commission in addition to sitting fees. The same has been approved by the shareholders in the Annual General Meeting of the Company held on 24th June, 2011, which is valid till 31st March 2016. However, due to loss during the financial year 2012-13 no commission has been paid to any Directors.

The Company is availing professional expertise of Non-executive Directors through their participation in the Board meetings. The Non-executive Directors are paid sitting fees of ` 5000/- per meeting for attending Board Meetings and Audit Committee Meetings.

None of the Non–executive Director is holding any shares in the Company.

VI. Subsidiary Monitoring Framework

The Company is having only one subsidiary viz. Akasaka Electronics Limited which is not a 'material non-listed Indian subsidiary'. The 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 percent of the consolidated turnover or net-worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

The performance and management of the subsidiary is monitored inter-alia by the following means:

a) Financial Statements and in particular the investments made by the unlisted subsidiary Company are reviewed by the Audit Committee of the Company.

b) The minutes of the Board meetings of the subsidiary Company are placed before the Company's Board for its regular review.

VII. General Body Meetings

The location, time and date where the last three Annual General Meetings of the Company were held are given hereunder:-

Year	Location	Type of meeting	Date	Time	No. of Special Resolutions passed at AGM
2011-12	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018	AGM	26-07-12	03.00 p.m.	2
2010-11	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018	AGM	24-06-11	03.00 p.m.	1
2009-10	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018	AGM	28.06.10	03.00 p.m.	2

Whether special resolution were put through postal ballot last year - No

None of the items transacted at the last Annual General Meeting held on 26th July, 2012 were required to be passed by postal ballot, nor any resolution requiring postal ballot is being proposed.

VIII. Disclosures

A] Materially significant related party transactions

None of the transactions that transpired between the Company and its promoters, directors, management or their relatives were in potential conflict with the interest of the Company at large. The details of transactions with the related parties are tabled before the audit committee on a quarterly basis. The register of contracts containing the transactions in which the directors are interested are placed regularly before the Board for their approval/signature.

B] Related Party Transactions

The company follows the following policy in disclosing related party transactions to the Audit Committee:

a. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.

b. Details of material individual transactions with related parties, which are not in the normal course of business, if any are placed before the Audit Committee.

c. Details of Material individual transactions with related parties or others which were not on arms length basis, with justification thereof are placed before the Audit Committee.

C] Status of regulatory compliances

The Company has complied with the applicable requirements of the Listing Agreements as well as the regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures or penalties imposed on the Company for any matter relating to capital markets during the last three years.

D] Whistle Blower Mechanism

In addition to complying with the mandatory requirements of Clause 49 of the Listing Agreement, the Board has also adopted a non-mandatory requirement viz. Whistle Blower Policy in its meeting held on 23rd January, 2007. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal and unethical behaviour. Employees are free to report violation of laws, rules, regulations and unethical conduct to their immediate supervisor/ notified person. The report received from any employee is reviewed by the Chief Ethics Counsellor. The Directors and management are obligated to maintain confidentiality of such reporting and ensure that the whistle blower is not subjected to any discriminatory practices.

The Board hereby confirms that no personnel have been denied access to the Audit Committee or to the Chief Ethics Counsellor under the Whistle Blower policy mechanism.

E] Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under Clause 49[IV][F] of the Listing Agreement.

F] Details of Directors seeking appointment/reappointment as required under Clause 49 IV(G) of the Listing Agreement.

As required under Clause 49 IV(G), particulars of Directors seeking appointment/reappointment are given in the Explanatory Statements annexed to the Notice of the Annual General Meeting to be held on July 31, 2013.

G] Insider Trading Code

The Company has adopted the Mirc Employee (Dealing in Securities & Prevention of Insider Trading) Rules, 2002. This code is applicable to all directors and designated employees. The code ensures prevention and dealing in shares of the Company by persons having access to unpublished price sensitive information. The Company monitors the transactions of insiders/designated employees in terms of the aforesaid rules periodically.

H] CEO/ CFO certification

The certificate in terms of clause 49(V) of the Listing Agreement with Stock Exchanges for the financial year ended 31st March, 2013 was placed before the Board of Directors of the Company in their meeting held on 14th May, 2013 and is annexed to this Report.

IX. Means of communication:

The Company has furnished quarterly financial results along with notes on a regular basis as per the format prescribed in clause 41 of the Listing Agreement within prescribed time to the Stock Exchanges in respect of first three quarters in financial year 2012-13. In respect of last quarter of financial year 2012-13, the Company has opted to furnish audited financial results within 60 days from the end of financial year and accordingly, the Board Meeting for considering the results of last quarter and for the full financial year was held on 14th May, 2013.

The quarterly financial results of the Company were published within 48 hours of conclusion of Board Meeting in English Newspaper viz. "Financial Express" and "Mumbai Lakshdeep", a newspaper published in the language of the region where the registered office is situated. The audited annual results for financial year 2012-13 were published in "Financial Express" and 'Mumbai Lakshdeep'. The Company informs the Stock Exchanges where its shares are listed, about the date of Board Meeting 7 days in advance and also issues an advertisement in atleast one national newspaper and one in regional language newspaper about the Board Meetings.

In terms of clause 54 of the Listing Agreement, Company is maintaining its functional website i.e. www.onida.com, containing the basic information about the Company e.g. details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of designated employees who are responsible for assisting and handling the investors grievance, details of the agreements entered into with the media companies and/ or their associates. The same information are updated on the website viz. www.onida.com within the prescribed time limit.

X. General Shareholders Information:

AGM date, time and venue	July 31, 2013 at 3.00 p.m. Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
Financial year	1st April – 31st March
Book Closure:	Monday, July 22, 2013 to Wednesday, July 31, 2013 (Both days inclusive)
Dividend payment date: [if declared]	Not Applicable
Listing on Stock Exchange	Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees for the year 2013-14 have been paid.
Stock code at BSE	500279
Stock symbol at NSE	MIRCELECTR
ISIN of the Company	INE831A01028
Corporate Identification No. (CIN)	L32300MH1981PLC023637

Unclaimed dividends:

Pursuant to the provisions of the Companies Act, 1956, dividends lying unclaimed for a period of 7 years from the date of their transfer to unpaid / unclaimed dividend account have to be transferred to the Investor Education and Protection Fund (IEPF) constituted and administered by the Central Government. No claim would lie against the IEPF or the Company after the said transfer.

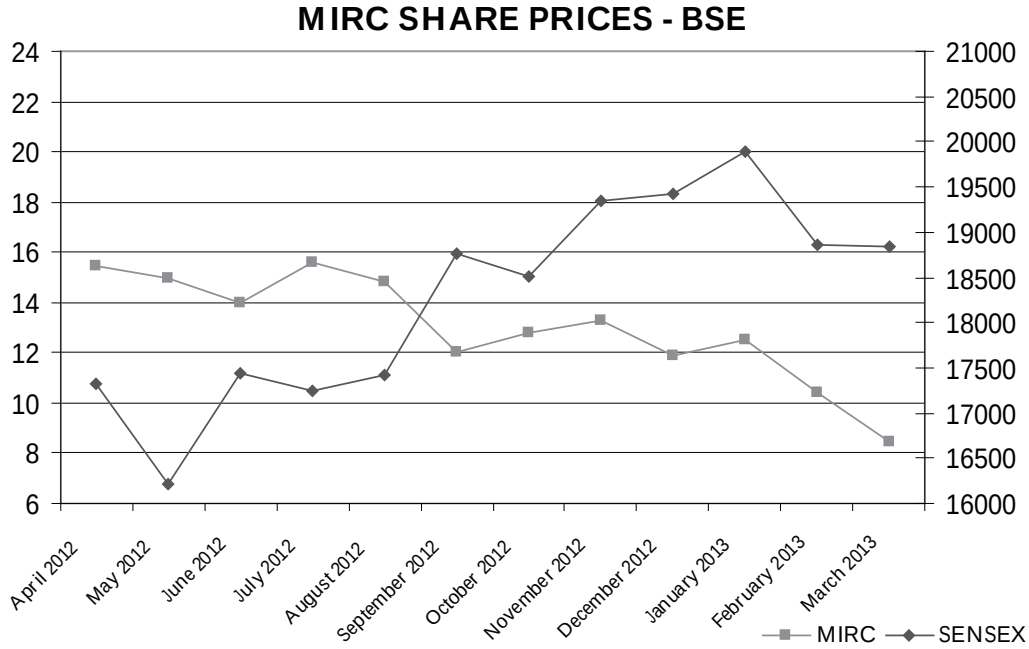
Year	Dividend	Date of declaration	Date of transfer to the Investor Education & Protection Fund
2005-06	Final	27th September, 2006	28th October, 2013
2006-07	Interim	12th March, 2007	12th April, 2014
2007-08	Final	30th June, 2008	31st July, 2015
2008-09	Final	18th August 2009	18th September, 2016
2009-10*	Interim	14th October, 2009	14th November, 2016
2009-10	Final	28th June, 2010	29th July, 2017
2010-11	Final	24th June, 2011	25th July, 2018

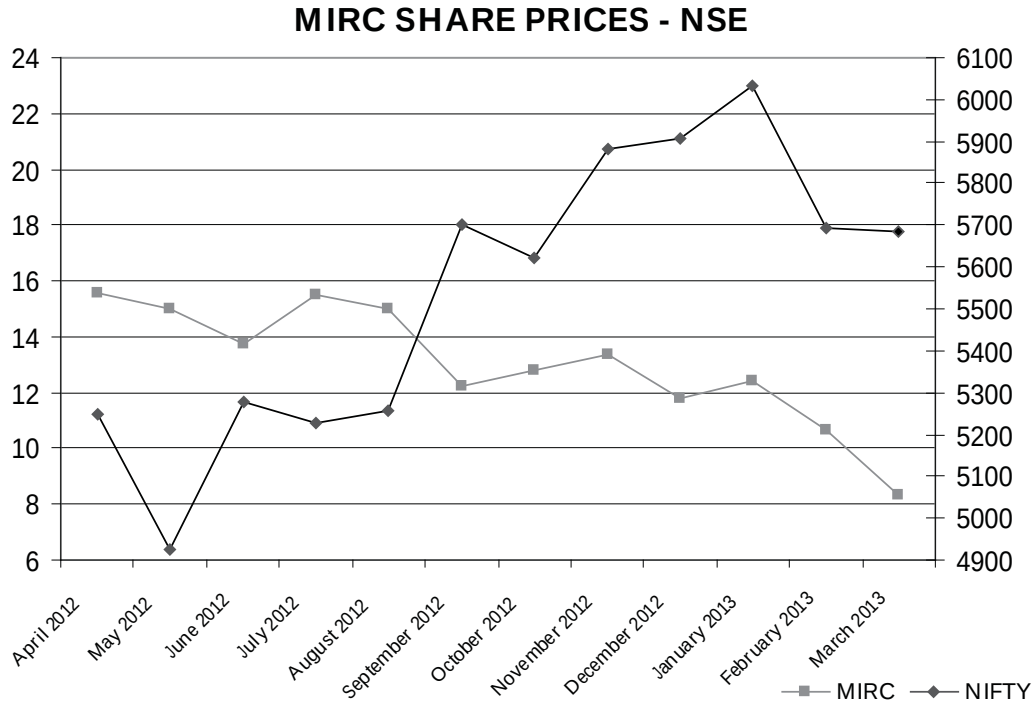
* Dividend paid on redemption of preference shares issued in pursuance of Scheme of Amalgamation of Guviso Holdings Pvt. Ltd. with Mirc Electronics Limited.

Market Price Data: (F.Y. 2012-13)

Month	STOCK EXCHANGE					
	Bombay Stock Exchange Ltd.			National Stock Exchange of India Ltd.		
	Share Price		Sensex	Share Price		Nifty
	High (`)	Low (`)	Close	High (`)	Low (`)	Close
April 2012	15.44	14.20	17,318.81	15.55	14.15	5,248.15
May 2012	14.95	12.80	16,218.53	15.00	12.65	4,924.25
June 2012	14.00	12.15	17,429.98	13.75	12.05	5,278.90
July 2012	15.59	11.85	17,236.18	15.50	11.60	5,229.00
August 2012	14.85	10.60	17,429.56	15.00	10.55	5,258.50
September 2012	12.00	10.80	18,762.74	12.20	9.65	5,703.30
October 2012	12.80	11.15	18,505.38	12.80	10.70	5,619.70
November 2012	13.31	10.81	19,339.90	13.35	10.80	5,879.85
December 2012	11.90	10.02	19,426.71	11.80	9.90	5,905.10
January 2013	12.50	9.52	19,894.98	12.40	9.60	6,034.75
February 2013	10.40	7.75	18,861.54	10.65	7.75	5,693.05
March 2013	8.45	6.27	18,835.77	8.35	6.20	5,682.55

Market price data (source: www.bseindia.com, www.nseindia.com)





Graphical presentation of Company's High Stock Price Vs. Stock Exchange Index

Registrar & Share Transfer Agent:
M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West),
Mumbai - 400 078. Ph.: 022-25946970-78. Fax: 022-25946969
E-mail: mumbai@linkintime.co.in

Share transfer system

The Registrar and Share Transfer Agent registers the share transfers in physical form within 15 days from the receipt of the completed documents. Invalid share transfers are returned within 15 days of receipt. All requests for de-materialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

Distribution schedule as on 31st March, 2013

Equity shares held	Shareholders	% of shareholders	Shares	% of holding
1-5000	62463	98.65	23883591	16.85
5001-10000	444	0.70	3324647	2.34
10001-20000	182	0.29	2729494	1.93
20001-30000	59	0.09	1467442	1.04
30001-40000	50	0.08	1842288	1.30
40001-50000	18	0.03	830823	0.58
50001-100000	49	0.08	3594259	2.54
100001 and above	49	0.08	104079134	73.42
Total	**63314**	**100.00**	**141751678**	**100.00**

Shareholding pattern as on 31st March, 2013

Category		Number of shares	Percentage of Holding
A	**Promoter's Holding**		
1	Indian Promoter	78091636	55.09
2	Foreign Promoter	0	0.00
	Sub Total (A)	**78091636**	**55.09**
B	**Non Promoter's Holding**		
	Institutional Investors		
1	Mutual funds/ UTI	2700	0.00
2	Financial institutions/ banks	1208	0.00
3	Insurance Companies	801200	0.57
4	Foreign institutional investors	6958822	4.91
	Non Institutional Investors		
1	Bodies Corporates	10603129	7.48
2	Clearing members	477218	0.34
3	Non-resident Indians	875841	0.62
4	Others	43939924	30.99
	Sub Total (B)	**63660042**	**44.91**
	Grand Total (A + B)	**141751678**	**100.00**

Person's acting in concert as defined in the Securities and Exchange Board of India (Acquisition of Shares and Takeovers) Regulations, 2011, for the purpose of Regulation 10(1)(a)(iv) of the Securities and Exchange Board of India (Acquisition of Shares and Takeovers) Regulations, 2011, include the following:

Sr. No	Name of the Person
1	Akasaka Electronics Limited
2	Adino Electronics Limited
3	Akman Dquay Securities Private Limited
4	Gulita Wealth Advisors Private Limited
5	Fiona Engineering Industries Private Limited
6	Gulita Securities Limited
7	IWAI Electronics Private Limited
8	Tamarind Family Private Trust
9	Kae Capital Management Private Limited
10	Kae Capital Trustee Company Private Limited
11	IIFL Wealth Management Limited/ IIFL Trustee Services Limited, as trustees of Tamarind Family Private Trust
12	M/s Akman Associates
13	Mr. Gulu L. Mirchandani
14	Mr. Vijay J. Mansukhani
15	Mrs. Gita G. Mirchandani
16	Mrs. Marissa V. Mansukhani
17	Mr. Sasha G. Mirchandani
18	Mr. Kaval G. Mirchandani
19	Mr. Akshay V. Mansukhani
20	Ms. Ayesha V. Mansukhani

Dematerialisation of shares and liquidity

As at 31st March, 2013, 96.32% (13,65,30,131 shares) of paid up share capital were held in dematerialised form with NSDL and CDSL, while 3.68% (52,21,547 shares) were held in physical form.

Outstanding GDRs / ADRs/ Warrants

There are no outstanding GDRs /ADRs Warrants or any convertible instruments, as on 31st March, 2013 likely to have an impact on the equity share capital of the Company.

Plant Locations

1. Village Kudus
   Bhiwandi Wada Road
   Taluka Wada
   Thane – 421 312
2. B-204/205
   Phase – II,
   Noida – 201 305
3. **Roorkee – Plant I**
   Khasra No.158, Village- Raipur,
   Pargana - Bhagwanpur,
   Roorkee, District - Haridwar,
   Uttarakhand
4. **Roorkee – Plant II**
   Khasra No.399 to 401 & 405 to 410,
   158 KMS Milestone, Delhi-Roorkee
   Highway – NH 58, Village– Mundiyaki,
   Pargana–Manglour, Tehsil- Roorkee,
   District – Haridwar, Uttarakhand – 247670

Website: www.onida.com

Address for correspondence

Mirc Electronics Limited
Onida House, G-1, MIDC, Mahakali Caves Road
Andheri (East), Mumbai - 400 093

On behalf of the Board of Directors

Place : Mumbai
Date : May 14, 2013

Gulu L. Mirchandani
Chairman and Managing Director

CEO/ CFO Certificate under clause 49 of the Listing Agreement.

We, G. Sundar, Chief Executive Officer and Predeep Kumar Gupta, Chief Financial Officer of Mirc Electronics Limited hereby certify to the Board that :

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee that:

   (i) there are no significant changes in internal control over financial reporting during the year;

   (ii) there have been no significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and

   (iii) there have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place:	**Mumbai**	**G. Sundar**	**Predeep Kumar Gupta**
Date :	**May 14, 2013**	**Chief Executive Officer**	**Chief Financial Officer**

Auditors' certificate on Corporate Governance

To the Members of MIRC Electronics Limited

We have examined the compliance of the conditions of Corporate Governance by **Mirc Electronics Limited** ('the Company) for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, 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 N.M. Raiji & Company
Chartered Accountants
Firm Registration No. 108296W

J.M. Gandhi
Partner

M. No. 37924

Place : Mumbai

Date : May 14, 2013

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRC ELECTRONICS LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **MIRC ELECTRONICS LIMITED ('the Company')**, which comprise the Balance Sheet as at March 31, 2013, and the Profit and Loss Statement and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management of the Company 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"). 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 misstatements, whether due to fraud or error.

3. Auditor's 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 requirement 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 amount and disclosures in the financial statements. The procedures selected depend on the auditor's 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 control 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. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the 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:

(i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(ii) In the case of the Profit and Loss Statement, of the loss for the year ended on that date; and

(iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Emphasis of Matters

(i) We draw attention to Note no. 29 of the Financial Statements with regards to the claim receivable from the Insurance Company and outstanding of ` 4995.50 lacs as on the balance sheet date. The Management of the Company is confident of recovery of the full amount and therefore no further provision has been made. Our opinion is not qualified in respect of this matter.

(ii) We also draw attention to Note no. 34 of the financial statements relating to excess managerial remuneration of ` 65.07 lacs charged to the profit and loss statement of the current year, which is subject to the approval of the Central Government. Our opinion is not qualified in respect of this matter.

6. Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.

(ii) Further to our comments in the Annexure referred to in Paragraph 6 (i) above, as required by section 227(3) of the Act, we report that;

(a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt herewith comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;

(e) on the basis of the written representations received from the Directors and taken on records by the Board of Directors, none of the Director is disqualified, as at the balance sheet date, from being appointed as a Director in terms of section 274 (1) (g) of the Companies Act, 1956;

(f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No.108296W

J. M. GANDHI
Partner
Membership No: 37924

Place : Mumbai
Date : May 14, 2013

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 6 (i) of the Auditors Report of even date of **MIRC ELECTRONICS LIMITED** for the year ended March 31, 2013.

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification by which a substantial portion of the fixed assets has been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on verification conducted during the year as compared with the book records and the same have been appropriately dealt with in the books of account.

(c) Fixed assets disposed off during the year were not substantial to affect Going Concern Assumption.

(ii) (a) Inventories have been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of account.

(iii) (a) The Company has granted unsecured loan to three parties covered in the register maintained under Section 301 of the Companies Act, 1956. The outstanding amount as at the balance sheet date and maximum amount outstanding during the year is ` 356 lacs and ` 604 lacs respectively.

(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which said loans have been granted are not, prima facie, prejudicial to the interest of the Company.

(c) As per the repayment terms of the loan no amount is due, however an amount of ` 208.70 lacs is prepaid and the interest is received as per the terms on due date.

(d) The Company has not taken any unsecured loan from parties covered in the register maintained under section 301 of the Companies Act, 1956.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.

(v) To the best of our knowledge and belief and according to the information and explanations given to us:

a) The particulars of contracts or arrangements referred to in Section 301 that need to be entered in the Register maintained under the said section have been so entered.

b) During the year, there are transactions of purchase of services, exceeding rupees five lacs per annum, from one party covered under section 301 of the Companies Act, 1956. As per the information and explanation provided to us, the said purchases of services are of a special nature and therefore, comparative prices are not available.

(vi) The Company has not accepted any deposits from the public and hence section 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable to the Company.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for the products manufactured by the Company. We have broadly reviewed the books of account maintained and in our opinion; prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(ix) (a) According to the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2013, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the details of statutory dues which have not been deposited with the concerned authorities on account of dispute are given below:

Nature of dues	Relevant Financial Year	Forum where Dispute Is Pending	Amount involved (`. in Lacs)
Excise Duty	1999 - 2000 & 2005 - 2006	CESTAT	181.11
	1998 - 1999	The High Court	58.40
	1997-1998, 1999 - 2000 & 2001 - 2005	Commissioner of Excise & Custom	52.02
Sales Tax (Central & State)	1992 - 1993 to 2010 - 2011	Commissioner	10.18
	2003 - 2004 & 2005 - 2006 to 2007 - 2008	Revision Board	1,192.09
	2007 - 2008	Deputy Commissioner of Commercial Tax	9.00
	2009 - 2010	Assessing Authority	314.87
	2002 - 2004 & 2005 - 2007	Tribunal	65.31
	2007 - 2008	The Supreme Court	0.55
	1991-1992, 1998- 2001, 2002 - 2005 & 2006 - 2008	The High Court	405.21
	2006 - 2007 & 2009 – 2011	Joint commissioner of Commercial Taxes (Appeal)	18.88
	2000 - 2001, 2005 - 2006 & 2009 – 2010	Commissioner Appeals	1,060.01
	1997 – 1998	Board of Madhya Pradesh Commercial Taxes	9.72
	1997 – 1998	Tribunal	20.03
	2005 - 2006 to 2008 - 2009 & 2011 - 2012	Commissioner	64.85
Income Tax	2007 - 2008	Income Tax Appellate Tribunal	77.69
	2009 - 2010	CIT (Appeals)	110.77
Customs	1998 - 1999, 2001 - 2002 & 2008 - 2009	Commissioner of Excise & Custom	84.00
	2008 - 2010 & 2011-2012	CESTAT	85.02
	2009 - 2010	Commissioner of Customs (Appeal)	89.16
	2006 - 2007	Director General of Foreign Trade	4.93
	2008 - 2012	The Supreme Court	1,406.94
	2011 - 2012	Commissioner- Air Cargo	4.24
Service Tax	2004 - 2011	Service Tax Appellate Tribunal	30,466.52

(x) The Company does not have accumulated losses as at March 31, 2013 and has incurred cash loss during the current financial year covered by our audit and in the immediately preceding financial year.

(xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks.

(xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. The provisions of clause 4 (xiii) of the Order, therefore, are not applicable to the Company.

(xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has given a guarantee of ` 2132 lacs for loans taken by one of its wholly owned subsidiaries from bank. In our opinion, the terms and conditions of the guarantee are, prima facie, not considered prejudicial to the interest of the Company as it is given for the wholly owned subsidiary.

(xvi) In our opinion and according to the information and explanations given to us, there were no term loans raised during the year.

(xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of

ANNEXURE TO THE AUDITORS' REPORT

the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long term investment.

(xviii) According to the information and explanations given to us, during the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, the Company has not issued any secured debentures, which are outstanding during the year.

(xx) During the year, the Company has not raised any money by way of a public issue.

(xxi) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported, during the year.

For **N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No.108296W

J. M. GANDHI
Partner
Membership No: 37924

Place : Mumbai
Date : May 14, 2013

BALANCE SHEET AS AT MARCH 31, 2013

PARTICULARS	Note No.	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
I. EQUITY AND LIABILITIES					
Shareholders Funds					
Share capital	2	1419.38		1419.38	
Reserves and Surplus	3	18473.99		21337.70	
			19893.37		22757.08
Non-current Liabilities					
Long-term borrowings	4	-		1500.14	
Deferred tax liabilities (Net)	5	-		1544.79	
Long-term provisions	6	212.81		215.12	
			212.81		3260.05
Current Liabilities					
Short-term borrowings	7	11284.14		12165.08	
Trade Payables	8	33968.16		30927.16	
Other current liabilities	9	6982.85		8063.83	
Short-term provisions	10	257.87		541.84	
			52493.02		51697.91
TOTAL			**72599.20**		**77715.04**
II. ASSETS					
Non-current Assets					
Fixed assets					
Tangible assets	11	15413.83		16494.90	
Intangible assets	11	6.32		8.44	
Capital work-in-progress		766.66		-	
			16186.81		16503.34
Non-current investments	12		2624.85		2624.85
Long-term loans and advances	13		3758.17		4135.73
Other non-current assets	14		45.02		33.60
Current Assets					
Current investments	15		16.68		19.46
Inventories	16		25106.24		30359.72
Trade Receivables	17		13254.48		12750.16
Cash, cash equivalents and bank balances	18		3073.00		2851.19
Short-term loans and advances	19		3532.50		4023.92
Other current assets	20		5001.45		4413.07
TOTAL			**72599.20**		**77715.04**
Significant Accounting Policies	1				
The Note numbers 1 to 46 form integrated part of the Financial Statements					

As per our Report of even date attached

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration. No. 108296W

J.M. GANDHI
Partner
Membership No.37924
Mumbai, May 14, 2013

PREDEEP K. GUPTA
Chief Financial Officer

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

For and on behalf of the Board of Directors

G.L. MIRCHANDANI
Chairman and Managing Director

V.J. MANSUKHANI
Managing Director

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS		Note No.	2012-13	2011-12
			` in lacs	` in lacs
I.	**Revenue from Operations**			
	Sales of products		136334.54	173352.42
	Other Operating Income	21	188.33	162.67
			136522.87	173515.09
	Less : Excise Duty		7293.86	8587.15
	Total Revenue from Operations		**129229.01**	**164927.94**
II.	**Other Income**	22	200.92	255.26
	TOTAL REVENUE		**129429.93**	**165183.20**
III.	**EXPENSES**			
	Cost of materials consumed	23	47403.31	63907.74
	Purchases of Stock-in-Trade	24	53734.73	65310.01
	Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	25	4597.36	2803.31
	Employees benefit expenses	26	7723.21	9226.38
	Finance Cost	27	3871.65	3586.33
	Depreciation and amortization expense	11	1578.75	2154.98
	Other Expenses	28	15208.46	21854.63
	TOTAL EXPENSES		**134117.47**	**168843.38**
IV.	**PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX**		**(4687.54)**	**(3660.18)**
V.	**EXCEPTIONAL ITEMS**	29	-	501.22
VI.	**PROFIT / (LOSS) BEFORE TAX**		**(4687.54)**	**(4161.40)**
VII.	**Tax Expenses**			
	Income Tax of earlier years		(279.04)	-
	Deferred Tax	5	(1544.79)	(267.43)
	PROFIT / (LOSS) FOR THE YEAR		**(2863.71)**	**(3893.97)**
	Earnings per Equity Shares (Face Value of Re. 1 each)			
	Basic and Diluted (`)	41	(2.02)	(2.75)
	Significant Accounting Policies	1		
	The Note numbers 1 to 46 form integrated part of the Financial Statements			

As per our Report of even date attached
For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration. No. 108296W

J.M. GANDHI
Partner
Membership No.37924
Mumbai, May 14, 2013

PREDEEP K. GUPTA
Chief Financial Officer

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

For and on behalf of the Board of Directors
G.L. MIRCHANDANI
Chairman and Managing Director

V.J. MANSUKHANI
Managing Director

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements have been prepared on an accrual basis under the historical cost convention and in accordance with the generally accepted accounting principles in India and materially comply with the mandatory Accounting Standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

1.2 Revenue Recognition

i) Income from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of goods sold. Sales are recorded net of sales tax / value added tax. The excise duty recovered is presented as a reduction from gross turnover.

ii) Interest income is recognised on accrual basis.

iii) Dividend income is accounted when the right to receive the payment is established.

iv) Claims which are not of material nature / Insurance Claims, Export benefits, Government Grants, refund of Sales tax / Excise / Custom duty are accounted for when no significant uncertainties are attached to their eventual receipt.

1.3 Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and discloures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in periods in which the results are known / materialised.

1.4 Fixed Assets and Depreciation

i) Fixed Assets are stated at cost of acquisition or construction, net of modvat / cenvat, less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition comprises of all costs incurred to bring the assets to their location and working condition up to the date assets are put to use. All costs, including financing costs till commencement of commercial production, net charge on foreign exchange contracts and adjustment arising from exchange rate variations upto 31st March, 2007 attributable to the fixed assets acquired from a country outside India are capitalised.

ii) Machinery / Insurance spares which are specific and identifiable to the assets are capitalised.

iii) Preoperative expenditure during construction period / trial run, direct expenses as well as clearly identifiable indirect expenses incurred on the projects during the period of construction are being capitalised along with the respective assets.

iv) The company provides depreciation as under :

a) For assets acquired on or after 1st January, 1987 on Straight Line method, in accordance with Schedule XIV of the Companies Act, 1956.

b) For assets acquired prior to 1st January, 1987 on Written Down Value basis, in accordance with Schedule XIV of the Companies Act,1956.

c) Accelerated depreciation has been provided on Fixed Asset which have become obsolete, to reduce the value to estimated realisable value.

d) Capital items costing less than ` 5000 have been charged to Profit and Loss Statement at the time of purchase itself.

e) Leasehold Land is amortised over the period of lease.

f) The company capitalises software where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over an estimated useful life of 5 years.

1.5 Impairment of Assets

An asset is considered as impaired in accordance with Accounting Standard (AS)-28 on "Impairment of Assets". Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

1.6 Investments

Investments are classified as current or long term in accordance with Accounting Standard (AS)-13 on "Accounting for Investments".

Current Investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversal of such reductions are charged or credited to the Profit and Loss Statement.

Long term investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of such investments.

1.7 Accounting for Taxes on Income

Tax expenses are charged to Profit and Loss Statement after considering deferred tax impact for the timing difference between Accounting Income and Tax Income.

Deferred Tax Assets on timing differences are recognised when there is a reasonable certainty that they will be realised.

Deferred Tax Assets relating to unabsorbed business losses are recognised when there is a virtual certainty that there will be sufficient taxable profits to utilise them.

1.8 Inventories

Inventories are valued at lower of cost and net realisable value.

Cost is computed based on moving weighted average in respect of all procurred materials and comprises of materials and appropriate share of utilities and other overheads in respect of work-in-process and finished goods. Costs also includes all charges incurred for bringing the inventories to their present location and condition.

1.9 Sales Promotion

Articles procured for sales promotion are charged to the Profit and Loss Statement at the time of purchase itself.

1.10 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at transaction date.

i) Exchange differences relating to fixed assets arising during the period has been charged off to the Profit and Loss Statement pursuant to the notification issued by ICAI.

ii) Monetary foreign currency assets and liabilities are translated into rupees at the exchange rate prevailing at the Balance sheet date. Exchange differences are dealt with in the Profit and Loss Statement.

iii) Non monetory items such as investments are carried at historical cost using exchange rates on the date of transaction.

iv) In case of forward contracts (for hedging purposes) the premium or discount arising at inception is amortised as expense or income over the life of the contract. Mark to Market differences on such contracts are recognised in the Profit and Loss Statement .

Transactions relating to overseas branch have been translated as follows

i) Additions to fixed assets are capitalised at rates prevailing on the date of acquisition. Depreciation is charged on the value at which assets are converted.

ii) Monetary assets and liabilities at the rates prevailing on the balance sheet date.

iii) Revenue items at the weighted average rate for the month.

1.11 Research and Development

Revenue expenditure on research and development is charged to the Profit and Loss Statement.

Capital expenditure on research and development is shown as an addition to fixed assets.

1.12 Retirement benefits

Provident Fund - The Company has a statutory scheme of Provident Fund with the Regional Provident Fund Commissioner.

Gratuity and Leave Encashment - Gratuity and Leave Encashment has been provided in accordance with Accounting Standard (AS) - 15 "Employee Benefits".

Superannuation - Superannuation is provided on the basis of premium paid on the policy taken under Group Superannuation Scheme from Life Insurance Corporation of India.

1.13 Borrowing cost

Borrowing cost that are attributable to the acquisition or construction of qualifying asset are capitalised as part of such asset.

1.14 Provision and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of the sources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current estimates of the management.

A Contingent Liability is disclosed , unless the possibility of an outflow of resources embodying the economic benefit is remote.

NOTE 2 - SHARE CAPITAL

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Authorised				
16,80,20,000 Equity Shares of Re.1 each (Previous year 16,80,20,000 Equity Shares of Re.1 each)		1680.20		1680.20
20,00,000 5% Cumulative Redeemable Preference Shares of ` 100 each (Previous year 20,00,000 5% Cumulative Redeemable Preference Shares of ` 100 each)		2000.00		2000.00
10,000 8% Cumulative Redeemable Preference Shares of ` 100 each (Previous year 10,000 8% Cumulative Redeemable Preference Shares of ` 100 each)		10.00		10.00
10,00,000 11% Non-Cumulative Redeemable Preference Shares of ` 100 each (Previous year 10,00,000 11% Non-Cumulative Redeemable Preference Shares of ` 100 each)		1000.00		1000.00
		4690.20		4690.20
Issued, Subscribed and Paid Up				
14,17,51,678 Equity Shares of Re.1 each fully paid up (Previous year 14,17,51,678 Equity Shares of Re.1 each fully paid up)	1417.52		1417.52	
Add : 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up (Previous year 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up)	1.86		1.86	
		1419.38		1419.38
TOTAL		**1419.38**		**1419.38**

ADDITIONAL INFORMATIONS :

2.1 Reconciliation of Equity Shares outstanding

PARTICULARS	31st March, 2013	31st March, 2012
Fully paid up shares		
At the beginning of the year	14,17,51,678	14,17,51,678
At the end of the year	14,17,51,678	14,17,51,678
Partly paid up shares		
At the beginning of the year	2,48,000	2,48,000
At the end of the year	2,48,000	2,48,000

2.2 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

2.3 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.

In FY 2009-10 : 7,48,96,669 Equity Shares were alloted and 7,48,96,575 Equity Shares were cancelled as per the Scheme of Amalgamation of Guviso Holdings Pvt. Ltd. with the Company.

2.4 Details of Shareholders holding more than 5 % of the issued shares :

Name of Shareholder	31st March, 2013		31st March, 2012	
	Total Shares Held	As a % of Total Shares	Total Shares Held	As a % of Total Shares
Mr. Gulu L. Mirchandani	2,09,61,358	14.79	2,09,61,358	14.79
IIFL Trustee Services Ltd. (Beneficial owner Mr. Vijay J. Mansukhani)	2,56,88,283	18.12	2,56,88,283	18.12
Mr. Kaval G. Mirchandani	1,25,16,829	8.83	1,25,16,829	8.83
Mr. Sasha G. Mirchandani	1,24,78,750	8.80	1,24,78,750	8.80

NOTE 3 - RESERVES AND SURPLUS

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Capital Reserve		7.07		7.07
Capital Redemption Reserve		1891.51		1891.51
Securities Premium Account		1.39		1.39
General Reserve		8902.96		8902.96
Surplus in Profit and Loss Statement				
Opening Balance	10534.77		14428.74	
Add : Profit / (Loss) for the year	(2863.71)		(3893.97)	
Closing Balance		7671.06		10534.77
TOTAL		**18473.99**		**21337.70**

NOTE 4 - LONG-TERM BORROWINGS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Secured		
Term Loan from Banks	1500.14	3500.06
Less : Disclosed under Other Current Liabilities	1500.14	1999.92
- Current maturities of Long Term borrowings		
TOTAL	**-**	**1500.14**

Security	31st March, 2013 ` in lacs	Repayment terms
Secured by pari passu charge in favour of the bankers by hypothecation of Company's current assets and on the Company's immovable and movable properties except the Land and Building and Plant and Machinery embedded to the earth in Roorkee.	1500.14	Monthly in equal installments payable over a period of three years

NOTE 5 - DEFFERED TAX LIABILITY

The Company has recognized Deferred Tax in accordance with the requirements of (Accounting Standard) AS-22 on "Accounting for Taxes on Income" as notified under the Companies (Accounting Standards) Rules, 2006. The breakup of Net Deferred Tax Liabilty (DTL) is as follows :

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Deferred Tax Liabilities				
Related to Fixed Assets		2056.15		1980.46
Related to Others		8.67		-
Total (A)		**2064.82**		**1980.46**
Less : Deferred Tax Assets				
Disallowed expenses as per Section 43B of Income Tax Act-1961	194.66		230.69	
Provision for Doubtful Debts	234.03		204.98	
Carry forward of Income Tax Loss and Unabsorbed Depreciation	1636.13		-	
Total (B)		2064.82		435.67
Net Liability (A) - (B)		**-**		**1544.79**

Note : Deferred Tax Asset on carry forward Income Tax loss and unabsorbed depreciation is created to the extent of Deferred Tax Liability.

NOTE 6 - LONG TERM PROVISIONS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
For employees benefit	212.81	215.12
TOTAL	**212.81**	**215.12**

NOTE 7 - SHORT-TERM BORROWINGS

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Loans repayable on demand from Banks				
Secured				
Cash Credit Facility	9784.14		5565.08	
Others	1500.00		2500.00	
		11284.14		8065.08
Unsecured				
Term Loan	-		4100.00	
		-		4100.00
TOTAL		**11284.14**		**12165.08**

7.1 Cash Credit Facility and Secured Working Capital Loan from banks is secured by pari passu charge in favour of the bankers by mortgage / hypothecation of Company's current assets and immovable and movable properties except the Land and Building and Plant and Machinery embedded to the earth at Roorkee.

NOTE 8 - TRADE PAYABLES

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Acceptances and Buyers Credit	26624.39	23235.58
Others	7343.77	7691.58
TOTAL	**33968.16**	**30927.16**

8.1 There are no Micro and Small Enterprises, to whom the Company owes dues. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 9 - OTHER CURRENT LIABILITIES

PARTICULARS		31st March, 2013		31st March, 2012
		` in lacs		` in lacs
Current maturities of long-term borrowings		1500.14		1999.92
Interest accrued but not due on borrowings		71.29		90.91
Unclaimed dividends		118.84		133.95
Advances from Customers		286.09		487.43
Other payables				
Dealer Deposits	278.37		277.92	
Employees Benefit	940.62		935.65	
Statutory Dues	1997.02		2372.75	
Creditors for Capital items	38.22		12.99	
Liability for expenses	1679.68		1689.36	
Others	72.58		62.95	
		5006.49		5351.62
TOTAL		**6982.85**		**8063.83**

NOTE 10 - SHORT TERM PROVISIONS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
For employees benefit	257.87	541.84
TOTAL	**257.87**	**541.84**

NOTE 11- FIXED ASSETS

` in lacs

DESCRIPTION		GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK
		AS AT 01.04.2012	ADDITIONS / ADJUSTMENTS	DELETIONS / ADJUSTMENTS	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	DELETIONS / ADJUSTMENTS	UPTO 31.03.2013	AS AT 31.03.2013
I	**TANGIBLE ASSETS**									
1	Leasehold land	760.22	-	-	760.22	119.61	9.67	-	129.28	630.94
		(760.22)	-	-	(760.22)	(109.94)	(9.67)	-	(119.61)	(640.61)
2	Freehold land	1776.68	-	-	1776.68	-	-	-	-	1776.68
		(1776.68)	-	-	(1776.68)	-	-	-	-	(1776.68)
3	Buildings	10337.30	-	-	10337.30	3090.11	331.99	-	3422.10	6915.20
		(10300.82)	(36.48)	-	(10337.30)	(2758.40)	(331.71)	-	(3090.11)	(7247.19)
4	Plant and Machinery and Electrical Fittings	22938.26	452.92	285.11	23106.07	17022.29	1143.09	284.25	17881.13	5224.94
		(26293.03)	(710.18)	(4064.95)	(22938.26)	(16481.62)	(1709.72)	(1169.05)	(17022.29)	(5915.97)
5	Furniture and Fixtures	747.85	-	0.54	747.31	586.77	16.72	0.52	602.97	144.34
		(728.59)	(66.49)	(47.23)	(747.85)	(574.50)	(23.77)	(11.50)	(586.77)	(161.08)
6	Office Equipments	478.20	34.48	8.17	504.51	257.56	18.85	7.82	268.59	235.92
		(444.14)	(41.06)	(7.00)	(478.20)	(240.93)	(18.01)	(1.38)	(257.56)	(220.64)
7	Motor Vehicles	409.20	11.40	42.02	378.58	203.14	24.65	40.02	187.77	190.81
		(334.64)	(77.58)	(3.02)	(409.20)	(183.07)	(22.56)	(2.49)	(203.14)	(206.06)
8	R & D - Building	157.08	-	-	157.08	90.50	5.24	-	95.74	61.34
		(157.08)	-	-	(157.08)	(85.25)	(5.25)	-	(90.50)	(66.58)
9	R & D - Plant and Machinery and Electrical Fittings	665.43	-	-	665.43	436.45	23.11	-	459.56	205.87
		(661.56)	(5.96)	(2.09)	(665.43)	(412.52)	(26.02)	(2.09)	(436.45)	(228.98)
10	R & D - Furniture and Fixture	87.76	-	0.15	87.61	70.06	1.63	0.14	71.55	16.06
		(88.79)	-	(1.03)	(87.76)	(69.43)	(1.66)	(1.03)	(70.06)	(17.70)
11	R & D - Office Equipment	40.25	-	-	40.25	26.84	1.68	-	28.52	11.73
		(40.25)	-	-	(40.25)	(25.16)	(1.68)	-	(26.84)	(13.41)
	Total Tangible Assets	**38398.23**	**498.80**	**335.99**	**38561.04**	**21903.33**	**1576.63**	**332.75**	**23147.21**	**15413.83**
		(41585.80)	**(937.75)**	**(4125.32)**	**(38398.23)**	**(20940.82)**	**(2150.05)**	**(1187.54)**	**(21903.33)**	**(16494.90)**
II	**INTANGIBLE ASSETS**									
1	R & D Software	59.27	-	-	59.27	50.83	2.12	-	52.95	6.32
		(55.27)	(4.00)	-	(59.27)	(45.90)	(4.93)	-	(50.83)	(8.44)
	Total Intangible Assets	**59.27**	**-**	**-**	**59.27**	**50.83**	**2.12**	**-**	**52.95**	**6.32**
		(55.27)	**(4.00)**	**-**	**(59.27)**	**(45.90)**	**(4.93)**	**-**	**(50.83)**	**(8.44)**
	Total Assets	**38457.50**	**498.80**	**335.99**	**38620.31**	**21954.16**	**1578.75**	**332.75**	**23200.16**	**15420.15**
		(41641.07)	**(941.75)**	**(4125.32)**	**(38457.50)**	**(20986.72)**	**(2154.98)**	**(1187.54)**	**(21954.16)**	**(16503.34)**

Note : Figures in brackets are of previous year

NOTE 12 - NON-CURRENT INVESTMENTS

PARTICULARS	No. of Shares	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Long Term-Trade Investments					
Equity Instruments					
(Unquoted and Fully Paid unless otherwise stated)					
In Subsidiary Company					
Akasaka Electronics Ltd. (Face value `10)	81,48,000 (PY.81,48,000)		2624.85		2624.85
In Others					
Kongarar Textiles Ltd. (Face value `10)	2,600	1.17		1.17	
Less : Provision for diminution in the value of Investments	(PY.2,600)	1.17	-	1.17	-
Onida Finance Ltd. (Face value `10)	4,68,400	139.60		139.60	
Less : Provision for diminution in the value of Investments	(PY.4,68,400)	139.60	-	139.60	-
TOTAL			**2624.85**		**2624.85**
12.1 Aggregate of Unquoted Investments					
Cost			2765.62		2765.62
Less: Provision for diminution in the value of Investments			140.77		140.77
			2624.85		**2624.85**

NOTE 13 - LONG-TERM LOANS AND ADVANCES

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
(Unsecured - considered good unless otherwise stated)				
Capital Advances		16.24		30.25
Security Deposits		3260.27		3362.20
Advance Income-tax (Net of Provisions)		121.91		121.91
Loans and advances to related parties				
Relatives of Directors	231.00		479.00	
Entity in which Directors have significant influence	125.00		125.00	
		356.00		604.00
Other Loans and Advances				
Prepaid Expenses		3.75		17.37
TOTAL		**3758.17**		**4135.73**

NOTE 14 - OTHER NON-CURRENT ASSETS

PARTICULARS	31st March, 2013 ` in lacs	31st March, 2012 ` in lacs
Margin Money with Banks		
With more than 12 months maturity	45.02	33.60
TOTAL	**45.02**	**33.60**

NOTE 15 - CURRENT INVESTMENTS

PARTICULARS	No. of Shares	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Non - Trade Investments					
In Equity Instruments					
Menon Pistons Ltd. (Quoted)	27,804	19.46		19.46	
(Face Value ` 10)	(PY.27,804)				
Less : Provision for diminution in the value of Investment		2.78		-	
			16.68		19.46
TOTAL			**16.68**		**19.46**
15.1 Aggregate of Quoted Investments					
Book Value			19.46		19.46
Market Value			16.68		28.64

NOTE 16 - INVENTORIES

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Raw Materials (including Packing Materials and Service Spares)	6550.27		6794.23	
Stock in Transit	970.46		1369.91	
		7520.73		8164.14
Stores and Spares		291.45		304.16
Work-in-Progress		1613.44		2078.90
Finished Goods		3440.60		4200.85
Stock-in-Trade	9793.73		14483.23	
Stock in Transit	2446.29		1128.44	
		12240.02		15611.67
TOTAL		**25106.24**		**30359.72**

NOTE 17 - TRADE RECEIVABLES

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Over six months due				
Unsecured - considered good	563.91		138.99	
- considered doubtful	688.53		631.77	
	1252.44		770.76	
Less : Provision for Doubtful Debts	688.53		631.77	
		563.91		138.99
Others - considered good				
- Secured	88.16		197.99	
- Unsecured	12602.41		12413.18	
		12690.57		12611.17
TOTAL		**13254.48**		**12750.16**

NOTE 18 - CASH, CASH EQUIVALENTS AND BANK BALANCES

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Cash and Cash Equivalents				
Cash in hand	12.26		9.28	
Bank Balances in Current Account	289.26		378.99	
Cheques, drafts on hand	19.60		294.16	
Bank Remittances in Transit	2481.04		2034.81	
		2802.16		2717.24
Other Bank Balances				
Margin Money				
With less than12 months maturity	152.00		-	
Unclaimed Dividend Accounts	118.84		133.95	
		270.84		133.95
TOTAL		**3073.00**		**2851.19**

NOTE 19 - SHORT TERM LOANS AND ADVANCES

PARTICULARS	31st March, 2013 ` in lacs	31st March, 2012 ` in lacs
Unsecured and Considered Good		
Advance Income-tax (Net of Provisions)	287.39	121.50
Balance with Excise and Customs	131.96	116.96
Other Receivables	372.52	364.03
Prepaid Expenses	156.24	96.17
Others	2584.39	3325.26
TOTAL	**3532.50**	**4023.92**

NOTE 20 - OTHER CURRENT ASSETS

PARTICULARS	31st March, 2013 ` in lacs	31st March, 2012 ` in lacs
Insurance claims receivable	4995.50	4411.60
Interest receivable	5.95	1.47
TOTAL	**5001.45**	**4413.07**

NOTE 21 - OTHER OPERATING INCOME

PARTICULARS	2012-13 ` in lacs	2011-12 ` in lacs
Sale of Scrap	80.25	61.92
Export Incentives	83.82	57.95
Others	24.26	42.80
TOTAL	**188.33**	**162.67**

NOTE 22 - OTHER INCOME

PARTICULARS	2012-13 ` in lacs	2011-12 ` in lacs
Dividend Income	0.97	12.06
Interest Income	53.05	112.90
Profit on sale of Assets	3.18	-
Profit on sale of Investment	-	5.39
Interest on Income Tax Refund	15.90	107.91
Conducting Fees	18.00	17.00
Credit balances written back	109.82	-
TOTAL	**200.92**	**255.26**

NOTE 23 - COST OF MATERIALS CONSUMED

PARTICULARS	2012-13 ` in lacs	2011-12 ` in lacs
Colour Picture Tube and LCD / LED panels	8759.11	17983.95
Components and Parts for Display Devices	25040.03	25037.95
Components and Parts for Air Conditioners	503.21	1901.68
Components and Parts for Washing Machine	3767.72	5674.62
Others	9333.24	13309.54
TOTAL	**47403.31**	**63907.74**

NOTE 24 - PURCHASES OF STOCK-IN-TRADE

PARTICULARS	2012-13 ` in lacs	2011-12 ` in lacs
Display Devices	14945.51	14588.29
Washing Machines	6568.50	4160.50
Air Conditioners	21360.58	26253.90
DVD	1842.17	3811.88
Microwave Ovens	2667.46	3811.94
Mobiles	3661.27	9018.58
Others	2689.24	3664.92
TOTAL	**53734.73**	**65310.01**

NOTE 25 - CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	2012-13		2011-12	
	` in lacs		` in lacs	
Opening Stock (including in transit)				
Finished Goods	4200.85		6629.79	
Work in Progress	2078.90		2272.75	
Stock in Trade	15611.67		15792.19	
		21891.42		24694.73
Less : Closing Stock (including in transit)				
Finished Goods	3440.60		4200.85	
Work in Progress	1613.44		2078.90	
Stock in Trade	12240.02		15611.67	
		17294.06		21891.42
TOTAL		**4597.36**		**2803.31**

NOTE 26 - EMPLOYEES BENEFIT EXPENSES

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Salaries, Wages and Bonus	6528.95	7820.95
Contribution to Provident Fund and Other Funds	340.58	342.81
Staff Welfare Expenses	853.68	1062.62
TOTAL	**7723.21**	**9226.38**

NOTE 27 - FINANCE COST

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Interest Expense	2261.97	2730.75
Other Borrowing costs	485.94	388.50
Exchange difference on foreign currency	1123.74	467.08
TOTAL	**3871.65**	**3586.33**

NOTE 28 - OTHER EXPENSES

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Power and Fuel	703.57	1066.91
Rent	949.23	966.21
Rates and Taxes	363.64	338.13

PARTICULARS	2012-13		2011-12	
	` in lacs		` in lacs	
Repairs to:				
- Plant and Machinery	196.90		232.46	
- Building	9.12		65.92	
- Others	493.29		545.86	
		699.31		844.24
Insurance Charges		227.14		170.81
Freight and Forwarding Expenses		4073.51		6101.03
Advertisement		3094.93		5601.66
Sales Commission		2.82		8.69
Service Charges		2273.05		2938.86
Travelling and Conveyance		778.62		1131.77
Loss on Sale of Assets		-		0.08
Bad debts written off	0.16		37.98	
Less : Provision for Doubtful Debts written back	0.16		37.98	
		-		-
Provision for Doubtful Debts		56.91		31.53
Provision for Diminution in the value of investments		2.78		-
Research and Development Expenses		557.32		867.22
Bank Charges		10.02		6.56
Adjustment of Excise Duty on stock		(61.30)		(145.84)
Exchange Difference on foreign currency		25.21		(3.21)
Miscellaneous Expenses		1451.70		1929.98
TOTAL		**15208.46**		**21854.63**

29) a. Exceptional item of previous year represents expected loss of ` 501.22 lacs on account of major fire on 8th February, 2012 at one of the Company's factory located at Roorkee Uttarkhand

b. In respect of the said fire incident the Company has made claim from insurance company and the amount (net of provision) of ` 4995.50 lacs for the loss made in the earlier year is carried as Insurance claim receivable under other current assets in the Balance Sheet. An adhoc amount of ` 1500 lacs has been received subsequent to the Balance Sheet date against the said receivables and the Management is confident of balance recovery.

30) The Company has a normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of Assets and Liabilities into Current and Non-Current as required by Revised Schedule VI of the Companies Act, 1956 for preparation of the financial statements.

31) During the year net debit in respect of foreign exchange fluctuation is ` 639.88 lacs (previous year debit of ` 576.28 lacs). Out of this credit of ` 531.31 lacs (previous year debit of ` 102.33 lacs) is in respect of raw material purchases, debit of ` 44.86 lacs (previous year debit of ` 6.87 lacs) is in respect of export of goods (included in miscellaneous expenses), and debit of ` 1126.33 lacs (previous year debit of ` 467.08 lacs) is in respect of premium on forward contracts included in finance cost .

32) Contingent Liabilities and Commitments

` in lacs

PARTICULARS		31st March 2013	31st March 2012
Contingent Liabilities			
a)	Guarantees given to Bank against which `Nil (previous year `Nil) has been deposited as margin money	1453.35	1565.22
b)	Guarantees given to bank on behalf of Subsidiary company - Akasaka Electronics Ltd.	2132.00	2132.00
c)	Income tax demands in respect of which appeals have been filed	188.45	77.69
d)	Excise Duty, Service Tax and Custom Duty in respect of which appeals have been filed (Refer note below)	2708.80	31136.40
e)	Claims made against the Company not acknowledged as debts	6661.85	3681.12
Commitments			
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)		21.17	100.34

Note : In the earlier year, the Company has received a demand of Service Tax of ` 29777.33 lacs from the Commissioner of Central Excise. As per the management, the demand is not tenable and the Company has received favourable order from CESTAT for stay of the said demand.

33) Employee Defined Benefits :

a) Defined contribution plans

The Company has recognised an expense of ` 241.47 lacs (previous year ` 291.59 lacs) towards defined contribution plans, in respect of Provident Fund and Superannuation Fund

b) Description of the Plan

Gratuity

Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India. Under the plan, employee at retirement is eligible for benefit which will be equal to 15 days salary for each completed year of service. In other words, the policy is a defined benefit plan. Accordingly, the aforesaid insurance policy is the plan asset.

Leave encashment

The leave encashment benefit scheme is a defined benefit plan and is wholly unfunded. Hence, there are no planned assets attributable to the obligation.

c) Principal actuarial assumptions :

Particulars	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate	8.25%	8.25%	8.75%	8.75%
Rate of Return on Plan Assets	8.25%	N.A.	8.75%	N.A.
Salary Escalation	5.00%	5.00%	5.00%	5.00%

d) Reconciliation of Benefit Obligation : ` in lacs

Particulars	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Liability at the beginning of the year	853.00	269.20	793.19	220.39
Interest cost	74.64	23.56	65.44	18.18
Current Service Cost	58.74	12.85	68.29	21.70
Benefit Paid	(56.95)	(42.48)	(51.87)	(86.96)
Actuarial (Gain) / Loss on Obligations	8.35	8.06	(22.05)	95.89
Liability at the end of the year	937.78	271.19	853.00	269.20
Fair Value of Plan Assets at the end of the year	798.14	-	784.36	-
Liability at the end of the year recognised and disclosed under the head "Provisions for Employee Benefits"				
- Long term provision	-	212.81	-	215.12
- Short term provision	139.64	58.38	68.64	54.08

e) Reconciliation of Fair value of Plan Assets : ` in lacs

Particulars	Gratuity	
	2012-13	2011-12
Fair Value of Plan Assets at the beginning of the year	784.36	715.69
Expected Return on Plan Assets	68.63	59.04
Contributions	0.16	56.46
Benefit Paid	(56.95)	(51.88)
Actuarial Gain / (Loss) on Asset	1.94	5.04
Fair Value of Plan Assets at the end of the year	798.14	784.36

f) Return on Plan Assets : ` in lacs

Particulars	Gratuity	
	2012-13	2011-12
Expected Return on Plan Assets	68.63	59.04
Actuarial Gain / (Loss) on Plan Assets	1.94	5.04
Actual Return on Plan Assets	70.57	64.08

g) Expenses recognised in the Profit and Loss Statement under the head Employees Benefit Expenses : ` in lacs

Particulars	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	58.74	12.85	68.29	21.70
Interest Cost	74.64	23.56	65.44	18.18
Expected Return on Plan Assets	(68.63)	N.A.	(59.04)	N.A.
Net Actuarial (Gain) / Loss recognised	6.41	8.06	(27.09)	95.89
Expenses recognised in Profit and Loss Statement	71.16	44.47	47.60	135.77

34) In view of non-availability of profits for the current year, remuneration paid to the managerial personnel is in excess of the limit prescribed under Schedule XIII of the Companies Act, 1956, by ` 65.07 lacs. The said amount is subject to approval from Central Government and therefore the amount paid is held in trust by the concerned managerial personnel.

35) Imported and Indigenous Material Consumed : ` in lacs

Sr. No.	Particulars	2012-13	%	2011-12	%
a)	Imported	30349.28	64	43977.77	69
b)	Indigenous	17054.03	36	19929.97	31
	Total	**47403.31**	**100**	**63907.74**	**100**

36) Value of Imports (on C.I.F. basis) : ` in lacs

Sr. No.	Particulars	2012-13	2011-12
a)	Raw Materials (Incl. In-Transit)	34651.26	41822.45
b)	Finished Goods - Stock in Trade (Incl. In-Transit)	32285.90	45012.91
c)	Capital Goods	765.41	563.97

37) Details of earnings in Foreign Currency : ` in lacs

Particulars	2012-13	2011-12
Exports (at FOB Value)	1716.14	1207.32

38) Details of expenditure in Foreign Currency : ` in lacs

Sr. No.	Particulars	2012-13	2011-12
a)	Royalty	6.72	10.03
b)	Finance cost	456.37	182.11
c)	Personnel expenses	252.26	255.58
d)	Freight and Forwarding	33.93	18.31
e)	Travelling and conveyance	42.06	78.44
f)	Others	337.97	294.00
	Total	**1129.31**	**838.47**

39) In the earlier year, Mobile Communication Device was treated as a separate segment and accordingly disclosure required under (AS) -17 on "Segment Reporting" was made in the Consolidated Financial Statements. Based on the composition of sales Mobile Communication Device is no longer considered as a seperate reportable segment and hence the Company is left with only one reportable segment ie. Consumer Durable products. Further, there is no seperately identifable geographical segment and hence no reporting is made for segment.

40) Disclosure of Foreign Currency exposure :

Following are the details of forward exchange contracts outstanding on the balance sheet date which are entered to hedge foreign exchange exposures of the Company.

` in lacs

Sr.No.	Particulars	Currency	Amount in foreign currency
a)	Amount payable on account of import of goods	USD	281.97
	(Previous year)	USD	(364.38)

The year end foreign currency exposure that has not been hedged by a derivative instrument or otherwise is given below.

` in lacs

Sr.No.	Particulars	Currency	Amount Forward currency	Amount in Indian Rupees
a)	Amount payable on account of import of goods	USD	239.72	13012.94
		EUR	**	(0.14)
		SGD	0.13	5.47
		JPY	54.24	31.29
	(Previous year)	USD	(120.13)	(6111.83)
		JPY	(354.55)	(219.68)
b)	Amount receivable on export of goods	USD	5.41	293.58
	(Previous year)	USD	(3.81)	(193.89)

** Denotes having values less than 500

41) Computation for Earnings Per Share (EPS) is as under :

Particulars	2012-13	2011-12
Profit / (Loss) after Tax (` In lacs)	(2863.71)	(3893.97)
Net Profit / (Loss) after tax attributable to Equity shareholders (` In lacs)	(2863.71)	(3893.97)
Weighted average number of Equity Shares outstanding	14,17,51,678	14,17,51,678
Basic / Diluted Earnings Per Share (`)	(2.02)	(2.75)

42) Research and Development expenses consist of personnel expenses and other expenses of ` 437.90 lacs (previous year ` 571.99 lacs), and ` 119.41 lacs (previous year ` 295.23 lacs) respectively. Depreciation on Research and Development assets is ` 33.79 lacs (previous year ` 39.53 lacs) shown under Fixed Assets.

43) Miscellaneous Expenses charged to Profit and Loss Statement includes Remuneration to Auditors :

` in lacs

Particulars	2012-13	2011-12
Auditors	22.50	21.00
For Taxation matters	4.00	4.00
For Company Law matters	0.25	0.25
For other Services	0.78	0.81
For reimbursement of expenses	0.41	0.25
TOTAL	**27.94**	**26.31**

44) a) Balances of Trade Receivables, Loans and Advances and Deposits are subject to confirmation and reconciliation.

b) There is no amount due and outstanding, as at 31st March, 2013 to be credited to Investor Education and Protection Fund.

45) Related party Disclosure :

Related parties as defined under clause -3 of Accounting Standard (AS) - 18 " Related Party Disclosures" have been identified on the basis of representation made by key management personnel and information available with the company.

Names of related parties and description of relationship :

1. Subsidiary	Akasaka Electronics Ltd.
2. Key Management Personnel	Mr. G.L. Mirchandani - Chairman and Managing Director of Mirc Electronics Ltd. Mr. V.J. Mansukhani - Managing Director of Mirc Electronics Ltd.
3. Relatives of Key Management Personnel	Mrs. Gita Mirchandani (Wife of Mr. G.L. Mirchandani) Mrs. Marissa Mansukhani (Wife of Mr. V.J. Mansukhani) Mr. Kaval Mirchandani (Son of Mr. G.L. Mirchandani) Mr. Akshay Mansukhani (Son of Mr. V.J. Mansukhani) Ms. Ayesha Mansukhani (Daughter of Mr. V.J. Mansukhani) G.L. Mirchandani (H.U.F.) V.J. Mansukhani (H.U.F.)
4. Enterprise over which any person described in 2 and 3 having significiant influence	Iwai Electronics Pvt. Ltd. Adino Telecom Ltd. Gulita Wealth Advisors Pvt. Ltd.

a) Ordinary course of business

` in lacs

Particulars	Subsidiary (1)	Key management Personnel (2)	Relatives of key management personnel (3)	Enterprise over which any person described in (2) and (3) is having significant influence (4)
Transactions during 1.4.2012 to 31.03.2013				
Purchase of goods, services, spares and fixed assets				
Akasaka Electronics Ltd.	391.70 (777.32)	- -	- -	- -
Iwai Electronics Pvt. Ltd.	- -	- -	- -	1425.52 (2256.00)
Adino Telecom Ltd.	- -	- -	- -	0.54 (0.15)
Sale of goods, fixed assets, spares and services				
Akasaka Electronics Ltd.	0.25 (1.17)	- -	- -	- -
Iwai Electronics Pvt. Ltd.	- -	- -	- -	21.48 (19.69)
Adino Telecom Ltd.	- -	- -	- -	3.21 (3.26)
Inter Corporate Deposits / Loan repaid				
Gita Mirchandani	- -	- -	50.00 (425.00)	- -
Ayesha Mansukhani	- -	- -	198.00 (65.00)	- -
Interest due and received on Inter Corporate Deposits / loans / advances				
Adino Telecom Ltd.	- -	- -	- -	18.75 (18.75)
Ayesha Mansukhani	- -	- -	14.32 (35.37)	- -
Gita Mirchandani	- -	- -	11.39 (39.51)	- -
Rent paid				
G.L.Mirchandani	- -	4.03 (4.03)	- -	- -
Gita Mirchandani	- -	- -	27.74 (27.74)	- -

` in lacs

Particulars	Subsidiary (1)	Key management Personnel (2)	Relatives of key management personnel (3)	Enterprise over which any person described in (2) and (3) is having significant influence (4)
Marissa Mansukhani	-	-	8.18	-
	-	-	(8.18)	-
Akshay Mansukhani	-	-	0.89	-
	-	-	(0.89)	-
Ayesha Mansukhani	-	-	0.89	-
	-	-	(0.89)	-
G.L. Mirchandani (HUF)	-	-	13.66	-
	-	-	(13.66)	-
V.J. Mansukhani (HUF)	-	-	2.59	-
	-	-	(2.59)	-
Gulita Wealth Advisors Pvt. Ltd.	-	-	-	30.00
	-	-	-	(30.00)
Rent received				
Adino Telecom Ltd.	-	-	-	1.25
	-	-	-	(7.38)
Refund of Rent Deposit				
Gita Mirchandani	-	-	-	-
	-	-	(8.18)	-
Marissa Mansukhani	-	-	-	-
	-	-	(4.09)	-
G.L. Mirchandani (HUF)	-	-	-	-
	-	-	(4.09)	-
Remuneration				
G.L. Mirchandani	-	144.19	-	-
	-	(144.19)	-	-
V.J. Mansukhani (*)	-	126.03	-	-
	-	(126.03)	-	-
Kaval Mirchandani	-	-	45.00	-
	-	-	(45.00)	-

(*) Subject to Central Government approval

Closing Balance as at 31.03.2013

` in lacs

Particulars	Subsidiary (1)	Key management Personnel (2)	Relatives of key management personnel (3)	Enterprise over which any person described in (2) and (3) is having significant influence (4)
Receivable				
G.L. Mirchandani				
Rent Deposit	-	119.82	-	-
	-	(119.82)	-	-
Gita Mirchandani				
Rent Deposit	-	-	631.40	-
	-	-	(631.40)	-
Loan given	-	-	101.00	-
	-	-	(151.00)	-
	-	-	732.40	-
	-	-	(782.40)	-
Marissa Mansukhani				
Rent Deposit	-	-	8.18	-
	-	-	(8.18)	-
Akshay Mansukhani				
Rent Deposit	-	-	0.89	-
	-	-	(0.89)	-
Ayesha Mansukhani				
Rent Deposit	-	-	0.89	-
	-	-	(0.89)	-
Loan given	-	-	130.00	-
	-	-	(328.00)	-
	-	-	130.89	-
	-	-	(328.89)	-
G.L. Mirchandani (HUF)				
Rent Deposit	-	-	349.70	-
	-	-	(349.70)	-
V.J. Mansukhani (HUF)				
Rent Deposit	-	-	2.59	-
	-	-	(2.59)	-
Gulita Wealth Advisors Pvt. Ltd.				
Rent Deposit	-	-	-	1000.00
	-	-	-	(1000.00)
Adino Telecom Ltd.				
Debtors	-	-	-	7.06
	-	-	-	(6.46)

` in lacs

Particulars	Subsidiary (1)	Key management Personnel (2)	Relatives of key management personnel (3)	Enterprise over which any person described in (2) and (3) is having significant influence (4)
Inter corporate deposit given	-	-	-	125.00
	-	-	-	(125.00)
	-	-	-	132.06
	-	-	-	(131.46)
Payable				
Akasaka Electronics Ltd.				
Creditors payable	19.85	-	-	-
	(56.41)	-	-	-
	19.85	-	-	-
	(56.41)	-	-	-
Iwai Electronics Pvt. Ltd.				
Creditors payable	-	-	-	62.70
	-	-	-	(169.85)

Note : Figures in brackets are of previous year

46) Previous year's figures have been rearranged and regrouped wherever necessary.

Signatures to Notes '1' to '46' forming part of the Balance Sheet and Profit and Loss Statement

As per our Report of even date attached

For and on behalf of the Board of Directors

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration. No. 108296W

PREDEEP K. GUPTA
Chief Financial Officer

G.L. MIRCHANDANI
Chairman and Managing Director

J.M. GANDHI
Partner
Membership No.37924

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

V.J. MANSUKHANI
Managing Director

Mumbai, May 14, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

		2012-13		2011-12	
		` in lacs		` in lacs	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (loss) Before Tax as per Profit and Loss Statement		**(4687.54)**		**(4161.40)**
	Adjustments for :				
	Depreciation and Amortisation	1578.75		2154.98	
	Unrealised Foreign Exchange Fluctuations	(364.32)		(417.71)	
	Borrowing Cost	3871.65		3520.39	
	Interest Income	(53.05)		(220.81)	
	Dividend Income	(0.97)		(12.06)	
	(Profit) / Loss on Sale of Fixed Assets (Net)	(3.18)		0.08	
	(Profit) / Loss on Sale of Investments (Net)	-		(5.39)	
	Provision for Dimunition of Investments	2.78		-	
	Exceptional Item - Provision for loss of Fixed Assets due to fire	-		300.00	
			5031.66		5319.48
	Operating Profit before Working Capital changes		**344.12**		**1158.08**
	Changes in Working Capital :				
	(Increase) / Decrease in Trade and Other receivables	(465.68)		3287.89	
	Decrease in Inventories	5253.48		4286.49	
	Increase / (Decrease) in Trade and Other Payables	2843.90		(5400.88)	
			7631.70		2173.50
	Cash Generated from Operations		**7975.82**		**3331.58**
	Direct Taxes Paid (Net of Refunds)		(168.45)		(132.10)
	NET CASH GENERATED FROM OPERATING ACTIVITIES.....(A)		**7807.37**		**3199.48**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Fixed Assets and additions in CWIP		(1254.28)		(935.47)
	Purchase of Investments		-		(5700.08)
	Proceeds from Sale of Fixed Assets		6.42		1.07
	Proceeds from Sale of Investments		-		5715.46
	Loans and Advances received		248.00		490.00
	Interest Income		48.57		220.81
	Dividend Income		0.97		12.06
	NET CASH USED IN INVESTING ACTIVITIES.....(B)		**(950.32)**		**(196.15)**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	2012-13	2011-12
	` in lacs	` in lacs
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Borrowings	(2880.86)	(1499.94)
Addition to Borrowings	-	1620.28
Payment of Borrowing Cost	(3891.27)	(3486.58)
Dividends Paid (including Dividend Tax)	-	(1632.44)
NET CASH USED IN FINANCING ACTIVITIES……(C)	**(6772.13)**	**(4998.68)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**84.92**	**(1995.35)**
Cash and Cash Equivalents at the beginning of the year	**2717.24**	**4712.59**
Cash and Cash Equivalents at the end of the year	**2802.16**	**2717.24**
Cash and Cash Equivalents comprises of :		
Cash in hand	12.26	9.28
Bank Balances in Current Account	289.26	378.99
Cheques, drafts on hand	19.60	294.16
Bank Remittances in Transit	2481.04	2034.81
Total	**2802.16**	**2717.24**

Note 1 : Cash flow statement has been prepared under the Indirect method as set-out in Accounting Standard (AS)-3, notified under the Companies (Accounting Standards) Rules, 2006

2 : Figures of the Previous Year has been regrouped / reclassified, wherever considered necessary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration. No. 108296W

PREDEEP K. GUPTA
Chief Financial Officer

G.L. MIRCHANDANI
Chairman and Managing Director

J.M. GANDHI
Partner
Membership No.37924

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

V.J. MANSUKHANI
Managing Director

Mumbai, May 14, 2013

Statement Pursuant to Section 212 of the Companies Act 1956, relating to Subsidiary Companies

1	Name of the Subsidiary	Akasaka Electronics Ltd.	Akasaka Electronics Ltd.
2	Financial Year of the Subsidiary ended on	31st March, 2013	31st March, 2012
3	Share of the Subsidiary held by the Company on the above date :		
	(a) Number and Face Vale	81,48,000 ` 10	81,48,000 ` 10
	(b) Extent of holding	99.88%	99.88%
4	Profit / (Loss) of the subsidiary for the above financial year so far as they concern members of the Company		
	(a) Dealt with in the accounts of the Company for the year ended 31st March, 2013		
	(b) Not dealt with in the accounts of the Company for the year ended 31st March, 2013	(253.19)	12.66
5	Net aggregate amount of profits / (losses) of the subsidiary for the previous years of the subsidiary, since it became a subsidiary so far as they concern members of the Company		
	(a) Dealt with in the accounts of the Company for the year ended 31st March, 2013		
	(b) Not dealt with in the accounts of the Company for the year ended 31st March, 2013	971.05	958.39
	*Statement regarding Subsidiary Company as at 31st March, 2013 :		
	(a) Issued and Subscribed Share Capital	815.75	815.75
	(b) Reserves	1025.51	1279.00
	(c) Total Assets	2437.99	2748.79
	(d) Total Liabilities	596.73	654.04
	(e) Investments	-	-
	(f) Turnover	1726.22	3220.31
	(g) Profit / (Loss) Before Taxation	(253.49)	15.75
	(h) Provision for Tax	-	3.07
	(I) Profit After Taxation	(253.49)	12.68
	(j) Proposed Dividend	-	-

* Statement containing information in compliance of Circular No.2/2011 dated. 8th February, 2011 issued by Ministry of Corporate Affairs U/S 212 (8) of the Companies Act, 1956.

CONSOLIDATED AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF MIRC ELECTRONICS LIMITED

1. We have audited the accompanying consolidated financial statements of **MIRC ELECTRONICS LIMITED ('the Company')** and its subsidiary, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Profit and Loss Statement and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Consolidated Financial Statements**

   Management of the Company 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 Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   The Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standard (AS) 21 "Consolidated Financial Statements" as notified under the Companies (Accounting Standards) Rules, 2006.

3. **Auditor's Responsibility**

   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 consolidated 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 judgement, 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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.

4. **Emphasis of Matters**

   (i) We draw attention to Note no. 27 of the Financial Statements with regards to the claim receivable from the Insurance Company and outstanding of ` 4995.50 lacs as on the balance sheet date. The Management of the Company is confident of recovery of the full amount and therefore no further provision has been made. Our opinion is not qualified in respect of this matter.

   (ii) We also draw attention to Note no. 31 of the financial statements relating to excess managerial remuneration of ` 65.07 lacs charged to the profit and loss statement of the current year, which is subject to the approval of the Central Government. Our opinion is not qualified in respect of this matter.

5. **Opinion**

   In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

   (ii) in the case of the consolidated Profit and Loss Statement, of the loss for the year ended on that date; and

   (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

6. **Other Matter**

   We did not audit the financial statements of the subsidiary Company, whose financial statements reflect total assets (net) of ` 1841.26 lacs as at March 31, 2013, total revenues of ` 1756.94 lacs and net cash inflow of ` 73.46 lacs for the year ended on that date. These financial statements have been audited by other auditors whose report have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary, is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

For **N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No.108296W

J. M. GANDHI
Partner
Membership No. 37924

Place : Mumbai
Date : May 14, 2013

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

PARTICULARS	Note No.	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
I. EQUITY AND LIABILITIES					
Shareholders Funds					
Share capital	2	1419.38		1419.38	
Reserves and Surplus	3	17684.39		20768.84	
			19103.77		22188.22
Minority Interest			2.04		2.34
Non-current Liabilities					
Long-term borrowings	4	-		1500.14	
Deferred tax liabilities (Net)	5	-		1544.79	
Long-term provisions	6	227.11		228.91	
			227.11		3273.84
Current Liabilities					
Short-term borrowings	7	11707.03		12364.95	
Trade Payables	8	33969.67		31160.54	
Other current liabilities	9	7119.40		8212.79	
Short-term provisions	10	259.50		543.46	
			53055.60		52281.74
TOTAL			**72388.52**		**77746.14**
II. ASSETS					
Non-current Assets					
Fixed assets					
Tangible assets	11	15923.02		17085.49	
Intangible assets	11	6.32		8.44	
Capital work-in-progress		1413.71		272.80	
			17343.05		17366.73
Non-current investments	12		-		-
Long-term loans and advances	13		3838.10		4210.79
Other non-current assets	14		45.02		33.60
Current Assets					
Current investments	15		16.68		19.46
Inventories	16		25537.36		31191.51
Trade Receivables	17		13596.19		13237.32
Cash, cash equivalents and bank balances	18		3347.34		3052.07
Short-term loans and advances	19		3642.89		4209.01
Other current assets	20		5021.89		4425.65
TOTAL			**72388.52**		**77746.14**
Significant Accounting Policies					
The Note numbers 1 to 38 form integrated part of the Financial Statements	1				

As per our Report of even date attached
For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration No. 108296W

J.M.GANDHI
Partner
Membership No.37924
Mumbai, May 14, 2013

PREDEEP K. GUPTA
Chief Financial Officer

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

For and on behalf of the Board of Directors
G.L. MIRCHANDANI
Chairman and Managing Director

V.J.MANSUKHANI
Managing Director

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	Note No.	2012-13 ` in lacs	2011-12 ` in lacs
I. Revenue from Operations			
Sales of products		137819.88	175993.31
Other Operating Income	21	252.31	299.42
		138072.19	176292.73
Less: Excise Duty		7508.92	8922.97
Total Revenue from Operations		**130563.27**	**167369.76**
II. Other Income	22	231.65	285.34
TOTAL REVENUE		**130794.92**	**167655.10**
III. EXPENSES			
Cost of materials consumed		47975.57	65157.03
Purchases of Stock-in-Trade		53734.73	65310.01
Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	4650.62	2839.53
Employee benefits expense	24	8090.48	9624.06
Finance Cost	25	3891.22	3618.10
Depreciation and amortization expense	11	1728.21	2302.92
Other Expenses	26	15666.98	22438.97
TOTAL EXPENSES		**135737.81**	**171290.62**
IV. PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**(4942.89)**	**(3635.52)**
V. EXCEPTIONAL ITEMS	27	**-**	**501.22**
VI. PROFIT / (LOSS) BEFORE TAX		**(4942.89)**	**(4136.74)**
VII. Tax Expenses			
Current Tax		-	3.07
Income Tax of earlier years		(279.04)	-
Deferred Tax	5	(1544.79)	(267.43)
PROFIT / (LOSS) FOR THE YEAR		**(3119.06)**	**(3872.38)**
Adjustment for Minority Interest		(0.30)	0.02
VIII. PROFIT / (LOSS) AFTER TAX AND MINORITY INTEREST CARRIED TO BALANCE SHEET		**(3118.76)**	**(3872.40)**
Earnings per Equity Shares (Face Value of Re. 1 each) Basic and Diluted (`)	30	(2.20)	(2.73)
Significant Accounting Policies	1		

The Note numbers 1 to 38 form integrated part of the Financial Statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration No. 108296W

J.M.GANDHI
Partner
Membership No.37924

Mumbai, May 14, 2013

PREDEEP K. GUPTA
Chief Financial Officer

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

G.L. MIRCHANDANI
Chairman and Managing Director

V.J.MANSUKHANI
Managing Director

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

NOTE 1- SIGNIFICANT ACCOUNTING POLICIES

1.1 Principles of consolidation :

The Consolidated financial statements relates to MIRC Electronics Ltd. ("the Company") and its subsidiary company, Akasaka Electronics Ltd. The Consolidated Financial statements have been prepared on the following basis:

a) The subsidiary is consolidated on line by line basis in accordance with the principles laid down in Accounting Standard (AS)-21 on "Consolidated Financial Statements". Inter-company transactions and balances resulting in unrealised profits are eliminated in full. Unrealised losses resulting from such transactions are also eliminated unless cost cannot be recovered.

b) The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the parent company i.e. 31st March, 2013.

c) The excess of the Company's portion of equity and reserve of the subsidiary as at the date of its investment is treated as Capital Reserve.

d) Minority interest in the net assets of consolidated financial statement consists of :

   i) The amount of equity attributable to minorities at the date on which Investment in subsidiary is made; and

   ii) the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence.

e) The subsidiary company considered in consolidated statement is :

Name of the Company	Percentage of Holding as on 31st March 2013
Akasaka Electronics Ltd.	99.88

1.2 Basis of Accounting

The financial statements have been prepared on an accrual basis under the historical cost convention and in accordance with the generally accepted accounting principles in India and materially comply with the mandatory Accounting Standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

1.3 Revenue Recognition

i) Income from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of goods sold. Sales are recorded net of sales tax / value added tax. The excise duty recovered is presented as a reduction from gross turnover.

ii) Interest income is recognised on accrual basis.

iii) Dividend income is accounted when the right to receive the payment is established.

iv) Claims which are not of material nature / Insurance Claims, Export benefits, Government Grants, refund of Sales tax / Excise / Custom duty are accounted for when no significant uncertainties are attached to their eventual receipt.

1.4 Use of Estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and discloures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Differences between the actual results and estimates are recognised in periods in which the results are known / materialised.

1.5 Fixed Assets and Depreciation

i) Fixed Assets are stated at cost of acquisition or construction, net of modvat / cenvat, less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition comprises of all costs incurred to bring the assets to their location and working condition up to the date assets are put to use. All costs, including financing costs till commencement of commercial production, net charge on foreign exchange contracts and adjustment arising from exchange rate variations upto 31st March, 2007 attributable to the fixed assets acquired from a country outside India are capitalised.

ii) Machinery / Insurance spares which are specific and identifiable to the assets are capitalised.

iii) Preoperative expenditure during construction period/trial run, direct expenses as well as clearly identifiable indirect expenses incurred on the projects during the period of construction are being capitalised along with the respective assets.

iv) The company provides depreciation as under :

a) For assets acquired on or after 1st January, 1987 on straight line method, in accordance with Schedule XIV of the Companies Act, 1956.

b) For assets acquired prior to 1st January, 1987 on Written Down Value basis, in accordance with Schedule XIV of the Companies Act,1956.

c) Accelerated depreciation has been provided on Fixed Asset which have become obsolete, to reduce the value to estimated realisable value.

d) Capital items costing less than ` 5000 have been charged to Profit and Loss Statement at the time of purchase itself.

e) Leasehold Land is amortised over the period of lease.

f) The company capitalises software where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over an estimated useful life of 5 years.

1.6 Impairment of Assets

An asset is considered as impaired in accordance with Accounting Standard (AS)-28 on "Impairment of Assets". Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

1.7 Investments

Investments are classified as current or long term in accordance with Accounting Standard (AS)-13 on "Accounting for Investments".

Current Investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversal of such reductions are charged or credited to the Profit and Loss Statement.

Long term investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of such investments.

1.8 Accounting for Taxes on Income

Tax expenses are charged to Profit and Loss Statement after considering deferred tax impact for the timing difference between Accounting Income and Tax Income.

Deferred Tax Assets on timing differences are recognised when there is a reasonable certainty that they will be realised.

Deferred Tax Assets relating to unabsorbed business losses are recognised when there is a virtual certainty that there will be sufficient taxable profits to utilise them.

1.9 Inventories

Inventories are valued at lower of cost and net realisable value.

Cost is computed based on moving weighted average in respect of all procurred materials and comprises of materials and appropriate share of utilities and other overheads in respect of work-in-process and finished goods. Costs also includes all charges incurred for bringing the inventories to their present location and condition.

1.10 Sales Promotion

Articles procured for sales promotion are charged to the Profit and Loss Statement at the time of purchase itself.

1.11 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at transaction date.

i) Exchange differences relating to fixed assets arising during the year has been charged off to the Profit and Loss Statement pursuant to the notification issued by ICAI.

ii) Monetary foreign currency assets and liabilities are translated into rupees at the exchange rate prevailing at the Balance sheet date. Exchange differences are dealt with in the Profit and Loss Statement.

iii) Non monetory items such as investments are carried at historical cost using exchange rates on the date of transaction.

iv) In case of forward contracts (for hedging purposes) the premium or discount arising at inception is amortised as expense or income over the life of the contract. Mark to Market differences on such contracts are recognised in the Profit and Loss Statement.

Transactions relating to overseas branch have been translated as follows

i) Additions to fixed assets are capitalised at rates prevailing on the date of acquisition. Depreciation is charged on the value at which assets are converted.

ii) Monetary assets and liabilities at the rates prevailing on the balance sheet date.

iii) Revenue items at the weighted average rate for the month.

1.12 Research and Development

Revenue expenditure on research and development is charged to the Profit and Loss Statement.

Capital expenditure on research and development is shown as an addition to fixed assets.

1.13 Borrowing cost

Borrowing cost that are attributable to the acquisition or construction of qualifying asset are capitalised as part of such asset.

1.14 Retirement benefits

Provident Fund - The Company has a statutory scheme of Provident Fund with the Regional Provident Fund Commissioner.

Gratuity and Leave Encashment - Gratuity and Leave Encashment has been provided in accordance with Accounting Standard (AS) - 15 "Employee Benefits".

Superannuation - Superannuation is provided on the basis of premium paid on the policy taken under Group Superannuation Scheme from Life Insurance Corporation of India.

1.15 Provision and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of the sources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's estimate for the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current estimates of the management.

A Contingent Liability is disclosed , unless the possibility of an outflow of resources embodying the economic benefit is remote.

1.16 In the earlier year, Mobile Communication Device was treated as a separate segment and accordingly disclosure required under (AS) -17 on Segment Reporting was made in the Consolidated Financial Statements. Based on the composition of sales Mobile Communication Device is no longer considered as a seperate reportable segment and hence the Company is left with only one reportable segment ie. Consumer Durable products. Further, there is no seperately identifable geographical segment and hence no reporting is made for segment.

NOTE 2 - SHARE CAPITAL

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Authorised				
16,80,20,000 Equity Shares of Re.1 each		1680.20		1680.20
(Previous year 16,80,20,000 Equity Shares of Re.1 each)				
20,00,000 5% Cumulative Redeemable Preference Shares of ` 100 each		2000.00		2000.00
(Previous year 20,00,000 5% Cumulative Redeemable Preference Shares of ` 100 each)				
10,000 8% Cumulative Redeemable Preference Shares of ` 100 each		10.00		10.00
(Previous year 10,000 8% Cumulative Redeemable Preference Shares of ` 100 each)				
10,00,000 11% Non-Cumulative Redeemable Preference Shares of ` 100 each		1000.00		1000.00
(Previous year 10,00,000 11% Non-Cumulative Redeemable Preference Shares of ` 100 each)				
		4690.20		**4690.20**
Issued, Subscribed and Paid Up :				
14,17,51,678 Equity Shares of Re.1 each fully paid up	1417.52		1417.52	
(Previous year 14,17,51,678 Equity Shares of Re.1 each fully paid up)				
Add : 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up	1.86		1.86	
(Previous year 2,48,000 Forfeited Equity Shares of Re.1 each partly paid up)				
		1419.38		1419.38
TOTAL		**1419.38**		**1419.38**

ADDITIONAL INFORMATIONS :

2.1 Reconciliation of Equity Shares outstanding

PARTICULARS	31st March, 2013	31st March, 2012
Fully paid		
At the beginning of the year	14,17,51,678	14,17,51,678
At the end of the year	14,17,51,678	14,17,51,678
Partly paid		
At the beginning of the year	2,48,000	2,48,000
At the end of the year	2,48,000	2,48,000

2.2 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Re.1 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

2.3 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.

In FY 2009-10 : 7,48,96,669 Equity Shares were alloted and 7,48,96,575 Equity Shares were cancelled as per the Scheme of Amalgamation of Guviso Holdings Pvt. Ltd. with the Company.

2.4 Details of Shareholders holding more than 5 % of the issued shares

Name of Shareholder	31st March, 2013		31st March, 2012	
	Total Shares Held	As a % of Total Shares	Total Shares Held	As a % of Total Shares
Mr. Gulu L. Mirchandani	2,09,61,358	14.79	2,09,61,358	14.79
IIFL Trustee Services Ltd. (Beneficial owner Mr. Vijay J. Mansukhani)	2,56,88,283	18.12	2,56,88,283	18.12
Mr. Kaval G. Mirchandani	1,25,16,829	8.83	1,25,16,829	8.83
Mr. Sasha G. Mirchandani	1,24,78,750	8.80	1,24,78,750	8.80

NOTE 3 - RESERVES AND SURPLUS

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Capital Reserve		7.07		7.07
Capital Redemption Reserve		1990.74		1990.74
Capital Reserve on Amalgamation		207.55		207.55
Capital Reserve on Consolidation		340.97		340.97
Securities Premium Account		1.39		1.39
General Reserve		8896.85		8896.85
Surplus in Profit and Loss Statement				
Opening Balance	9324.26		13196.67	
Add : Profit / (Loss) for the year	(3118.76)		(3872.40)	
Adjustment for prior years	34.32		-	
Closing Balance		6239.82		9324.27
TOTAL		**17684.39**		**20768.84**

NOTE 4 - LONG-TERM BORROWINGS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Secured		
Term Loan from Banks	1500.14	3500.06
Less : Disclosed under Other Current Liabilities	1500.14	1999.92
- Current maturities of Long Term borrowings		
TOTAL	**-**	**1500.14**

Security	31st March, 2013 ` in lacs	Repayment terms
Secured by pari passu charge in favour of the bankers by hypothecation of Company's current assets and on the Company's immovable and movable properties except the Land and Building and Plant and Machinery embedded to the earth in Roorkee.	1500.14	Monthly in equal installments payable over a period of three years

NOTE 5 - DEFFERED TAX LIABILITY

The Company has recognized Deferred Tax in accordance with the requirements of Accounting Standard (AS) - 22 on "Accounting for Taxes on Income" as notified under the Companies (Accounting Standards) Rules, 2006.

The breakup of Net Deferred Tax liabilty (DTL) is as follows :

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Deferred Tax Liabilities				
Related to Fixed Assets		2056.15		1980.46
Related to Others		8.67		-
Total (A)		**2064.82**		**1980.46**
Less : Deferred Tax Assets				
Disallowed expenses as per Section 43B of Income Tax Act-1961	194.66		230.69	
Provision for Doubtful Debts	234.03		204.98	
Carry forward of Income Tax Loss and Unabsorbed Depreciation	1636.13		-	
Total (B)		2064.82		435.67
Net Liability (A) - (B)		**-**		**1544.79**

Note: Deferred Tax Asset on carry forward Income Tax loss and unabsorbed depreciation is created to the extent of Deferred Tax Liability.

NOTE 6 - LONG TERM PROVISIONS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
For employees benefit	227.11	228.91
TOTAL	**227.11**	**228.91**

NOTE 7 - SHORT-TERM BORROWINGS

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Loans repayable on demand from Banks				
Secured				
Cash Credit Facility	9868.81		5764.95	
Others	1838.22		2500.00	
		11707.03		8264.95
Unsecured				
Term Loan	-		4100.00	
		-		4100.00
TOTAL		**11707.03**		**12364.95**

7.1 Cash Credit Facility and Secured Working Capital Loan from banks is secured by pari passu charge in favour of the bankers by mortgage / hypothecation of Company's current assets and immovable and movable properties except the Land and Building and Plant and Machinery embedded to the earth at Roorkee.

NOTE 8 - TRADE PAYABLES

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Acceptances and Buyers Credit	26624.39	23235.58
Others	7345.28	7924.96
TOTAL	**33969.67**	**31160.54**

8.1 There are no Micro and Small Enterprises, to whom the Company owes dues. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 9 - OTHER CURRENT LIABILITIES

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Current maturities of long-term borrowings		1500.14		1999.92
Interest accrued but not due on borrowings		71.29		90.91
Unclaimed dividends		118.84		133.95
Advances from Customers		286.09		487.43
Other payables				
Dealer Deposits	278.37		277.92	
Employees Benefit	970.74		994.22	
Statutory Dues	2024.54		2401.48	
Creditors for Capital items	38.22		37.16	
Laibility for expenses	1679.68		1689.36	
Others	151.49		100.44	
		5143.04		5500.58
TOTAL		**7119.40**		**8212.79**

NOTE 10 - SHORT TERM PROVISIONS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
For employees benefit	259.50	543.46
TOTAL	**259.50**	**543.46**

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

NOTE 11 - FIXED ASSETS

` in lacs

	DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK
		AS AT 01.04.2012	ADDITIONS / ADJUSTMENTS	DELETIONS / ADJUSTMENTS	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	DELETIONS / ADJUSTMENTS	UPTO 31.03.2013	AS AT 31.03.2013
I	**TANGIBLE ASSETS**									
1	Leasehold land	770.78	-	-	770.78	128.97	9.78	-	138.75	632.03
		(770.78)	-	-	(770.78)	(119.19)	(9.78)	-	(128.97)	(641.81)
2	Freehold land	1776.68	-	-	1776.68	-	-	-	-	1776.68
		(1776.68)	-	-	(1776.68)	-	-	-	-	(1776.68)
3	Buildings	10597.99		-	10597.99	3208.54	340.70	-	3549.24	7048.75
		(10561.51)	(36.48)	-	(10597.99)	(2868.12)	(340.42)	-	(3208.54)	(7389.45)
4	Plant and Machinery and Electrical Fittings	25784.19	519.00	285.11	26018.08	19372.78	1278.28	284.25	20366.81	5651.27
		(28980.03)	(869.11)	(4064.95)	(25784.19)	(18698.26)	(1843.57)	(1169.05)	(19372.78)	(6411.41)
5	Furniture and Fixtures	785.38	0.11	0.54	784.95	688.82	19.99	0.52	708.29	76.66
		(763.69)	(68.92)	(47.23)	(785.38)	(673.36)	(26.96)	(11.50)	(688.82)	(96.56)
6	Office Equipment	503.37	36.35	8.17	531.55	270.68	20.04	7.82	282.90	248.65
		(466.97)	(43.40)	(7.00)	(503.37)	(252.96)	(19.10)	(1.38)	(270.68)	(232.69)
7	Motor Vehicles	419.91	11.40	42.02	389.29	209.70	25.64	40.02	195.32	193.97
		(345.35)	(77.58)	(3.02)	(419.91)	(188.64)	(23.55)	(2.49)	(209.70)	(210.21)
8	R & D - Building	157.08	-	-	157.08	90.50	5.24	-	95.74	61.34
		(157.08)	-	-	(157.08)	(85.25)	(5.25)	-	(90.50)	(66.58)
9	R & D - Plant and Machinery and Electrical Fittings	665.43	-	-	665.43	436.45	23.11	-	459.56	205.87
		(661.56)	(5.96)	(2.09)	(665.43)	(412.52)	(26.02)	(2.09)	(436.45)	(228.98)
10	R & D - Furniture and Fixture	87.76	-	0.15	87.61	70.05	1.63	0.14	71.54	16.07
		(88.79)	-	(1.03)	(87.76)	(69.42)	(1.66)	(1.03)	(70.05)	(17.71)
11	R & D - Office Equipment	40.25	-	-	40.25	26.84	1.68	-	28.52	11.73
		(40.25)	-	-	(40.25)	(25.16)	(1.68)	-	(26.84)	(13.41)
	Total Tangible Assets	**41588.82**	**566.86**	**335.99**	**41819.69**	**24503.33**	**1726.09**	**332.75**	**25896.67**	**15923.02**
		(44612.69)	**(1101.45)**	**(4125.32)**	**(41588.82)**	**(23392.88)**	**(2297.99)**	**(1187.54)**	**(24503.33)**	**(17085.49)**
II	**INTANGIBLE ASSETS**									
1	R & D Software	59.27		-	59.27	50.83	2.12	-	52.95	6.32
		(55.27)	(4.00)	-	(59.27)	(45.90)	(4.93)	-	(50.83)	(8.44)
	Total Intangible Assets	**59.27**	**-**	**-**	**59.27**	**50.83**	**2.12**	**-**	**52.95**	**6.32**
		(55.27)	**(4.00)**	**-**	**(59.27)**	**(45.90)**	**(4.93)**	**-**	**(50.83)**	**(8.44)**
	Total	**41648.09**	**566.86**	**335.99**	**41878.96**	**24554.16**	**1728.21**	**332.75**	**25949.62**	**15929.34**
		(44667.96)	**(1105.45)**	**(4125.32)**	**(41648.09)**	**(23438.78)**	**(2302.92)**	**(1187.54)**	**(24554.16)**	**(17093.93)**

Note : Figures in brackets are of previous year

NOTE 12 - NON-CURRENT INVESTMENTS

PARTICULARS	No. of Shares	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Long Term-Trade Investments					
Equity Instruments					
(Unquoted and Fully Paid unless otherwise stated)					
Kongarar Textiles Ltd. (Face value ` 10)	2,600	1.17		1.17	
Less : Provision for diminution in the value of Investments	(PY.2,600)	1.17		1.17	
			-		-
Onida Finance Ltd. (Face value ` 10)	4,68,400	139.60		139.60	
Less : Provision for diminution in the value of Investments	(PY.4,68,400)	139.60		139.60	
			-		-
TOTAL			**-**		**-**
12.1 Aggregate of Unquoted Investments					
Cost			140.77		140.77
Less : Provision for diminution in the value of Investments			140.77		140.77
			-		**-**

NOTE 13 - LONG-TERM LOANS AND ADVANCES

PARTICULARS	31st March, 2013 ` in lacs		31st March, 2012 ` in lacs	
Unsecured - considered good unless otherwise stated				
Advance Income-tax (Net of Provisions)		155.20		151.05
Amount paid under Protest		16.92		-
Capital Advances		16.24		30.25
Security Deposits		3288.56		3389.77
Loans and advances to related parties				
Relatives of Directors	231.00		479.00	
Entity in which Directors have significant influence	125.00		125.00	
		356.00		604.00
Other Loans and Advances				
Prepaid Expenses		3.75		17.37
Others		1.43		18.35
TOTAL		**3838.10**		**4210.79**

NOTE 14 - OTHER NON-CURRENT ASSETS

PARTICULARS	31st March, 2013 ` in lacs	31st March, 2012 ` in lacs
Margin Money with Banks		
With more than 12 months maturity	45.02	33.60
TOTAL	**45.02**	**33.60**

NOTE 15 - CURRENT INVESTMENTS

PARTICULARS	No. of Shares	31st March, 2013		31st March, 2012	
		` in lacs		` in lacs	
Non - Trade Investments					
In Equity Shares					
Menon Pistons Ltd. (Quoted) (Face Value ` 10)	27,804	19.46		19.46	
	(PY.27,804)				
Less : Provision for diminution in the value of Investment		2.78		-	
			16.68		19.46
TOTAL			**16.68**		**19.46**
15.1 Aggregate amount of Quoted Investments					
Book Value			19.46		19.46
Market Value			16.68		28.64

NOTE 16 - INVENTORIES

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Raw Materials (including Packing Materials and Service Spares)	6791.23		7376.00	
Stock in transit	970.46		1369.91	
		7761.69		8745.91
Stores and Spares		316.08		335.39
Work-in-Progress		1729.85		2258.83
Finished Goods		3489.72		4239.71
Stock-in-Trade	9793.73		14483.23	
Stock in Transit	2446.29		1128.44	
		12240.02		15611.67
TOTAL		**25537.36**		**31191.51**

NOTE 17 - TRADE RECEIVABLES

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Over six months due				
Unsecured - considered good	646.13		169.45	
- considered doubtful	692.87		636.11	
	1339.00		805.56	
Less : Provision for Doubtful Debts	692.87		636.11	
		646.13		169.45
Others - considered good				
- Secured	88.16		197.99	
- Unsecured	12861.90		12869.88	
		12950.06		13067.87
TOTAL		**13596.19**		**13237.32**

NOTE 18 - CASH, CASH EQUIVALENTS AND BANK BALANCES

PARTICULARS	31st March, 2013		31st March, 2012	
	` in lacs		` in lacs	
Cash And Cash Equivalents				
Cash in hand	19.97		13.06	
Bank Balances in Current Account	292.85		382.43	
Cheques, drafts on hand	19.60		294.16	
Bank Remittances in Transit	2481.04		2034.81	
		2813.46		2724.46
Other Bank Balances				
Term deposit	263.04		193.66	
Margin Money				
With less than12 months maturiy	152.00		-	
Unclaimed Dividend Accounts	118.84		133.95	
		533.88		327.61
TOTAL		**3347.34**		**3052.07**

NOTE 19 - SHORT TERM LOANS AND ADVANCES

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Unsecured and Considered Good		
Advance Income-tax (Net of Provisions)	287.39	121.50
Balance with Excise and Customs	207.44	270.17
Other Receivable	372.52	364.03
Prepaid Expenses	164.22	107.60
Others	2611.32	3345.71
TOTAL	**3642.89**	**4209.01**

NOTE 20 - OTHER CURRENT ASSETS

PARTICULARS	31st March, 2013	31st March, 2012
	` in lacs	` in lacs
Insurance claims receivable	4995.50	4411.60
Interest Receivable	26.39	14.05
TOTAL	**5021.89**	**4425.65**

NOTE 21 - OTHER OPERATING INCOME

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Sale of Scrap	144.00	63.88
Export Incentives	83.82	57.95
Others	24.49	177.59
TOTAL	**252.31**	**299.42**

NOTE 22 - OTHER INCOME

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Dividend Income	0.97	12.06
Interest Income	83.63	141.72
Profit on sale of Assets	3.18	-
Profit on sale of Investment	-	5.39
Interest on Income Tax Refund	15.90	109.17
Conducting Fees	18.00	17.00
Credit balances written back	109.82	-
Miscellaneous Income	0.15	-
TOTAL	**231.65**	**285.34**

NOTE 23 - CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	2012-13		2011-12	
	` in lacs		` in lacs	
Opening Stock (including in transit)				
Finished Goods	4239.71		6686.01	
Work in Progress	2258.83		2471.54	
Stock in Trade	15611.67		15792.19	
		22110.21		24949.74
Less : Closing Stock (including in transit)				
Finished Goods	3489.72		4239.71	
Work in Progress	1729.85		2258.83	
Stock in Trade	12240.02		15611.67	
		17459.59		22110.21
TOTAL		**4650.62**		**2839.53**

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

NOTE 24 - EMPLOYEE BENEFITS EXPENSE

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Salaries, Wages and Bonus	6842.48	8166.28
Contribution to Provident Fund and Other Funds	363.82	363.97
Staff Welfare Expenses	884.18	1093.81
TOTAL	**8090.48**	**9624.06**

NOTE 25 - FINANCE COST

PARTICULARS	2012-13	2011-12
	` in lacs	` in lacs
Interest Expense	2269.02	2741.78
Other Borrowing costs	498.46	409.24
Exchange difference on foreign currency	1123.74	467.08
TOTAL	**3891.22**	**3618.10**

NOTE 26 - OTHER EXPENSES

PARTICULARS	2012-13		2011-12	
	` in lacs		` in lacs	
Power and Fuel		872.57		1282.31
Rent		962.38		982.42
Rates and Taxes		368.16		344.51
Repairs to:				
- Plant and Machinery	232.80		289.80	
- Building	10.08		67.80	
- Others	505.40		557.30	
		748.28		914.90
Insurance Charges		230.29		174.58
Freight and Forwarding Expenses		4118.15		6167.37
Advertisement		3094.93		5601.66
Sales Commission		2.82		8.69
Service Charges		2273.05		2938.86
Travelling and Conveyance		794.23		1149.41
Loss on Sale of Assets		-		0.08
Bad debts written off	0.16		37.98	
Less : Provision for Doubtful Debts written back	0.16		37.98	
		-		-

Provision for Doubtful Debts	56.91	31.53
Provision for Diminution in value of investments	2.78	-
Research and Development Expenses	557.32	867.22
Bank Charges	11.27	8.21
Adjustment of Excise Duty on stock	(55.95)	(145.84)
Exchange Difference on foreign currency	41.13	82.33
Miscellaneous Expenses	1588.66	2030.73
TOTAL	**15666.98**	**22438.97**

27) a. Exceptional item of previous year represents expected loss of ` 501.22 lacs on account of major fire on 8th February, 2012 at one of the Company's factory located at Roorkee Uttarkhand

b. In respect of the said fire incident the Company has made claim from insurance company and the amount net of provision of ` 4995.50 lacs for the loss made in the earlier year is carried as Insurance claim receivable under other current assets in the Balance Sheet. An adhoc amount of ` 1500 lacs has been received subsequent to the Balance Sheet date against the said receivables and the Management is confident of balance recovery.

28) Contingent Liabilities and Commitments : ` in lacs

PARTICULARS	31st March, 2013	31st March, 2012
Contingent Liabilities		
a) Guarantees given to Bank against which ` Nil (previous year ` Nil) has been deposited as margin money	1453.35	1565.22
b) Guarantees given to bank on behalf of subsidiary company - Akasaka Electronics Ltd.	2132.00	2132.00
c) Income tax demands in respect of which appeals have been filed	188.45	77.69
d) Excise and Custom Duty in respect of which appeals have been filed (Refer note below)	2731.60	31159.20
e) Claims made against the Company not acknowledged as debts	6701.25	3720.52
Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	21.31	349.98

Note : In the earlier year, the Company has received a demand of Service Tax of ` 29777.33 lacs from the Commissioner of Central Excise. As per the management, the demand is not tenable and the Company has received favourable order from CESTAT for stay of the said demand.

29) Employee Defined Benefits

a) **Defined contribution plans**

The Company has recognised an expense of ` 257.99 lacs (previous year ` 309.76 lacs) towards defined contribution plans, in respect of Provident Fund and Superannuation Fund.

b) **Description of the Plan**

Gratuity

Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India. Under the plan, employee at retirement is eligible for benefit which will be equal to 15 days salary for each completed year of service. In other words, the policy is a defined benefit plan. Accordingly, the aforesaid insurance policy is the plan asset.

Leave encashment

The leave encashment benefit scheme is a defined benefit plan and is wholly unfunded. Hence, there are no planned assets attributable to the obligation.

c) **Principal actuarial assumptions:**

PARTICULARS	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (in case of Subsidiary CY-8.25% and PY-8.50%)	8.25%	8.25%	8.75%	8.75%
Rate of Return on Plan Assets (in case of Subsidiary CY-8.70% and PY-8.00%)	8.25%	N.A.	8.75%	N.A.
Salary Escalation	5.00%	5.00%	5.00%	5.00%

d) **Reconciliation of Benefit Obligation :** ` in lacs

PARTICULARS	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Liability at the beginning of the year	907.88	284.62	844.14	236.96
Interest cost	79.31	24.87	69.64	19.55
Current Service Cost	61.72	14.96	71.06	23.83
Benefit Paid	(58.55)	(42.56)	(55.89)	(88.74)
Actuarial (Gain) / Loss on Obligations	9.13	5.23	(21.07)	93.02
Liability at the end of the year	999.49	287.12	907.88	284.62
Fair Value of Plan Assets at the end of the year	879.78	-	857.11	-
Liability at the end of the year recognised and disclosed under the head "Provisions for Employee Benefits"				
- Long term provision	-	227.11	-	228.92
- Short term provision	119.71	60.01	50.77	55.70

e) **Reconciliation of Fair value of Plan Assets :** ` in lacs

PARTICULARS	Gratuity	
	2012-13	2011-12
Fair Value of Plan Assets at the beginning of the year	857.09	758.65
Expected Return on Plan Assets	74.47	62.47
Contributions	3.74	76.66
Benefit Paid	(58.55)	(55.90)
Actuarial Gain / (Loss) on Asset	3.03	15.21
Fair Value of Plan Assets at the end of the year	879.78	857.09

f) **Return on Plan Assets :** ` in lacs

PARTICULARS	Gratuity	
	2012-13	2011-12
Expected Return on Plan Assets	74.47	62.48
Actuarial Gain / (Loss) on Plan Assets	3.03	15.21
Actual Return on Plan Assets	77.50	77.69

g) **Expenses recognised in the Profit and Loss Statement under the head Personnel Expenses :** ` in lacs

PARTICULARS	2012-13		2011-12	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	61.73	14.96	71.07	23.83
Interest Cost	79.31	24.87	69.64	19.55
Expected Return on Plan Assets	(74.47)	N.A.	(62.48)	N.A.
Net Actuarial (Gain) / Loss recognised	6.10	5.24	(36.27)	93.02
Expenses recognised in Profit and Loss Statement	72.67	45.07	41.96	136.40

30) Computation for Earnings Per Share (EPS) is as under :

PARTICULARS	2012-13	2011-12
Profit / (Loss) after Tax (` In lacs)	(3118.76)	(3872.40)
Net Profit / (Loss) after tax attributable to Equity shareholders (` In lacs)	(3118.76)	(3872.40)
Weighted average number of Equity Shares outstanding	14,17,51,678	14,17,51,678
Basic / Diluted Earnings Per Share (`)	(2.20)	(2.73)

31) In view of non-availability of profits for the current year in case of Parent Company, remuneration paid to the managerial personnel is in excess of the limit prescribed under Schedule XIII of the Companies Act, 1956, by ` 65.07 lacs. The said amount is subject to approval from Central Government and therefore the amount paid is held in trust by the concerned managerial personnel.

32) In the earlier year, Mobile Communication Device was treated as a separate segment and accordingly disclosure required under (AS) -17 on Segment Reporting was made in the Consolidated Financial Statements. Based on the composition of sales Mobile Communication Device is no longer considered as a seperate reportable segment and hence the Company is left with only one reportable segment ie. Consumer Durable products. Further, there is no seperately identifable geographical segment and hence no reporting is made for segment.

33) Research and development expenses consist of personnel expenses and other expenses of ` 437.90 lacs (previous year ` 571.99 lacs), and ` 119.41 lacs (previous year ` 295.23 lacs) respectively. Depreciation on Research and Development assets is ` 33.79 lacs (previous year ` 39.53 lacs) shown under Fixed Assets.

34) a) Balances of Trade Receivables, Loans and Advances and Deposits are subject to confirmation and reconciliation.

b) There is no amount due and Outstanding, as at 31st March, 2013 to be credited to Investor Education and Protection Fund.

35) Disclosure of Foreign Currency exposure :

Following are the details of forward exchange contracts outstanding on the balance sheet date which are entered to hedge foreign exchange exposures of the Company.

` in lacs

Sr. No.	Particulars	Currency	Amount in foreign
a)	Amount payable on account of import of goods	USD	281.97
	(Previous year)	USD	(364.38)

The year end foreign currency exposure that has not been hedged by a derivative instrument or otherwise is given below.

` in lacs

Sr. No.	Particulars	Currency	Amount in foreign currency	Amount in Indian Rupees
a)	Amount payable on account of import of goods	USD	240.13	13035.68
		EUR	**	(0.14)
		SGD	0.13	5.47
		JPY	54.24	31.29
	(Previous year)	USD	(125.51)	(6489.27)
		JPY	(354.55)	(219.68)
b)	Amount receivable on export of goods	USD	5.41	293.58
	(Previous year)	USD	(3.81)	(193.89)

** Denotes having values less than 500

36) Related party Disclosure

Related parties as defined under clause -3 of Accounting Standard (AS) - 18" Related Party Disclosures " have been identified on the basis of representation made by key management personnel and information available with the company.

Names of related parties and description of relationship :

1. Key Management Personnel	Mr. G.L. Mirchandani - Chairman and Managing Director of Mirc Electronics Ltd. Mr. V.J. Mansukhani - Managing Director of Mirc Electronics Ltd.
2. Relatives of Key Management Personnel	Mrs. Gita Mirchandani (Wife of Mr. G.L. Mirchandani) Mrs. Marissa Mansukhani (Wife of Mr. V.J. Mansukhani) Mr. Kaval Mirchandani (Son of Mr. G.L. Mirchandani) Mr. Akshay Mansukhani (Son of Mr. V.J. Mansukhani) Ms. Ayesha Mansukhani (Daughter of Mr. V.J. Mansukhani) G.L. Mirchandani (H.U.F.) V.J. Mansukhani (H.U.F.)

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

3. Enterprise over which any person described in 1 and 2 is having significant influence	Iwai Electronics Pvt. Ltd. Adino Telecom Ltd. Gulita Wealth Advisors Pvt. Ltd.

a) Ordinary course of business

` in lacs

Particulars	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) and (2) is having significant influence (3)
Transactions during 1.4.2012 to 31.03.2013			
Purchase of goods, services, spares and fixed assets			
Iwai Electronics Pvt. Ltd.	-	-	1425.52
	-	-	(2256.00)
Adino Telecom Ltd.	-	-	0.54
	-	-	(0.15)
Sale of goods, fixed assets, spares and services			
Iwai Electronics Pvt. Ltd.	-	-	21.99
	-	-	(20.02)
Adino Telecom Ltd.	-	-	3.21
	-	-	(3.26)
Inter Corporate Deposits / Loan repaid			
Gita Mirchandani	-	50.00	-
	-	(425.00)	-
Ayesha Mansukhani	-	198.00	-
	-	(65.00)	-
Interest due and received on			
Inter Corporate Deposits / loans / advances			
Adino Telecom Ltd.	-	-	18.75
	-	-	(18.75)
Ayesha Mansukhani	-	14.32	-
	-	(35.37)	-
Gita Mirchandani	-	11.39	-
	-	(39.51)	-
Rent paid			
G.L. Mirchandani	4.03	-	-
	(4.03)	-	-

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

` in lacs

Particulars	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) and (2) is having significant influence (3)
Gita Mirchandani	-	27.74	-
	-	(27.74)	-
Marissa Mansukhani	-	8.18	-
	-	(8.18)	-
Akshay Mansukhani	-	0.89	-
	-	(0.89)	-
Ayesha Mansukhani	-	0.89	-
	-	(0.89)	-
G.L. Mirchandani (HUF)	-	13.66	-
	-	(13.66)	-
V.J. Mansukhani (HUF)	-	2.59	-
	-	(2.59)	-
Gulita Wealth Advisors Pvt. Ltd.	-	-	30.00
	-	-	(30.00)
Rent received			
Adino Telecom Ltd.	-	-	1.25
	-	-	(7.38)
Payment of Rent Deposit			
Gita Mirchandani	-	-	-
	-	(8.18)	-
Marissa Mansukhani	-	-	-
	-	(4.09)	-
G.L. Mirchandani (HUF)	-	-	-
	-	(4.09)	-
Remuneration			
G.L. Mirchandani	144.19	-	-
	(144.19)	-	-
V.J. Mansukhani (*)	126.03	-	-
	(126.03)	-	-
Kaval Mirchandani	-	45.00	-
	-	(45.00)	-

(*) Subject to Central Government approval

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

Closing Balance as at 31.03.2013

` in lacs

Particulars	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (2) and (3) is having significant influence (3)
Receivable			
G.L. Mirchandani			
Rent Deposit	119.82	-	-
	(119.82)	-	-
Gita Mirchandani			
Rent Deposit	-	631.40	-
	-	(631.40)	-
Loan given	-	101.00	-
	-	(151.00)	-
	-	732.40	-
	-	(782.40)	-
Marissa Mansukhani			
Rent Deposit	-	8.18	-
	-	(8.18)	-
Akshay Mansukhani			
Rent Deposit	-	0.89	-
	-	(0.89)	-
Ayesha Mansukhani			
Rent Deposit	-	0.89	-
	-	(0.89)	-
Loan given	-	130.00	-
	-	(328.00)	-
	-	130.89	-
	-	(328.89)	-
G.L. Mirchandani (HUF)			
Rent Deposit	-	349.70	-
	-	(349.70)	-
V.J. Mansukhani (HUF)			
Rent Deposit	-	2.59	-
	-	(2.59)	-

` in lacs

Particulars	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (2) and (3) is having significant influence (3)
Gulita Wealth Advisors Pvt. Ltd.			
Rent Deposit	-	-	1000.00
	-	-	(1000.00)
Adino Telecom Ltd.			
Debtors	-	-	7.06
	-	-	(6.46)
Inter corporate deposit given	-	-	125.00
	-	-	(125.00)
	-	-	132.06
	-	-	(131.46)
Payable			
Iwai Electronics Pvt. Ltd.			
Creditors payable	-	-	62.70
	-	-	(169.77)

Note : Figures in brackets are of previous year

37) Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the parent company's financial statements.

38) Previous year's figures have been rearranged and regrouped wherever necessary.

Signatures to Notes '1' to '38' forming part of the Balance Sheet and Profit and Loss Statement

As per our Report of even date attached

For and on behalf of the Board of Directors

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration No. 108296W

PREDEEP K. GUPTA
Chief Financial Officer

G.L. MIRCHANDANI
Chairman and Managing Director

J.M.GANDHI
Partner
Membership No.37924

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

V.J.MANSUKHANI
Managing Director

Mumbai, May 14, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2012-13		2011-12	
	` in lacs		` in lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit / (loss) Before Tax as per Profit and Loss Statement		**(4942.89)**		**(4136.74)**
Adjustments for :				
Depreciation and Amortisation	1728.21		2302.92	
Unrealised Foreign Exchange Fluctuations	(364.57)		(417.71)	
Borrowing Cost	3891.22		3552.16	
Interest Income	(83.63)		(250.89)	
Dividend Income	(0.97)		(12.06)	
(Profit) / Loss on Sale of Fixed Assets (Net)	(3.18)		0.08	
(Profit) / Loss on Sale of Investments (Net)	-		(5.39)	
Provision for Dimunition of Investments	2.78		-	
Exceptional Item - Provision for loss of Fixed Assets due to fire	-		300.00	
		5169.86		**5469.11**
Operating Profit before Working Capital changes		**226.97**		**1332.37**
Changes in Working Capital :				
(Increase) / Decrease in Trade and Other receivables	(315.63)		3185.04	
Decrease in Inventories	5654.15		3986.86	
Increase / (Decrease) in Trade and Other Payables	2624.52		(5668.79)	
		7963.04		**1503.11**
Cash Generated from Operations		**8190.01**		**2835.48**
Direct Taxes Paid (Net of Refunds)		(172.60)		(137.08)
NET CASH GENERATED FROM OPERATING ACTIVITIES.....(A)		**8017.41**		**2698.40**
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets and additions in CWIP		(1686.41)		(1226.17)
Purchase of Investments		-		(5700.08)
Proceeds from Sale of Fixed Assets		6.42		1.07
Proceeds from Sale of Investments		-		5715.46
Loans and Advances received		248.00		490.00
Interest Income		71.29		250.89
Dividend Income		0.97		12.06
NET CASH USED IN INVESTING ACTIVITIES.....(B)		**(1359.73)**		**(456.77)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2012-13	2011-12
	` in lacs	` in lacs
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Borrowings	(2657.84)	(1499.94)
Addition to Borrowings	-	1757.83
Payment of Borrowing Cost	(3910.84)	(3518.35)
Dividends Paid (including Dividend Tax)	-	(1632.44)
NET CASH USED IN FINANCING ACTIVITIES……(C)	**(6568.68)**	**(4892.90)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**89.00**	**(2651.27)**
Cash and Cash Equivalents at the beginning of the year	**2724.46**	**5375.73**
Cash and Cash Equivalents at the end of the year	**2813.46**	**2724.46**
Cash and Cash Equivalents comprises of :		
Cash in hand	19.97	13.06
Bank Balances in Current Account	292.85	382.43
Cheques, drafts on hand	19.60	294.16
Bank Remittances in Transit	2481.04	2034.81
Total	**2813.46**	**2724.46**

Note 1 : Cash flow statement has been prepared under the Indirect method as set-out in Accounting Standard (AS)-3, notified under the Companies (Accounting Standards) Rules, 2006

2 : Figures of the Previous Year has been regrouped / reclassified, wherever considered neccesary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For N.M. RAIJI & CO.
Chartered Accountants
Firm Registration No. 108296W

PREDEEP K. GUPTA
Chief Financial Officer

G.L. MIRCHANDANI
Chairman and Managing Director

J.M.GANDHI
Partner
Membership No.37924

ANOOP PILLAI
Company Secretary and
Head - Corporate Affairs

V.J.MANSUKHANI
Managing Director

Mumbai, May 14, 2013

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MIRC ELECTRONICS LIMITED

Regd. Office: Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (E), Mumbai - 400 093

PROXY FORM

I/We _____of _____ being a member of **MIRC ELECTRONICS LIMITED, MUMBAI** and having Regd. Folio No./ DP & Client ID No. _____, holding _____ equity shares and hereby appoint _____ of _____ or failing him _____ of _____ as my/ our proxy to attend and vote for me/ us on my/ our behalf at the 32nd Annual General Meeting of the Company to be held on Wednesday, the July 31, 2013 at 3.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Affix ` 1
Revenue stamp

(Signature of the Shareholder)

Note: The proxy must be deposited duly filled and stamped at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

MIRC ELECTRONICS LIMITED

Regd. Office: Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (E), Mumbai - 400 093

ATTENDANCE SLIP

(Please present this slip at the entrance of the Meeting Hall)

I hereby record my presence at the 32nd Annual General Meeting of the Company held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 on Wednesday, the July 31, 2013 at 3.00 p.m.

Regd. Folio No./ DP & Client ID. _____ No. of Shares _____

Name of Shareholder _____

Address _____

_____

_____

_____

(Signature of the Shareholder/ Proxy)
(To be signed at the time of meeting
over at the Meeting Hall)

ONIDA

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MIRC Electronics Ltd. Onida House, G-1, M.I.D.C. Mahakali Caves Road, Andheri (E), Mumbai - 400 093.
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