MINDA

Forever Evolving

MINDA INDUSTRIES LIMITED

18th

Annual Report - 2009-10

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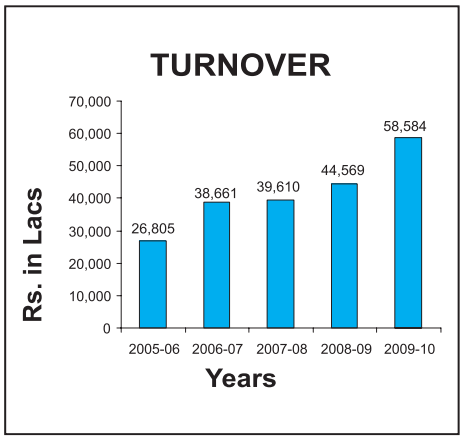
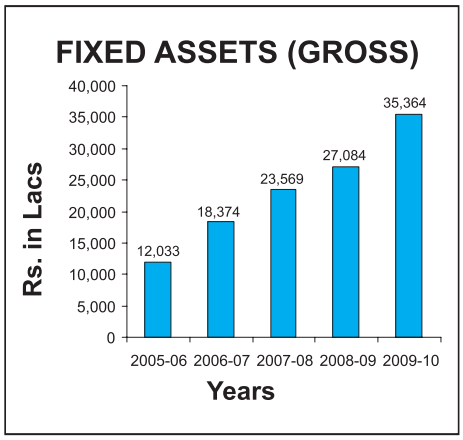
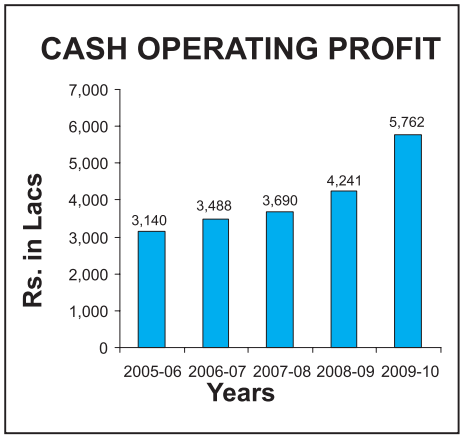
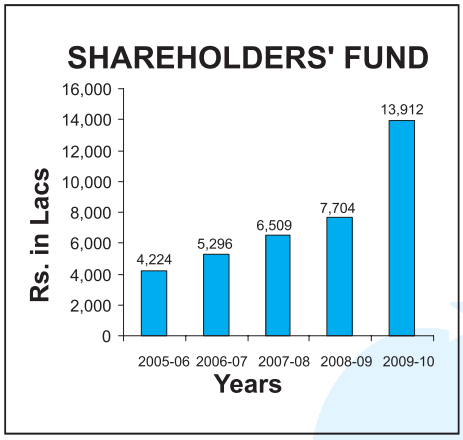
Financial Graphs









Remembering BABUJI

Sh. Shadi Lal Minda, popularly known as Babuji, the founder of the Minda Group, passed away on April 17, 2010 in New Delhi. Born on March 08, 1930, Sh. Shadi Lal Minda was a distinguished business leader and philanthropist. Apart from founding the Minda Group in 1958, he was personally involved in many social development projects.

Minda Group began as a small auto parts trading firm from Kolkata and Siliguri in 1958. Sh. Shadi Lal Minda chose to get into manufacturing of locks and switches for cars and scooters, from Delhi's Kamla Nagar area. Soon it had customers like Bajaj Auto and Hindustan Motors and opened a manufacturing unit in the Wazirpur Industrial Area, New Delhi.

The Minda Group was later handed over to the two sons, with the switches business going to the elder son, Sh. Nirmal K Minda and the locks business to the younger son, Sh. Ashok Minda. Today, the Minda Group (comprising of the NK Minda Group and Ashok Minda Group) is a recognized leader in the auto component arena and has a combined turnover of around Rs. 3,000 crores.

Right from the start, in the 1950s, Sh. Shadi Lal Minda strongly felt the need for Corporate Social Responsibility (CSR) as an inherent component of the manufacturing business. The Moga Devi Minda Charitable Trust (MDMCT), the body that handles all CSR projects in India, under his guidance setup projects that continue to benefit the underprivileged, directly or indirectly. Minda Balgram, an initiative for homeless children set up by Sh. Shadi Lal Minda is recognized as one of the finest children homes in the country. As a model Minda Balgram operates on self-reliance. It has its own agricultural land, own dairy farm etc that caters to the needs of the homeless children even while minimizing the dependence on the market. In addition, Sh. Shadi Lal Minda was associated with several charities and social initiatives.

Sh. Shadi Lal Minda is survived by two sons, Sh. Nirmal K. Minda, CMD, NK Minda Group, Sh. Ashok Minda, Chairman, Ashok Minda Group and a daughter Mrs. Rekha Bansal married to Shri Rajesh Bansal, CMD, Mars Industries Private Limited and Dorset Kaba.

18TH ANNUAL REPORT 2009-10

SHAREHOLDERS' REFERENCE

BOARD OF DIRECTORS

Mr. Nirmal K. Minda - Chairman & MD
Mr. Ashok Minda - Director
Mr. Vivek Jindal - Executive Director
Mr. Subhash Lakhotia - Director
Mr. S.K. Arya - Director
Mr. Alok Dutta - Director
Mr. Rakesh Sony - Director
Mr. Satish Sekhri - Director

AUDITORS

R.N. Saraf & Co.
Chartered Accountants

BRANCH AUDITORS

Shah Khandelwal Jain & Associates
Chartered Accountants

INTERNAL AUDITORS

N. Bahl & Co.
Chartered Accountants

BANKERS

Canara Bank
State Bank of India
Citibank
Axis Bank

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
A-40 (2nd Floor), Naraina Industrial Area, Phase-II, New Delhi-110028

LISTED AT

Bombay Stock Exchange
National Stock Exchange
Delhi Stock Exchange

DEPOSITORIES

National Securities Depositories Ltd.
Central Depository Services (India) Ltd.

COMPANY SECRETARY

Mr. H.C. Dhamija

REGISTERED OFFICE

B-64/1, Wazirpur Industrial Area, Delhi - 110052

CORPORATE OFFICE

Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon (Haryana)

WORKS

34-35 Km, G.T. Karnal Road, Village Rasoi, Distt. Sonepat, Haryana
Village Naharpur Kasan, P.O. Nakhrola, Distt. Gurgaon, Haryana
Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon, Haryana
B-6, Chakan Industrial Area, Village-Mahalunge, Taluka-khed, Distt. Pune, Maharashtra
B-1/5, Chakan Industrial Area, Village-Mahalunge, Taluka-khed, Distt. Pune, Maharashtra
Plot No. 5, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttaranchal
Plot No.28-F, Bidadi Industrial Area, Bidadi, Bangalore

NOTICE

Notice is hereby given that the 18th Annual General Meeting of **MINDA INDUSTRIES LTD.** will be held on Friday, December 24, 2010 at 11.00 a.m. at Lakshmipat Singhania Auditorium, PHD House, Opposite Asian Games Village, New Delhi-110016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2010, and Profit & Loss Account for the year ended March 31, 2010 alongwith the Reports of Auditors and Directors thereon.
2. To declare dividend on 9% Cumulative Redeemable Preference Shares.
3. To declare dividend on prorata basis on 3% Cumulative Redeemable Preference Shares.
4. To declare dividend on prorata basis on 3% Cumulative Compulsorily Convertible Preference Shares.
5. To declare dividend on Equity Shares.
6. To appoint a Director in place of Mr. Ashok Minda, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint a Director in place of Mr. Vivek Jindal, who retires by rotation and being eligible, offers himself for re-appointment.
8. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT M/s. Shah Khandelwal Jain & Associates, Chartered Accountants, Pune be and is hereby re-appointed as Branch Auditors for the audit of the accounts of Pune Branches of the Company and the Company hereby authorise the Board of Directors to fix the terms and conditions of their re-appointment including the remuneration payable to them."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

    "**RESOLVED THAT** Mr. Alok Dutta, who was appointed as an Additional Director of the company in the Board Meeting held on October 29, 2009, be and is hereby appointed as a Director of the Company and whose period of office shall be liable to determine by retirement of rotation.

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

    "**RESOLVED THAT** Mr. Rakesh Sony, who was appointed as an Additional Director of the company in the Board Meeting held on February 17, 2010, be and is hereby appointed as a Director of the Company and whose period of office shall not be liable to determine by retirement of rotation".

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

    "RESOLVED THAT Mr. Satish Sekhri, who was appointed as an Additional Director of the Company in the Board Meeting held on July 29, 2010, be and is hereby appointed as a Director of the Company and whose period of office shall be liable to determine by retirement of rotation".

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of Central Government, if required, Mr. Vivek Jindal be and is hereby reappointed as a Whole-Time Director of the Company w.e.f. August 1, 2010 for a period of 3 (three) years on the terms and conditions mentioned below:

A) PERIOD OF APPOINTMENT:

The re-appointment of Mr. Vivek Jindal as a Whole-Time Director will commence with effect from August 1, 2010 to July 31, 2013.

B) DETAILS OF REMUNERATION:

a) i) Salary ` 1,55,000/- (Rupees One Lac Fifty Five Thousand only) p.m. in the pay scale of ` 1,55,000 - 25,000 - 2,05,000.

ii) Leave Travel Expenses: Leave Travel expenses for self and family once in a year incurred in accordance with the Company's Policy.

iii) Medical Reimbursement: Reimbursement of actual medical expenses. Insurance premium for medical and hospitalisation for self and family, as per Company's Policy.

iv) House Rent Allowance not exceeding 60% of his salary.

v) Personal Accident Insurance Premium as per the Company's Policy.

b) Apart from the above, the appointee shall also be entitled to the following:

i) Car for use on Company's business. Company shall also pay repair, maintenance & running expenses of the car.

ii) Driver salary for use of the car.

iii) Telephone facility at residence.

iv) Company's contribution to Provident Fund, Superannuation Fund, as per Company's Policy.

v) Reimbursement of the entertainment, travelling and all other expenses incurred by him for the business of the Company.

vi) Gratuity payable at the rate not exceeding half month's salary for each completed year of service in the Company.

vii) Encashment of leave at the end of each calendar year.

viii) Such other benefits/allowances as per Company's Policy.

c) i) During the period, the appointee functions as a Whole-time Director and he shall not be paid any sitting fees for attending the meetings of the Board of Directors or any committee thereof.

ii) This appointment can be terminated at any time by either party by giving to the other three months notice in writing.

d) In the event of loss or inadequacy of profit in any financial year during the tenure of the appointee, the remuneration as specified above shall be paid as minimum remuneration.

e) The following perquisites shall not be included in the computation of ceiling of remuneration:

i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii) Gratuity payable at the rate not exceeding half month's salary for the each completed year of service.

iii) Encashment of leave.

FURTHER RESOLVED THAT Mr. H.C. Dhamija, V.P. Group A/cs, Taxation & Co. Secretary of the Company, be and is hereby authorized to do all such acts, deeds and things, as may be required to give effect to the above."

14. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to section 31 and all other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and is hereby substituted by new set of Articles of Association, as given in the explanatory statement.

FURTHER RESOLVED THAT Mr. H.C. Dhamija, V.P. Group A/cs, Taxation & Co. Secretary of the Company, be and is hereby authorized to do all such acts, deeds and things, as may be required to give effect to the above."

By Order of the Board
For **MINDA INDUSTRIES LIMITED**

(H. C. DHAMIJA)
V. P. - Group A/cs, Taxation & Company Secretary

Place : Gurgaon, Haryana
Date : November 10, 2010

NOTES:

i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM,

IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

ii) Explanatory statement pursuant to section 173(2) of the Companies Act, 1956, is annexed hereto.

iii) The Register of Members and Share Transfer Books will remain closed from Friday, December 17, 2010 to Friday, December 24, 2010 (Both days inclusive).

iv) All documents and papers as referred to in this notice and as required by the Companies Act, 1956, shall be available for inspection between 11.00 a.m. to 1.00 p.m. on all working days at the Registered Office of the Company and shall also be so available during the meeting.

v) The Directors recommend the payment of Dividend for the year 2009-10 of `3.00 per equity share, i.e.@ 30%, on the Paid-up Share Capital, when declared at the Annual General Meeting will be paid to the members whose names appear -

a) As beneficial owners of the shares as per list to be furnished by the depositories in respect of the shares held in demat form on the closing hours of the business on December 16, 2010 and

b) As Members on the Register of Members of the Company as on December 24, 2010 after giving effect to all valid shares transfer in physical form which would be received by the Company end of the business hours on December 16, 2010.

vi) Pursuant to Section 205A(5) of the Companies Act, 1956, as amended, any money transferred to the Unpaid Dividend Account of the Company, which remains Unpaid or Unclaimed for a period of 7 (Seven) years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government and the Shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company thereafter.

During the year 2009-10, the Company has transferred the unclaimed dividend on the Equity Shares for the year 2001-02 to the Investor Education and Protection Fund established by the Central Government.

During the year 2010-11, the Company has also transferred the unclaimed dividend on the Equity Shares for the year 2002-03 to the Investor Education and Protection Fund established by the Central Government.

Members who have not claimed the dividend for the year 2003-04 and any subsequent dividend payment(s) are requested to make their claims to the Company.

vii) Members are requested:

a) to bring their copies of Annual Report, Notice and Attendance slip at the time of the Meeting.

b) to quote their Folio No. in all correspondence.

c) to notify the change in the address, if any, on or before Thursday, December 16, 2010, so that dividend warrant can be delivered to new address.

viii) Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least 7 (seven) days before the meeting so as to keep the information ready at the time of Annual General Meeting.

ix) Pursuant to Section 109A of the Companies Act, 1956, shareholders holding shares in electronic/demat form may file nomination in the prescribed Form 2B (in duplicate) with the respective Depository Participant and in respect of shares held in physical form, the nomination form may be filed with the Company's Registrar and Transfer Agent.

x) The Registrar & Share Transfer Agent for physical and dematerialisation of shares is M/s. Link Intime India Pvt. Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase-II, New Delhi-110028. Interested members may send request for physical share transfer as well as dematerialisation of shares through depository participant to M/s. Link Intime India Pvt. Ltd. at its given address.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT
(Pursuant to clause 49 of the Listing Agreement)

Name of Director	Mr. Ashok Minda	Mr. Vivek Jindal
Date of Birth	29.06.1961	24.10.1976
Date of Appointment	12.12.1996	28.05.2007
Qualifications	Graduate	B.E.(IIT), M.B.A.
Experience in special Functional Area	Industrialist with rich business experience in auto components sector.	Rich experience in auto components industry of around 8 years.
Chairman/ Director of other companies	1. Minda Corporation Ltd. 2. Minda Valeo Security System Pvt. Ltd. 3. Minda Sai Ltd. 4. Minda Management Services Ltd. 5. Minda Capital Ltd. 6. Minda Stoneridge Instruments Ltd. 7. Minda S.M. Technocast Ltd. 8. Dorset Kaba Security Systems Pvt. Ltd. 9. Minda International Ltd. 10. Minda Silica Engineering Ltd. 11. Minda Furukawa Electric Pvt. Ltd. 12. Minda Schenk Plastic Solutions India Ltd. 13.Minda Spectrum Advisory Ltd.	Jindal Builtec Pvt. Ltd.
Chairman/Member of Committees of Board of companies of which he is a director	1) Member in the Audit Committee Meeting of a) Minda S.M. Technocast Ltd. b) Minda Capital Ltd. c) Minda Stoneridge Instruments Ltd. d) Minda Sai Ltd. 2) Member in Investor /Shareholders Grievance Committee of a) Minda Corporation Ltd. 3) Chairman in Remuneration Committee Meeting of a) Minda Stoneridge Instruments Ltd. 4) Member in Remuneration Committee Meeting of a) Minda Corporation Ltd. b) Minda Silica Engineering Ltd. c) Minda Sai Ltd. 5) Chairman of the Board Committee of a) Minda Corporation Ltd. b) Minda Sai Ltd. c) Minda Spectrum Advisory Ltd.	Member in the Delegation Committee and Audit Committee of Minda Industries Ltd.
No. of shares held	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 9

It is proposed to re-appoint M/s. Shah Khandelwal Jain & Associates, Chartered Accountants, Pune to conduct the audit of the Accounts of Pune Branches of the Company. The Branch Auditors will prepare a report on the accounts of the said branches examined by them and forward the same to the Company's Statutory Auditors.

Pursuant to section 228 (3) of the Companies Act, 1956, approval of members is sought vide item No. 9 of the Notice of this Annual General Meeting.

None of the Directors of the Company shall be deemed to be concerned or interested in this resolution except and to the extent they are members of the Company.

ITEM NO. 10

The Board of Directors of the Company in its meeting held on October 29, 2009 had appointed Mr. Alok Dutta as an Additional Director of the Company. The Company has received a notice from member of the Company, proposing the candidature of Mr. Alok Dutta, as Director of the Company. In view of the aforesaid notice, the Board proposes to appoint Mr. Alok Dutta as Director of the Company, whose period of office shall be liable to determine by retirement of rotation.

Approval of members is sought vide item No. 10 of the Notice of this Annual General Meeting.

None of the Directors except Mr. Alok Dutta are interested in the above resolution.

ITEM NO. 11

The Board of Directors of the Company in its meeting held on February 17, 2010 had appointed Mr. Rakesh Sony as an Additional Director of the Company. The Company has received a notice from member of the Company, proposing the candidature of Mr. Rakesh Sony, as Director of the Company. In view of the aforesaid notice, the Board proposes to appoint Mr. Rakesh Sony as Director of the Company, whose period of office shall not be liable to determine by retirement of rotation.

Approval of members is sought vide item No. 11 of the Notice of this Annual General Meeting.

None of the Directors except Mr. Rakesh Sony are interested in the above resolution.

ITEM NO. 12

The Board of Directors of the Company in its meeting held on July 29, 2010 had appointed Mr. Satish Sekhri as an Additional Director of the Company. The Company has received a notice from member of the Company, proposing the candidature of Mr. Satish Sekhri, as Director of the Company. In view of the aforesaid notice, the Board proposes to appoint Mr. Satish Sekhri as Director of the Company, whose period of office shall be liable to determine by retirement of rotation.

Approval of members is sought vide item No. 12 of the Notice of this Annual General Meeting.

None of the Directors except Mr. Satish Sekhri are interested in the above resolution.

ITEM NO.13

Mr. Vivek Jindal was appointed as Whole Time Director of the Company w.e.f. August 1, 2007 for three years, duly approved by the Board of Directors in their meeting held on May 25, 2007 and the Shareholders at the Annual General Meeting held on July 25, 2007.

The terms of appointment of Mr. Vivek Jindal are valid upto July 31, 2010. Remuneration Committee and Board of Directors of the Company in its meeting(s) held on May 27, 2010 have approved the terms and conditions of re-appointment including remuneration of Mr. Vivek Jindal, as Whole Time Director for further 3 (three) years w.e.f. August 1, 2010 to July 31, 2013.

In terms of section 198, 269, 309, 310 read with provisions of Schedule XIII of the Companies Act, 1956, your Directors recommend the re-appointment of Mr. Vivek Jindal as a Whole Time Director of the Company for a period of three years.

None of the Directors of the Company except Mr. Nirmal K. Minda shall be deemed to be concerned or interested in this resolution except and to the extent they are members of the Company.

Information under Schedule-XIII to the Companies Act, 1956 as required by Notification No. G.S.R. 36 (E), Dated January 16, 2002 is given below: -

I) General Information

1) Nature of industry: Automobile Industry. Minda Industries Ltd. is engaged in the manufacturing of auto electrical parts such as switches, lightings, batteries and blow moulded products etc.

2) Date of Commencement of commercial production:

The company had started its commercial production in the month of November 1992 by taking over the running business of Minda Industries, partnership firm.

3) Financial Performance of the Company: The Financial performance

	(` in Lacs)
Sales/Income from Operations	59,710
Other Income	147
Total Expenditure	54,096
Profit before tax	3,060

4) Export Performance and net foreign exchange earned:

During the year 2009-10, the total export of the Company has been at ` 3,255.46 Lacs (previous year ` 3,018.13 Lacs), the royalty earning at ` 432.58 Lacs (previous year ` 506.16 Lacs) and dividend earning of ` 25.47 Lacs (previous year NIL).

5) Foreign Collaborators

Foreign Collaborators of the company are M/s. Fiamm S.p.A Italy, M/s.PT Kyoraku Blowmoulding, Indonesia, M/s. TYC Brothers Industrial Co. Ltd., Taiwan and M/s. Tigers Polymer Corporation, Japan.

II) Information about Mr. Vivek Jindal, Appointee

Name	Mr. Vivek Jindal
Father's Name	Mr. Madan Jindal
Age	34 years
Qualification	B.E (IIT), MBA
Past Experience	Rich experience in auto components industry of around 8 years.
Other Directorships	Director on the Board of Jindal Builtec Pvt. Ltd.

1) Job profile and his suitability:

Mr. Vivek Jindal is responsible for overall day to day management of the company and is vested with substantial powers of management of Company affairs under the supervision and control of the Board of directors of the company. The Company has undergone rapid expansion and modernization projects, which require review of operations and decision-making on day-to-day basis and the company being benefited by his expert advice.

2) Remuneration Proposed:

Keeping in view his responsibilities and role in the development of the Company, it is proposed to revise his monthly salary of ` 1,55,000 (Rupees One Lac Fifty Five Thousand only) in the pay scale of

` 1,55,000 - 25,000 - 2,05,000 plus other allowances and perquisites as mentioned in the text of proposed resolution at item No. 13 of this notice of annual general meeting.

3) Comparative remuneration profile with respects to industry, size of the company, profile of the position and person.

The proposed remuneration would be commensurate with the size of the company and nature of the industry. The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Vivek Jindal, the proposed remuneration is competitive with the remuneration paid by other companies to such similar positions.

4) Pecuniary relationship with the company or relationship with the managerial personnel, if any.

Mr. Vivek Jindal, being son-in-law of Mr. Nirmal K. Minda, Chairman & Managing Director of the Company is relative as per Schedule 1-A prescribed under section 6 of the Companies Act, 1956 and except this, is not having any pecuniary relationship with the company.

ITEM NO.14

During the year under review, the company issued 1,83,500, 3% Cumulative Compulsorily Convertible Preference Shares. It is required to amend the Articles of Association of the Company, as would be required to protect the interest of the investors of 3% Cumulative Compulsorily Convertible Preference Shares. The Board Members has also considered the matter and approved the new set of Articles in their meeting held on May 27, 2010. The new set of Articles is annexed to this notice.

Approval of members is sought vide item No. 14 of the Notice of this Annual General Meeting.

None of the Directors except Mr. Rakesh Sony are interested in the above resolution.

By Order of the Board
For **MINDA INDUSTRIES LIMITED**

(H. C. DHAMIJA)
Haryana
V. P. - Group A/cs, Taxation &
Company Secretary

Place : Gurgaon,

Date : November 10, 2010

Financial Highlights

(` in Lacs)

PARTICULARS	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
Operating Results								
Sales (Net of Excise)	58,584	44,569	39,610	38,661	26,805	19,626	15,384	12,060
Gross Profit Before Interest & Depreciation	7,204	5,888	4,841	3,998	3,567	2,972	2,429	2,175
Financial Cost	1,442	1,647	1,151	510	427	499	572	530
Profit before Depreciation & Tax	5,762	4,241	3,690	3,488	3,140	2,473	1,857	1,645
Depreciation/Preliminary/ Share issue / Deferred revenue expenses written off.	2,702	2,143	1,712	1,352	1,051	920	806	783
Income Tax Provision (Net)	773	581	405	782	793	530	309	343
Profit After Tax	2,287	1,517	1,572	1,354	1,296	1,023	742	519
Dividend (incl. Corporate Dividend Tax)								
– Preference Shares	70	32	32	32	31	31	30	–
– Equity Shares	347	307	307	307	299	299	237	105
Assets and Liabilities	As At 31.03.2010	As At 31.03.2009	As At 31.03.2008	As At 31.03.2007	As At 31.03.2006	As At 31.03.2005	As At 31.03.2004	As At 31.03.2003
Fixed Assets :								
– Gross Block	35,081	25,858	22,601	14,605	11,963	10,637	8,565	6,994
– Net Block	22,924	16,289	15,033	8,568	7,236	6,929	5,560	4,758
– Capital W.I.P.	228	888	927	3,299	59	3	73	85
– Project Exps. Pending capitalisation	55	338	41	470	11	–	–	–
Current, Other Assets & Misc. Expenses	18,117	13,218	10,822	9,874	7,933	6,279	4,499	3,846
Investments	819	793	775	600	362	143	126	366
Total Assets	42,144	31,526	27,598	22,811	15,601	13,354	10,258	9,055
Represented by :								
Equity Share Capital	1,051	1,051	1,051	1,051	1,051	1,051	1,051	525
9% Cum Redeem Pref Shares Capital	300	300	300	300	300	300	300	300
3% Cumulative Compulsorily Convertible Preference Shares	4,013	–	–	–	–	–	–	–
3% Cumulative Redeemable Preference Shares	350	–	–	–	–	–	–	–
Reserves & Surplus	8,198	6,353	5,158	3,946	2,873	1,862	1,148	1,196
Shareholders' Fund	13,912	7,704	6,509	5,296	4,224	3,213	2,498	2,021
Borrowings								
– Working Capital Loans	2,626	4,635	3,027	3,741	2,409	2,360	819	861
– Other Loans	11,843	11,704	10,573	7,643	4,507	4,511	4,337	3,926
Deferred Tax Liability	632	521	528	674	757	680	600	475
Current Liabilities & Provisions	13,131	6,962	6,961	5,457	3,704	2,590	2,004	1,772
Total Liabilities	42,144	31,526	27,598	22,811	15,601	13,354	10,258	9,055

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 18th Annual Report alongwith the Audited Accounts for the year ended on March 31, 2010.

FINANCIAL RESULTS

(` In Lacs)

PARTICULARS	**For the Year Ended on March 31, 2010**	For the Year Ended on March 31, 2009
Sales/Income from operations	**59710**	45453
Other income	**147**	101
Cash Operating Profit	**5762**	4241
Profit Before Tax	**3060**	2098
Provision for Taxation (Including Fringe Benefit Tax)	**650**	575
Deferred Tax Liability/(Asset)	**122**	6
Profit after Tax	**2288**	1517
Brought Forward Profit from Previous Year	**4084**	3306
Profits Available for appropriation	**6372**	4823
APPROPRIATION:		
- General Reserve	**400**	400
- Proposed Dividend on Preference Shares	**42**	27
- Proposed Dividend on Equity Shares	**315**	263
- Corporate Tax on Dividend	**59**	49
- Balance of Profit carried forward	**5555**	4084

FINANCIAL HIGHLIGHTS

The Sales/Income from operations for the Financial Year under review were ` 59,710 Lacs as against ` 45,453 Lacs for the previous year, registering growth of 31.37 %. The Cash Operating Profit has shown a growth of 35.86 %.

DIVIDEND & APPROPRIATIONS

Appropriations

During the year 2009-10 an amount of ` 400 Lacs has been appropriated to General Reserve (last year `400 Lacs).

Dividend

Your directors recommend dividend

1) @ 30% i.e. ` 3.00 per Equity Share on the face value of ` 10/- each on 1,05,05,064 Equity Shares, amounting to ` 3,15,15,192/- (Previous Year ` 2.50 per Equity Share)

2) @ 9% i.e. ` 0.90 per 9% Cumulative Redeemable Preference Share of ` 10/- each on 30,00,000 9% Cumulative Redeemable Preference Shares, amounting to ` 27,00,000/- (Previous Year ` 0.90 per Share).

3) @ 3% on prorata basis i.e. ` 7.729 per 3% Cumulative Compulsorily Convertible Preference Shares of ` 2,187/- each on 1,83,500 3% Cumulative Compulsorily Convertible Preference Shares, amounting to ` 14,18,344/-

4) @ 3% on prorata basis i.e. ` 0.04 per 3% Cumulative Redeemable Preference Shares of ` 10/- each on 35,00,000 3% Cumulative Redeemable Preference Shares, amounting to ` 1,23,699/-.

JOINT VENTURE

Your Company was holding 17,50,000 Equity Shares of ` 10/- each of Valeo Minda Electrical System India Pvt. Ltd. (VMES). As the desired results were not achieved by VMES, hence it was decided to sale off our equity in VMES to the other promoters of VMES. In this regard, an agreement was executed on May 18, 2010.

Your Company is holding 36.85 Lacs Equity Shares of Fiamm Minda Automotive Ltd. In the month of August, 2009, Fiamm S.p.A., the joint venture partners transferred all its equity to Minda Promoters. Subsequently, the name of the said company has been changed from Fiamm Minda Automotive Ltd. to Minda Acoustic Ltd.

AWARD AND RECOGNITION

Your Company has been awarded with TKM Award to Blow Moulding unit at the 11th Annual Supplier Convention of Toyota Kirloskar Motor held in April, 2010.

FIXED DEPOSITS

During the year under review, the Company has accepted the deposits from Public and Shareholders of the Company under Section 58A of the Companies Act, 1956. As on March 31, 2010, there were no overdue deposits of the Company. It has been decided that Company will not accept any fresh deposit w.e.f. May 27, 2010. However, the existing deposits will be repaid as per agreed terms.

INFUSION OF PRIVATE EQUITY

The Company after getting the necessary approval from the shareholders at the Extra Ordinary General Meeting held on February 03, 2010 has:

1) Allotted 1,37,625 3% Cumulative Compulsorily Convertible preference shares of ` 2,187 each to India Business Excellence Fund I and 45,875 3% Cumulative Compulsorily Convertible preference shares of ` 2,187 each to IL&FS Trust Company Ltd.

2) Allotted 15,00,000 3% Cumulative Redeemable preference shares of `10/- each to Mr. Nirmal K. Minda and 20,00,000 3% Cumulative Redeemable preference shares of `10/- each to Mrs. Suman Minda.

AMALGAMATION

The Board of Directors at their meeting held on February 10, 2010 approved the scheme of amalgamation of Minda Autogas Ltd. (MAGL) with the Company. MAGL is engaged in the manufacturing and sale of CNG/LPG Kits to automobiles. The effective date of amalgamation is April 01, 2009.

As per this scheme, the exchange ratio is 4:10 i.e. for Ten (10) equity shares of MAGL, MIL will allot four (4) number of equity shares.

The Stock Exchanges namely Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd. and Delhi Stock Exchange Ltd., where the shares of the Company are listed have also given their in principle approval to the aforesaid scheme of amalgamation.

The Company has filed first motion application with Delhi High Court on May 21, 2010.

REDEMPTION OF 9% CUMULATIVE REDEEMABLE PREFERENCE SHARES

The Company is having 9% Cumulative Redeemable Preference Shares of ` 300 Lacs. These are to be redeemed in 3 (three) equal installments. The Board approved the redemption of all these shares in one go. This will be done in 2010-11 by creating "Capital Redemption Reserve A/c".

DIRECTORS

In accordance with the provisions of the Articles of Association of the Company and of the Companies Act, 1956, Mr. Ashok Minda and Mr. Vivek Jindal, Directors of the company are liable to retire by rotation on the date of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Information about the directors proposed to be re-appointed such as their experience etc. as required under Clause 49 of the Listing Agreement is being given in the Notice to the shareholders for the forthcoming Annual General Meeting of the Company, which is forming part of this Annual Report.

During the year, Mr. Alok Dutta has been appointed as Director on the Board of the Company. Mr. Dutta is B.Tech in Mechanical Engineering and Cost Accountant, having experience more than 35 years. He has in-depth experience of Projects Setup, Financial Control, Review and Joint Venture Negotiation. Alongwith the position of Directorship on the Board of the Company, Mr. Dutta is also a Chairman of the Audit Committee of the Company.

During the year, Mr. Rakesh Sony (Nominee of Private Equity Partner) was appointed as Director on the Board of the Company. Mr. Sony is a Chartered Accountant with over a decade's experience in financial services. Alongwith the position of Directorship on the Board of the Company, Mr. Sony is also a member of the Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee of the Company.

During the year 2009-10, we have lost our two Directors.

- Shri Raja Ram Gupta, who was an active member of the Audit Committee, passed away on December 12, 2009. The Board wish to record the appreciation for his guidance given by him.
- Shri S.L. Minda, Founder Chairman & Director also passed away on April 17, 2010. Board wish to appreciate for his contribution to the Society at large.

HUMAN RESOURCE

Your Company recognizes that people are its principal assets and that its continued growth is dependent upon the Company's ability to attract and retain quality people. The Company encourages long-term commitment to the company by rewarding its people for the opportunities they create and the value generated for customers and shareholders. The Company conducts several training programmes to upgrade the skills of the workforce and also taken the following major initiative to take care of human resources during the year:

Pathshala - A group learning Centre was established in October, 2008. Pathshala will play an important role in helping the group to achieve its vision and mission.

CORPORATE SOCIAL RESPONSIBILITIES

Your company believes, a motivated employee is a key for organizational growth. Management has devised various policies to keep employees motivated and vibrant. Your company is committed to establishing and maintaining a working environment which is free from discrepancies and where all employees and prospective employees are selected, trained and promoted solely on the basis of their skills, experience and behaviors demonstrated. Your Company's policies and practices provides equal employment opportunities and ensure that these opportunities are available to the public as a whole.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Your company has two Subsidiaries: Minda Auto Components Ltd. and Minda Realty & Infrastructure Ltd.

Minda Auto Components Ltd. is engaged in the business of manufacturing/assembling of switches for automobiles and is located at Noida, Manesar, Hosur, Mysore and Nalagarh. Consolidation of results of these subsidiaries with the holding company will enhance the value in terms of top as well as bottom line.

Minda Realty & Infrastructure Ltd. is incorporated for realty business.

STATUTORY REQUIREMENT

As required under the Listing Agreement with the Stock Exchanges, a consolidated financial statements of the Company and all its subsidiaries are required to be submitted. The Consolidated Financial statement has been prepared in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India.

The Company has made an application for exemption from the Central Government under Section 212(8) of the Companies Act, 1956 with regard to attaching of the Balance Sheet, Profit and Loss Account and other documents of these Subsidiaries of the Company for the financial year 2009-10.

The approval for exemption has been received from the Central Government, vide their letter no. 47/489/2001-CL-III dated June 07, 2010. The Accounts of the subsidiaries will be made available for inspection by any members of the Company at its registered office and also at the registered office of the concerned subsidiary. The accounts of the subsidiary company and the detailed information will be made available to the member upon receipt of the request from him. The summary of the key financial of the company's subsidiaries is enclosed with this Annual Report.

AUDITORS AND AUDITORS' REPORT

M/s. R.N. Saraf & Co., Chartered Accountants, the Statutory Auditors of the Company are proposed to be re-appointed to hold office until the conclusion of the next Annual General Meeting of the Company. The Company has received a letter from them to the effect that their appointment, if approved, would be within the prescribed limit under section 224(1B) of the Companies Act, 1956. There being no reservation, qualification or adverse remark in the Auditors' Report, no further explanations is required.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the accounts for the financial year ended 31st March, 2010, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures, if any;
2. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities.

4. That the Directors had prepared the Annual Accounts on a 'going concern' basis.

INFORMATION REGARDING CONSERVATION OF ENERGY ETC. AND EMPLOYEES

Information required under section 217(1) (e) of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is annexed to this report at Appendix-I and forms part of the Directors' report.

Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time forms part of the Directors' Report. However, as per the provisions of section 219(1) (b) (iv) of the Companies Act, 1956, the Report and the Accounts are being sent to all the members excluding the statement containing the particulars of employees to be provided under section 217(2A) of the Companies Act, 1956. Any member interested in obtaining such particulars may inspect the same at the registered office of the company or write to the Company Secretary for a copy.

ENVIRONMENT COMPLIANCE

Safety and environmental performance is integral to the business performance of the Company, and received continued focus throughout the year. 'Zero accidents' is acceptable standard of safety performance. The Company organizes fire fighting training for staff and workers.

Sound environmental health and safety management is an integral part of the Company's business practices. For all manufacturing facilities, which require environmental consents such as air, water and hazardous waste, proper authorizations from respective Pollution Control Boards have been obtained and are in compliance with the present Environmental Legislation.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with stock exchanges, a separate section titled Report on Corporate Governance has been included in this Annual Report, which is annexed to this report as Appendix II. Your directors are pleased to report that your company is fully compliant as on March 31, 2010 with the SEBI Guidelines on Corporate Governance. A certificate from M/s. R.N. Saraf & Co., Chartered Accountants confirming the compliance with the conditions of corporate governance as stipulated under clause 49 of the listing agreement is annexed as Appendix-III.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under clause 49 of the Listing Agreement with stock exchanges forms part of the annual report and is annexed as Appendix - IV.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation of the co-operation and support extended to the company by Government authorities, bankers, suppliers, customers, Private Equity Partner and other stakeholders whose continued support has been a source of strength to the Company. The continued dedication and sense of commitment shown by the employees at all levels during the year.

The Directors also take this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

For and on behalf of the Board of
MINDA INDUSTRIES LIMITED

Place : Gurgaon, Haryana (Nirmal K. Minda)
Date : November 10, 2010 Chairman & MD

APPENDIX - I TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken.

The Company has taken the following measures towards the conservation of energy:

i) Improving the power factor, hence indirect losses are reduced.
ii) Under load running of D.G.sets are minimized by proper load sharing.
iii) Installation of capacitors across major inductive loads.
iv) Installation of pressure regulator at moulding so that the compressor maintains equal transmission of power.
v) Use of air free moisture drains to avoid rust formation on jigs and fixtures.
vi) Energy Saver on various Machines.
vii) Using light only whenever required.

b) Additional Investments and proposal if any, being implemented for reduction of consumption of energy.

- Installation of VFD on Air Washers and Air Compressors.

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

Adoption of energy conservation measures indicated above have resulted in the saving of electricity consumption and also brought awareness among employees.

d) Total Energy consumption and energy consumption per unit of production as per Form -A of Annexure in respect of Industries specified in schedule thereto.

- Form -A is not applicable, as the Company does not fall under the list of industries specified in the schedule.

B. TECHNOLOGY ABSORPTION

e) Efforts made in technology absorption as per Form-B of Annexure.

i) Research and Development (R&D)

1. Specific area in which R&D is carried out by the Company.

(i) LED Based Front Fog Lamp for 4 wheelers.
(ii) Metal to Plastic Part design optimization.
(iii) ABS Wheel Speed Sensor is used to detect speed of individual wheelers.
(iv) Intake Air Temperature Sensor is used to detect the temperature of incoming air.
(v) Oil Level Sensor is used to detect engine oil level.
(vi) Inductive GP Sensor is used to indicate neutral gear condition of the vehicle.
(vii) Clutch Pedal Position Sensor is used to sense the position of Clutch Pedal at specific points.
(viii) Tyre Pressure Monitoring System is used to detect pressure and temperature of individual tyres and give an alarming signal to the driver.

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

(i) LED's life is longer as compared to Bulbs; they dissipated less heat as compared to light energy.
(ii) Metal to plastic conversion help to produce good aesthetic product with low cost & high productivity.
(iii) Sensors increase the safety and controls Emissions of the Vehicles.
(iv) Intelligent and reliable control of headlights increases the visibility of driver in night driving.
(v) HID Lighting System helps in improving light output of Head Lamp with natural day light colour.
(vi) Body Controller contributes in more reliable and comfort operations in vehicle.
(vii) Tyre Pressure Monitoring System increases the safety of the driver by the means of accurate breaking distance and also contributes in fuel economy.

3. Future Plan of Action.

(i) Performance Tail Lamp with LED & Light Guide Technology.
(ii) Product design validation using Thermal Simulation in Automotive Tail Lamp
(iii) Innovative Design of Outer Rear View Mirrors.
(iv) Development of EMS Sensors, Position Sensors and Safety Sensors.
(v) Helmet Position Sensor.
(vi) Rain Sensor.

4. Expenditure on R&D (` In Lacs)

		Year ended on March 31, 2010	Year ended on March 31, 2009
a)	Capital	**58.29**	264.63
b)	Recurring	**975.08**	736.28
c)	Total	**1033.37**	1000.91
d)	Total R&D expenditure as percentage of total turnover.	**1.76%**	2.25%

ii) Technology, Absorption, Adaptation and Innovation.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

i. Sealed type side stand switch for 2 wheeler application - water proof design, rotary type mechanism and plunger rotary type mechanism, light weight and compact design.

ii. Learning on structural simulation.

iii. Learning on pre-processing procedure for CAE.

iv. The Following technologies are introduced. in manufacturing:

a) Head Lamp Lens Hard Coating.
b) BMC Molding.
c) BMC Metalizing.
d) PU Sealing for Head Lamp.
e) Vibration Welding for Tail LampTesting.
f) Online Photometric checking for Head Lamp.

2 Benefits derived as a result of the above efforts.

1) Exposure to latest trends & products.
2) In-house capability development on optics design & simulation technique.
3) Patent Study & IPR filing procedure understanding.
4) Innovative design for new products.
5) In-house capability development on structural simulation.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of financial year), following information may be furnished.

a)	Technology Imported	Technical Know-How Licence Agreement with M/s. Fiamm S.p.A., Italy for manufacturing of automotive batteries.	Technical Assistance Agreement with M/s. PT Kyoraku Blowmoulding, Indonesia for manufacturing of Blow Moulding Parts.	Technical Royalty Agreement with M/s. TYC Brother Industrial Co. Ltd., Taiwan for manufacturing of various types of Automotive Lightings.	Technical Royalty Agreement with M/s. Tigers Polymer Corporation, Japan for manufacturing of various types of Blow Moulded Parts.
b)	Year of Imports	2007-08	2007-08	2008-09	2009-10
c)	Has Technology been full absorbed?	No, being absorbed	No, being absorbed	No, being absorbed	No, being absorbed
d)	If not fully absorbed, area where has not taken place, reason thereof and future plan of action.	The technology is being absorbed in phased manner with mutual co-operation of each party.	The technology is being absorbed in phased manner with mutual co-operation of each party.	The technology is being absorbed in phased manner with mutual co-operation of each party.	The technology is being absorbed in phased manner with mutual co-operation of each party.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

f) Activities relating to exports, development of new export market for products and services and export plan : Exports during the year 2009-10 were of ` 3255.46 Lacs (Previous year ` 3018.13 Lacs), registering increase of 7.86%.

g) Total Foreign Exchange used.

(` In Lacs)

	Current Year 31.03.2010	Previous Year 31.03.2009
1) CIF value of Imports		
- Raw Material	**2926.47**	2094.18
- Capital Goods	**3013.12**	1208.79
- Stores and Spares	**9.87**	16.46
- Others	**0.00**	6.81
2) Expenditure in Foreign currency.	**602.20**	762.41
h) Total Foreign Exchange earned.	**3713.51**	3524.29

For and on behalf of the Board of
MINDA INDUSTRIES LIMITED

Place : Gurgaon, Haryana
Date : November 10, 2010

(Nirmal K. Minda)
Chairman & Managing Director

Appendix II

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Minda Industries Limited believes in the concept of good Corporate Governance involving transparency, empowerment, accountability, equity and integrity with a view to enhance stakeholder's value in order to achieve its mission as stated below :-

"To continually enhance the stakeholders' value through global competitiveness while contributing to society."

2. BOARD COMPOSITION AND PARTICULARS OF DIRECTORS

i) The composition of the Board, category and particulars of attendance is given below:

Name of the Director	Category of Directorship	Attendance Record		Number of other Directorships	Other Committee Memberships/Chairmanship	
		Board Meeting during 2009-10 (total meetings Held = 7)	Last AGM dated 28.07.2009		Member	Chairman
Mr. S.L. Minda	Non-Executive Chairman (Upto 17/04/2010)	5	Yes	1	-	1
Mr. Nirmal K. Minda	Executive Chairman & M. D.	7	Yes	19	1	2
Mr. Ashok Minda	Non-Executive Director	1	Yes	13	7	4
Mr. Raja Ram Gupta	Non-Executive & Independent Director (Upto 12/12/2009)	3	Yes	-	4	-
Mr. Subhash Lakhotia	Non-Executive & Independent Director	5	Yes	1	1	-
Mr. S.K. Arya	Non-Executive & Independent Director	5	Yes	26	3	1
Mr. Vivek Jindal	Executive Director	7	No	1	3	-
Mr. Ashok Kumar Goel	Non-Executive & Independent Director (Upto 29/10/2009)	1	No	3	-	-
Mr. Alok Dutta	Non-Executive & Independent Director (w.e.f. 29/10/2009)	3	No	1	1	-
Mr. Rakesh Sony	Non-Executive & Non- Independent Director (w.e.f. 17/02/2010)	1	No	6	4	-
Mr. Satish Sekhri	Non-Executive & Independent Director (w.e.f. 29/07/2010)	-	-	4	-	-

Leave of absence was granted to the Directors for the Board meetings which they did not attend and sought the leave of absence from the Board meeting.

1) Mr. Ashok Kumar Goel joined on the Board as Non-Executive and Independent Director w.e.f. July 29, 2009. However, he resigned w.e.f. October 29, 2009.
2) Mr. Alok Dutta has been inducted as Director on the Board of the Company w.e.f. October 29, 2009. Mr. Alok Dutta is a Non-Executive and Independent Director.
3) Mr. Raja Ram Gupta expired on December 12, 2009. His position as Director on the Board stand vacated automatically effective from the date of his death.

4) Mr. Rakesh Sony has been inducted as Director on the Board of the Company w.e.f. February 17, 2010. He is a Non-Executive and Non -Independent Director.

5) Mr. Shadi Lal Minda expired on April 17, 2010. His position as Chairman on the Board stand vacated effective from the date of his death.

6) Mr. Satish Sekhri has been inducted as Director on the Board of the Company w.e.f. July 29, 2010. He is a Non-Executive and Independent Director.

ii) Number of Board Meetings held and the dates on which held:

Number of Board meetings held	7 (Seven)
Dates on which held	May 29, 2009
	July 29, 2009
	October 29, 2009
	January 11, 2010
	January 29, 2010
	February 10, 2010
	February 17, 2010

iii) Terms of reference to the Board of Directors

Apart from placing the statutory required information before the Board Members, it is the policy of the company to regularly place the information / matter involving major decisions like Annual Budget, Technology Collaboration, Investments, Quarterly Results, Minutes of meeting of Subsidiary Companies, Audit Committee and other committee of the Board and other material information. All the information relevant to the company as required under clause 49 of the listing agreement is also made available to the Board.

iv) Code of Conduct and ethics for directors and senior level management

The Board of directors has implemented a Code of Conduct applicable to all directors and senior level management of the company.

The copy of the Code has been put on the Company's website www.mindagroup.com

3. BOARD LEVEL COMMITTEE

a) Audit Committee

i) Terms of Reference

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

The Audit committee reviews with the management and also with the statutory and internal auditors, all aspects of the financial results, effectiveness of internal audit/processes, taxation matters and other key areas. The Audit Committee also recommends the appointment and remuneration of the Internal Auditors and Statutory Auditors to the Board, considering their independence and effectiveness

ii) Composition, Category and Attendance record during the year:

Name of the member	Category	Attendance (No. of meetings held = 6)	Date of Audit Committee Meetings
Mr. Raja Ram Gupta	Chairman (upto 12/12/2009)	3	May 29, 2009 July 29, 2009 October 29, 2009 December 29, 2009 January 29, 2010 March 18, 2010
Mr. Vivek Jindal	Member	3	
Mr. Alok Dutta	Chairman	3	
Mr. Rakesh Sony	Member (w.e.f. 17/02/2010)	1	

Mr. H.C. Dhamija, V. P. - Group-A/cs, Taxation & Co. Secretary, acts as a Secretary to the Committee.

Mr. Raja Ram Gupta, the Chairman of the Audit Committee was expired on December 12, 2009. Accordingly, his position in the Audit Committee meeting stand vacated.

Mr. Rakesh Sony, Director has been appointed as member of the Audit Committee meeting of the Company with effect from February 17, 2010.

Mr. Alok Dutta, Director has been appinted as Chairman of the Audit Committee meeting of the Company with effect from May 25, 2010.

b) Remuneration Committee

i) Composition and terms of reference

The composition of Remuneration Committee is given below. All matters relating to finalisation of remuneration to Executive Directors being taken in the meeting of remuneration committee for their consideration and approval.

ii) Composition, Category and Attendance record during the year:

Name of the member	Category	Attendance (Number of Meetings held = 1)	Date of Audit Committee Meetings
Mr. Raja Ram Gupta	Chairman (upto the date of 12/12/2009)	–	May 25, 2010
Mr. Subhash Lakhotia	Member	1	
Mr. Rakesh Sony	Member (w.e.f. 17/02/2010)	1	

Mr. Raja Ram Gupta, the Chairman of the Remuneration Committee expired on December 12, 2009. Accordingly, his position in the Remuneration Committee meeting stand vacated.

Mr. Rakesh Sony, Director has been appointed as member of the Remuneration Committee meeting of the Company with effect from February 17, 2010.

Mr. Alok Dutta, Director has been appointed as Chairman of the Remuneration Committee meeting of the Company with effect from May 25, 2010.

Mr. H.C. Dhamija, V. P. - Group-A/cs, Taxation & Co. Secretary, acts as a Secretary to the Committee.

iii) Remuneration Policy

The payment of remuneration to Chairman and Managing Director - Mr. Nirmal K Minda and Executive Director - Mr. Vivek Jindal is governed by the respective resolutions passed at the Board / Shareholders Meetings. The remuneration structure comprises Salary, Allowances, Perquisites and Contribution to Provident Fund etc. Salary details of Mr. Nirmal K. Minda and Mr. Vivek Jindal is given in this report at Para-IV under the heading "Disclosures".

c) Power Delegation Committee

i) Composition, Category and Attendance record during the year:

Name of the member	Category	Attendance (Number of Meetings held = 4)
Mr. Nirmal K. Minda	Chairman	4
Mr. Raja Ram Gupta (upto 12/12/2009)	Member	3
Mr. Vivek Jindal	Member	3
Mr. Rakesh Sony (w.e.f. 17/02/2010)	Member	–

ii) Terms of reference

The Board of directors formed the Power Delegation Committee on October 29, 2003, which was reconstituted, with a view to take quick decisions relating to the delegation of various powers relating to the various operations of the company. The Delegation committee consists of three directors.

Mr. Raja Ram Gupta, Member of the Power Delegation Committee expired on December 12, 2010.

Mr. Rakesh Sony has been appointed has been appointed as Member of the Committee with effect from February 17, 2010.

d) Shareholders/Investors Grievance Committee

a) Composition & Terms of reference:

In order to give focus to shareholder and investor related matters a Shareholders/Investors Grievance committee was formed in the year 2001. The committee focuses primarily on strengthening investor relations and ensuring the rapid resolution of any shareholder or investor concerns including the following: -

– Approval and registration of transfer & transmission of shares and issue of duplicate share certificates;

– Redressal of investors' grievances and complaints like non-receipt of dividend warrants, share certificates, annual reports etc.

b) Composition, Category and Attendance record during the year:

Name of the member	Category	Attendance (Number of Meetings held = 6)
Mr. S L Minda	Chairman (upto 17/04/2010)	6
Mr. Nirmal K. Minda	Member	6
Mr. Raja Ram Gupta	Member (upto 12/12/2009)	–
Mr. Rakesh Sony	Member (w.e.f. 17/02/2010)	–
Mr. Alok Dutta	Chairman (w.e.f. 25/05/2010)	–

Mr. H. C. Dhamija, V. P. - Group-A/cs, Taxation & Co. Secretary acts as Secretary to the Committee.

Mr. Rakesh Sony was appointed as member of the Shareholder / Investor Grievance Committee Meeting w.e.f. February 17, 2010.

Mr. Alok Dutta, Director has been appointed as Chairman of the Shareholder/ Investor Grievance meeting of the Company with effect from May 25, 2010.

c) Share Transfer System

All the Share Transfers, received are being approved by Shareholders / Investors Grievance Committee, which normally meets twice in a month.

Your Company has 2192 shareholders as on March 31, 2010. During the year company has processed 4 (four) physical share transfer requests comprising 1102 equity shares. The company and share transfer agent has received 49 complaints during the year, all of which have been attended to within a period of 15 days from the receipt of the same. As on date no complaint is pending to be resolved.

4. GENERAL BODY MEETING

- Venue and Time of last three Annual General Meetings:

Financial Year	Date of Meeting	Time	Venue	Number of Special Resolutions passed
2006-07 15th AGM	July 25, 2007	11:30 a.m.	PHD House, Opposite Asian Games Village, New Delhi.	* SR-1(One) **OR-6 (Six)
2007-08 16th AGM	July 24, 2008	11:30 a.m.	PHD House, Opposite Asian Games Village, New Delhi.	* SR-1(One) **OR-7 (Seven)
2008-09 17th AGM	July 29, 2009	4.00 p.m.	PHD House, Opposite Asian Games Village, New Delhi.	* SR-1(One) **OR-7 (Seven)

* "SR" means Special Resolution
** "OR" means Ordinary Resolution.

No special resolution was passed through postal ballot during the year under review.

5. HOLDING / SUBSIDIARY COMPANIES

Minda Auto Components Ltd. and Minda Realty & Infrastructure Ltd. are the subsidiaries of the Company, which are non 'material non listed subsidiary companies', as per the listing agreement. The term "material non-listed Indian subsidiary shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

At present the Company has no material Indian unlisted subsidiary company. Accordingly, the requirement of appointing at least one Independent director on the Board of Directors of the materially Indian unlisted subsidiary is not applicable.

The Board reviews the financial statements, the minutes of the Board Meeting of the Unlisted Subsidiary Companies alongwith a statement of all significant transactions and arrangements entered into by the Indian Unlisted Subsidiary Companies.

6. DISCLOSURES

i) Related party Transactions

There have been no materially significant related party transactions with the company's promoters, directors, management or their relatives, which may have a potential conflict with the interest of the company. Members may refer to the notes to the accounts for details of other related party transactions.

However, a statement in summary form of transactions with related parties in the ordinary course of business is placed before the audit committee.

ii) Disclosure of Accounting Treatment

The company has followed the accounting standards, laid down by the Institute of Chartered Accountants of India.

iii) Risk Management

The Management of the company regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

iv) Remuneration of Directors.

- Disclosure of Director's Interest in Transactions with the Company.

None of the non-executive directors had any pecuniary relationship or transaction with the company. However some commercial transactions have taken place where Company's directors also hold directorship. Such transactions have taken place on a wholly arms length basis and have been disclosed to the Board of Directors in accordance with the provisions of the Companies Act, 1956 and have been entered in the register of contracts and approved by the Board in accordance with the Section 301 of the Companies Act, 1956.

- Remuneration paid to the Managing Director, Executive Director during the year 2009-10:

(` in Lacs)

Name of the Managing Director/ Executive Director	Salary & Allowances	Medical, Lease Rent & Other Expenses	Contribution to Provident Fund etc.	Total
Mr. Nirmal K Minda	85.20	0.99	7.63	93.82
Mr. Vivek Jindal	15.36	-	1.15	16.51

v) Details of non-compliances by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority.

vi) Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct of its management, staff and business associates. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances.

vii) The details in respect of Directors seeking re-appointment are provided as part of the notice convening the forthcoming Annual General Meeting.

7. CEO/CFO CERTIFICATION

Mr. Nirmal K. Minda, Chairman & Managing Director (CEO) and Mr. Sudhir Jain, Corp. Business Head (CFO) in terms of clause 49 (V) of the listing agreement, have furnished the requisite certificate to the Board of Directors. The copy of the same is annexed as Appendix V

8. MEANS OF COMMUNICATION

The company's financial results and official news release are published in widely circulating national and local daily newspapers such as Economic Times, Navbharat Times, Financial Express and Jansatta and are being posted on the company's website at www.mindagroup.com.

9. GENERAL SHAREHOLDERS INFORMATION

i) 18th Annual General Meeting : AGM (Date, Time, Venue)
Date : Friday, December 24, 2010
Time : 11.00 A.M.
Venue : PHD House Opposite Asian Games Village, New Delhi. - 110016

ii) Financial Year April 1st to March 31st

For the year ended on 31.03.2010, the results were announced on

For quarter ending	Date
June 30, 2009	July 31, 2009
September 30, 2009	October 31, 2009
December 31, 2009	January 30, 2010
March 31, 2010 (Audited)	May 29, 2010

For the year ended on 31.03.2011, the results will be announced on following tentative dates

For quarter ending	On or before
June 30, 2010	July 31, 2010
September 30, 2010	October 31, 2010
December 31, 2010	January 31, 2011
March 31, 2011 (Audited)	May 31, 2011

iii) Date of Book closure: December 17, 2010 to Decmber 24, 2010 (both days inclusive).

iv) Dividend payment date: Expected on or after December 29, 2010.

v) Listing on Stock Exchanges

The company's shares are listed at the Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSE) and Delhi Stock Exchange Ltd. (DSE)

vi) Stock Code

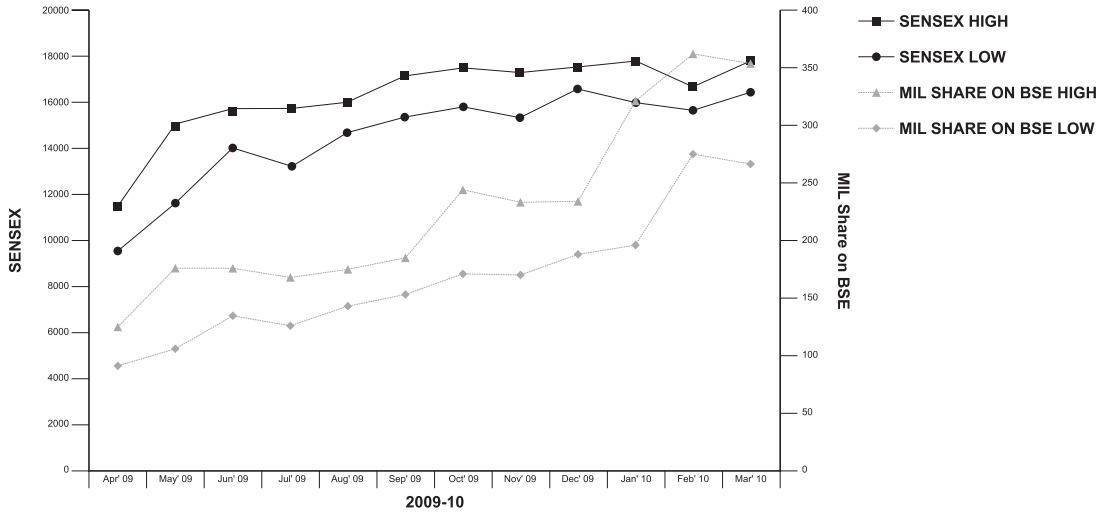
Bombay Stock Exchange Ltd. : 532536
National Stock Exchange of India Ltd. : MINDAIND
Delhi Stock Exchange Ltd. : 013315

vii & viii) Stock Prices during 2009-10

The performance of the company's scrip on BSE and NSE as compared to the SENSEX and NIFTY during the year 2009-10 are as under

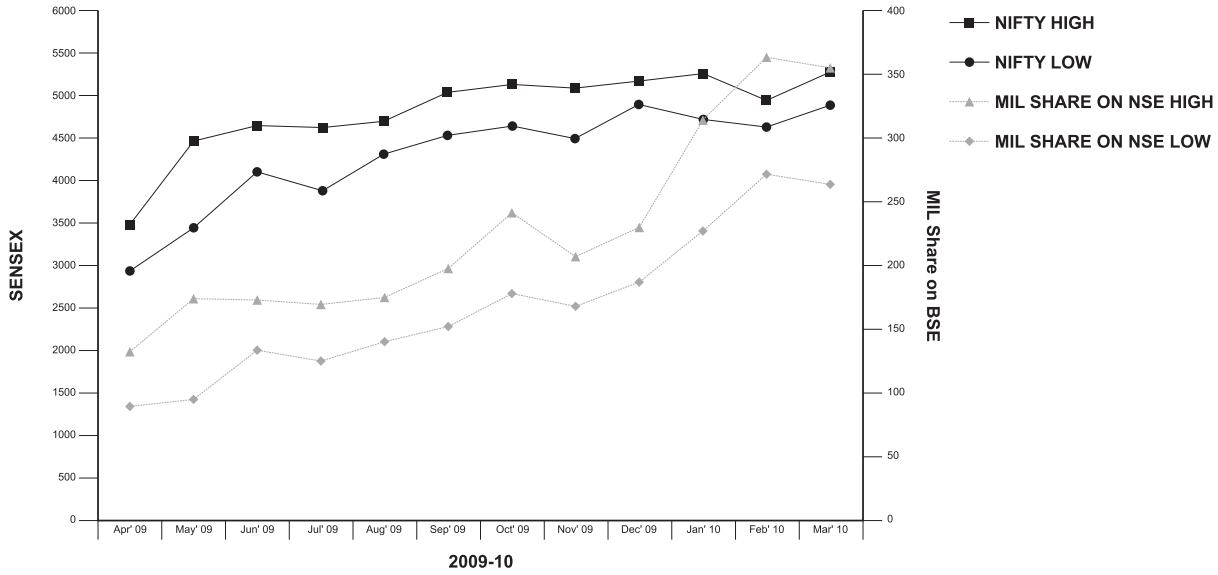
(Amount in `)

Months	SENSEX		MIL Share on BSE	
	High	Low	High	Low
April 09	11492.10	9546.29	125.00	91.20
May 09	14930.54	11621.30	176.00	106.00
June 09	15600.30	14016.95	175.90	134.65
July 09	15732.81	13219.99	167.95	126.00
Aug.09	16002.46	14684.45	175.00	143.00
Sept.09	17142.52	15356.72	185.00	153.15
Oct.09	17493.17	15805.20	244.00	171.05
Nov.09	17290.48	15330.56	233.20	170.10
Dec.09	17530.94	16577.78	234.00	188.00
Jan. 10	17790.33	15982.08	321.20	196.00
Feb.10	16669.25	15651.99	362.00	275.00
March,10	17793.01	16438.45	353.60	266.40



(Amount in `)

Months	NIFTY		MIL Share on NSE	
	High	Low	High	Low
April 09	3517.25	2965.70	132.40	89.50
May 09	4509.40	3478.70	174.00	95.00
June 09	4693.20	4143.25	172.95	133.60
July 09	4669.75	3918.75	169.50	125.10
Aug.09	4743.75	4353.45	175.00	140.25
Sept.09	5087.60	4576.50	197.70	152.15
Oct.09	5181.95	4687.50	241.40	178.00
Nov.09	5138.00	4538.50	207.00	168.00
Dec.09	5221.85	4943.95	229.90	187.00
Jan. 10	5310.95	4766.00	314.00	227.05
Feb.10	4992.00	4675.40	363.30	271.60
March,10	5329.55	4935.35	355.00	263.65



ix) Registrar and Share Transfer Agents

For both Physical Share Transfer and Electronic Mode (Dematerialized form)	:	M/s Link Intime India Pvt. Ltd. A-40, 2nd Floor, Nariana Industrial Area, Phase-II, New Delhi -110 028
ISIN No. for De-materialisation of shares	:	INE405E01015

x) Share Transfer System

As per clause 3(d) of this report.

xi) Distribution Schedule and Shareholding Pattern as on 31st March 2010

DISTIBUTION SCHEDULE		
Category	No. of Shareholders	No. of Shares
Upto 2500	1625	77827
2501 - 5000	257	101751
5001 - 10000	156	126713
10001 - 20000	84	144217
20001 - 30000	23	59401
30001 - 40000	10	34483
40001 - 50000	2	9600
50001 - 100000	6	44202
100001 and above	29	9906870
TOTAL	2192	10505064

SHAREHOLDING PATTERN		
Category	No. of Shareholders	% of Total Paid-up Capital
Promoters and Promoters Group	7426669	70.70
Mutual Funds/UTI	–	–
Banks, Financial Institutions, Insurance Companies	–	–
Foreign Institutional Investors	77752	0.74
Private Bodies Corporate	2083864	19.84
Indian Public	884648	8.42
Non-resident Individuals / Overseas Corporate Bodies	3503	0.03
Others	28628	0.27
TOTAL	10505064	100

xii) Dematerialization of Shares and Liquidity as on March 31, 2010:

97.47 % of shares of the company are in Dematerialised form.

xiii)Outstanding GDRs /ADRs /Warrants or any convertible instruments, conversion date or likely impact on equity: 183500, 3% Cumulative Compulsorily Convertible Preference Share of ` 2,187/- each will be converted to equity shares within 18 months from February 17, 2010 and shall rank pari-passu to existing equity shareholders of the Company.

xiv) Plant Locations

- 34-35 Km. G.T. Karnal Road Village Rasoi, Sonepat (Haryana)
- Village Naharpur Kasan P.O. Nakhrola Distt. Gurgaon (Haryana)
- Village Nawada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon (Haryana)
- B-6, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharasthra
- B-1/5, Chakan Industrial Area, Village-Mahalunge, Taluka-khed Distt. Pune, Maharasthra
- Plot No. 5, Sector-10, IIE, Pant Nagar, Udham Singh Nagar, Uttrakhand - 263153
- Plot No.28-F, Bidadi Industrial Area, Bidadi Ram Nagar District, Bangalore Rural District-562109, Bangalore

xv) Non-mandatory Requirements

The Company has not adopted the non-mandatory requirements as specified in Annexure 1D of the Listing Agreement to the extent applicable except clauses relating to Remuneration Committee and Whistle Blower Policy.

xvi) Address for Correspondence:

Minda Industries Limited
Regd.Off.:B-64/1,Wazirpur Industrial Area,
Delhi - 110 052.
(Tel) - 011-27374444, 0124-2291604
(Fax) - 0124-2290676
E-mail: hcdhamija@mindagroup.com

Appendix - III

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Minda Industries Limited

We have examined the compliance of conditions of Corporate Governance by Minda Industries Limited for the year ended March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.N. SARAF & CO.
Chartered Accountants
(Regn. No. 002023N)

Place : New Delhi
Date : May 27, 2010

R.N. SARAF, F.C.A.
Membership No. 12439

Appendix - IV

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Indian Economic Scenario

The fiscal year 2009-10 began as a difficult one. There was a significant slowdown in the growth rate in the second half of 2008-09, following the financial crisis that began in the industrialized nations in 2007 and spread to the real economy across the world.

Over the span of the year, the economy posted a remarkable recovery, not only in terms of overall growth figures but, more importantly, in terms of certain fundamentals, which justify optimism for the Indian economy in the medium to long term.

The real turnaround came in the second quarter of 2009-10 when the economy grew by 7.9 per cent. GDP for 2009-10, released by the Central Statistical Organisation, the economy grew at 7.2 per cent, with the industrial and the service sectors growing at 8.2 and 8.7 per cent respectively.

Indian Auto Industry Scenario

Fueled by government stimulus packages, better demand and lower loan interest rates, the country's automobile industry has reported a whopping 26.41 per cent growth in sales in the year 2009-10 making FY 09 -10 one of the best years for the sector.

This encouraging trend in the industry has also made India the second fastest growing market in the world following China, which recorded a 42 per cent growth.

In the domestic market, the sales were driven by car and the two-wheelers. While the cars segment posted a 25.10 per cent growth in 2009-10, the two-wheelers witnessed a 26 per cent surge.

The excise and customs duties on cars and auto-components have been continuously declining over the past five years. All these factors have contributed in providing the impetus to the auto sector.

Role of Auto-Component Industry

The Indian automotive component industry manufactures a wide range of parts including castings, forging, finished and semi-finished components, assemblies and subassemblies. Its development has been aided by the arrival of OEMs to India in the 1990s and the increasing exposure of Indian companies to international competition and best practices.

India's automotive components industry is being urged by the government to partner with overseas firms with the aim of making India a platform for outsourcing as well as a global R&D hub. As the Indian vehicle production industry has grown, so has the domestic supplier industry. But the global auto industry's search for lower cost and more international outsourcing has led to a sharp growth in component output and exports in recent years.

Companies such as GM, Ford, Daimler Chrysler and Toyota, see India as a cost competitive base for parts sourcing. Among Tier 1, Delphi, Visteon, Bosch, Cummins and Denso have operations in India.

Factors such as superior engineering skills, modest domestic market growth, the sophistication of its IT industry and increasing free trade agreements in addition to low cost, are expected to boost India's auto-component sector growth over other countries in the environment of off-shoring to low-cost countries.

Outlook

The positive demographic factors, stable macro-economic environment and pro-reform policies of the government saw almost all major global auto players making their way into India. The intense competition has compelled the manufacturers to launch the latest global offering in India as early as possible. It has also enabled to keep the prices of the vehicles under check. The consumers, in turn, have benefited from wide choice of models, technologically advanced cars and better service from the car manufacturers.

OPPORTUNITIES, CHALLENGES, RISK & CONCERNS

Opportunities

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

- Low-cost, high-skill manpower with an abundance of engineering talent - the second largest in the world
- Well developed, globally competitive Auto Ancillary Industry
- Established automobile testing and R&D centers.
- Among the lowest-cost producers of steel in the world.

Need for innovation

The competitiveness in the sector will largely depend on the capacity of the industries to innovate and upgrade. The industry will also benefit if it has strong domestic competition, home based suppliers and demanding local customers. There is no denying the fact that the factors like labour cost, duties, interest rate and economies of scale are the most important determinants of competitiveness. But productivity is the prime determinant of the competitiveness and also impacts the national per capita income. The globally successful OEMs and auto makers will ultimately make their base in places. The OEMs also look for the policies of the state which stimulates innovations in new technologies.

The key challenges facing the auto ancillary industry at this juncture include rising commodity prices and weak demand in the exports markets. Additionally, if the domestic growth trend sustains over a few more quarters, many auto component suppliers may have to revive the capacity enhancement plans they had put on hold last year following large-scale demand destruction.

The industry, over the years, developed the capability of manufacturing all components required to manufacture vehicles, which is evident from the high levels of indigenization achieved in the vehicle industry

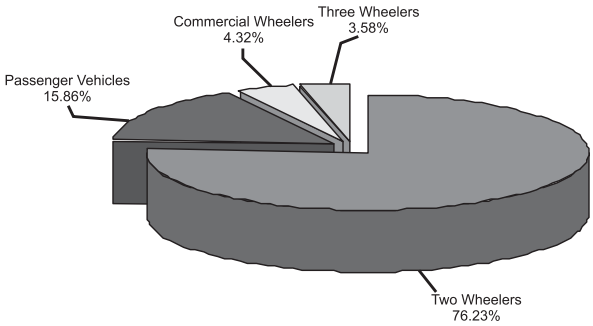
as well as the components developed for the completely Indian made vehicles like the Tata Indica, Tata Indigo, Mahindra Scorpio, Bajaj Pulsar, TVS Victor and TVS star.

The industry has now holistic capability to manufacture the entire range of auto components e.g. Engine parts, Drive, Transmission Parts, Suspension & Braking Parts, Electricals, Body and Chassis Parts, Equipment etc.

Segment-wise performance

The Indian Automotive Industry performed well in the financial year 2009-10, the segment wise market share is given as below:

Segment Wise Market Share in 2009-10



Your company is engaged in the manufacturing of automotive components two wheelers, three wheelers and off road vehicles and parts such as electrical switches, lightings, batteries and blow moulding products. All products are carrying similar risk and returns. Hence, there is no separate reportable segment.

The Company has implemented World Class ERP system SAP in the Company which integrate all its operations under one umbrella and it helps to achieve the Mission and Vision of the Company.

Company's ongoing efforts on cost reduction, productivity and efficiency improvements in all areas of operations, that should help the Company stay in good stead to continue growing at a healthy rate in the years to come.

Internal Control Systems

The company has adequate internal control systems for assessment and eliminating various kinds of risks which include strategic, operational, financial, environment and reputation risk. Such risks are reviewed at various meetings like internal audit committee meeting and management committee review meeting where members of senior management are involved. The Board also reviews such risks procedures periodically.

The Company also has a proper and adequate system of internal controls for financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statutes and regulations. In order to ensure that all checks and balances are in place and all internal control system are in order, transactions are authorized as per the accounts manual, recorded and reported promptly and correctly.

The audit committee of the company is reviewing the internal controls including the internal audit reports, financial results of the company at least once in every four months and provides its support to all operational and finance functions of the company through regular monitoring and suggestions.

The company has exhaustive budgetary control system. Actual performance is reviewed with reference to budgeted by the management review committee on an ongoing basis.

Financial performance with respect to operational performance.

The growth of auto component industry is directly linked with the growth of the auto industry. The automobile industry has reported a 26.41 per cent growth in sales in the year 2009-10, whereas the Company has reported sales/turnover of ` 59,710 Lacs during the year 2009-10, as against ` 45,453 Lacs during the previous year registering a growth of 31.37%.

The company has set up a state of art head lamp manufacturing facility at Chakan, Pune. The commercial production has commenced for customers like Volkswagen and Maruti Suzuki in the month of February, 2010.

Human Resources Management System

The company' HR processes ensure the availability of a competent and motivated team of employees. The Company is providing a fair compensation amongst industry of like nature, a clear career path, reward for performance and regular training and development for each level of employee.

Pathshala - A group learning Centre was established in October, 2008, which imparts training at all level of

employees to achieve the Mission and Vision of the Company. So far 90 % of the strength of the Company has been trained.

Job enrichment is ensured through job rotation / transfer, so that the employees are motivated and gain experience in different functional areas.

Industrial relation among employees at all plants of the company continued to be cordial. The Directors places on record their sincere appreciation for dedicated teamwork by employees at all levels to meet the quality, cost, delivery aspects of customers / OEMs in growing market.

For effective communication among employees across the group companies, your company publishes an in-house journal titled "Jagriti" to cover important events and achievements across the group. It is an effective tool of communication.

All employees are made aware of and have access to the central database of HR policies covering all aspect of welfare, benefits and administration.

Cautionary Statement

The above statement describing the company's objective, projections, estimates, expectations or predictions may be forward looking statement within the applicable laws and regulations. These are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed, implied or written since the company's operations are influenced by external factors beyond the control of the company. Company assumes no responsibility to publicly amend, modify or revise any forward looking statement. Readers are cautioned that the risks outlined here are not exhaustive. Readers are requested to exercise their own judgment in assessing the risk associated with the company.

APPENDIX - V

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We hereby certify that we, the undersigned have reviewed the Financial Statements and the Cash Flow Statement of Minda Industries Ltd. (the Company) for the year ended March 31, 2010 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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;
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2009-10, which are fraudulent, illegal or violate the Company's code of conduct;
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that: -
   (a) there have been no significant changes in internal control over financial reporting during this year.
   (b) there have been no significant changes in accounting policies during this year.
   (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.
6. We further declare that all board members and senior management have affirmed compliance with the code of conduct for the year 2009-10.

Sudhir Jain
Corp. Business Head (CFO)

Nirmal K. Minda
Chairman & MD (CEO)

Place : New Delhi
Date : May 27, 2010

AUDITORS' REPORT

To the members of Minda Industries Limited

We have audited the attached Balance Sheet of Minda Industries Limited as at March 31, 2010 and also the Profit and Loss Account and the Cash flow Statement for the year ended on that date annexed thereto(collectively referred as the ' Financial Statements'). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch. The Branch Auditors report has been forwarded to us and has been appropriately dealt with;

(iii) The Financial Statements dealt with by this report are in agreement with the books of account and with the audited returns from the branch;

(iv) In our opinion, the Financial Statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

(v) On the basis of written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

(vi) In our opinion and to the best of our information and according to the explanation given to us, the said financial statements together with schedule '1' to '16' and to read with notes B (3) and B (4) on schedule 16 with regard to changes in providing depreciation and valuation of inventories and effect thereof on the profit for the year, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

(b) In the case of Profit and Loss Account, of the Profit for the year ended on that date; and

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

For R.N. SARAF & CO.
Chartered Accountants
(Regn. No. 002023N)

Place : New Delhi
Date : May 27, 2010

R.N. SARAF, F.C.A.
Membership No. 12439

ANNEXURE REFERRED TO THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF MINDA INDUSTRIES LTD ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2010.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

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

(b) The fixed assets of the company are physically verified by the management according to a phased programme designed to cover all the items over a period of three years. Pursuant to the programme, physical verification of certain assets was carried out during the year and no material discrepancies between physical inventories and book records were noticed.

(c) The Company has not disposed off a substantial part of its fixed assets during the year.

(ii) (a) The inventories have been physically verified by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.

(b) In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;

(c) The Company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.

(iii) (a) During the year, the company has taken unsecured loan from one company and three other parties covered in the register maintained under section 301 of the Companies Act, 1956. The balance at the beginning of the year was ` 886.89 Lacs, amount taken during the year is ` 280.00 Lacs and paid during the year was ` 939.76 Lacs and balance outstanding at the year end is ` 227.13 Lacs.

The company has not granted any loan to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) In our opinion, the rate of interest and other terms and conditions on which the loans have been taken from a company and other related parties covered in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.

(c) The company is regular in repaying the principal amount and interest.

(iv) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal controls during the course of audit.

(v) (a) In our opinion, the particulars of the contracts or arrangements referred to in section 301 of the Companies Act,1956 that need to be entered into the register maintained under section 301 of the Companies Act,1956 have been so entered.

(b) In our opinion, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees Five Lacs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time except in respect of certain items, which are of special nature and suitable alternate sources do not exist for obtaining comparative quotations.

(vi) In our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA of the Companies Act, 1956 or any other related provisions of the Act and Companies (Acceptance of Deposits) Rules, 1975 with regard to deposit accepted from the public, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal, Reserve Bank of India or any other court or other tribunal.

(vii) An outside agency has carried out internal audit during the year. In our opinion, the internal audit system of the company is commensurate with its size and nature of its business.

(viii) The Central Government of India has prescribed the maintenance of cost records by the Company under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956. On the basis of the records produced, we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of such accounts and records.

(ix) (a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable;

(b) According to the information and explanation given to us and the records of the company examined by us at March 31, 2010, there have no dues in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess that have not been deposited on account of dispute other than certain disputed income tax, excise duty and Service Tax dues, the details of which are as follows :

Nature of Statute	Nature of Dues	` in Lacs	Financial Year to which matter pertains	Forum where dispute is pending
Income Tax Act	Income Tax	7.86	2000-01	Commissioner (Appeal)
Income Tax Act	Income Tax	9.89	2001-02	Commissioner (Appeal)
Income Tax Act	Income Tax	127.30	2005-06	Commissioner (Appeal)
Income Tax Act	Income Tax	41.97	2006-07	Commissioner (Appeal)
Central Excise Act	Central Excise duty	35.64	2004-05 to 2007-08	Additional Commissioner (Central Excise)
Service Tax	Service Tax	7.27	2005-06 to 2008-09	Commissioner Central Excise
Service Tax	Service Tax	4.28	2005-06 to 2008-09	Commissioner Central Excise (Appeal)
Service Tax	Service Tax	2.83	2006-07 to 2007-08	Assistant Commissioner (Central Excise)
Service Tax	Service Tax	2.92	2008-09	Assistant Commissioner (Central Excise)

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank and financial institutions. The company has not issued any debentures.

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

(xiii) The Company is not a chit fund/nidhi/mutual benefit fund/society, therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.

(xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003, (as amended) is not applicable.

(xv) The Company has given guarantee for loan taken by others from banks. The terms and conditions whereof in our opinion are not prima facie prejudicial to the interest of the company.

(xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.

xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash-Flow Statement of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has made preferential allotment of shares during the year to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and in our opinion the price at which shares have been issued is not prejudicial to the interest of the company.

(xix) The Company did not have any outstanding debentures during the year, therefore, clause 4(xix) of Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.

(xx) The Company has not raised any money by public issues during the year, therefore clause 4(xx) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable.

(xxi) Based on the audit procedures performed and information and explanations given to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For R.N. SARAF & CO.
Chartered Accountants
(Regn. No. 002023N)

Place : New Delhi
Date : May 27, 2010

R.N. SARAF, F.C.A.
Membership No. 12439

BALANCE SHEET AS AT 31ST MARCH 2010

	Schedule	AS AT 31.03.2010 (`)	AS AT 31.03.2009 (`)
SOURCES OF FUNDS			
Shareholders' Funds			
a) Share Capital	1	**571,365,140**	135,050,640
b) Reserves and Surplus	2	**819,758,278**	635,280,409
Loan Funds			
a) Secured Loans	3	**1,074,150,135**	1,232,052,255
b) Unsecured Loans	4	**372,759,116**	401,912,364
TOTAL		**2,838,032,669**	2,404,295,668
APPLICATION OF FUNDS			
Fixed Assets	5		
a) Gross Block		**3,508,147,521**	2,585,790,468
b) Less : Depreciation		**1,215,703,953**	956,856,405
c) Net Block		**2,292,443,568**	1,628,934,063
d) Capital Work in Progress		**28,286,080**	122,598,509
		2,320,729,648	1,751,532,572
Investments	6	**81,935,608**	79,339,608
Current Assets, Loans and Advances	7		
a) Inventories		**469,490,227**	243,963,605
b) Sundry Debtors		**895,736,387**	674,820,718
c) Cash and Bank balances		**131,525,935**	38,633,987
d) Loans and Advances		**312,638,244**	364,310,022
		1,809,390,793	1,321,728,332
Less : Current Liabilities and Provisions	8		
a) Current Liabilities		**1,207,423,580**	614,868,579
b) Provisions		**105,637,430**	81,312,208
		1,313,061,010	696,180,787
Net Current Assets		**496,329,783**	625,547,545
Deferred Tax (Liability)		**(63,231,228)**	(52,124,057)
Miscellaneous Expenditure	9	**2,268,858**	-
TOTAL		**2,838,032,669**	2,404,295,668
Accounting Policies and Notes to Financial Statements	16		

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
Karol Bagh, New Delhi - 110 005

NIRMAL K. MINDA
Chairman and Managing Director

SUDHIR JAIN
Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	YEAR ENDED 31.03.2010 (`)	YEAR ENDED 31.03.2009 (`)
INCOME			
Sales/ Income from operations	10	**5,970,999,276**	4,545,278,580
Other Income	11	**14,719,810**	10,136,800
		5,985,719,086	4,555,415,380
EXPENDITURE			
Material and Manufacturing	12	**4,216,989,235**	3,185,221,766
Personnel	13	**650,514,520**	473,625,591
Administrative and Selling	14	**397,836,928**	307,770,349
Financial	15	**144,223,744**	164,697,843
		5,409,564,427	4,131,315,549
Cash Operating Profit		**576,154,659**	424,099,831
Less :			
Depreciation		**269,607,867**	214,317,838
Share Issue Expenses		**567,214**	–
Profit before Tax		**305,979,578**	209,781,993
Less : Provision - Income Tax		**65,000,000**	50,000,000
: Provision - Fringe Benefit Tax		–	7,000,000
: Deferred Tax Liability/(Assets)		**12,250,000**	557,000
: Short Provision of Income Tax / Wealth Tax		**–**	562,412
Profit after Tax		**228,729,578**	151,662,581
Add : Balance brought forward from last year		**408,448,548**	330,670,831
Amount available for appropriation		**637,178,126**	482,333,412
Less : Appropriation :			
– General Reserve		**40,000,000**	40,000,000
– Proposed Dividend			
On 9% Cumulative Redeemable Preference Shares		**2,700,000**	2,700,000
On 3% Cumulative Compulsorily Convertible Preference Shares		**1,418,344**	–
On 3% Cumulative Redeemable Preference Shares		**123,699**	–
On Equity Shares		**31,515,192**	26,262,660
– Corporate Dividend Tax		**5,938,830**	4,922,204
Balance being Surplus carried to Balance Sheet		**555,482,061**	408,448,548
Earning Per Share			
(Equity Shares of nominal value ` 10 each)			
Basic [Refer Schedule 16 B (10)]		**21.30**	14.14
Diluted [Refer Schedule 16 B (10)]		**18.13**	14.14
Accounting Policies and Notes on Financial Statements	16		

As per our report of even date

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
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NIRMAL K. MINDA
Chairman and Managing Director

SUDHIR JAIN
Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)	AS AT 31.03.2009 (`)
SCHEDULE 1		
SHARE CAPITAL		
AUTHORISED :		
15,000,000 Equity Shares of `10 each.	**150,000,000**	150,000,000
3,000,000, 9% Cumulative Redeemable Preference Shares of ` 10 each (Class 'A')	**30,000,000**	30,000,000
1,83,500, 3% Cumulative Compulsorily Convertible Preference Shares of ` 2187 each (Class 'B')	**401,314,500**	–
3,500,000 3% Cumulative Redeemable Preference Shares of `10 each (Class 'C')	**35,000,000**	–
	616,314,500	180,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
10,505,064 Equity Shares of ` 10 each fully paid up	**105,050,640**	105,050,640
3,000,000, 9% Cumulative Redeemable Preference Shares of `10 each (Class 'A') fully paid up	**30,000,000**	30,000,000
1,83,500 ,3% Cumulative Compulsorily Convertible Preference Shares of ` 2187 each (Class 'B') fully paid up.	**401,314,500**	–
3,500,000 3% Cumulative Redeemable Preference Shares of ` 10 each (Class 'C') fully paid up.	**35,000,000**	–
	571,365,140	135,050,640

1) Equity Shares Include
   - 1,233,330 Equity Shares of ` 10 each issued during the year 1994-95 pursuant to scheme of amalgamation without payment received in cash.
   - 392,832 Equity Shares of ` 10 each as Bonus Shares allotted on 15.12.1995 by capitalisation of General Reserve and 5252532 equity shares of `10 each as bonus shares allotted on 31.03.2004 by capitalisation of Share Premium Account and General Reserve.
   - Re-issue of forfeited 31,800 Equity Shares of ` 10 each on 27.10.1998.
2) 9% Cumulative Preference Shares are redeemable in equal instalments in the year 2011, 2012 and 2013.
3) 1,83,500 3% Cumulative Compulsarily Convertible Preference Share of ` 2187 each have been allotted on 17.02.2010 with a right of conversion into 10 Equity Shares of ` 10 each fully paid up at a premium of ` 208.70 per share within a period not exceeding eighteen months from the date of allottment.
4) 35,00,000 3% Cumulative Redeemable Preference Share of ` 10 each have been allotted on 17.02.2010 shall be redeemed at par after seven years from the date of allottment. However same can be redeemed earlier in view of availability of the profitability /surplus fund.

SCHEDULE 2		
RESERVES AND SURPLUS		
CAPITAL RESERVE :		
a) Capital profit on reissue of Equity Shares forfeited		
As per last Balance Sheet	**193,500**	193,500
b) Capital sales tax subsidy from Government of Haryana		
As per last Balance Sheet	**22,565,001**	18,449,397
Add : Additions during the year	**–**	4,115,604
	22,565,001	22,565,001
	22,758,501	22,758,501
GENERAL RESERVE :		
As per last Balance Sheet	**204,073,360**	166,514,360
Add : Transferred from Profit and Loss Account	**40,000,000**	40,000,000
Liability for employee cost upto 31.03.07	**(2,555,644)**	(2,441,000)
[Refer Note No-16(B) 12]	**241,517,716**	204,073,360
PROFIT AND LOSS ACCOUNT :		
Surplus as per Profit and Loss Account	**555,482,061**	408,448,548
	555,482,061	408,448,548
	819,758,278	635,280,409

	AS AT 31.03.2010 (`)	AS AT 31.03.2009 (`)
SCHEDULE 3		
SECURED LOANS		
From Banks		
Working Capital loans	**262,589,072**	463,501,038
Term Loans	**778,428,241**	763,575,804
Vehicle Loans	**4,487,413**	3,461,091
From Others		
Vehicle Loans	**999,695**	1,514,322
Deferred payment Liability		
Volkswagen India Pvt. Ltd.	**27,645,714**	–
	1,074,150,135	1,232,052,255

NOTES:

1. a) Working Capital Loans from Canara Bank, Citi Bank N.A. and State Bank of India are secured by hypothecation of stock of raw materials, finished goods, semi finished goods, bills discounted with the bank and book debts on pari-passu basis and further secured by second charge on fixed assets of the Company on pari-passu basis with Small Industries Development Bank of India.
2. a) Term Loan from State Bank of India is secured by way of first pari-passu charge on all present and future fixed assets. Term loan from State Bank of India is further secured by hypothecation of all the goods, book debts and other movable assets of the company on pari-passu basis.
   b) Term Loan from Axis Bank Ltd. is secured by way of first pari-passu charge on all fixed assets of the company.
3. Vehicle Loans from banks/others are secured by hypothecation of assets financed by them.
4. Loan from Volkswagen India Pvt. Ltd., of ` 2,76,45,714 (Previous year NIL) represents deferred payment liability in respect of specific tools and is secured by hypothecation of tools that have/will be acquired or manufactured in-house.
5. Term loans/Vehicle loans payable within one year

Term Loans	**164,561,668**	120,004,803
Vehicle Loans from Bank	**2,031,834**	3,082,064
Vehicle Loans from Others	**635,390**	525,641

SCHEDULE 4		
UNSECURED LOANS		
From bank - Short Term Loan	**100,000,000**	–
From other than banks		
– Director(s)	**4,332,166**	45,499,203
– Companies	**18,381,461**	42,009,194
– Customers/ Trade Deposits	**81,735,665**	137,339,599
– Others	**160,924**	26,111,468
Fixed Deposits		
– from Director(s)	**2,000,000**	–
– from Others	**23,424,000**	8,228,000
Interest Free Sales Tax Deferred Liability @	**142,724,900**	142,724,900
	372,759,116	401,912,364
Payable with in one year		
Short Term Loan from bank	**100,000,000**	–
Fixed Deposits	**8,161,000**	6,399,000

@Repayment will start from the year 2011

SCHEDULE 5
FIXED ASSETS

(Amount in `)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.03.2009	ADDITIONS/ TRANSFER	SALES/ TRANSFER/ ADJUSTMENT	AS AT 31-03-2010	UP TO 31.03.2009	FOR THE YEAR	ON SALE/ WRITE OFF/ ADJUSTMENT	UP TO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
TANGIBLE ASSETS										
LAND										
– LEASEHOLD	76,403,979	–	–	76,403,979	2,934,493	733,360	–	3,667,853	72,736,126	73,469,486
– FREEHOLD	15,173,139	178,043,102	–	193,216,241	–	–	–	–	193,216,241	15,173,139
BUILDING	513,999,158	75,716,834	–	589,715,992	62,534,663	17,292,028		79,826,691	509,889,301	451,464,495
PLANT AND MACHINERY	1,570,027,143	610,555,929	11,566,044	2,169,017,028	716,891,388	204,238,408	3,445,237	917,684,559	1,251,332,469	853,135,755
ELECTRIC FITTINGS	80,739,407	6,895,412	–	87,634,819	12,370,399	3,923,834	–	16,294,233	71,340,586	68,369,008
FURNITURE AND FITTINGS	27,642,066	4,838,746	–	32,480,812	11,202,436	2,393,107	–	13,595,543	18,885,269	16,439,630
OFFICE EQUIPMENT	95,073,699	11,219,780	1,043,883	105,249,596	50,006,843	7,624,769	1,344,943	56,286,669	48,962,927	45,066,856
VEHICLES	78,315,318	8,532,141	14,178,637	72,668,822	20,878,844	10,505,965	5,806,466	25,578,343	47,090,479	57,436,474
INTANGIBLE ASSETS										
TRADE MARK	187,268	–	187,268	–	–	–	–	–	–	187,268
COMPUTER SOFTWARE	101,271,217	53,304,911	–	154,576,128	74,645,724	19,824,885	163,672	94,306,937	60,269,191	26,625,493
TECHNICAL KNOW HOW	26,958,074	226,030	–	27,184,104	5,391,615	3,071,510	–	8,463,125	18,720,979	21,566,459
SUB TOTAL	2,585,790,468	949,332,885	26,975,832	3,508,147,521	956,856,405	269,607,866	10,760,318	1,215,703,953	2,292,443,568	1,628,934,063
CAPITAL WORK-IN-PROGRESS										
– BUILDING/ELECTRIC FITTINGS	32,543,179	43,173,655	75,716,834	–	–	–	–	–	–	32,543,179
– PLANT AND MACHINERY	28,483,023	19,151,842	28,483,023	19,151,842	–	–	–	–	19,151,842	28,483,023
– TECHNICAL KNOW HOW	–	3,620,490	–	3,620,490	–	–	–	–	3,620,490	–
– COMPUTER SOFTWARE	27,792,333	–	27,792,333	–	–	–	–	–	–	27,792,333
– PROJECT EXPENSES PENDING	33,779,974	96,125,159	124,391,385	5,513,748	–	–	–	–	5,513,748	33,779,974
CAPITALISATION / ALLOCATION (Annexure 5 A)										
SUB TOTAL	122,598,509	162,071,146	256,383,575	28,286,080	–	–	–	–	28,286,080	122,598,509
GRAND TOTAL	2,708,388,977	1,111,404,031	283,359,407	3,536,433,601	956,856,405	269,607,866	10,760,318	1,215,703,953	2,320,729,648	1,751,532,572
PREVIOUS YEAR FIGURES	2,357,089,719	494,474,301	143,175,043	2,708,388,977	756,948,338	214,505,456	14,597,389	956,856,405	1,751,532,572	1,600,141,381

ANNEXURE 5A

	As At 31.03.2010 (`)		As At 31.03.2009 (`)	
PROJECT EXPENSES PENDING CAPITALISATION/ALLOCATION				
MATERIAL AND MANUFACTURING				
Raw material Consumed	**7,501,322**		366,599	
Stores and Spares	**2,469,165**		83,161	
Manufacuring Expenses	**6,509,113**	**16,479,600**	426,946	876,706
PERSONNEL				
Salaries, Wages and Bonus	**30,188,006**		12,300,939	
Contribution to Provident and other funds	**1,673,223**		896,020	
Recruitment	**184,674**		62,800	
Welfare	**2,619,930**	**34,665,833**	1,918,112	15,177,871
ADMINISTRATIVE AND SELLING				
Rates and Taxes	**47,347**		2,528	
Printing and Stationery	**104,733**		164,003	
Travelling and Conveyance	**5,693,335**		9,544,583	
Lease Rent	**544,244**		1,502,299	
Communication Expenses	**617,963**		912,843	
Legal and Professional	**4,144,169**		4,876,881	
Insurance	**159,982**		85,025	
General charges	**1,336,692**		985,377	
Testing Expenses	**101,469**		1,882,601	
Books and Periodicals	**146,855**		285,185	
Repairs to:				
Building	**498,271**		2,200	
Plant and Machinery	**511,596**		25,671	
Others	**1,862,926**		15,739	
Pollution Control	**380,905**		-	
Sales promotion/Advertisement	**1,326,743**		80,004	
Royalty	**106,134**		-	
Freight and Forwarding	**526,492**		-	
Overhead /Software Cost	**1,366,158**	**19,476,014**	771,918	21,136,857
FINANCIAL				
Banks and Financial Institutions Interest on				
- Term Loans	**24,750,777**		5,524,091	
Financial Charges	**752,935**	**25,503,712**	18,331	5,542,422
DEPRECIATION		–		187,618
		96,125,159		42,921,474
Less : Profit on sale of Fixed Assets		**-**		(12,678)
		96,125,159		42,908,796
Add: Expenses bought forward from previous year		**33,779,974**		4,141,099
		129,905,133		47,049,895
Less: Allocation/Recovery during the year		**(124,391,385)**		(13,269,921)
Balance pending Capitalisation/Allocation		**5,513,748**		33,779,974

	Face Value of each Share	**AS AT 31.03.2010 No. of Shares**	AS AT 31.03.2009 No. of Shares	**AS AT 31.03.2010 (`)**	AS AT 31.03.2009 (`)
SCHEDULE 6					
INVESTMENTS					
In Equity Shares:-					
(At cost, unquoted,other than trade-long term)					
Subsidiary Companies					
Minda Auto Components Ltd.	` 10	**210,200**	–	**2,102,000**	–
Minda Reality & Infratructure Ltd.	` 10	**49,400**	–	**494,000**	–
Companies under same management:-					
Minda Acoustic Ltd.	` 10	**36,85,000**	36,85,000	**36,850,000**	36,850,000
(formerly known as Fiamm Minda Automotive Ltd.)					
Minda Autogas Ltd.	` 10	**1,430,492**	1,430,492	**14,304,920**	14,304,920
Other Companies					
Domestic					
Om Marubeni Logistics Pvt Ltd.	` 10	**1,80,000**	1,80,000	**1,800,000**	1,800,000
Valeo Minda Electrical Systems India Pvt Ltd.	` 10	**17,50,000**	17,50,000	**17,500,000**	17,500,000
Overseas :-					
P.T. Minda Asean Automotive (Indonesia)	USD $10	**20250**	20250	**8,884,688**	8,884,688
				81,935,608	79,339,608

SCHEDULE 7	**AS AT 31.03.2010 (`)**	AS AT 31.03.2009 (`)
CURRENT ASSETS, LOANS AND ADVANCES		
a) Inventories		
(As taken, valued and certified by the Management)		
Raw Materials	**254,848,364**	117,946,984
Finished Goods @	**31,655,420**	16,218,563
Work in Progress	**127,230,223**	67,086,073
Stores and Spares	**47,711,215**	28,524,410
Material in Transit	**8,045,005**	14,187,575
	469,490,227	243,963,605
@ includes in Transit		
b) Sundry Debtors (Unsecured)		
– Outstanding for a period exceeding six months :		
– Considered Good	**7,288,057**	48,246,584
– Considered Doubtful	**5,263,759**	2,566,191
– Other Debts		
– Considered Good	**888,448,330**	626,574,134
	901,000,146	677,386,909
Less : Provision for Doubtful Debts	**(5,263,759)**	(2,566,191)
	895,736,387	674,820,718

	AS AT 31.03.2010 (`)	AS AT 31.03.2009 (`)
c) Cash and Bank Balances		
Cash in hand/imprest	**3,844,535**	1,927,279
Cheques/drafts in hand	**6,875**	6,837,013
Silver coins @	**159,087**	135,988
With Scheduled Banks		
– In current accounts @@	**69,852,835**	20,946,423
– In deposit accounts @@@	**57,423,007**	8,027,045
With Non-scheduled Banks		
– In current accounts	**239,596**	760,239
	131,525,935	38,633,987
@ coins in numbers	**1,108**	1,038
@@ includes unclaimed dividend account	**1,253,602**	831,948
@@@ includes accrued interest	**754,986**	139,951
@@@ Includes Fixed Deposits:-		
- pledged with banks for issue of bank guarantee and Margin money for issue of Letter of Credit etc.	**4,517,979**	4,105,163
- pledged with Sales Tax Department as security	**6,962**	6,962
d) Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received :		
– Considered Good	**232,269,311**	295,348,531
– Considered Doubtful	**5,530**	–
Balance with Excise authorities	**24,376,156**	18,172,995
Income Tax (Net of Provision)	**35,597,806**	30,468,973
Security Deposits with		
– Government Authorities	**7,395,162**	6,769,214
– others @	**12,999,809**	13,550,309
	312,643,774	364,310,022
Less : Provision for Doubtful Advances	**(5,530)**	–
	312,638,244	364,310,022
Sundry debtors and loans and advances Includes		
– Amount due from Companies under the same management		
– Mindarika Pvt. Ltd.	**13,284,958**	7,214,066
– Minda Autogas Ltd.	**6,866,472**	4,249,644
– Minda Acoustic Ltd.	**40,769,500**	26,990,544
– Minda International Ltd.	**232,713**	768,732
– Subsidiary Companies		
– Minda Auto Components Ltd.	**1,599,162**	–
– Firm,in which Sh. Nirmal K. Minda, Chairman and Managing Director is a partner		
– Yogenrdra Engineering	**737,794**	3,087,103
Maximum Balance outstanding during the year		
Companies under the same management		
– Mindarika Pvt. Ltd.	**33,775,305**	20,986,722
– Minda Autogas Ltd.	**28,498,827**	15,448,541
– Minda Acoustic Ltd.	**40,769,500**	33,756,288
– Minda International Ltd.	**768,732**	6,726,704
Subsidiary Companies		
– Minda Auto Components Ltd.	**63,619,607**	
Firm,in which Sh. Nirmal K. Minda, Chairman and Managing Director is a partner		
– Auto Components	**21,328,109**	8,199,975
– Yogendra Engineering	**2,069,402**	5,774,563
@ Includes - the amount towards security deposit with Minda Industries Firm in which Sh. Nirmal K. Minda, Chairman and Managing Director is a partner.	**60,000**	60,000

	AS AT 31.03.2010 (`)	AS AT 31.03.2009 (`)
SCHEDULE 8		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Acceptances	**39,090,113**	46,817,645
Sundry Creditors @	**1,030,689,279**	539,803,064
Customers at credit	**102,244,369**	2,215,658
Unclaimed Dividend	**1,255,017**	1,001,750
Interest accrued but not due on		
– Term Loan from Bank	**–**	451,292
– Fixed deposits	**1,156,062**	447,521
Other Liabilities	**32,988,740**	24,131,649
	1,207,423,580	614,868,579
Provisions		
Gratuity		
Opening Balance	**25,252,692**	17,375,003
Additions	**14,011,734**	11,093,331
Payments	**3,216,480**	3,215,642
	36,047,946	25,252,692
Leave encashment		
Opening Balance	**18,386,916**	16,696,956
Additions	**6,764,546**	7,643,535
Payments	**3,407,393**	5,953,575
	21,744,069	18,386,916
Warranty		
Opening Balance	**2,560,000**	-
Additions	**3,015,000**	2,560,000
	5,575,000	2,560,000
Wealth Tax (Net of Payment)	**497,924**	561,998
Fringe Benefit Tax (Net of Payment)	**76,426**	665,738
Proposed Dividend		
On 9% Cumulative Redeemable Preference Shares	**2,700,000**	2,700,000
On 3% Cumulative Compulsorily ConvertiblePreference Shares	**1,418,344**	-
On 3% Cumulative Redeemable Preference Shares	**123,699**	-
On Equity Shares	**31,515,192**	26,262,660
Corporate Dividend Tax	**5,938,830**	4,922,204
	105,637,430	81,312,208
	1,313,061,010	696,180,787

@ The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 th August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management there are no over dues outstanding to Micro and Small Enterprises as defined under Micro,Small and Medium Enterprises Development Act, 2006. Further, the company has not received any claim for interest from any supplier under the said Act.

SCHEDULE 9		
MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Share Issue Expenses	**2,268,858**	–
	2,268,858	–

	YEAR ENDED 31.03.2010 (`)	YEAR ENDED 31.03.2009 (`)
SCHEDULE 10		
SALES/ INCOME FROM OPERATIONS		
Gross Sales	**6,246,963,261**	4,945,368,906
Less:- Excise Duty	**388,548,336**	488,419,308
Net Sales	**5,858,414,925**	4,456,949,598
Other Income from Operations		
Exports Benefits	**12,942,136**	12,210,465
Service Income	**57,361,571**	39,733,101
Royalty	**42,280,644**	36,385,416
	5,970,999,276	4,545,278,580
Tax Deducted at Source :		
Service Income	**5,886,971**	4,300,391
Royalty	**6,111,908**	5,085,982
SCHEDULE 11		
OTHER INCOME		
Interest		
– from banks	**865,882**	981,749
– from Others	**380,228**	440,151
– on income tax refund	**831,079**	155,454
Rental	**5,122,780**	7,520,000
Gain on sale of fixed assets	**4,150,044**	17,976
Gain in Currency Fluctuation	**609,428**	–
Dividend on long term investment	**2,547,446**	–
Miscellaneous	**212,923**	1,021,470
	14,719,810	10,136,800
Tax Deducted at Source :		
Interest	**116,748**	190,407
Rental	**1,100,632**	1,704,032
Dividend	**382,117**	–
SCHEDULE 12		
MATERIAL AND MANUFACTURING		
Raw material consumed	**4,004,650,486**	3,028,418,648
Stores and spares	**146,478,801**	54,951,504
Power and fuel	**140,956,867**	92,769,130
	4,292,086,154	3,176,139,282
Add (Less) Decrease(Increase) in Finished Goods and Work in Progress		
Stock at beginning		
– Finished goods	**16,218,563**	29,345,859
– Work in progress	**67,086,073**	64,571,259
	83,304,636	93,917,118
– Less : Excise Duty	**1,017,177**	2,547,175
Net Opening Stock	**82,287,459**	91,369,943
Stock at close		
– Finished goods@	**31,655,420**	16,218,563
– Work in progress	**127,230,223**	67,086,073
	158,885,643	83,304,636
– Less : Excise Duty	**1,501,265**	1,017,177
Net Closing Stock	**157,384,378**	82,287,459
Decrease(Increase)	**(75,096,919)**	9,082,484
	4,216,989,235	3,185,221,766

@ includes in transit

	YEAR ENDED 31.03.2010 (`)	YEAR ENDED 31.03.2009 (`)
SCHEDULE 13		
PERSONNEL		
Salaries, Wages and Bonus	**539,690,447**	381,704,018
Contribution to Provident and other funds	**36,372,272**	32,763,219
Gratuity	**11,456,090**	7,394,839
Recruitment	**1,760,474**	1,553,935
Welfare	**61,235,237**	50,209,580
	650,514,520	473,625,591
SCHEDULE 14		
ADMINISTRATIVE AND SELLING		
Rent	**31,010,597**	23,184,355
Rates and Taxes	**1,596,634**	1,455,841
Printing and Stationery	**7,614,449**	9,524,815
Travelling and Conveyance	**95,098,987**	77,226,705
Lease Rent	**1,201,054**	1,570,250
Communication	**11,046,717**	10,943,688
Legal and Professional	**58,578,318**	36,300,231
Insurance	**7,630,455**	8,728,753
General charges @	**23,943,854**	16,220,973
Debts/Amount Written off	**143,242**	1,952,833
Provision for Doubtful Debts/ amounts	**2,703,098**	141,295
Warranty Expenses	**5,575,000**	2,560,000
Testing Expenses	**11,296,859**	4,779,094
Books and Periodicals	**3,622,447**	3,192,729
Repairs to:		
– Building	**6,885,093**	5,064,297
– Plant and Machinery	**29,390,909**	15,186,049
– Others	**13,629,548**	13,411,711
Pollution Control Expenses	**2,902,396**	1,917,858
Research and Development	**5,451,533**	4,196,564
Sales promotion/Advertisement	**10,203,308**	6,208,900
Royalty	**7,361,919**	5,603,081
Discount and commission	**235,135**	32,867
Freight and Forwarding	**52,585,184**	49,476,566
Donation	**680,651**	600,387
Wealth tax	**450,000**	500,000
Sales tax / Turnover Tax	**179,238**	1,126,451
Loss on sale of Fixed Assets	**6,820,303**	6,664,056
	397,836,928	307,770,349
	3,166	69,458

@ Includes penalty

SCHEDULE 15		
FINANCIAL		
Banks and Financial Institutions		
Interest on		
– Term Loans	**64,896,184**	83,971,437
– Working Capital loans	**54,255,838**	55,064,578
Financial charges	**6,522,573**	6,649,114
Other than Banks and Financial Institutions		
Interest on		
– Working Capital loans	**3,639,698**	2,558,426
– Fixed Deposits	**1,356,601**	738,886
– Other Loans	**13,552,850**	15,715,402
	144,223,744	164,697,843

SCHEDULE-16

ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT

A) ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

   a) The Financial Statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles, accounting standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provision thereof. All income and expenditure having a material bearing in the Financial Statements are recognized on accrual basis.

2. USE OF ESTIMATES

   a) The preparation of Financial Statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Financial Statement and the reported amount of revenue and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. FIXED ASSETS

   a) Fixed Assets except revalued assets are stated at cost of acquisition inclusive of purchase price, duties, taxes, labour costs and directly attributable costs for in house manufacturing of assets and other direct costs incurred and other incidental expenses, erection/ commissioning expenses etc. (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods, and vat/sales tax set off availed, wherever applicable) up to the date, the assets are put to use. Increase or decrease in long term liabilities on account of exchange rate fluctuations has been adjusted in the cost of fixed assets.

   b) Capitalised hardware/software costs of Enterprises Resource Planning (ERP) system includes cost of designing software, which provide significant future economic benefits over an extended period. The cost comprises of license fee, cost of system integration and implementation cost. The costs are capitalized in the year in which the relevant system is ready for intended use. The up gradation/ enhancement costs are also capitalized.

4. DEPRECIATION/AMORTIZATION

   a) Depreciation on fixed assets is provided

      – On Plant and Machinery on Written Down Value method

      – On other fixed assets on Straight Line Method at the rates and in the manner specified in Schedule-XIV in the Companies Act, 1956.

      – Capitalized hardware/ software cost of ERP are amortized over the estimated useful economic life not exceeding four years.

      – On Computer Software on straight-line method at the rate of 16.21 percent.

      – Leasehold land and leasehold improvements are amortized over the period of lease.

   b) Technical-know how fees is being amortized over a period of the agreement.

5. IMPAIRMENT OF ASSETS

   a) An impairment loss is recognized whenever the carrying amount of an asset is in excess of its recoverable amount and same is recognized as an expense in the statement of profit and loss account of the assets is reduced to its recoverable amount.

      Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

6. INVESTMENTS

   a) Long term investments are valued at cost. Current Investments are valued at cost or fair market value whichever is lower. Provision for permanent diminution in the value of Long Term Investments, if any, is based on perception of the management of the Company.

7. INVENTORIES

   a) Raw material (including packing material), Finished Goods and Work-in-Progress are valued at lower of cost (Moving Average Price) or net realizable value.

   b) "Stores and Spares" and "Material in Transit" are valued at cost.

8. SALES

a) Sales comprise amounts invoiced for goods sold inclusive of excise duty, cess, but net of sales tax /VAT and returns/rejections.

b) Sales includes sale of own products, design income, job work, scraps, tools, dies and moulds and consumable material.

9. GOVERNMENT GRANTS

a) Grants relating to fixed assets are shown as Deferred Government Grant and those of the nature of Capital Subsidy are credited to Capital Reserve.

b) Other Government Grants are credited to Profit and Loss Account or deducted from the related expenses.

10. BORROWING COST

a) Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalized as part of the cost of the assets up to the date each asset is put to use. All other borrowing costs are charged to revenue.

11. RESEARCH AND DEVELOPMENT

a) Revenue expenditure incurred on research and development is charged to Profit and Loss Account in respective account heads.

b) Capital expenditure incurred on research and development activity is included in fixed assets and depreciated at applicable rates.

12. FOREIGN CURRENCY TRANSACTIONS

a) Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investments.

b) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

c) Foreign currency loans covered by forward exchange contracts are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the Contract.

d) In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

e) Current Assets and Liabilities (other than those relating to fixed assets and investments) are restated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense in Profit and Loss Account. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the rate on the date of the transaction is recognized as income or expense in the Profit and Loss Account over the life of the contract.

13. COMMODITY HEDGING

a) The company uses forward contracts and options to hedge its exposure to the movement of commodity price risk for metals used as raw materials. These forward contracts and options are not used for trading or speculation purpose.

The gains or losses arising on this account are adjusted to the consumption of raw materials.

14. REPRESENTATIVE OFFICES

a) In translating the financial statements of representative offices, the monetary assets and liabilities are translated at the rate prevailing at the balance sheet date; non-monetary assets and liabilities are translated at exchange rate prevailing at the date of transaction and income and expense items are converted at the respective monthly average rate.

15. CUSTOM AND EXCISE DUTY

a) Custom duty on material and machinery lying in bond and in transit is accounted for at the time of clearance thereof.

b) Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

16. RETIREMENT BENEFITS

a) The payment for present liability of future payment of gratuity is being made to approved gratuity

fund, which covers the same under the policy of Life Insurance Corporation of India.

b) Provision for Leave Encashment benefits have been made on the basis of actuarial valuation.

c) Retirement benefits in the form of Provident Fund and Superannuation Schemes are charged to Profit and Loss Account for the year when the contributions to the respective fund are due.

17. PRELIMINARY EXPENSES/SHARE ISSUE EXPENSES

a) Preliminary expenses/Share issue expenses are amortized over a period of five years.

18. WARRANTY COSTS

a) Product warranty costs are accrued in the year of sale of products, based on technical estimates.

19. LIABILITIES

a) All liabilities are provided for in the accounts except liabilities of a contingent nature, which are disclosed in the notes on accounts.

20. TAXATION

a) The provision for income tax for the year is based on the assessable profit as computed in accordance with the Income Tax Act, 1961/ Income Tax Rules, 1962.

b) Deferred tax is recognized subject to consideration, of prudence on timing differences, being the difference between Taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

21. ACCOUNTING STANDARDS

a) The accounts have been prepared in compliance with the applicable Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956.

B) NOTES ON ACCOUNTS

1. Contingent liabilities not provided for in the books of accounts are:

a) Bank Guarantee `44.90 Lacs (Previous year ` 87.90 Lacs); Central Excise and Service Tax `52.94 Lacs (Previous Year ` 35.40 Lacs); Income Tax ` 187.02 Lacs (Previous Year ` 135.20 Lacs); Bills Discounting `405.22 Lacs (Previous Year ` 114.93 Lacs) and Others `10.26 Lacs (Previous Year ` 10.19 Lacs).

b) As per agreement executed with Maruti Suzuki India Ltd (MSIL), being Maruti Car Scheme in which loan facility has been granted to company's employee and other associates on the recommendation of the company by MSIL. The company has taken responsibility to make such payment. The amount so outstanding at the year end is ` 198.64 Lacs (previous year ` 287.52 Lacs).

2. The estimated amount of contracts remaining to be executed on capital account, not provided for ` 658.99 Lacs (Previous year ` 1485.82 Lacs)

3. During the year, except of items for which hundred percent depreciation rates are applicable, depreciation on assets added/disposed off during the year has been provided on pro rata basis with reference to the date of addition or disposal. Earlier the depreciation was provided on pro-rata basis with reference to the month of addition or disposal. Had there being the earlier basis, the profit would have been lower by ` 60.37 Lacs.

4. Raw material (including packing material), Finished Goods and Work-in-Progress are valued at Moving Average Price as against FIFO basis earlier . Had there being FIFO basis the Profit would have been lower by `2.86 Lacs.

5. a) During the year 2002-03, The Director, Town and Country Planning, Chandigarh issued a demand notice of ` 37.93 Lacs (Previous year ` 37.93 Lacs) towards revised CLU charges for the land situated at Village Nawada Fatehpur, P.O. Sikenderpur Badda, Gurgaon, Haryana. The Company has filed Special Leave Petition with Hon'ble Supreme Court of India, in which leave has been granted and the company has deposited ` 9.50 Lacs shown (previous year ` 9.50 Lacs) under the head "Loan and Advances".

b) The export obligation pending till the end of the year was of `5681.32 Lacs (Previous Year `6559.10 Lacs) to be fulfilled in the subsequent years.

c) Corporate Guarantee provided by the Company aggregating to ` 2925.00 Lacs (Previous Year ` 3175.00 Lacs).

6. The Company has availed sales tax incentives for its unit at Gurgaon, Haryana, from Government of Haryana as sales tax capital subsidy amounting to ` 225.65 Lacs (Previous Year `225.65 Lacs). In accordance with Scheme of Government of Haryana for Development of Industries, the amount may be refundable to the Government, if specified conditions are not fulfilled, within the prescribed time.

7. During the year 2007-08 the company has entered lease cum sale agreement with Karnataka Industrial Area Development Board for purchase of land, as per this agreement the sale deed will be executed on fulfillment of terms and conditions within six years.

8. The Company is engaged in the business of manufacturing of automotive parts and accessories and there are no separate reportable segments as per Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

9. Related Party Disclosure:

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

a) Relationship:

i) Holding Companies - None

ii) Subsidiaries Companies
Minda Auto Components Ltd.
Minda Reality and Infrastructure Ltd.

iii) Fellow Subsidiaries Companies - None

iv) Joint Ventures :
Mindarika Pvt. Ltd.
Minda TYC Automotive Ltd.
Om Merubani Logistic Pvt. Ltd.
Valeo Minda Electricals Systems India Pvt. Ltd.

Key Management Personnel:
Mr. Nirmal K. Minda, Chairman and Managing Director:
Mr. Vivek Jindal, Executive Director (Whole Time Director)

Relatives of Key Management Personnel:

Relatives of Mr. Nirmal K. Minda
S.L. Minda (Father), Savitri Devi Minda (Mother), Suman Minda (Wife), Paridhi Minda Jindal (Daughter), Palak Minda (Daughter), Ashok Minda (Brother), Sarika Minda (brother's wife), Rekha Bansal (Sister),Rajesh Bansal(Sister's husband)

Relatives of Mr. Vivek Jindal
Madan Jindal (Father), Anita Jindal (Mother), Paridhi Minda Jindal (Wife), Samaira Jindal (Daughter), Abhishek Jindal (Brother)

v) Other Entities over which key Management Personnel is able to exercise significant influence (with which the company has transactions)

Minda Autogas Ltd., Minda Acoustic Ltd.,Minda Sai Ltd., PT. Minda Asean Automotive, Minda Corporation Ltd., Unitech Sai Pvt. Ltd., Minda Stoneridge Instruments Ltd.,Minda Finance Ltd., Minda Autocare Ltd., Minda Investments Ltd.,Minda International Ltd., Jindal Buildtech Pvt. Ltd., Jindal Mectec Pvt. Ltd., Nirmal K. Minda (HUF), Minda Industries (Firm), Auto Component (Firm), Yogendra Engineering (Firm),

b) The Following transactions were carried out with related parties in the ordinary course of business:

(` In Lacs)

Particulars	Subsidiary Company		Joint Venture Company		Entities over which Key Personnel is able to exercise significant influence		Key Management Personnel and Relatives	
	This year	Last year	This year	Last year	This year	Last year	This year	Last year
Sale of finished & other goods	3061	-	674	709	7006	3,089	-	-
Purchase of raw materials, finished goods and spare parts	-	-	53	67	2407	2,181	-	-
Sale of Fixed Assets	-	-	-	-	61	17	-	-
Purchase of Fixed Assets	-	-	5	1	-	195	-	-
Amount due from / (to)	498	-	517	439	(33)	100	-	-
Expenses recovered	64	-	9	47	105	66	-	-
Services rendered	-	-	249	241	324	155	-	-
Rent received	-	-	-	-	48	75	-	-
Design Fee Received	-	-	-	-	94	-	-	7
Rent paid	-	-	-	-	257	194	31	26
Dividend Received	-	-	-	-	25	-	-	-
Interest paid	-	-	15	15	4	47	66	26
Guarantee given	-	-	-	1,550	2925	1,625	-	-
Royalty received	-	-	-	-	423	364	-	-
Dividend paid on	-	-	-	-	45	39	102	102
Equity share Capital Dividend paid on 9% Cum. Redeemable Pref. Share Capital	-	-	-	-	3	3	7	7
Investment in shares	26	-	-	18	-	-	-	-
Credit Balance outstanding at the end of the year:								
- Fixed Deposits	-	-	-	-	-	-	34	7
- Unsecured Loans	-	-	184	173	43	42	-	672

The above amount does not include the amount of remuneration paid to Mr. Nirmal K. Minda, Chairman and Managing Director and Mr. Vivek Jindal, Whole-time Director, which have been disclosed in the Notes on accounts.

10. Earnings Per Share (E.P.S.) computed in accordance with Accounting Standard 20, issued by the Institute of Chartered Accountants of India.

(` in Lacs)

Particulars	**This Year**	Last Year
Profit for the year after Taxation, as per Profit and Loss Account	**2287.30**	1516.62
Less: Dividend on Preference Shares and Dividend Tax thereon.	**49.47**	31.59
Profit after Dividend on Preference Shares	**2237.83**	1485.03
Weighted average number of Equity Shares (in Nos.)	**10505064**	10505064
Basic Earnings per Share in ` (Face value ` 10 per share) (In `).	**21.30**	14.14
Diluted Earnings per Share in ` (Face value ` 10 per share) (In `).	**18.13**	14.14

11. The company has recognized the cumulative net deferred tax liability in accordance with the provisions of Accounting Standard-22, issued by the Institute of Chartered Accountants of India.

Following are the major components of deferred tax assets (liabilities)

(` in thousand)

S.No.	Particulars	**As at 31.03.2010**	As at 31.03.2009
i.	Difference between book and tax depreciation.	**(80893)**	(61532)
ii.	Provision for gratuity and leave encashment.	**15873**	17878
iii.	Other deferred Tax Assets (Liabilities)	**1789**	(8470)
iv.	Total deferred Tax Assets (Liability)	**(63231)**	(52124)

12. Employee Benefits

a) Pursuant to the adoption of Accounting Standard (AS) 15 (revised 2005) "Employee Benefits", the additional obligations of the company with respect of certain employee benefits upto 31st March'2007 was `184.92 Lacs out of which `110.95 Lacs (Previous Year ` 73.97 Lacs [net of deferred taxes of `74.38Lacs (Previous Year `48.82 Lacs)] has been adjusted from the General Reserve.

b) The disclosures of Employee Benefits, as required under Accounting Standard 15 are given below:

- Defined Contribution Plan

  Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

  Employer's Contribution to: (Amount in `)

	This Year	Last Year
Provident Fund	**28,954,667**	26,049,808
Superannuation Fund	**2,013,950**	2,188,927

- Defined Benefit Plan

  The present value of obligation for Gratuity is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

  Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as of the beginning and end of the period for active members.

  The obligation for Leave Encashment is recognized in the same manner as Gratuity. Provision on Earned leave has been made in the current year whereas in the previous year the sick leaves were also provided for.

(i) Change in present value of obligation

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Present value of obligation as at the Beginning on the period.	**37,772,872**	32,184,893	**18,386,916**	14,359,013
b)	Acquisition adjustment	**--**	--	**--**	--
c)	Interest cost	**2,832,965**	2,252,943	**1,379,019**	1,005,131
d)	Past Service Cost	**--**	--	**--**	--
e)	Current service cost	**6,230,398**	5,416,056	**4,836,210**	4,077,815
f)	Curtailment cost/(Credit)	**--**	--	**--**	--
g)	Settlement cost/(Credit)	**--**	--	**--**	--
h)	Benefits paid	**(1,159,307)**	--	**(2,645,604)**	(3,606,450)
i)	Actuarial (gain)/loss on obligation	**967,964**	(2,081,020)	**(95,999)**	2,551,407
j)	Present value of obligation as at the end of year	**46,644,892**	37,772,872	**21,860,542**	18,386,916

(ii) Change in the fair value of plan assets

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Fair value of plan assets at the beginning of the period.	**17,709,357**	16,269,962	--	--
b)	Acquisition adjustment	**--**	--	**--**	--
c)	Expected return on plan assets	**1,549,569**	1,423,622	**--**	--
d)	Contributions	**2,788,735**	14,633	**--**	--
e)	Benefits paid	**--**	--	**--**	--
f)	Actuarial gain/(loss) on plan assets	**1,337**	1,140	**--**	--
g)	Fair value of plan assets at the end of the year	**22,048,998**	17,709,357	**--**	--

(iii) Fair value of plan assets

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Fair value of plan assets at the beginning of the year	**17,709,357**	16,269,962	**--**	--
b)	Acquisition adjustment	**--**	--	**--**	--
c)	Actual return on plan assets	**1,550,906**	1,424,762	**--**	--
d)	Contributions	**2,788,735**	14,633	**--**	--
e)	Benefits paid	**--**	--	**--**	--
f)	Fair value of plan assets at the end of the year	**22,048,998**	17,709,357	**--**	--
g)	Funded status	**(24,595,894)**	(20,063,515)	**(21,860,542)**	(18,386,916)
h)	Excess of actual over estimated return on plan assets	**1,337**	1,140	**--**	--

(iv) Actuarial gain/loss recognized

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Actuarial gain/(loss) for the period - obligation.	**(967,964)**	2,081,020	**95,999**	(2,551,407)
b)	Actuarial gain/(loss) for the period - plan assets.	**(1,337)**	(1,140)	**--**	--
c)	Total (gain)/loss for the period	**966,627**	(2,082,160)	**(95,999)**	2,551,407
d)	Actuarial (gain)/ loss recognized in the period	**966,627**	(2,082,160)	**(95,999)**	2,551,407
e)	Unrecognized actuarial (gain)/losses at the end of period.	**--**	--	**--**	--

(v) The amounts to be recognized in Balance Sheet

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Present value of obligation as at the end of the year	**46,644,892**	37,772,872	**21,860,542**	18,386,916
b)	Fair value of plan assets as at the end of the year	**22,048,998**	17,709,357	**--**	--
c)	Funded status	**(24,595,894)**	(20,063,515)	**(21,860,542)**	(18,386,916)
d)	Excess of actual over estimated	**1,337**	1,140	**--**	--
e)	Unrecognized actuarial (gains)/losses	**--**	--	**--**	--
f)	Net asset/(liability)recognized in balance sheet	**(24,595,894)**	(20,063,515)	**(21,860,542)**	(18,386,916)

(vi) Expenses recognized in the Statement of Profit and Loss

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Current Service Cost	**6,230,398**	5,416,056	**4,836,210**	4,077,815
b)	Past Service Cost	**--**	--	**--**	--
c)	Interest cost	**2,832,965**	2,252,943	**1,379,019**	1,005,131
d)	Expected return on plan assets	**(1,549,569)**	(1,423,622)	**--**	--
e)	Curtailment cost / (Credit)	**--**	--	**--**	--
f)	Settlement cost / (credit)	**--**	--	**--**	--
g)	Net actuarial (gain)/ loss recognized in the year	**966,627**	(2,082,160)	**(95,999)**	2,551,407
h)	Expenses recognized in the statement of profit & losses	**8,480,421**	4,163,217	**6,119,230**	7,634,353

(vii) Reconciliation Statement of expenses in the statement of Profit & Loss.

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	(`)	(`)
a)	Present value of obligation as at the end of the period.	**46,644,892**	37,772,872	**21,860,542**	18,386,916
b)	Present value of obligation as at the beginning of the period	**37,772,872**	32,184,893	**18,386,916**	14,359,013
c)	Benefits paid	**1,159,307**	--	**2,645,604**	3,606,450
d)	Actual return on plan assets	**(1,550,906)**	(1,424,762)	**--**	--
e)	Expenses recognized in the statement of profit & losses.	**8,480,421**	4,163,217	**6,119,230**	7,634,353

(viii) Amount for the Current Period

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	**(`)**	(`)
a)	Present value of obligation as at the end of period.	**46,644,892**	37,772,872	**21,860,542**	18,386,916
b)	Fair value of plan assets at the end of the period.	**22,048,998**	17,709,357	**--**	--
c)	Surplus / (deficit)	**(24,595,894)**	(20,063,515)	**(21,860,542)**	(18,386,916)
d)	Experience adjustment on plan liabilities (loss)/gain	**(22,282,612)**	2,304,972	**27,560**	(2,446,308)
e)	Experience adjustment on plan assets (loss) /gain.	**1,337**	(487)	**--**	--

(ix) Movement in the Liability recognized in Balance Sheet

S.No.	Particulars	Gratuity		Leave Encashment	
		This Year	Last Year	**This Year**	Last Year
		(`)	(`)	**(`)**	(`)
a)	Opening net liability	**37,772,872**	32,184,893	**18,386,916**	14,359,013
b)	Expenses as above.	**8,480,421**	4,163,217	**6,119,230**	7,634,353
c)	Benefits paid	**(1,159,307)**	--	**(2,645,604)**	(3,606,450)
d)	Closing net liability	**46,644,892**	37,772,872	**21,860,542**	18,386,916

ADDITIONAL INFORMATION FOR THE YEAR 2009-10

	PARTICULARS	THIS YEAR (`)	LAST YEAR (`)
13	Managerial Remuneration		
	- Salary and allowances	**10,056,000**	7,296,000
	- Contribution to Provident Fund and another Funds	**878,640**	691,200
	- Medical and Other expenses	**99,000**	604,884
	The above remuneration does not include the accrued amount of leave encashment and gratuity as at year end as the company determines this amount through acturial valuation and separate amount of directors is not ascertainable.		
14	Provision and/or payment in respect of auditors' remuneration.		
	- For Audit	**1,000,000**	450,000
	- For Tax Audit	**75,000**	75,000
	- For Consultancy	**-**	100,000
	- For Certification/Tax Assessment	**75,000**	75,000
	- Out of Pocket Expenses	**-**	100,000
15	Information pursuant to paragraph 3 and 4 of Part II		
	of Schedule VI of the Companies Act, 1956		
	(As far as applicable)		
A)	MANUFACTURING OPERATION		
i)	LICENCED CAPACITY	**N.A.**	N.A.
ii)	INSTALLED CAPACITY (Nos. In lacs) @ (On Single Shift basis)		
	Switches	**910**	800
	Head Lamps and Tail Lamps	**165**	150
	Batteries	**70**	10
	@ Being technical matter, taken as certified by Management		

ADDITIONAL INFORMATION FOR THE YEAR 2009-10

	PARTICULARS	THIS YEAR		LAST YEAR	
		QUANTITY	`	QUANTITY	`
iii)	Production	(in Nos.)		(in Nos.)	
	Switches	50,006,664		38,226,036	
	Head Lamps, Tail Lamps and Spares	14,932,891		10,791,628	
	Batteries	1,598,820		737,052	
iv)	OPENING STOCK				
	Switches	339,005	6,094,971	579,699	12,114,412
	Head Lamps, Tail Lamps and Spares	57,919	5,040,046	104,963	8,298,672
	Batteries	1,391	1,121,701	5,566	2,231,068
	Others		3,961,845		6,701,707
v)	CLOSING STOCK				
	Switches	362,677	15,365,014	339,005	6,094,971
	Head Lamps, Tail Lamps and Spares	66,574	5,617,324	57,919	5,040,046
	Batteries	7,696	2,798,357	1,391	1,121,701
	Others		1,623,790		3,961,845
vi)	SALE @				
	Switches	49,982,992	3,586,888,246	38,466,730	2,801,248,687
	Head Lamps,Tail Lamps and spares	14,924,236	849,706,866	10,838,672	1,096,955,086
	Batteries	1,592,515	557,297,063	741,227	256,035,196
	Others		604,808,661		723,847,218
			5,598,700,836		4,878,086,187
	@ Excluding sale of Dies/Scrap/Job Income Amount of Turnover is before Rejection/Warranty Claim etc.				
vii)	RAW MATERIALS CONSUMED				
	Plastic powder (Kg)	1,735,937	204,329,772	1,107,047	146,979,610
	Bulb (Nos)	15,371,941	165,052,727	11,944,384	115,736,703
	Wire Sets (Nos)	51,089,786	732,089,748	31,959,809	444,917,075
	Brass (Kg.)	77,257	28,764,150	30,592	9,719,494
	Aluminium (Kg.)	1,094,790	101,520,703	1,649,042	195,439,184
	CRC Sheet (Kg.)	813,838	32,760,914	886,414	36,912,083
	Other Material (including Packing)@		2,740,132,472		2,078,714,499
	@ includes various type of components as per specification of customers and other raw-materials, are being below ten percent of total value of consumption, hence no separate quantitative detail is given.				
viii)	Value and Percentage of Imported and Indigenous Raw Material Consumed				
	Imported		349,890,321		230,336,189
	Percentage of total		8.74%		7.61%
	Indigenous		3,654,760,165		2,798,082,459
	Percentage of total		91.26%		92.39%

ADDITIONAL INFORMATION FOR THE YEAR 2009-10

PARTICULARS		THIS YEAR		LAST YEAR	
		QUANTITY	`	QUANTITY	`
ix)	Value and Percentage of Imported and Indigenous Stores, Spare Parts and Components Consumed				
	Imported		**1,040,196**		842,239
	Percentage of total		**0.71%**		1.53%
	Indigenous		**145,438,605**		54,109,265
	Percentage of total		**99.29%**		98.47%
	The above does not include the production, sales, raw materials consumption and stores, spares and components consumed during the period of test run.				
B)	**C.I.F. Value of Imports**				
	- Raw Materials		**292,647,323**		209,418,492
	- Stores and Spares		**986,585**		1,646,184
	- Capital goods		**301,312,364**		120,879,182
C)	**Expenditure in Foreign Currency**				
	- Travelling		**7,744,351**		14,332,788
	- Royalty		**7,468,053**		5,372,828
	- Technical Know How		**17,868,771**		36,887,552
	- Others		**27,138,937**		19,648,275
D)	**Earning in Foreign Currency**				
	FOB value of Exports		**325,545,868**		301,813,130
	Royalty/Design Fees/Magt. Fees		**43,258,093**		50,616,427
	Dividend Income		**2,547,446**		

16. The figures of previous year have been regrouped/recast/restated wherever necessary.

For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
Karol Bagh, New Delhi - 110 005

NIRMAL K. MINDA
Chairman and Managing Director

SUDHIR JAIN
Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

Information required as per part IV of Schedule VI of the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration No. L34000DL1992PLC050333 State Code 55

Balance Sheet Date 31 03 2010
Date Month Year

II. Capital Raised during the year (Amount in ` Thousands)

Public issue	Right Issue
NIL	NIL
Bonus Issue	**Private Placement**
NIL	436315

III. Position of Mobilisation and Deployment of Funds (Amounts in ` Thousand)

Total Liabilities	Total Assets
2838032	2838032

Sources of Funds

Paid-up capital	Reserves & Surplus
571365	819758
Secured Loans	**Unsecured Loans**
1074150	372759

Application of Funds

Net Fixed Assets	Investments
2320729	81936
Net Current Assets	**Misc. Expenditure**
496329	2269
Accumulated Losses	**Deferred Tax Liability**
	-63231

IV. Performance of the Company (Amounts in ` Thousand)

Turnover/Other Income	Total Expenditure
5985719	5679740
+ - Profit/Loss Before Tax	+ - Profit/Loss Before Tax
+305979	+228730
Earning Per Share in `	**Dividend Rate (Equity) %**
21.30	30

V. Generic Names of Three Principal Products/Services of Company

Item Code No. (ITC Code) 870899

Product SWITCHES, LAMPS AND

Description BATTERIES FOR AUTOMOBILES

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

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Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

Pursuant to Clause 32 of the Listing Agreement

	FOR THE YEAR ENDED 31.03.2010 (` IN LACS)		FOR THE YEAR ENDED 31.03.2009 (` IN LACS)	
A. Cash Flow From Operating Activities :				
Net Profit Before Taxation And Extraordinary Items	3,059.80		2,097.82	
Adjustments for :				
Depreciation	2,696.08		2,143.18	
Gain on Sale of Fixed Assets	(41.50)		(0.18)	
Interest Income	(20.77)		(15.77)	
Dividend Income	(25.47)		0.00	
Rent Income	(51.23)		(75.20)	
Interest Expenditure	1,442.24		1,646.98	
Amortisation of Miscellaneous Expenses	5.67		0.00	
Capital Sales Tax Subsidy from Government of Haryana	0.00		41.16	
Loss on Sale of Fixed Assets	68.20		66.64	
Operating Profit Before Working Capital Changes	7,133.02		5,904.63	
Adjustments for:				
Inventories	(2,255.27)		26.15	
Trade and other Receivables	(1,692.44)		(2,545.32)	
Trade Payables	6,101.64		(36.49)	
Cash generated from operations	9,286.95		3,348.97	
Direct taxes paid (Net)	(650.76)		(576.66)	
Net cash generated from operations		8,636.19		2,772.31
B. Cash Flow From Investing Activities :				
Sale of Long Term Investment/ Assets	109.49		135.98	
Purchase of Fixed Assets	(8,550.20)		(3876.05)	
Interest Received	20.77		15.77	
Rent Income	51.23		75.20	
Dividend Income	25.47		0.00	
Net Cash Used in Investing Activities		(8,343.24)		(3,649.10)
C. Cash Flow From Financing Activities				
Proceeds from Issue of Share	4,363.14			
Proceeds from Short Term Borrowings	(2,009.12)		1,607.63	
Proceeds from Long Term Borrowings	138.57		1,131.88	
Interest Paid	(1,439.66)		(1,647.26)	
Dividend Paid (Including Corporate Dividend Tax)	(416.96)		(338.85)	
Net Cash Used in Financing Activities		635.97		753.40
Net Increase in Cash and Cash Equivalents		928.92		(123.39)
Cash and Cash Equivalents as at Opening		386.34		509.73
Cash and Cash Equivalents as at Closing		1,315.26		386.34

NIRMAL K. MINDA
Chairman and Managing Director

VIVEK JINDAL
Whole Time Director

Place : New Delhi
Dated : May 27, 2010

SUDHIR JAIN
Corp. Business Head

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

AUDITORS' CERTIFICATE

We have checked and verified the above Cash Flow Statement which has been derived from the Audited Annual financial Statement of Minda Industries Limited and have found the same as true and correct.

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
R.N. SARAF, F.C.A.
Membership No: 12439
2659/2, Gurudwara Road,
Karol Bagh, New Delhi - 110 005

Place : New Delhi
Dated : May 27, 2010

Auditors' Report to the Board of Directors on Consolidated Financial Statements of Minda Industries Limited and its Subsidiaries.

We have examined the attached consolidated Balance Sheet of Minda Industries Limited as at March 31, 2010 and its subsidiaries (Minda Auto Components Ltd. as at March 31, 2010 & Minda Realty & Infrastructure Ltd. as at February 28, 2010) (collectively, the Company) and also the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit of Minda Industries Ltd. in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In respect of the financial statements of subsidiaries, we did not carry out the audit. These financial statements have been audited by other auditors, whose reports have been furnished to us, and our opinion in so far as it relates to the amount included in respect of the subsidiaries is based solely on the reports of the other auditors. The details of assets and revenues in respect of these subsidiaries to the extent to which they are reflected in the consolidated financial statements are given below:-

Audited by other Auditors:

(` in Lacs)

	Total Assets	Total revenues
Minda Auto Components Ltd.	64.61	4631.45
Minda Realty & Infrastructure Ltd.	5.00	NIL

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of the Accounting Standard (AS-21). Consolidated Financial Statements presented in the Companies (Accounting Standards) Rules, 2006.

We report that on the basis of the information and according to the explanations given to us, and on the consolidation of the separate audit report on individual Audited Financial Statements of these subsidiaries, we are of the opinion that the said consolidated financial statements, read together with significant accounting policies in Schedule 16 and notes appearing thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the consolidated Balance Sheet, of the state, of affairs of the Company as at March 31, 2010.

b) In the case of Consolidated Profit and Loss Account, of the Profit for the Year ended on that date; and

c) In the case of the Consolidated Cash Flow Statement, of the Cash Flow for the year ended on that that date.

For R.N. SARAF & CO.
Chartered Accountants
(Regn. No. - 002023N)

Place : New Delhi
Date : May 27, 2010

R.N. SARAF, F.C.A.
Membership No. 12439

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

	Schedule	AS AT 31.03.2010 (`)
SOURCES OF FUNDS		
Shareholders' Funds		
a) Share Capital	1	571,365,140
b) Reserves and Surplus	2	822,161,494
Minority Interest		5,759
Loan Funds		
a) Secured Loans	3	1,074,150,135
b) Unsecured Loans	4	372,759,116
TOTAL		2,840,441,644
APPLICATION OF FUNDS		
Fixed Assets	5	
a) Gross Block		3,523,643,970
b) Less : Depreciation		1,220,353,498
c) Net Block		2,303,290,472
d) Capital Work in Progress		28,286,080
		2,331,576,552
Investments	6	79,339,608
Deferred Tax Liability		(63,250,116)
Current Assets, Loans and Advances	7	
a) Inventories		491,598,408
b) Sundry Debtors		898,426,857
c) Cash and Bank balances		141,315,075
d) Loans and Advances		326,104,077
		1,857,444,417
Less : Current Liabilities and Provisions	**8**	
a) Current Liabilities		1,261,126,671
b) Provisions		105,811,004
		1,366,937,675
Net Current Assets		490,506,742
Miscellaneous Expenditure	9	2,268,858
TOTAL		2,840,441,644
Accounting Policies and Notes on Financial Statements	16	

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
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NIRMAL K. MINDA
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Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	YEAR ENDED 31.03.2010 (`)
INCOME		
Sales/ Income from operations	10	6,229,419,408
Other Income	11	14,798,323
		6,244,217,731
EXPENDITURE		
Material and Manufacturing	12	4,444,949,122
Personnel	13	659,217,251
Administrative and Selling	14	407,736,800
Financial	15	147,561,352
		5,659,464,525
Cash Operating Profit		**584,753,206**
Less :		
Depreciation		**271,438,278**
Share Issue Expenses		**567,214**
Preliminary Expenses		**19,950**
Profit before Tax		312,727,764
Less : Provision - Income Tax		65,000,000
: Deferred Tax Liability		13,620,225
Profit after Tax		234,107,539
Add : Balance brought forward from last year		408,448,548
Less : Profit of subsidiaries before acquisition of shares in subsidiaries transferred to Capital Reserve		4,490,015
Add : Loss of subsidiaries before acquisition of shares in subsidiaries transferred to Goodwill		10,713
Add : Share of loss tranferred to minority		241
Amount available for appropriation		638,077,026
Less : Appropriation :		
– General Reserve		40,000,000
– Proposed Dividend		
On 9% Cumulative Redeemable Preference Shares		2,700,000
On 3% Cumulative Compulsorily Convertible Preference Shares		1,418,344
On 3% Cumulative Redeemable Preference Shares		123,699
On Equity Shares		31,515,192
– Corporate Dividend Tax		5,938,830
Balance being Surplus carried to Balance Sheet		556,380,961
Earning Per Share		
(Equity Shares of nominal value ` 10 each)		
Basic [Refer Schedule 16 B (7)]		21.81
Diluted [Refer Schedule 16 B (7)]		18.57
Accounting Policies and Notes on Financial Statements	16	

As per our report of even date

For **R. N. SARAF & CO.**

CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
Karol Bagh, New Delhi - 110 005

NIRMAL K. MINDA
Chairman and Managing Director

SUDHIR JAIN
Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
SCHEDULE 1	
SHARE CAPITAL	
AUTHORISED :	
15,000,000 Equity Shares of `10 each.	150,000,000
3,000,000, 9% Cumulative Redeemable Preference Shares of `10 each (Class 'A')	30,000,000
1,83,500, 3% Cumulative Compulsorily Convertible Preference Shares of ` 2187 each (Class 'B')	401,314,500
3,500,000 3% Cumulative Redeemable Preference Shares of ` 10 each (Class 'C')	35,000,000
	616,314,500
ISSUED, SUBSCRIBED AND PAID UP :	
10,505,064 Equity Shares of ` 10 each fully paid up	105,050,640
3,000,000, 9% Cumulative Redeemable Preference Shares of `10 each (Class 'A') fully paid up	30,000,000
1,83,500, 3% Cumulative Compulsorily Convertible Preference Shares of ` 2187 each (Class 'B') fully paid up.	401,314,500
3,500,000 3% Cumulative Redeemable Preference Shares of ` 10 each (Class 'C') fully paid up.	35,000,000
	571,365,140

1) Equity Shares Include
   - 1,233,330 Equity Shares of ` 10 each issued during the year 1994-95 pursuant to scheme of amalgamation without payment received in cash.
   - 392,832 Equity Shares of Rs 10 each as Bonus Shares allotted on 15.12.1995 by capitalisation of General Reserve and 5,252,532 equity shares of `10 each as bonus shares allotted on 31.03.2004 by capitalisation of Share Premium Account and General Reserve.
   - Re-issue of forfeited 31,800 Equity Shares of ` 10 each on 27.10.1998.
2) 9% Cumulative Preference Shares are redeemable in equal instalments in the year 2011, 2012 and 2013.
3) 1,83,500 3% Cummulative Compulsarily Convertible Preference Share of ` 2187 each have been allotted on 17.02.2010 with a right of conversion into 10 Equity Shares of ` 10 each fully paid up at a premium of ` 208.70 per share within a period not exceeding eighteen months from the date of allottment.
4) 35,00,000 3% Cumulative Redeemable Preference Share of ` 10 each have been allotted on 17.02.2010 shall be redeemed at par after seven years from the date of allottment. However same can be redeemed earlier in view of availability of the profitability /surplus fund.

SCHEDULE 2	
RESERVES AND SURPLUS	
CAPITAL RESERVE :	
a) Capital profit on reissue of Equity Shares forfeited	
As per last Balance Sheet	193,500
b) Capital sales tax subsidy from Government of Haryana	
As per last Balance Sheet	22,565,001
c) Capital Reserve on acquisition of shares in subsidiaries	
– Transfer from Profit & Loss Account	4,490,015
Less: Loss as per last year of subsidiary	2,985,699
	1,504,316
	24,262,817
GENERAL RESERVE :	
As per last Balance Sheet	204,073,360
Add : Transferred from Profit and Loss Account	40,000,000
Liability for employee cost upto 31.03.07	(2,555,644)
	241,517,716
PROFIT AND LOSS ACCOUNT :	
Surplus as per Profit and Loss Account	556,380,961
	556,380,961
	822,161,494

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
SCHEDULE 3	
SECURED LOANS	
From Banks	
Working Capital Loans	262,589,072
Term Loans	778,428,241
Vehicle Loans	4,487,413
From Others	
Vehicle Loans	999,695
Deferred Payment Liability	
Volkswagen India Pvt. Ltd.	27,645,714
	1,074,150,135

NOTES:

1. a) Working Capital Loans from Canara Bank, Citi Bank N.A. and State Bank of India are secured by hypothecation of stock of raw materials, finished goods, semi finished goods, bills discounted with the bank and book debts on pari-passu basis and further secured by second charge on fixed assets of the Company on pari-passu basis with Small Industries Development Bank of India.

2. a) Term Loan from State Bank of India is secured by way of first pari-passu charge on all present and future fixed assets. Term loan from State Bank of India is further secured by hypothecation of all the goods, book debts and other movable assets of the company on pari-passu basis.

   b) Term Loan from Axis Bank Ltd. is secured by way of first pari-passu charge on all fixed assets of the company.

3 Vehicle Loans from banks/others are secured by hypothecation of assets financed by them.

4 Loan from Volkswagen India Pvt. Ltd., of ` 2,76.45,714 represents deferred payment liability in respect of specific tools and is secured by hypothecation of tools that have/will be acquired or manufactured in-house.

5 Term loans/Vehicle loans payable within one year

From Banks	
Term Loans	164,561,668
Vehicle Loans	2,031,834
From Others	
Vehicle Loans	635,390

SCHEDULE 4	
UNSECURED LOANS	
From Bank - Short Term Loan	100,000,000
From other than Banks	
– Director(s)	4,332,166
– Companies	18,381,461
– Customers/ Trade Deposits	81,735,665
– Others	160,924
Fixed Deposits	
– from Director(s)	2,000,000
– from Others	23,424,000
Interest Free Sales Tax Deferred Liability @	142,724,900
	372,759,116
Payable with in one year	
Short Term Loan from bank	100,000,000
Fixed Deposits	8,161,000

@Repayment will start from the year 2011

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

SCHEDULE 5

FIXED ASSETS

(Amount in `)

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK
	As at 31-03-2009					As at 31-03-2009					
	OF PARENT COMPANY	OF SUBSIDIARY COMPANY	ADDITIONS/ TRANSFER	SALES/ TRANSFER/ ADJUSTMENT	AS AT 31-03-2010	OF PARENT COMPANY	OF SUBSIDIARY COMPANY	FOR THE YEAR	ON SALE/ WRITE OFF/ ADJUSTMENT	UP TO 31-03-2010	AS AT 31-03-2010
TANGIBLE ASSETS											
LAND											
– LEASEHOLD	76,403,979	–	–	–	76,403,979	2,934,493	–	733,360	–	3,667,853	72,736,126
– FREEHOLD	15,173,139	–	178,043,102	–	193,216,241	–	–	–	–	–	193,216,241
BUILDING	513,999,158	–	75,716,834	–	589,715,992	62,534,663	–	17,292,028	–	79,826,691	509,889,301
PLANT AND MACHINERY	1,570,027,143	7,965,934	615,818,877	11,618,044	2,182,193,910	716,891,388	2,307,935	205,850,490	3,449,142	921,600,671	1,260,593,239
ELECTRIC FITTINGS	80,739,407	–	6,895,412	–	87,634,819	12,370,399	–	3,923,834	–	16,294,233	71,340,586
FURNITURE AND FITTINGS	27,642,066	788,082	5,007,998	–	33,438,146	11,202,436	218,417	2,447,328	–	13,868,181	19,569,965
OFFICE EQUIPMENT	95,073,699	955,118	11,503,682	1,043,883	106,488,616	50,006,843	285,998	7,778,191	1,344,943	56,726,089	49,762,527
VEHICLES	78,315,318	112,500	8,532,141	14,178,637	72,781,322	20,878,844	10,688	10,516,652	5,806,466	25,599,718	47,181,604
INTANGIBLE ASSETS											
TRADE MARKS	187,268	–	–	187,268	–	–	–	–	–	–	–
COMPUTER SOFTWARE	101,271,217	–	53,304,911	–	154,576,128	74,645,724	–	19,824,885	163,672	94,306,937	60,269,191
TECHNICAL KNOW HOW	26,958,074	–	226,030	–	27,184,104	5,391,615	–	3,071,510	–	8,463,125	18,720,979
GOODWILL ON CONSOLIDATION	–	–	10,713	–	10,713	–	–	–	–	–	10,713
SUB TOTAL	2,585,790,468	9,821,634	955,059,700	27,027,832	3,523,643,970	956,856,405	2,823,038	271,438,278	10,764,223	1,220,353,498	2,303,290,472
CAPITAL WORK-IN-PROGRESS											
-- BUILDING/ELECTRIC FITTINGS	32,543,179	–	43,173,655	75,716,834	–	–	–	–	–	–	–
-- PLANT AND MACHINERY	28,483,023	–	19,151,842	28,483,023	19,151,842	–	–	–	–	–	19,151,842
-- TECHNICAL KNOW HOW	–	–	3,620,490	–	3,620,490	–	–	–	–	–	3,620,490
-- COMPUTER SOFTWARE	27,792,333	–	–	27,792,333	–	–	–	–	–	–	–
-- PROJECT EXPENSES PENDING	33,779,974	–	96,125,159	124,391,385	5,513,748	–	–	–	–	–	5,513,748
CAPITALISATION / ALLOCATION (Annexure 5 A)											
SUB TOTAL	122,598,509	–	162,071,146	256,383,575	28,286,080	–	–	–	–	–	28,286,080
GRAND TOTAL	2,708,388,977	9,821,634	1,117,130,846	283,411,407	3,551,930,050	956,856,405	2,823,038	271,438,278	10,764,223	1,220,353,498	2,331,576,552

Addition of fixed assets during the year and depreciation for the year includes of subsidiary.

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

ANNEXURE 5A

		AS AT 31.03.2010 (`)
PROJECT EXPENSES PENDING CAPITALISATION/ALLOCATION		
MATERIAL & MANUFACTURING		
Raw material Consumed	7,501,322	
Stores & Spares	2,469,165	
Manufacuring Expenses	6,509,113	16,479,600
PERSONNEL		
Salaries, Wages and Bonus	30,188,006	
Contribution to Provident and other funds	1,673,223	
Recruitment	184,674	
Welfare	2,619,930	34,665,833
ADMINISTRATIVE AND SELLING		
Rates and Taxes	47,347	
Printing and Stationery	104,733	
Travelling and Conveyance	5,693,335	
Lease Rent	544,244	
Communication Expenses	617,963	
Legal and Professional	4,144,169	
Insurance	159,982	
General charges	1,336,692	
Testing Expenses	101,469	
Books and Periodicals	146,855	
Repairs to:		
– Building	498,271	
– Plant and Machinery	511,596	
– Others	1,862,926	
Pollution Control	380,905	
Sales promotion/Advertisement	1,326,743	
Royalty	106,134	
Freight and Forwarding	526,492	
Overhead /Software Cost	1,366,158	19,476,014
FINANCIAL		
Banks and Financial Institutions		
Interest on		
Term Loans	24,750,777	
Financial charges	752,935	25,503,712
		96,125,159
Add: Expenses brought forward from previous year		33,779,974
		129,905,133
Less: Allocation/Recovery during the year		(124,391,385)
Balance pending Capitalisation/Allocation		5,513,748

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	Face Value of each Share	Number of Shares	AS AT 31.03.2010 (`)
SCHEDULE 6			
INVESTMENTS			
In Equity Shares:-			
(At cost, unquoted,other than trade-long term)			
Companies under same management:-			
Minda Acoustic Limited	` 10	36,85,000	**36,850,000**
(formerly known as Fiamm Minda Automotive Ltd.)			
Minda Autogas Ltd.	` 10	1,430,492	**14,304,920**
Other Companies			
Domestic Companies:-			
Om Marubeni Logistics Pvt Ltd.	` 10	1,80,000	**1,800,000**
Valeo Minda Electrical Systems India Pvt Ltd.	` 10	17,50,000	**17,500,000**
Overseas Company:-			
P.T. Minda Asean Automotive(Indonesia)	USD $10	20250	**8,884,688**
			79,339,608

SCHEDULE 7	
CURRENT ASSETS, LOANS AND ADVANCES	
a) Inventories	
(As taken, valued and certified by the Management)	
Raw Materials	277,120,435
Finished Goods @	29,738,420
Work in Progress	127,230,223
Stores and Spares	47,711,215
Material in Transit	9,798,115
	491,598,408
@ includes in Transit	
b) Sundry Debtors (Unsecured)	
– Outstanding for a period exceeding six months :	
– Considered Good	9,919,164
– Considered Doubtful	5,763,759
– Other Debts	
– Considered Good	888,507,693
	904,190,616
Less : Provision for Doubtful Debts	(5,763,759)
	898,426,857
c) Cash and Bank Balances	
Cash on hand/imprest	4,076,810
Cheques/drafts in hand	6,875
Silver coins @	160,512
With Scheduled Banks	
– In current accounts @@	79,408,275
– In deposit accounts @@@	57,423,007
With Non-scheduled Banks	
– In current accounts	239,596
	141,315,075
@ coins in numbers	1,114
@@ includes unclaimed dividend account	1,253,602

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
@@@ includes accrued interest	754,986
@@@ Includes Fixed Deposits:-	
– pledged with banks for issue of bank guarantee and Margin money for issue of Letter of Credit etc.	4,517,979
– pledged with Sales Tax Department as security	6,962
d) Loans and Advances	
(Unsecured, considered good unless otherwise stated)	
Advances recoverable in cash or in kind or for value to be received :	
– Considered Good	242,099,601
– Considered Doubtful	5,530
Balance with Excise authorities	25,761,363
Income Tax (Net of Provision)	35,597,806
Fringe Benefit Tax (Net of Provision)	10,272
Security Deposits with	
– Government Authorities	7,395,162
– others @	15,239,873
	326,109,607
Less : Provision for Doubtful Advances	(5,530)
	326,104,077
Sundry debtors and loans and advances Includes -	
Amount due from Companies under the same management	
– Mindarika Pvt. Ltd.	13,284,958
– Minda Autogas Ltd.	6,866,472
– Minda Acoustic Ltd.	40,769,500
– Minda International Ltd.	232,713
– Firm,in which Mr. Nirmal K. Minda, Chairman and Managing Director is a partner	
– Yogendra Engineering	737,794
Maximum Balance outstanding during the year	
Companies under the same management	
– Mindarika Pvt. Ltd.	33,775,305
– Minda Autogas Ltd.	28,498,827
– Minda Acoustic Ltd.	40,769,500
– Minda International Ltd.	768,732
– Firm,in which Mr. Nirmal K. Minda , Chairman and Managing Director is a partner	
– Auto Components	21,328,109
– Yogendra Engineering	2,069,402
@ Includes - the amount towards security deposit with Minda Industries Firm in which Mr. Nirmal K. Minda, Chairman and Managing Director is a partner.	60,000

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
SCHEDULE 8	
CURRENT LIABILITIES AND PROVISIONS	
Current Liabilities	
Acceptances	39,090,113
Sundry Creditors	1,080,027,012
Customers at Credit	102,244,369
Unclaimed Dividend	1,255,017
Interest accrued but not due on	
Fixed deposits	1,156,062
Other Liabilities	37,354,098
	1,261,126,671
Provisions	
Gratuity	36,297,946
Leave encashment	21,744,069
Warranty	5,575,000
Wealth Tax (Net of Payment)	497,924
Proposed Dividend	
On 9% Cumulative Redeemable Preference Shares	2,700,000
On 3% Cumulative Compulsorily Convertible Preference Shares	1,418,344
On 3% Cumulative Redeemable Preference Shares	123,699
On Equity Shares	31,515,192
Corporate Dividend Tax	5,938,830
	105,811,004
	1,366,937,675
SCHEDULE 9	
MISCELLANEOUS EXPENDITURE	
(to the extent not written off or adjusted)	
Share Issue Expenses	2,268,858
	2,268,858
SCHEDULE 10	
SALES/ INCOME FROM OPERATIONS	
Gross Sales	6,546,865,585
Less:- Excise Duty	430,030,528
Net Sales	6,116,835,057
Other Income from Operations	
Exports Benefits	12,942,136
Service Income	57,361,571
Royalty	42,280,644
	6,229,419,408
Tax Deducted at Source :	
Service Income	5,886,971
Royalty	6,111,908

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
SCHEDULE 11	
OTHER INCOME	
Interest	
– from banks	865,882
– from Others	380,228
– on income tax refund	831,079
Rental	5,122,780
Gain on sale of fixed assets	4,150,044
Gain in Currency Fluctuation	609,428
Dividend on long term investment	2,547,446
Miscellaneous	291,436
	14,798,323
Tax Deducted at Source :	
Interest	116,748
Rental	1,100,632
Dividend	382,117
SCHEDULE 12	
MATERIAL AND MANUFACTURING	
Raw material consumed	4,226,957,231
Stores and spares	148,569,811
Power and fuel	141,467,310
	4,516,994,352
Add (Less) Decrease(Increase) in Finished Goods and Work in Progress	
Stock at beginning	
– Finished goods @	17,353,252
– Work in progress	67,086,073
	84,439,325
- Less : Excise Duty	1,017,177
Net Opening Stock	83,422,148
Stock at close	
– Finished goods@@	29,738,420
– Work in progress	127,230,223
	156,968,643
– Less : Excise Duty	1,501,265
Net Closing Stock	155,467,378
Decrease(Increase)	(72,045,230)
	4,444,949,122

@ stock at the beginning include for subsidiary

@@ includes in transit

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

	AS AT 31.03.2010 (`)
SCHEDULE 13	
PERSONNEL	
Salaries, Wages and Bonus	547,091,381
Contribution to Provident and other funds	36,744,891
Gratuity	11,706,090
Recruitment	1,760,474
Welfare	61,914,415
	659,217,251
SCHEDULE 14	
ADMINISTRATIVE AND SELLING	
Rent	34,022,044
Rates and Taxes	1,597,661
Printing and Stationery	7,846,023
Travelling and Conveyance	96,041,223
Lease Rent	1,201,054
Communication	11,411,815
Legal and Professional	58,972,933
Insurance	7,733,458
General charges @	25,005,427
Debts/Amount Written off	151,362
Provision for Doubtful Debts/ amounts/Advances	3,203,098
Warranty Expenses	5,575,000
Testing Expenses	11,296,859
Books and Periodicals	3,624,289
Repairs to:	
– Building	6,997,935
– Plant and Machinery	29,390,909
– Others	13,965,544
Pollution Control Expenses	2,902,396
Research and Development	5,451,533
Sales promotion/Advertisement	10,268,840
Royalty	7,361,919
Discount and commission	235,135
Freight and Forwarding	55,338,550
Donation	692,252
Wealth tax	450,000
Sales tax / Turnover Tax	179,238
Loss on sale of Fixed Assets	6,820,303
	407,736,800
@ Includes penalty	106,235
SCHEDULE 15	
FINANCIAL	
Banks and Financial Institutions	
Interest on	
– Term Loans	64,896,184
– Working Capital loans	57,593,115
Financial charges	6,522,904
Other than Banks and Financial Institutions	
Interest on	
– Working Capital loans	3,639,698
– Fixed Deposits	1,356,601
– Other Loans	13,552,850
	147,561,352

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

SCHEDULE-16

ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT

A) ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

a) The Consolidated Financial Statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles, accounting standards notified under Section 211(3C) of the Companies Act,1956 and the relevant provision thereof. All income and expenditure having a material bearing in the Financial Statements are recognized on accrual basis.

b) Subsidiary companies are consolidated on a line-by-line basis by adding together the book value of the like items of assets, liabilities, income and expenses after eliminating all significant intra group balances and intra group transactions and also unrealized profits or losses, where ever significant.

c) The difference between the cost of investments in subsidiaries and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the Consolidated Financial Statements as goodwill or Capital Reserve, as the case may be.

d) Minorities' interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity in the absence of the contractual obligation on the minorities, the same is accounted for by the company.

e) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's stand alone financial statements.

2. USE OF ESTIMATES

The preparation of Financial Statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Financial Statement and the reported amount of revenue and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. FIXED ASSETS

a) Fixed Assets except revalued assets are stated at cost of acquisition inclusive of purchase price, duties, taxes, labour costs and directly attributable costs for in house manufacturing of assets and other direct costs incurred and other incidental expenses, erection/ commissioning expenses etc. (net of Cenvat benefit availed of excise duty, cess, countervailing duty on imported capital goods, and vat/sales tax set off availed, wherever applicable) up to the date, the assets are put to use. Increase or decrease in long term liabilities on account of exchange rate fluctuations has been adjusted in the cost of fixed assets.

b) Capitalized hardware/software costs of Enterprises Resource Planning (ERP) system includes cost of designing software, which provide significant future economic benefits over an extended period. The cost comprises of license fee, cost of system integration and implementation cost. The costs are capitalized in the year in which the relevant system is ready for intended use. The up gradation/ enhancement costs are also capitalized.

4. DEPRECIATION/AMORTIZATION

a) Depreciation on fixed assets is provided

- On Plant and Machinery on Written Down Value method
- On other fixed assets on Straight Line Method. at the rates and in the manner specified in Schedule-XIV in the Companies Act, 1956.
- Capitalized hardware/ software cost of ERP are amortized over the estimated useful economic life not exceeding four years.
- On Computer Software on straight-line method at the rate of 16.21 percent.

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

– Leasehold land and lease hold improvements are amortized over the period of lease.

b) Technical-know how fees is being amortized over a period of the agreement.

5. IMPAIRMENT OF ASSETS

An impairment loss is recognized whenever the carrying amount of an asset is in excess of its recoverable amount and same is recognized as an expense in the statement of profit and loss account of the assets is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

6. INVESTMENTS

Long term investments are valued at cost. Current Investments are valued at cost or fair market value whichever is lower. Provision for permanent diminution in the value of Long Term Investments, if any, is based on perception of the management of the Company.

7. INVENTORIES

a) Raw material (including packing material), Finished Goods and Work-in-Progress are valued at lower of cost (Moving Average Price) or net realizable value.

b) "Stores and Spares" and "Material in Transit" are valued at cost.

8. SALES

a) Sales comprise amounts invoiced for goods sold inclusive of excise duty, cess, but net of sales tax /VAT and returns/rejections.

b) Sales includes sale of own products, design income, job work, scraps, tools, dies and moulds and consumable material.

9. GOVERNMENT GRANTS

a) Grants relating to fixed assets are shown as Deferred Government Grant and those of the nature of Capital Subsidy are credited to Capital Reserve.

b) Other Government Grants are credited to Profit and Loss Account or deducted from the related expenses.

10. BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalized as part of the cost of the assets up to the date each asset is put to use. All other borrowing costs are charged to revenue.

11. RESEARCH AND DEVELOPMENT

a) Revenue expenditure incurred on research and development is charged to Profit and Loss Account in respective account heads.

b) Capital expenditure incurred on research and development activity is included in fixed assets and depreciated at applicable rates.

12. FOREIGN CURRENCY TRANSACTIONS

a) Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investments.

b) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

c) Foreign currency loans covered by forward exchange contracts are translated at the rate prevailing on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the Contract.

d) In the case of liabilities incurred for the acquisition of fixed assets, the loss or gain on conversion (at the rate prevailing at the year end or at the forward rate where forward cover has been taken) is included in the carrying amount of the related fixed assets.

e) Current Assets and Liabilities (other than those relating to fixed assets and investments) are restated at the rates prevailing at the year end or at the forward rate where forward cover has been taken. The difference between exchange rate at the year end and at the date of the transaction is recognized as income or expense in Profit and Loss Account. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the rate on the date of the transaction is recognized as income or expense in the Profit and Loss Account over the life of the contract.

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

13. COMMODITY HEDGING

The company uses forward contracts and options to hedge its exposure to the movement of commodity price risk for metals used as raw materials. These forward contracts and options are not used for trading or speculation purpose.

The gains or losses arising on this account are adjusted to the consumption of raw materials.

14. REPRESENTATIVE OFFICES

In translating the financial statements of representative offices, the monetary assets and liabilities are translated at the rate prevailing at the balance sheet date; non-monetary assets and liabilities are translated at exchange rate prevailing at the date of transaction and income and expense items are converted at the respective monthly average rate.

15. CUSTOM AND EXCISE DUTY

a) Custom duty on material and machinery lying in bond and in transit is accounted for at the time of clearance thereof.

b) Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

16. RETIREMENT BENEFITS

a) The payment for present liability of future payment of gratuity is being made to approved gratuity fund, which covers the same under the policy of Life Insurance Corporation of India.

b) Provision for Leave Encashment benefits have been made on the basis of actuarial valuation.

c) Retirement benefits in the form of Provident Fund and Superannuation Schemes are charged to Profit and Loss Account for the year when the contributions to the respective fund are due.

17. PRELIMINARY EXPENSES/SHARE ISSUE EXPENSES

a) Preliminary expenses/Share issue expenses are amortized over a period of five years.

18. WARRANTY COSTS

a) Product warranty costs are accrued in the year of sale of products, based on technical estimates.

19. LIABILITIES

a) All liabilities are provided for in the accounts except liabilities of a contingent nature, which are disclosed in the notes on accounts.

20. TAXATION

a) The provision for income tax for the year is based on the assessable profit as computed in accordance with the Income Tax Act, 1961/ Income Tax Rules, 1962.

b) Deferred tax is recognized subject to consideration, of prudence on timing differences, being the difference between Taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

21. ACCOUNTING STANDARDS

a) The accounts have been prepared in compliance with the applicable Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956.

B) NOTES ON ACCOUNTS

The Consolidated Financial Statements as at and for the year ended on March 31, 2010 include the financial statements of the following entities:-

List of subsidiaries included in the financial statements are:- (As at 31-03-2010)

Sr No.	Name of Subsidiary Company	Country of Incorporation	Proportion of ownership interest (%)	Proportion of voting power held (%)
1	Minda Auto Components Ltd.	India	100.00	100.00
2.	Minda Realty & Infrastructure Ltd.	India	98.80	98.80

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

1. **Contingent liabilities** not provided for in the books of accounts are:
   a) Bank Guarantee `44.90 Lacs; Central Excise and Service Tax `52.94 Lacs; Income Tax ` 187.02 Lacs; Bills Discounting `405.22 Lacs and Others `10.26 Lacs.
   b) As per agreement executed with Maruti Suzuki India Ltd (MSIL), being Maruti Car Scheme in which loan facility has been granted to company's employee and other associates on the recommendation of the company by MSIL. The parent company has taken responsibility to make such payment. The amount so outstanding at the year end is ` 198.64 Lacs.
2. The estimated amount of contracts remaining to be executed on capital account, not provided for ` 658.99 Lacs.
3. a) During the year 2002-03, The Director, Town and Country Planning, Chandigarh issued a demand notice of ` 37.93 Lacs towards revised CLU charges for the land situated at Village Nawada Fatehpur, P.O. Sikenderpur Badda, Gurgaon, Haryana on the company . The parent company has filed Special Leave Petition with Hon'ble Supreme Court of India, in which leave has been granted and the company has deposited ` 9.50 Lacs shown under the head "Loan and Advances".
   b) The export obligation of the company pending till the end of the year was of `5681.32 Lacs to be fulfilled in the subsequent years.
   c) Corporate Guarantee provided by the company aggregating to ` 2925.00 Lacs.
4. The parent company has availed sales tax incentives for its unit at Gurgaon, Haryana, from Government of Haryana as sales tax capital subsidy amounting to ` 225.65 Lacs. In accordance with Scheme of Government of Haryana for Development of Industries, the amount may be refundable to the Government, if specified conditions are not fulfilled, within the prescribed time.
5. The parent company is engaged in the business of manufacturing/ trading of auto electrical parts and accessories. Minda Auto Components Ltd., subsidiary company is also engaged in the manufacturing/ assembling and trading of auto electrical parts. However, Minda Realty & Infrastructure Ltd, incorporated for realty business,. has not yet commenced its business. There are no separate reportable segments as per Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.
6. **Related Party Disclosure:**

   Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

   a) Relationship:

   i) Joint Ventures:

   Mindarika Pvt. Ltd.

   Minda TYC Automotive Ltd.

   Om Merubani Logistic Pvt. Ltd.

   Valeo Minda Electricals Systems India Pvt. Ltd.

   ii) Key Management Personnel:

   Mr. Nirmal K. Minda, Chairman and Managing Director

   Mr. Vivek Jindal, Executive Director (Whole Time Director)

   iii) Relatives of Key Management Personnel:

   Relatives of Mr. Nirmal K. Minda

   Sh. S.L. Minda (Father), Savitri Devi Minda (Mother), Suman Minda (Wife), Paridhi Minda Jindal (Daughter), Palak Minda (Daughter), Ashok Minda (Brother), Sarika Minda (brother's wife), Rekha Bansal (Sister),Rajesh Bansal(Sister's husband)

   Relatives of Mr. Vivek Jindal

   Madan Jindal (Father), Anita Jindal (Mother), Paridhi Minda Jindal (Wife), Samaira Jindal (Daughter), Abhishek Jindal (Brother)

   iv) Other Entities over which key Management Personnel is able to exercise significant influence (with which the parent company has transactions)

   Minda Autogas Ltd., Minda Acoustic Ltd.,Minda Sai Ltd., PT. Minda Asean Automotive, Minda Corporation Ltd., Unitech Sai Pvt. Ltd., Minda Stoneridge Instruments Ltd.,Minda Finance Ltd., Minda Autocare Ltd., Minda Investments Ltd.,Minda International Ltd., Jindal Buildtech Pvt. Ltd., Jindal Mectec Pvt. Ltd., Nirmal K. Minda (HUF), Minda Industries (Firm), Auto Component (Firm), Yogendra Engineering (Firm),

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

(` in lacs)

Particulars	Joint Venture Company	Entities over which Key Personnel is able to exercise significant influence	Key Management Personnel and Relatives
	This year	This year	This year
Sale of finished & other goods	674	7,006	-
Purchase of raw materials, finished goods and spare parts	53	2,407	-
Sale of Fixed Assets	-	61	-
Purchase of Fixed Assets	5	-	-
Amount due from / (to)	517	(33)	-
Expenses recovered	9	105	-
Services rendered	249	324	-
Rent received	-	48	-
Design Fee Received	-	94	-
Rent paid	-	257	31
Dividend Received	-	25	-
Interest paid	15	4	66
Managerial Remuneration	-	-	110
Guarantee given	-	2,925	-
Royalty received	-	423	-
Dividend paid on Equity share Capital	-	45	102
Dividend paid on 9% Cum. Redeemable Pref. Share Capital	-	3	7
Credit Balance outstanding at the end of the year:			
- Fixed Deposits	-	-	34
- Unsecured Loans	184	43	-

7. Earnings Per Share (E.P.S.) computed in accordance with Accounting Standard 20, issued by the Institute of Chartered Accountants of India.

(` in Lacs)

Particulars	**As at 31.03.2010**
Consolidated Profit for the year after Taxation, as per Profit and Loss Account	2,341.08
Less: Dividend on Preference Shares and Dividend Tax thereon.	49.47
Profit after Dividend on Preference Shares	2,291.61
Weighted average number of Equity Shares (in Nos.)	10505064
Basic Earnings per Share in Rupees (Face value ` 10 per share) (In `).	21.81
Diluted Earnings per Share in Rupees (Face value ` 10 per share) (In `).	18.57

8. The company has recognized the cumulative net deferred tax liability in accordance with the provisions of Accounting Standard-22, issued by the Institute of Chartered Accountants of India.

Following are the major components of deferred tax assets (liabilities)

(` in thousand)

S.No.	Particulars	As at 31.03.2010
i.	Difference between book and tax depreciation.	(81,372)
ii.	Provision for gratuity and leave encashment.	15,950
iii.	Other deferred Tax Assets (Liabilities)	1,406
iv.	Total deferred Tax Assets (Liability)	(63,250)

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

9. Employee Benefits

a) Pursuant to the adoption of accounting standard (AS) 15 (revised 2005) "Employee Benefits", the additional obligations with respect of certain employee benefits upto 31st March'2007 was `184.92 Lacs out of which `110.95 Lacs (net of deferred taxes of `74.38Lacs) has been adjusted from the General Reserve .

b) The disclosures of Employee Benefits, as required under Accounting Standard 15 are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Employer's Contribution to:

Particular	(`)
Provident Fund	28,954,667
Superannuation Fund	2,013,950

Defined Benefit Plan

The present value of obligation for Gratuity is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as of the beginning and end of the period for active members.

The obligation for Leave Encashment is recognized in the same manner as Gratuity. Provision on Earned leave has been made in the current year.

(i) Change in present value of obligation

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Present value of obligation as at the Beginning on the year.	37,772,872	18,386,916
b)	Acquisition adjustment	--	--
c)	Interest cost	2,832,965	1,379,019
d)	Past Service Cost	--	--
e)	Current service cost	6,230,398	4,836,210
f)	Curtailment cost/(Credit)	--	--
g)	Settlement cost/(Credit)	--	--
h)	Benefits paid	(1,159,307)	(2,645,604)
i)	Actuarial (gain)/loss on obligation	967,964	(95,999)
j)	Present value of obligation as at the end of year	46,644,892	21,860,542

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

(ii) Change in the fair value of plan assets

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Fair value of plan assets at the beginning of the year	17,709,357	--
b)	Acquisition adjustment	--	--
c)	Expected return on plan assets	1,549,569	--
d)	Contributions	2,788,735	--
e)	Benefits paid	--	--
f)	Actuarial gain/(loss) on plan assets	1,337	--
g)	Fair value of plan assets at the end of the year	22,048,998	--

(iii) Fair value of plan assets

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Fair value of plan assets at the beginning of the year	17,709,357	--
b)	Acquisition adjustment	--	--
c)	Actual return on plan assets	1,550,906	--
d)	Contributions	2,788,735	--
e)	Benefits paid	--	--
f)	Fair value of plan assets at the end of the year	22,048,998	--
g)	Funded status	(24,595,894)	(21,860,542)
h)	Excess of actual over estimated return on plan assets	1,337	--

(iv) Actuarial gain/loss recognized

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Actuarial gain/(loss) for the year - obligation.	(967,964)	95,999
b)	Actuarial gain/(loss) for the year - plan assets.	(1,337)	--
c)	Total (gain)/loss for the year	966,627	(95,999)
d)	Actuarial (gain)/ loss recognized in the year	966,627	(95,999)
e)	Unrecognized actuarial (gain)/losses at the end of year	--	--

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

(v) The amounts to be recognized in Balance Sheet

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Present value of obligation as at the end of the year	46,644,892	21,860,542
b)	Fair value of plan assets as at the end of the year	22048998	--
c)	Funded status	(24,595,894)	(21,860,542)
d)	Excess of actual over estimated	1,337	--
e)	Unrecognized actuarial (gains)/losses	--	--
f)	Net asset/(liability)recognized in balance sheet	(24,595,894)	(21,860,542)

(vi) Expenses recognized in the Statement of Profit and Loss

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Current Service Cost	6,230,398	4,836,210
b)	Past Service Cost	--	--
c)	Interest cost	2,832,965	1,379,019
d)	Expected return on plan assets	(1,549,569)	--
e)	Curtailment cost / (Credit)	--	--
f)	Settlement cost / (credit)	--	--
g)	Net actuarial (gain)/ loss recognized in the year	966,627	(95,999)
h)	Expenses recognized in the statement of profit & losses	8,480,421	6,119,230

(vii) Reconciliation Statement of Expenses in the Statement of Profit & Loss

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Present value of obligation as at the end of the year.	46,644,892	21,860,542
b)	Present value of obligation as at the beginning of the year	37,772,872	18,386,916
c)	Benefits paid	1,159,307	2,645,604
d)	Actual return on plan assets	(1,550,906)	--
e)	Expenses recognized in the statement of profit & losses.	8,480,421	6,119,230

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS THE YEAR ENDED 31ST MARCH, 2010

(viii) Amount for the Current Period

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Present value of obligation as at the end of year.	46,644,892	21,860,542
b)	Fair value of plan assets at the end of the year.	22,048,998	--
c)	Surplus / (deficit)	(24,595,894)	(21,860,542)
d)	Experience adjustment on plan liabilities (loss)/gain	(22,282,612)	27,560
e)	Experience adjustment on plan assets (loss) /gain.	1,337	--

(ix) Movement in the Liability recognized in Balance Sheet

S.No.	Particulars	Gratuity	Leave Encashment
		(`)	(`)
a)	Opening net liability	37,772,872	18,386,916
b)	Expenses as above.	8,480,421	6,119,230
c)	Benefits paid	(1,159,307)	(2,645,604)
d)	Closing net liability	46,644,892	21,860,542

10. The comparative figures of previous year have not been given being the first year of consolidation, in which Minda Auto Components Ltd. and Minda Realty & Infrastructure Ltd. have became the subsidiaries to the parent company.

For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
(REGN NO.-002023N)

R.N. SARAF, F.C.A
Membership No. 12439

2659/2, Gurdwara Road,
Karol Bagh, New Delhi - 110 005

NIRMAL K. MINDA
Chairman and Managing Director

SUDHIR JAIN
Corp. Business Head

VIVEK JINDAL
Whole Time Director

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

Pursuant to Clause 32 of the Listing Agreement

	FOR THE YEAR ENDED 31.03.2010 (` IN LACS)	
A. Cash Flow From Operating Activities :		
Net Profit Before Taxation And Extraordinary Items	3,127.59	
Adjustments For :		
Depreciation	2,714.38	
Gain on sale of Fixed Assets	(41.50)	
Interest Income	(20.77)	
Dividend Income	(25.47)	
Rent Income	(51.23)	
Interest Expenditure	1,475.61	
Amortisation Of Miscellaneous Expenses	5.67	
Loss On Sale Of Fixed Assets	68.20	
Operating Profit Before Working Capital Changes	7,252.48	
Adjustments For:		
Inventories	(2,204.28)	
Trade And Other Receivables	(1,040.19)	
Trade Payables	5,464.68	
Cash Generated From Operations	9,477.46	
Direct Taxes Paid (Net)	(650.98)	
Net Cash Generated From Operations		8,826.48
B. Cash Flow From Investing Activities :		
Sale Of Long Term Investment/ Assets	109.97	
Purchase Of Fixed Assets	(8,603.29)	
Interest Received	20.77	
Rent Income	51.23	
Dividend Income	25.47	
Net Cash Used In Investing Activities		(8,395.85)
C. Cash Flow From Financing Activities		
Proceeds From Issue Of Share	4,363.14	
Proceeds From Short Term Borrowings	(2,032.40)	
Proceeds From Long Term Borrowings	138.57	
Interest Paid	(1,473.03)	
Dividend Paid (Including Corporate Dividend Tax)	(416.96)	
Net Cash Used In Financing Activities		579.31
Net Increase In Cash And Cash Equivalents		1,009.94
Cash And Cash Equivalents As At Opening		403.21
Cash And Cash Equivalents As At Closing		1,413.15

NIRMAL K. MINDA
Chairman and Managing Director

VIVEK JINDAL
Whole Time Director

Place : New Delhi
Dated : May 27, 2010

SUDHIR JAIN
Corp. Business Head
Taxation & Co. Secretary

H.C.DHAMIJA
V. P. - Group A/cs,

AUDITORS' CERTIFICATE

We have checked and verified the above Cash Flow Statement which has been derived from the Consolidated Annual Financial Statement and have found the same as true and correct.

As per our report of even date
For **R. N. SARAF & CO.**
CHARTERED ACCOUNTANTS
R.N. SARAF, F.C.A.
Membership No: 12439
2659/2, Gurudwara Road,
Karol Bagh, New Delhi - 110 005

Place : New Delhi
Dated : May 27, 2010

Statement pursuant to Section 212 (3) of the Companies Act, 1956 relating to the Subsidiary Companies

		Extent of Interest in the Subsidiary at the end of Financial Year of the Subsidiary			Net aggregate amount of the subsidiary's Profits after deducting its losses or vice versa (so far as it concerns members of the Holding Company)			
					Profit /(Loss) not dealt with in the Holding Company's Account		Profit dealt with or (Losses) provided for in the Holding Company's Accounts	
S.No.	Name of the Subsidiary Company	Financial Year of the Subsidiary ended on	Number of Shares held	% of Total Paid up Capital	For the Financial Year of the Subsidiary (Rs./Lacs)	For the Previous Financial Year of Subsidiary since it became a subsidiary	For the Financial Year of the subsidiary	For the previous Financial Years of Subsidiary since it became a subsidiary
1	Minda Auto Components Ltd.	31/03/2010	210200 Equity Shares of ` 10/- each fully paid up.	100%	73.26	N.A.	NIL	N.A.
2.	Minda Realty & Infrastructure Ltd.	28/02/2010	49400 Equity Shares of ` 100/- each fully paid up.	98.80%	(0.31)	N.A.	NIL	N.A.

For and on behalf of the Board

NIRMAL K. MINDA
Chairman and Managing Director

VIVEK JINDAL
Whole Time Director

SUDHIR JAIN
Corp. Business Head

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated : May 27, 2010

Statement pursuant to exemption received under section 212 (8) of the Companies Act, 1956 relating to the Subsidiary Companies

(` in lacs)

S.No.	Particulars	Minda Realty & Infrastructure Ltd As at 28.02.2010	Minda Auto Components Ltd. As at 31.03.2010
(a)	Paid up Share Capital	5.00	21.02
(b)	Reserves & Surplus	NIL	43.40
(c)	Total Assets	5.00	64.61
(d)	Total Liabilities	5.00	64.61
(e)	Details of Investment (Except in case of investment in the subsidiaries)	NIL	NIL
(f)	Turnover	NIL	4630.66
(g)	Profit/(Loss) before Taxation	(0.31)	86.96
(h)	Provision for Taxation	NIL	13.70
(i)	Profit/(Loss) after Taxation	(0.31)	73.26
(j)	Proposed Dividend	NIL	NIL

For and on behalf of the Board

NIRMAL K. MINDA
Chairman and Managing Director

VIVEK JINDAL
Whole Time Director

SUDHIR JAIN
Corp. Business Head

H.C.DHAMIJA
V. P. - Group A/cs,
Taxation & Co. Secretary

Place : New Delhi
Dated: May 27, 2010

MINDA INDUSTRIES LIMITED

Regd.Office: B-64/1, Wazirpur Industrial Area, Delhi-110052

ATTENDANCE SLIP

Folio No. / DP ID/ Client ID #	
No. of Equity Shares held	

I hereby record my presence at the 18th Annual General Meeting of the Company being held at PHD House, Opp. Asian Games Village, New Delhi-110016, on Friday, December 24, 2010 at 11.00 a.m.

Name of the Shareholder (in Block Letter)

Name of Proxy / Authorised Representative attending* (in Block Letter)

*Strike out whichever is not applicable.
Applicable for investors holding shares in dematerialised form.

Signature of the attending Shareholder/Proxy/Authorised Representative*

Notes: Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall. Shareholders intending to appoint a proxy may use the Proxy Form given below.

MINDA INDUSTRIES LIMITED

Regd.Office: B-64/1, Wazirpur Industrial Area, Delhi-110052

PROXY FORM

I, We _____ of _____being a member/ members of Minda Industries Ltd. hereby appoint Shri/Smt./Km._____of_____or failing him / her Shri/Smt./Km._____ of _____ or failing him / her Shri/Smt./Km._____ of _____ as my/ our proxy in my/our absence to attend and vote for me/us and on my / our behalf at the 18th Annual General Meeting of the Company to be held at PHD House, Opp. Asian Games Village, New Delhi-110 016 on on Friday, December 24, 2010 at 11.00 a.m. and at any adjournment thereof.

Signed this_____ day of _____ 2010.

Affix ` 1/-
Revenue Stamp

Folio No. / DP ID/ Client ID #
No. of Equity Shares held

Signature(s)……..

Applicable for investors holding shares in dematerialised form.

Note:
The proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company at B-64/1, Wazirpur Industrial Area, Delhi-110052 at least 48 hours before the scheduled time.

MINDA

Minda Industries Limited

Regd. Office : B-64/1, Wazirpur Industrial Area

Delhi - 110052