The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted through the Preliminary Placement Document.

MINDA INDUSTRIES LIMITED

Our Company was incorporated as 'Minda Industries Limited' under the Companies Act, 1956 vide a certificate of incorporation dated September 16, 1992 issued by the Registrar of Companies, Delhi & Haryana.

Registered office - B-64/1, Wazirpur Industrial Area, Delhi 110 052, India.

Corporate office - Village - Nawada, Fatehpur P.O. - Sikanderpur Badda, IMT Manesar, District-Gurugram 122 004, Haryana, India.

CIN: L74899DL1992PLC050333.

Telephone: +91 124 2290 693; **Fax:** +91 124 2290 676; **E-mail:** investor@mindagroup.com; **Website:** www.unominda.com.

Minda Industries Limited (our "**Company**" or the "**Issuer**") is issuing up to [•] equity shares of face value of ₹ 2 each (the "**Equity Shares**") at a price of ₹ [•] per Equity Share, including a premium of ₹ [•] per Equity Share, aggregating up to ₹ [•] lakhs (the "**Issue**").

ISSUE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULES MADE THEREUNDER, AND CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI ICDR REGULATIONS").

THIS ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER AND CHAPTER VIII OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND ONLY QUALIFIED INSTITUTIONAL BUYERS, AS DEFINED IN REGULATION 2(1)(zd) OF THE SEBI ICDR REGULATIONS ("QIBs") WHICH ARE NOT: (A) EXCLUDED PURSUANT TO REGULATION 86 OF THE SEBI ICDR REGULATIONS; AND (B) RESTRICTED FROM PARTICIPATING IN THE ISSUE UNDER THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LAWS, ARE ELIGIBLE TO INVEST IN THIS ISSUE.

THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN QIBS. THIS PRELIMINARY PLACEMENT DOCUMENT WILL BE CIRCULATED ONLY TO SUCH QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO EQUITY SHARES.

Invitations for subscription of the Equity Shares shall only be made pursuant to this Preliminary Placement Document, together with the Application Form and the Placement Document. For further details, see "***Issue Procedure***" on page 121. The distribution of this Preliminary Placement Document or the disclosure of its contents to any person, other than QIBs and persons retained by QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended) has been delivered to BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**" and, together with BSE, the "**Stock Exchanges**"). Our Company shall also make the requisite filings with the Registrar of Companies, National Capital Territory of Delhi and Haryana (the "**RoC**") and the Securities Exchange Board of India ("**SEBI**") within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. This Preliminary Placement Document has not been reviewed by the SEBI, the Reserve Bank of India ("**RBI**"), the Stock Exchanges or any other regulatory or listing authority and is intended only for use by QIBs. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The Issue is meant only for QIBs by way of a private placement and is not an offer to the public or to any other class of investors.

INVESTMENTS IN THE EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENTS. PROSPECTIVE INVESTORS ARE ADVISED TO READ "RISK FACTORS" ON PAGE 38 CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS ADVISORS ABOUT THE PARTICULAR CONSEQUENCES TO IT OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT.

The information on our Company's website or any website directly or indirectly linked to our Company's website does not form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, such websites.

All of our Company's outstanding Equity Shares are listed on the Stock Exchanges. The closing price of the outstanding Equity Shares on the BSE and the NSE on March 22, 2017 was ₹ 433.65 and ₹ 434.75 per Equity Share, respectively. In-principle approvals under Regulation 28(1) of the SEBI Listing Regulations (as defined below) for listing of the Equity Shares have been received from BSE and NSE on March 23, 2017. Application to the Stock Exchanges will be made for obtaining listing and trading approval for the Equity Shares offered through this Preliminary Placement Document. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchanges should not be taken as an indication of the merits of our business or the Equity Shares.

YOU ARE NOT AUTHORISED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

THIS PRELIMINARY PLACEMENT DOCUMENT HS BEEN PREPARED BY OUR COMPANY SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE OF THE EQUITY SHARES DESCRIBED IN THIS PRELIMINARY PLACEMENT DOCUMENT.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States, and unless so registered may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered, sold and delivered outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of each jurisdiction where those offers and sales are made. For a description of selling restrictions in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 133 and 139, respectively.

This Preliminary Placement Document is dated March 23, 2017.

LEAD MANAGER

EQUIRUS CAPITAL PRIVATE LIMITED

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Preliminary Placement Document and confirms that, having made all reasonable enquiries, the Preliminary Placement Document contains all information with respect to our Company, its Subsidiaries, Joint Ventures and Associates (collectively the "**Group**") and the Equity Shares which are material in the context of making an investment in this Issue. The statements contained in this Preliminary Placement Document relating to the Group and the Equity Shares are, in all material respects, true and accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to the Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to the Group and are based on reasonable assumptions. There are no other facts in relation to the Group and the Equity Shares, the omission of which would, in the context of this Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by our Company to ascertain such facts and to verify the accuracy of all such information and statements.

The Lead Manager has made reasonable enquiries but has not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives and/or agents make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Lead Manager or any of its respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of the Group and the merits and risks involved in investing in the Equity Shares. Prospective investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the Lead Manager. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any other regulatory authority in any jurisdiction including the U.S. Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No such authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The distribution of this Preliminary Placement Document and the issuance of Equity Shares pursuant to this Issue may be restricted by law in certain jurisdictions. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by any one in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Lead Manager which would permit an issue of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any other Issue-related materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered, sold and delivered outside the United States in offshore

transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and in compliance with the applicable laws of the jurisdictions where those offers and sales are made. For a description of these and certain further restrictions on offers, sales and transfers of the Equity Shares and distribution of this Preliminary Placement Document, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 133 and 139, respectively. Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the sections "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 3, 133 and 139.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue, in consultation with the Lead Manager or its representatives, and those retained by QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither we nor the Lead Manager are making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations.

Each subscriber of the Equity Shares in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in the Equity Shares under Indian law, including Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and is not prohibited by SEBI or any other statutory authority from buying, selling or dealing in securities including Equity Shares. Each purchaser of Equity Shares in this Issue also acknowledges that it has been afforded an opportunity to request from our Company and has reviewed information relating to the Group and the Equity Shares.

The information on the website of our Company, www.unominda.com, or any website directly or indirectly linked to our Company's website or on the websites of the Lead Manager or its respective affiliates or any website directly or indirectly linked to such websites does not constitute or form a part of this Preliminary Placement Document. Prospective investors should not rely on the information contained in, or available through, any such websites.

This Preliminary Placement Document contains a summary of some terms of certain documents which are qualified in their entirety by the terms and conditions of those documents.

For information in certain other jurisdictions, please see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 133 and 139, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section are to the prospective investors in this Issue. By bidding for and subscribing to any of the Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Lead Manager as follows:

(a) you (i) are a QIB as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations and are not excluded pursuant to Regulation 86(1)(b) of the SEBI ICDR Regulations; (ii) have a valid and existing registration under applicable laws of India (as applicable); and (iii) undertake to acquire, hold, manage or dispose of any Equity Shares that are Allocated to you for the purposes of your business in accordance with Chapter VIII of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, the Companies Act, 2013, the Companies Act, 1956 to the extent applicable (together the "**Companies Act**") and all other applicable laws, including in respect of reporting requirements, if any;

(b) if you are not a resident of India, but a QIB, you are a FII (including a sub-account other than a sub-account which is a foreign corporate or a foreign individual) having a valid and existing certificate of registration with SEBI under the applicable laws in India or a FPI having a valid and existing registration with SEBI under the applicable laws in India and are eligible to invest in India under applicable law, including under Schedule 2 and 2A of the FEMA 20, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities. Your investment in the Issue will be made under Schedule 2 and Schedule 2A of FEMA 20.

(c) you are eligible to invest in India under applicable laws, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and any notification, circulars or clarification issued thereunder, and have not been prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities;

(d) you will make all necessary filings with the appropriate regulatory authorities including with the RBI, as required, pursuant to applicable laws;

(e) if you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the recognised Stock Exchanges;

(f) you are aware that this Preliminary Placement Document has not been, and will not be, registered as a prospectus under the Companies Act, 2013 and the SEBI ICDR Regulations or under any other law in force in India. You are aware that this Preliminary Placement Document has not been reviewed or affirmed by SEBI, RBI, the Stock Exchanges or any other regulatory or listing authority and is intended for use only by QIBs. This Preliminary Placement Document has been filed (and the Placement Document will be filed) with the Stock Exchanges for record purposes only and this Preliminary Placement Document has been displayed (and the Placement Document will be displayed) on the websites of our Company and the Stock Exchanges;

(g) you are entitled and have necessary capacity to acquire/subscribe for the Equity Shares under the laws of all relevant jurisdictions which apply to you and that you have fully observed such laws and obtained all such governmental and other consents in each case which may be required there under and complied with all necessary formalities and have obtained all necessary consents and authorities to enable you to commit to participation in this Issue and to perform your obligations in relation thereto (including, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

(h) neither our Company nor the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents is making any recommendation to you or, advising you regarding the suitability of any transactions you may enter into in connection with this Issue; your participation in this Issue is on the basis that you are not, and will not, up to Allotment, be a client of the Lead Manager and that neither the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents have any duty or responsibility to you for providing the protection afforded to

their clients or customers for providing advice in relation to this Issue and are not in any way acting in any fiduciary capacity;

(i) you confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or our agents ("**Company Presentations**") with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Lead Manager may not have knowledge of the statements that our Company or our agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Lead Manager has advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material information that was not publicly available;

(j) you are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public and the allotment of the Equity Shares shall be on a discretionary basis at the discretion of our Company in consultation with the Lead Manager;

(k) all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place reliance on forward looking statements, which speak only as at the date of this Preliminary Placement Document. We assume no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

(l) you have been provided a serially numbered copy of this Preliminary Placement Document and have read this Preliminary Placement Document in its entirety including, in particular the section on "***Risk Factors***" on page 38;

(m) in making your investment decision (i) you have relied on your own examination of our Company in particular and the Group; the terms of this Issue, including the merits and risks involved; (ii) you have made your own assessment of our Company, the Equity Shares and the terms of this Issue based solely on the information contained in this Preliminary Placement Document and no other representation by our Company or any other party; (iii) you have consulted your own independent advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters; (iv) you have relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or the Lead Manager or any other party; (v) you have received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares; and (vi) relied upon your investigation and resources in deciding to invest in this Issue. You are seeking to subscribe to/acquire the Equity shares in this Issue for your own investment and not with a view to resell or for distribution;

(n) you are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any accounts for which you are subscribing to the Equity Shares: (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company, the Lead Manager or its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

(o) neither the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership or disposal of the Equity Shares (including, but not limited, to this Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Lead Manager or any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates when evaluating the tax consequences of the Equity Shares (including, but not limited to, this Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against our Company, the Lead Manager or any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

(p) where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

(q) you agree and acknowledge that in terms of Section 42(7) of the Companies Act, 2013, we shall file the list of QIBs (to whom this Preliminary Placement Document are circulated) along with other particulars with the RoC and SEBI within 30 days of circulation of the Preliminary Placement Document and other filings required under the Companies Act, 2013;

(r) you are not a 'promoter' of our Company, as defined under Section 2(69) of the Companies Act, 2013 and the SEBI ICDR Regulations, and are not a person related to the Promoter and Promoter Group or to group companies of the Promoter and Promoter Group, either directly or indirectly and your Bid does not directly or indirectly represent the Promoter and Promoter Group or persons related to the Promoter and Promoter Group of our Company or to group companies of the Promoter or Promoter Group of our Company;

(s) you have no rights under a shareholders' agreement or voting agreement with the Promoter and Promoter Group or persons related to them, no veto rights or right to appoint any nominee director on the Board of Directors of our Company other than such rights acquired, if any, in the capacity of a lender not holding any Equity Shares of our Company, the acquisition of which shall not deem you to be a promoter (as defined under SEBI ICDR Regulations), a person related to them;

(t) you have no right to withdraw your Bid after the Issue Closing Date;

(u) you are eligible to Bid and hold the Equity Shares so Allotted together with any Equity Shares held by you prior to this Issue. You further confirm that your aggregate holding upon this Issue of the Equity Shares shall not exceed the level permissible as per any applicable regulations;

(v) the Bid submitted by you would not eventually result in triggering a tender offer under the Takeover Code;

(w) your aggregate holding, together with other QIBs participating in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the present Issue, shall not exceed 50% of this Issue. For the purposes of this representation:

  (a) the expression "**belongs to the same group**" shall be interpreted by applying the concept of "**companies under the same group**" as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and

  (b) "**Control**" shall have the same meaning as is assigned to it under Regulation 2 (i)(e) of the Takeover Code;

(x) you shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges;

(y) you are aware that the pre-issue and post-issue shareholding pattern of our Company, as required by the SEBI Listing Regulations will be filed by our Company with the Stock Exchanges, and if you are Allotted more than 5.00% of the Equity Shares in this Issue, we shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosure being made by our Company;

(z) you are aware that our Company shall make necessary filings with the RoC pursuant to the Allotment (which shall include certain details such as your name, address and number of Equity Shares Allotted) and if the Allotment of Equity Shares in the Issue results in you being one of the top ten shareholders of our Company, we shall also be required to disclose your name and shareholding details to the RoC within 15 days of Allotment, and you consent to such disclosure being made by our Company;

(aa) you are aware that (i) applications for in-principle approval, in terms of Regulation 28(1) of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an approval has been received from the Stock Exchanges, and (ii) the application for the listing and trading approval will be made only after Allotment. There can be no assurance that the approvals for listing and trading in the Equity Shares will be obtained in time or at all. We shall not be responsible for any delay or non-receipt of such approvals for listing and trading or any loss arising from such delay or non-receipt;

(bb) you are aware and understand that the Lead Manager has entered into a placement agreement with our Company (the "**Placement Agreement**") whereby the Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable endeavours to seek to procure subscriptions for the Equity Shares on the terms and conditions set forth herein;

(cc) the contents of this Preliminary Placement Document are our exclusive responsibility and neither the Lead Manager nor any of its respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates has, or shall have, any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in this Issue, you agree and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Lead Manager or our Company or any other person and neither the Lead Manager, nor we or our respective directors, officers, employees, counsel, advisors, representatives, agents or affiliates or any other person will be liable for your decision to participate in this Issue based on any other information, representation, warranty or statement that you may have obtained or received;

(dd) the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares, is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares issued in pursuance of this Issue and that you have neither received nor relied on any other information given or representations, warranties or statements made by Lead Manager (including any view, statement, opinion or representation expressed in any research published or distributed by the Lead Manager or its affiliates or any view, statement, opinion or representation expressed by any staff (including research staff) of the Lead Manager or its respective affiliates) or our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates and neither the Lead Manager nor our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

(ee) you understand that neither the Lead Manager nor its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by our Company of any of our obligations or any breach of any representations or warranties by our Company, whether to you or otherwise;

(ff) you agree to indemnify and hold our Company and the Lead Manager and its respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements and agreements made by you in this Preliminary Placement Document. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

(gg) each of the representations, warranties, acknowledgements and agreements set forth above shall continue to be true and accurate at all times up to and including the Allotment and listing and trading of the Equity Shares on the Stock Exchanges;

(hh) we, the Lead Manager, its respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements, undertakings and agreements which are given to the Lead Manager on its own behalf and on behalf of our Company and are irrevocable and it is agreed that if any of such representations, warranties, acknowledgements, undertakings and agreements are no longer accurate, you will promptly notify to the Lead Manager;

(ii) you are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investment matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

(jj) you understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States, and accordingly, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and that the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S of the U.S. Securities Act;

(kk) any dispute arising in connection with this Issue will be governed by and construed in accordance with the laws of the Republic of India and the courts at Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document; and

(ll) you have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and agreements set forth in this section and in "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 133 and 139, respectively.

Off-Shore Derivative Instruments (P-Notes)

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, a FPI (other than a Category III foreign portfolio investors and unregulated broad based funds which are classified as Category II FPI by virtue of their investment manager being appropriately regulated), including the affiliates of the Lead Manager, may issue, subscribe or otherwise deal in offshore derivative instruments as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying and all such offshore derivative instruments are referred to herein as "**P-Notes**" for which they may receive compensation from the purchasers of such P-Notes. These P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with "know your client" requirements. An FPI must ensure that the P-Notes are issued in compliance with all applicable laws including Regulation 22 of the SEBI FPI Regulations and circular no. CIR/IMD/FIIC/20/2014 dated November 24, 2014 read with the clarifications issued by SEBI vide circular no. CIR/IMD/FPI&C/ 61/2016 dated June 29 2016. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligations of, claim on, or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are solely the obligations of, third parties that are unrelated to our Company. Our Company and the Lead Manager do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Lead Manager and do not constitute any obligations of, or claims on, the Lead Manager. FPI affiliates (other than Category III FPI and unregulated broad based funds which are classified as FPI by virtue of their investment manager being appropriately regulated) of the Lead Manager may purchase, to the extent permissible under law, Equity Shares in this Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Preliminary Placement Document has been submitted to the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Preliminary Placement Document;

2. warrant that the Equity Shares issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our promoter, its management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to, or in connection with, such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER DATA

In this Preliminary Placement Document, unless the context otherwise indicates or implies references to:

- "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in the Equity Shares issued pursuant to this Issue;

- unless otherwise specified, "we", "us" and "our" refers to Minda Industries Limited, its Subsidiaries, its Joint Ventures and Associates on a consolidated basis; and

- unless otherwise specified, "our Company", "the Company" and "the Issuer" refers to Minda Industries Limited on a standalone basis.

References in this Preliminary Placement Document to "India" are to the Republic of India and its territories and possessions and the "Government" or the "Central Government" or the "State Government" are to the Government of India, Central or State, as applicable.

All references herein to:

- "Indonesia" are to the Republic of Indonesia, its territories and possessions;
- "Mexico" are to the United Mexican States, its territories and possessions;
- "Morocco" are to the Kingdom of Morocco, its territories and possessions;
- "Singapore" are to the Republic of Singapore, its territories and possessions;
- "Spain" are to the Kingdom of Spain, its territories and possessions;
- "U.S.", "USA" or the "United States" are to the United States of America, its territories and possessions; and
- "Vietnam" are to the Socialist Republic of Vietnam, its territories and possessions.

Currency and Units of Presentation

In this Preliminary Placement Document, all references to:

- "EUR" or "€" are to Euro, the official currency of member states of the European Union;
- "Rs." or "Rupees" or "₹" are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States;

Financial Data

Our Company publishes its financial statements in Indian Rupees and in accordance with Indian Generally Accepted Accounting Principles ("**Indian GAAP**"). Indian GAAP differs in certain respects from International Financial Reporting Standards ("**IFRS**") and U.S. Generally Accepted Accounting Principles ("**U.S. GAAP**"). Our Audited Consolidated Financial Statements and Summary Consolidated Financial Information (Reformatted), each prepared in accordance with Indian GAAP, are included in this Preliminary Placement Document in the section "***Financial Information***" on page 165. Also, please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 91.

Unless the context requires otherwise, the financial data in this Preliminary Placement Document is derived from our Financial Statements. Our Financial Year commences on April 1 of each year and ends on March 31 of the succeeding year, so all references to a particular "Fiscal Year", "Fiscal", "Financial Year" or "FY" are to the 12-month period ended on March 31 of that year. Our Financial Statements that appear in this Preliminary Placement Document have been prepared by our Company in accordance with Indian GAAP.

We do not provide a reconciliation of our financial statements to IFRS or U.S. GAAP. We also do not provide a summary of differences between Indian GAAP, IFRS and U.S. GAAP. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. Accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited and we urge you to consult your own advisors regarding such differences and their impact on the financial data.

In this Preliminary Placement Document, certain monetary thresholds have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Placement Document in "lakhs" units. One lakh represents 1,00,000 and one crore represents 1,00,00,000.

MARKET AND INDUSTRY DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and/or data from other external sources.

Certain statistical information, industry and market data included in this Preliminary Placement Document has been extracted and reproduced from the CRISIL Report.

CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/Report. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers/users/ transmitters/distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Minda Industries Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division/CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division/CRIS. No part of this Report may be published/ reproduced in any form without CRISIL's prior written approval.

We have not commissioned any report for purposes of the Preliminary Placement Document. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Preliminary Placement Document are reliable, it has not been independently verified by our Company or the Lead Manager or any of its affiliates or advisors. The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates.

Neither we nor the Lead Manager have independently verified this data and neither we nor the Lead Manager make any representation regarding the accuracy or completeness of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent source and neither the Lead Manager nor we can assure potential investors as to their accuracy. Similarly, internal estimates and surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither we nor the Lead Manager make any representation as to the accuracy and completeness of information based on trade, industry and government publications and websites, data reports compiled by government bodies, professional organisations and analysts, or from other external sources.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

All statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can" "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts.

These forward-looking statements and any other projections contained in this Preliminary Placement Document (whether made by our Company or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

- general economic and business conditions in India;
- our ability to successfully develop or commercialise new products;
- preference of our customer, our ability to adapt to such preferences and availability of substitute products in the market;
- the Company's ability to compete effectively in the highly competitive automotive component industry;
- our ability to effectively enter into strategic alliances and joint ventures;
- our ability to integrate acquired businesses and also with partners where we operate as joint ventures or as strategic initiatives;
- our ability to continue our technological innovation and successful introduction of new products; and
- our manufacturing facilities operating without any disturbances/shut-down.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually may occur in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company in general and the Group; that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 38, 78 and 91.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by and information currently available to the management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to rely on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a company incorporated under the laws of India. The Board of Directors of our Company comprises of five Directors, all of whom are Indian citizens. All of our Company's key managerial personnel are residents of India and a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended ("**Civil Code"**).

Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or parties litigating under the same title except:

(a) where it has not been pronounced by a court of competent jurisdiction;

(b) where it has not been given on the merits of the case;

(c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of India in cases where such law is applicable;

(d) where the proceedings in which the judgment was obtained were opposed to natural justice;

(e) where it has been obtained by fraud; or

(f) where it sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court (within the meaning of that section) in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by the relevant court in India. Under the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and is not applicable to arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Code but the United States has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit based upon the foreign judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to execution, and any such amount may be subject to tax in accordance with applicable laws. Any judgment for payment of amounts denominated in a foreign currency would be converted into Rupees on the date of the judgment and not on the date of the payment.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any statute or regulations or policies shall include amendments thereto, from time to time.

Company Related Terms

Term	Description
"Articles"/ "Articles of Association"	The articles of association of our Company as amended from time to time
"Associates"	In accordance with the meaning under the Companies Act, 2013, Kosei Minda Aluminum Company Private Limited, Minda Nexgentech Limited, Mindarika Private Limited are the Associates of our Company. We also have interests in Auto Components and Yogendra Engineering, which are partnership firms.
"Audited Consolidated Financial Statements"	The audited consolidated financial statements as of and for the years ended March 31, 2016, 2015 and 2014 and their respective reports thereto
"Board of Directors"/ "Board"	The Board of Directors of our Company, or a duly constituted committee thereof
"CHS" / "Clarton Horn"	Clarton Horn S.A., Spain
"Company"	Minda Industries Limited
"CRISIL Report"	CRISIL Research Automotive Components released in India in January 2017 (base report) and minor update made in March 2017
"Director(s)"	Director(s) of our Company, unless otherwise specified
"DSIR"	Department of Scientific and Industrial Research
"ESOS 2016"	Minda Employee Stock Option Scheme – 2016
"Financial Statements"	The Audited Consolidated Financial Statements and the Summary Consolidated Financial Information (Reformatted)
"Independent Directors"	Independent director(s) of our Company, unless otherwise specified
"Joint Ventures"	The joint ventures of our Company namely Minda Emer Technologies Limited, Roki Minda Company Private Limited and Minda Onkyo India Private Limited
"KMPs"	The Key Managerial Personnel of our Company
"Memorandum"/ "Memorandum of Association"	The Memorandum of Association of our Company, as amended from time to time
"MJCL"	M J Casting Limited
"MKAWPL"	Minda Kosei Aluminum Wheel Private Limited
"MKL"	Minda Kyoraku Limited
"MOIPL"	Minda Onkyo India Private Limited
"Non-Executive Director"	Non-executive director of our Company, unless otherwise specified
"Promoter and Promoter Group"	As disclosed by our Company to the Stock Exchanges, our Promoter and Promoter Group consists of Nirmal K Minda, Nirmal K Minda (HUF), Pallak Minda, Paridhi Minda Jindal, Amit Minda, Suman Minda, Anand Kumar Minda, Vijay Kumar Jain, Maa Vaishno Devi Endowment, Minda Investments Limited, Minda Finance Limited and Singhal Fincap Limited.
PTMA	P T Minda Asean Automotive
"Registered Office"	B-64/1, Wazirpur Industrial Area, Delhi 110 052, India
"RMCPL"	Roki Minda Company Private Limited
SAM Global	SAM Global Pte. Limited
"Shareholders"	Persons holding Equity Shares of our Company, unless otherwise specified in the context thereof
"Statutory Auditors"	The statutory auditors of our Company, namely, B S R & Co. LLP
"Subsidiaries"	The subsidiaries of our Company namely, Global Mazinkert S.L., Spain, Minda Auto Components Limited, Minda Distribution and Services Limited, Minda

Term	Description
	Kosei Aluminum Wheel Private Limited, Minda Kyoraku Limited, Minda TG Rubber Private Limited, M J Casting Limited, Minda Storage Batteries Private Limited, PT Minda Asean Automotive, Indonesia, Rinder India Private Limited and SAM Global Pte Limited, Singapore. We also have majority interest in Y A Auto Industries, which is a partnership firm.
"Summary Consolidated Financial Information (Reformatted)"	The summary consolidated balance sheet as at March 31, 2016 and the summary consolidated statement of profit and loss for the year then ended; the summary consolidated balance sheet as at September 30, 2016 and the summary consolidated statement of profit and loss for the six months then ended; and the summary consolidated statement of profit and loss for the nine months ended December 31, 2016.

Issue Related Terms

Term	Description
"Allocated"/ "Allocation"	The allocation of Equity Shares following the determination of the Issue Price to Investors on the basis of Application Forms submitted by them, in consultation with the Lead Manager and in compliance with Chapter VIII of the SEBI ICDR Regulations
"Allotment"/ "Allotted"	The issue and allotment of Equity Shares pursuant to this Issue
"Allottee(s)"	Bidders who are Allotted Equity Shares of our Company pursuant to this Issue
"Application Form"	The form (including any revisions thereof) pursuant to which a Bidder indicates its interest to subscribe for the Equity Shares of our Company pursuant to the Issue
"Bid(s)"	An indication of interest by a QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares to be issued pursuant to this Issue
"Bidder(s)"	A QIB who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
"Bidding Period"/ "Issue Period"	The period between the Issue Opening Date and Issue Closing Date inclusive of both dates during which Bidders can submit their Bids including any revision and/or modifications thereof
"CAN"/ "Confirmation of Allocation Note"	Note or advice or intimation to Bidders confirming the allocation of Equity Shares to such QIBs after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such QIBs
"Category III foreign portfolio investor(s)"	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
"Closing Date"	The date on which the Allotment of the Equity Shares offered pursuant to this Issue shall be made, i.e. on or about [•]
"Cut-off Price"	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the Lead Manager
"Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottee's demat account, as applicable to the relevant Allottee
"Eligible FPIs"	FPIs that are eligible to participate in this Issue and do not include Category III foreign portfolio investors.
"Equity Shares"	The equity shares of face value ₹ 2 each of our Company
"Escrow Account"	The account titled 'MIL – QIP 2017 Escrow Account' to be opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the application monies payable by Bidders in connection with subscription to Equity Shares pursuant to the Issue shall be deposited
"Escrow Agreement"	The agreement dated March 23, 2017 entered into amongst our Company, the Escrow Agent and the Lead Manager
"Escrow Bank"/ "Escrow Agent"	Axis Bank Limited
"Floor Price"	The floor price of ₹ 436.66 per Equity Share, which has been calculated in

Term	Description
	accordance with Chapter VIII of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI ICDR Regulations
"Issue Closing Date"	[•], the last date up to which the Application Forms shall be accepted by our Company (or the Lead Manager, on behalf of our Company)
"Issue Opening Date"	March 23, 2017, the date on which the acceptance of the Application Forms shall have commenced by our Company (or the Lead Manager on behalf of our Company)
"Issue Price"	A price per Equity Share of ₹ [•]
"Issue Size"	The aggregate size of the Issue, aggregating up to ₹ [•] lakhs
"Issue"	The offer and issue of up to [•] Equity Shares each at a price of ₹ [•] per Equity Share, including a premium of ₹ [•] per Equity Share, aggregating ₹ [•] lakhs pursuant to chapter VIII of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013
"Lead Manager"	Equirus Capital Private Limited
"Mutual Fund"	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
"Pay-In Date"	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
"Placement Agreement"	The agreement dated March 23, 2017 between our Company and the Lead Manager
"Placement Document"	The Placement Document to be issued in accordance with Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and the rules thereunder
"Preliminary Placement Document"	This Preliminary Placement Document dated March 23, 2017 issued in accordance with Chapter VIII of the SEBI ICDR Regulations
"QIBs"/ "Qualified Institutional Buyers"	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations, who are permitted under applicable laws to acquire Equity Shares to be issued pursuant to the Issue.
"QIP"	Qualified institutions placement, being private placement to QIBs under Chapter VIII of the SEBI ICDR Regulations and applicable sections of the Companies Act, 2013, read with applicable rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014
"Relevant Date"	March 23, 2017, which is the date of the meeting wherein the Board of Directors, or a duly authorised committee, decides to open the Issue

Conventional and General Terms/Abbreviations

Term	Description
"AGM"	Annual general meeting
"AIF(s)"	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
"AS"	Accounting Standards issued by the Institute of Chartered Accountants of India
"ASEAN"	Association of South East Asian Nations
"AY"	Assessment year
"BSE"	BSE Limited
"Category III FPI"	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations
"CAGR"	Compounded Annual Growth Rate
"CCI"	Competition Commission of India
"CDSL"	Central Depository Services (India) Limited
"CIN"	Corporate identification number

Term	Description
"Companies Act, 1956"	The Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
"Companies Act, 2013"	The Companies Act, 2013 and the rules made thereunder to the extent in force pursuant to the notification of the Notified Sections
"Companies Act"	The Companies Act, 1956 and/or the Companies Act, 2013, as applicable
"Competition Act"	The Competition Act, 2002, as amended
"CSR"	Corporate Social Responsibility
"Depositories Act"	The Depositories Act, 1996, as amended
"Depository"	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
"DIN"	Director identification number
"DP"/ "Depository Participant"	A depository participant as defined under the Depositories Act
"EGM"	Extraordinary general meeting
"EPS"	Earnings per share, i.e., profit after tax for a financial year divided by the weighted average number of equity shares during the financial year
"ESOP"	Employee stock option scheme
"EUR"	Euro, the legal currency of the member states of the European Union
"Factories Act"	Factories Act, 1948
"FDI Policy"	Consolidated Foreign Direct Investment Policy notified under Circular No. D/o IPP F. No. 5(1)/2016-FC-1, effective from June 7, 2016, as amended from time to time
"FDI"	Foreign Direct Investment
"FEMA 20"	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
"FEMA"	Foreign Exchange Management Act, 1999, as amended, and the regulations framed thereunder
"FII Regulations"	The erstwhile Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
"FIIs"	Foreign institutional investors as defined under Regulation 2(g) of the SEBI FPI Regulations and registered as such with the SEBI
"Financial Year" / "Fiscal Year"/ "Fiscal"/ "fiscal"/ "fiscal year" / "FY"	A period of 12 months ending March 31, unless otherwise stated
"FPI"/ "Foreign Portfolio Investor(s)"	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations. Any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration is deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the FII Regulations
"FVCI"	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
"GAAP"	Generally accepted accounting principles
"GAAR"	General Anti-Avoidance Rules
"GDP"	Gross domestic product
"GoI"/ "Government"	Government of India
"GST"	Goods and Services Tax
"ICAI"	The Institute of Chartered Accountants of India
"IFRS"	International Financial Reporting Standards issued by the International Accounting Standards Board
"IMF"	International Monetary Fund
"Income Tax Act"/ "IT Act"	The Income Tax Act, 1961, as amended
"IND-AS"/ "IAS Rules"	Indian accounting standards as notified by the MCA vide Companies (Indian Accounting Standards) Rules, 2015 in its G.S.R dated February 16, 2015
"Indian GAAP"	Generally accepted accounting principles in India

Term	Description
"Indonesia"	Republic of Indonesia
"Insider Trading Regulations"	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
"IT"	Information Technology
"MCA"	Ministry of Corporate Affairs
"Mexico"	United Mexican States
"MHCV"	Medium and Heavy Commercial Vehicle
"Morocco"	Kingdom of Morocco
"Notified Sections"	Sections of the Companies Act 2013 that have been notified by the Government of India
"NRI"	Non-Resident Indian(s)
"NSDL"	National Securities Depository Limited
"NSE"	The National Stock Exchange of India Limited
"p.a."	Per annum
"PAN"	Permanent account number
"PAT"	Profit after tax
"RBI Act"	The Reserve Bank of India Act, 1934, as amended
"RBI"	The Reserve Bank of India
"Regulation S"	Regulation S under the U.S. Securities Act
"RNR"	Revenue Neutral Rate
"RoC"	Registrar of Companies, National Capital Territory of Delhi and Haryana
"Rs."/ "Rupees"/ "₹" / "Indian Rupees"	The legal currency of India
"SCRA"	Securities Contracts (Regulation) Act, 1956, as amended
"SCRR"	Securities Contracts (Regulation) Rules, 1957, as amended
"SEBI Act"	The Securities and Exchange Board of India Act, 1992, as amended
"SEBI AIF Regulations"	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
"SEBI FPI Regulations"	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
"SEBI ICDR Regulations"	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
"SEBI"	The Securities and Exchange Board of India
"SENSEX"	An index of 30 constituent stocks traded on BSE representing a sample of large, liquid and representative companies
"Singapore"	Republic of Singapore
"Spain"	Kingdom of Spain
"Stock Exchanges"	The BSE and the NSE
"STT"	Securities transaction tax
"Takeover Code"	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
"U.S. GAAP"	Generally accepted accounting principles in the United States of America
"U.S. Securities Act"	U.S. Securities Act of 1933, as amended
"U.S.$" / "USD" / "U.S. dollar"	United States Dollar, the official currency of the United States of America
"USA"/ "U.S."/ "United States"	The United States of America
"VAT"	Value Added Tax
"VCF"	Venture capital fund as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.
"Vietnam	Socialist Republic of Vietnam

Technical and Industry Terms

Term	Description
"ABS"	Anti-lock braking system
"AMP"	Automotive Mission Plan 2016-2026
"ARAI"	Automotive Research Association of India
"BMC"	Bulk Moulding Compound
"BS"	Bharat Stage
"CBS"	Combined braking system
"CNG"	Compressed Natural Gas
"CRDi"	Common Rail Direct Injection
"CRIS"	CRISIL Risk and Infrastructure Solutions Limited
"CRISIL"	CRISIL Limited
"CV"	Commercial Vehicle
"EGR"	Exhaust gas recirculation
"EMDE"	Emerging market and developing economies
"EMS"	Electronic manufacturing services including SMT PCB assembly as well as complete electronics product assembly
"ISO"	International Organization for Standardization
"LCV"	Light Commercial Vehicle
"LED"	Light Emitting Diode
"LPG"	Liquefied Petroleum Gas
"MHCV"	Medium and Heavy Commercial Vehicle
"NATRiP"	National Automotive Testing and R&D Infrastructure Project
"OEMs"	Original Equipment Manufacturers
"OPEC"	Organization of the Petroleum Exporting Countries
"PCB"	Printed Circuit Board
"PV"	Passenger Vehicle
"R&D"	Research and Development
"SMEs"	Small and medium enterprises
"SMT"	Surface Mount Technology
"UV"	Utility Vehicle
"WEO"	World Economic Outlook

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Preliminary Placement Document where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
1.	**GENERAL INFORMATION**	
(a)	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Cover Page, 168
(b)	Date of incorporation of the company.	Cover page, 163
(c)	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	78
(d)	Brief particulars of the management of the company.	111
(e)	Names, addresses, DIN and occupations of the directors.	111
(f)	Management's perception of risk factors.	38
(g)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	161
(i)	Statutory dues;	161
(ii)	Debentures and interest thereon;	161
(iii)	Deposits and interest thereon; and	161
(iv)	Loan from any bank or financial institution and interest thereon.	161
(h)	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	164
2.	**PARTICULARS OF THE OFFER**	
(a)	Date of passing of board resolution.	30
(b)	Date of passing of resolution in the general meeting, authorising the offer of securities.	30
(c)	Kinds of securities offered (i.e. whether share or debenture) and class of security.	30
(d)	Price at which the security is being offered including the premium, if any, along with justification of the price.	30
(e)	Name and address of the valuer who performed valuation of the security offered.	Not Applicable
(f)	Amount which the company intends to raise by way of securities.	30
(g)	Terms of raising of securities:	Not Applicable
(i)	Duration, if applicable;	Not Applicable
(ii)	Rate of dividend or rate of interest	Not Applicable
(iii)	Mode of payment	Not Applicable
(iv)	Repayment	Not Applicable
(h)	Proposed time schedule for which the offer letter is valid.	31
(i)	Purposes and objects of the offer.	62
(j)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	62
(k)	Principle terms of assets charged as security, if applicable.	Not Applicable
3.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**	
(i)	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	113

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
(ii)	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	161
(iii)	Remuneration of directors (during the current year and last three Fiscals)	112
(iv)	Related party transactions entered during the last three Fiscals immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided	165
(v)	Summary of reservations or qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark	161
(vi)	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries	162
(vii)	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company	161
4.	**FINANCIAL POSITION OF THE COMPANY**	
(a)	the capital structure of the company in the following manner in a tabular form:	64
(i)(a)	the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	64
(b)	size of the present offer	64
(c)	paid up capital: A. after the offer	64
	B. after conversion of convertible instruments (if applicable)	Not applicable
(d)	share premium account (before and after the offer)	64
(ii)(a)	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case	64
(b)	Profits of the company, before and after making provision for tax, for the three Fiscals immediately preceding the date of circulation of offer letter	34

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
(c)	Dividends declared by the company in respect of the said three Fiscals; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	66
(d)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter	32
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter	36
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	105
5.	**DECLARATION BY THE DIRECTORS**	
(a)	The company has complied with the provisions of the Act and the rules made thereunder.	167
(b)	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	167
(c)	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	167

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (₹ per US$), for the periods indicated. The exchange rates are based on the reference rates released by RBI, which are available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

On March 22, 2017, the exchange rate (RBI reference rate) was ₹ 65.49 to US$ 1.00.

(₹ per US$)

	Period end[(1)]	Average [(2)]	High	Low
Fiscal:				
2016	66.33	65.46	68.78	62.16
2015	62.59	61.15	63.75	58.43
2014	60.10	60.50	68.36	53.74
Quarter ended:				
June 30, 2016	67.62	66.93	68.01	66.24
September 30, 2016	66.66	66.96	67.50	66.36
December 31, 2016	67.95	67.46	68.72	66.43
Month ended:				
September 30, 2016	66.66	66.74	67.06	66.36
October 31, 2016	66.86	66.75	66.89	66.53
November 30, 2016	68.53	67.63	68.72	66.43
December 31, 2016	67.95	67.90	68.37	67.43
January 31, 2017	67.81	68.08	68.23	67.79
February 28, 2017	66.74	67.08	67.65	66.72

(Source: www.rbi.org.in)

[(1)] In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

[(2)] Average of the official rate for each working day of the relevant period.

The following table sets forth information with respect to the exchange rates between the Rupee and the EUR (₹ per €), for the periods indicated. The exchange rates are based on the reference rates released by RBI, which are available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into EUR at any particular rate, the rates stated below, or at all.

On March 22, 2017, the exchange rate (RBI reference rate) was ₹ 70.72 to €1.00.

(₹ per €)

	Period end[(1)]	Average [(2)]	High	Low
Fiscal:				
2016	75.10	72.31	77.36	66.16
2015	67.51	77.47	84.52	65.95
2014	82.58	81.14	91.47	69.59
Quarter ended:				
June 30, 2016	75.01	75.57	76.61	74.79
September 30, 2016	74.75	74.73	76.04	73.80
December 31, 2016	71.62	72.73	74.97	70.47
Month ended:				
September 30, 2016	74.75	74.83	75.36	74.17
October 31, 2016	72.91	73.61	74.72	72.79
November 30, 2016	72.84	73.10	74.97	72.21
December 31, 2016	71.62	71.60	73.11	70.47
January 31, 2017	72.55	72.33	73.23	70.99
February 28, 2017	70.72	71.46	72.92	70.51

(Source: www.rbi.org.in)

[(1)] In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

[(2)] Average of the official rate for each working day of the relevant period.

SUMMARY OF BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Preliminary Placement Document, including the information in the sections titled "Risk Factors", "Industry Overview", "Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 38, 67, 78, 165 and 91, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see "Risk Factors" on page 38.

We believe we are one of India's leading manufacturers and suppliers of a variety of automotive systems to OEMs and one of world's leading manufacturers of automotive horns. We manufacture and supply over 15 categories of automotive components to leading Indian and international OEMs based in India, North America and Europe.

We operate as full systems solution providers and cater to a diverse range of customers in the products manufactured by us which include automotive switching systems; automotive lighting systems; acoustics systems for automotive industry; alloy wheels; and other products like fuel caps, CNG kits, rubber hoses, air intakes, die casting and blow moulding among others.

Our Company was incorporated in 1992 with an object to take over the business of Minda Industries, a partnership firm, which was engaged in manufacture and trade of auto electric parts since 1958. Subsequently, we have gained expertise in various products in the automotive industry through our in-house expertise, strategic alliances, consolidations and acquisitions. We believe our diverse product portfolio and scale of operations, long standing relationships with domestic and global OEMs, manufacturing and operational excellence, robust aftermarket presence through dealer and distributor network, strong financial profile and seasoned management team acts as strong and sustainable competitive advantages. Some of our key customers include Maruti Suzuki India Limited and Honda Motorcycles and Scooters India Private Limited, Bajaj Auto Limited, Royal Enfield (a unit of Eicher Motors Limited) and TVS Motor Company Limited, among others.

We have 32 manufacturing plants located in India and seven manufacturing plants located in South-east Asia, Europe, Africa and Americas. We believe our manufacturing facilities in India are located in key auto-clusters in North, South and West India and strive to locate our facilities in close proximity to our OEM customers' plants. For e.g., our manufacturing plants in Manesar, Indonesia and Hosur are located in close proximity to the manufacturing facilities of some of our leading customers. We believe that research and development and access to latest technology is a key to our success and currently have three DSIR certified R&D centres in India and 19 other design centres in India and overseas. which are further complemented through technical arrangements and joint ventures with partners who we believe are industry and technology leaders in their respective markets and technological capabilities.

In addition to our demonstrated ability to expand our product portfolio and markets organically, our various Joint Ventures and technical collaborations and our acquisitions of global lighting business of the Spain based Rinder group and Clarton Horn, illustrate our ability to identify, partner or acquire and assimilate complementary businesses across products and geographies in order to consolidate our position in the auto component industry.

Our operations are overseen by a professional management team with most of our business domains being led by independent chief executive officers. Mr. Nirmal Minda, our Chairman and Managing Director, has been associated with us since the inception of our Company and has been instrumental in the growth of our Company. Under the leadership team, our Company received the CII Industrial Innovation Awards as one of the 'Top 25 Most Innovative Companies for 2016'.

Our total income from operations (net) was ₹ 2,55,697.94 lakhs and our net profit was ₹ 11,030.07 lakhs for the nine-month period ended December 31, 2016, which constituted 4.31% of the total income from operations net for the period. Our consolidated total revenue was ₹ 1,72,299.28 lakhs, ₹ 2,24,953.09 lakhs and ₹ 2,54,130.73 lakhs in Fiscals 2014, 2015 and 2016, respectively. Our profit after tax on a consolidated basis was ₹ 717.67 lakhs, ₹ 6,796.83 lakhs and ₹ 11,113.40 lakhs and constituted 0.42%, 3.02% and 4.37% of our consolidated total revenue in Fiscals 2014, 2015 and 2016, respectively.

Our competitive strengths

We believe the following competitive strengths differentiate us from other industry participants, have contributed to our success and will continue to enable us to increase our market share and capture future growth opportunities:

Diversified product portfolio

We believe that we offer one of the most diversified portfolio of products in the Indian auto component industry. While we manufacture and supply over 15 categories of automotive systems and components, some of the key product systems manufactured by us include automotive switching systems, automotive lighting systems, acoustics systems for automotive industry and alloy wheels which we supply across a wide spectrum of end customers in two-wheeler, four-wheeler, commercial and off-road vehicle segment. In addition to the OEMs, the diversity of our product portfolio also helps us in servicing our extensive after-market distribution network across major cities as well as in tier II and tier III cities and towns. We believe that our product portfolio helps us in offering comprehensive solutions to our customers, enhances our ability to attract new customers, improve our share of business amongst existing customers and helps de-risk the business through limited dependence on any single product domain or product system.

We believe that our product portfolio, has helped us, along with our Associates, to become one of India's leading manufacturers and suppliers of automotive switching systems, lighting systems and alloy wheels and one of world's leading manufacturers of automotive horns. We believe that our ability to manage a wide product portfolio and gain leadership in certain product systems is based on our ability to understand evolving customer requirements, design, development, manufacturing capabilities, technical collaborations and joint ventures.

Strong relationship with OEMs

We believe we are a trusted partner and strategic Tier I supplier to, and have longstanding, extensive relationships with, leading Indian OEMs such as Maruti Suzuki India Limited, Honda Motorcycles and Scooters India Private Limited, Bajaj Auto Limited, Royal Enfield (a unit of Eicher Motors Limited) and TVS Motor Company Limited as well as leading international OEMs such as Volkswagen AG, Yamaha Indonesia Motor Manufacturing, Polaris Industries Incorporated, PT. Suzuki Indomobil Motor and PT. Toyota Boshoku Indonesia. Our strategically located manufacturing facilities, consistent performance, timely delivery and adherence to quality standards has helped us maintain customer engagements and attract new customers. Our existing relationships with large global and domestic OEMs enable us to cross-sell additional products, enter new geographies and cultivate new customer relationships.

We continually strive to strengthen our customer relationships through superior service quality and by ensuring that our products keep pace with requirements of the rapidly changing industry. We have a dedicated R&D and design team across three locations in India and over 19 design centres in India and overseas, thereby enabling us to develop new products for our OEM customers and keeping track of the latest developments. To take into account the requirements of our OEM customers, our R&D team regularly interacts with our product development team and our customer to focus on developing new products with improvements in quality and design. In the past, we have been awarded the "Excellence in Quality" award from Yamaha Motors India Private Limited in 2016 for our automotive switching systems and the "Supplier Quality Excellence" award from General Motors in 2015 for our automotive lighting systems business.

Technical collaboration and inorganic route for expansion of business

Our product portfolio is a combination of technical know-how of our joint venture partners and of what we have developed internally. We believe that our partners are industry and technology leaders in their respective markets and their technological capabilities and global reach and presence provides us with significant advantages across our various businesses. We have a well-established track record of successfully collaborating and forming long standing relationships with our various joint venture partners which has helped us become one of the leading companies in multiple automotive systems. Some of the joint ventures we have, include:

- Roki Minda Company Private Limited to manufacture air intakes and filters;
- Minda Emer Technologies Limited to design and manufacture LPG and CNG gas fuel systems; and
- Minda Onkyo India Private Limited to manufacture speaker and speaker systems.

Such collaboration gives us access to the latest know-how, design and technology an expertise which facilitate the manufacturing process. We believe our technological relationships and our in-house design expertise are complementary to each other and enable us to provide our customers innovative and customized solutions in line with the evolving technologies across the globe.

In addition to having technological tie-ups, we have an established track record of successfully identifying, acquiring and assimilating companies/ businesses to supplement our business verticals, diversify our revenue streams and further strengthen our service portfolio. In 2014, we had acquired Clarton Horn, a company incorporated in Spain which manufactures automotive electric horns, which has helped us become one of the leading players in global automotive horns market. In 2016, we acquired the global lighting business of Spain based Rinder group which we believe will have significant synergies with our automotive lighting systems business.

We believe these acquisitions are significant to our business as in addition to giving us presence in these new markets and verticals, it also provides us with fully functional infrastructure facilities in these locations. For example, the Rinder Group acquisition also gives us the ability to utilise the technology centre in Spain which we believe will help build global competitive capabilities through R&D. Our approach of growth with technical collaborations and acquisitions have historically introduced operating efficiencies, faster time to market, ability to revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins.

Presence in the aftermarket sales segment and well connected distributor network

We believe that the aftermarket segment in India is gradually shifting from significant participation by unorganized sector to one dominated by larger auto component manufacturers and OEMs through their dealer and service networks. We rely on our extensive distribution network to facilitate our aftermarket sales operations and sell our products through a pan-India network of distributors. We believe that our well-developed sales and distribution network complements our broad product basket and helps us in servicing the replacement market. Further, we believe, that our pedigree in auto component space, leadership position in certain product solutions and focus on quality systems makes us a preferred choice for end customers in the replacement market. As on February 28, 2017 we have over 900 distributors spread across India, some of which have been working with us for over a decade. Our distributors are located across major cities as well as in tier II and tier III cities and towns. We believe our distributors are well entrenched in their respective geographies and provide us access to a large universe of retailers who in-turn sell our products to end customers.

Strategic locations of manufacturing facilities

We have 32 manufacturing plants located in India and seven manufacturing plants located in South-east Asia, Europe, Africa and Americas. We believe our facilities in India are located in key auto-clusters in north, south and west India and we strive to locate our facilities in close proximity to our OEM customers' plants. For e.g., our manufacturing plants in Manesar, Indonesia and Hosur are located in close proximity to the manufacturing facilities of some of our leading customers. We believe that the proximity of our manufacturing plants to our customer locations helps us have better control over logistics for timely delivery and leverage the eco-system being set-up by the OEMs. We have established a global presence by successfully integrating our acquisitions and our joint ventures which have complemented our global operations and enhanced our ability to cater to the needs of our customers from multiple locations.

We believe our fully integrated manufacturing facilities allow us to benefit from economies of scale and our multiple facilities give us flexibility in case of production disruption at any of our plants. Our quality management procedures focus on (i) improvement in customer satisfaction, (ii) supplier performance improvement, (iii) on-time delivery, and (iv) reduction of wastage. These procedures include specific processes implemented to ensure quality checks at every phase of the production process which enable us to ensure quality of products delivered to our customers at competitive prices.

We believe that we have been able to provide competitively priced products through cost efficient production and with stringent quality standards which enables us to receive new business from our existing as well as from new customers. We constantly work towards making our designs easier to manufacture, which improves reliability, quality and cost.

Experienced senior leadership and technically skilled and motivated employees

We believe that our qualified and experienced senior management team, technically skilled employee base and established background of our Chairman and Managing Director have contributed to the growth of our operations and the development of in-house processes and competencies.

Mr. Nirmal K Minda, our Chairman and Managing Director, has been associated with us since the inception of our Company and has been instrumental in the growth of our Company. He has over three years of experience in the automotive components industry. Our senior management team consists of technically qualified and highly experienced professionals in the industry we operate in. Our business domains are managed by independent chief executive officers who have extensive experience in the industry. This enables each domain to focus exclusively on the opportunities and challenges that it faces. Our senior management team is responsible for the overall strategic planning and business development of our Company and has been instrumental in the consistent growth in our revenues and operations.

Our strategies

We will continue to seek opportunities to realize sustainable growth of our business. To achieve this, we plan to focus on the following strategies:

Re-alignment for better business synergies

Our Company recently completed a phase of consolidation and reorganisation upon receipt of the relevant approvals and accordingly have increased our stake in our joint ventures, Subsidiaries and Associates. We believe that the creation of a single entity along with providing better financial capacity, shall also help us to create an investor friendly holding structure with seamless process to maximise profits and ensure optimal revenue mix. The consolidation and reorganisation process is also intended to aid us in optimisation of costs and operating leverage along with enabling us to optimise resources resulting in elimination of overlapping activities. We continue to constantly explore such opportunities in the best interest of our Company and our stakeholders.

Achieve leadership across key segments and expand existing relationships with OEM customers into new product areas

We will continue to focus on developing our key product verticals namely, automotive horns; automotive lighting; automotive switches; alloy wheels; and other products like fuel caps, CNG kits, rubber hoses and improve the market share we enjoy in our product segments. Our focussed initiatives towards this include continued efforts to make investments in technology and identifying qualified professionals with experience in our industry.

Further, we will continue to work with our OEM customers, with whom we believe we have long-standing relationships and knowledge of requirements and preferences, in order to develop and supply more sophisticated, higher margin products. Our experienced R&D teams enable us to bring new designs and innovations that we then translate into opportunities by marketing these to our customers. We believe that our wide product portfolio and leadership in key product segments will help us in increasing our share of business amongst our OEM customers.

Develop innovative products and designs through in-house R&D, joint ventures, technical collaborations and inorganic acquisitions

We are focused on retaining and strengthening our technological leadership through the continued development of innovative products, which we believe will enable us to expand our diversified products portfolio. We continue to focus on developing and introducing new value added products into our markets. Through constant product innovation and research and development, we intend to offer a diverse range of products that are new to the market and are innovative in nature. We intend to continue to innovate on products and designs and therefore continue to try to ensure market leadership and also be the preferred choice of the OEMs. We also continue to explore opportunities to collaborate with global players to augment the positioning of our products, enhance our manufacturing capabilities, upgrade our technological processes and offer new and diversified range of products to our customers.

Our acquisitions of global lighting business of the Spain based Rinder group and Clarton Horn, illustrate our ability to identify, partner or acquire and assimilate complementary businesses across products and geographies in order to consolidate our position in the auto component industry and we continue to explore relevant opportunities in our focus segments.

Continue to improve margins and profitability

We aim to continue to improve profitability by improving our manufacturing processes, raising margins that we make on each product we manufacture and thereby gaining cost efficiencies. We intend to continue to focus on sourcing materials keeping in mind the economies of scale and thereby ensuring that we get the best available price form the best supplier of raw materials. We also constantly aim to identify opportunities to implement production improvements and dedicate research and development resources to enhance production processes.

SUMMARY OF THE ISSUE

The following is the general summary of the terms of the Issue. The summary should be read in conjunction with, and is qualified in its entirety by, more detailed terms appearing in this Preliminary Placement Document, including under the sections titled "Risk Factors", "Use of Proceeds", "Issue Procedure" and "Description of Equity Shares" on pages 38, 62, 121 and 144.

Issuer	Minda Industries Limited
Issue Size	Up to [•] Equity Shares aggregating up to ₹ [•] lakhs. A minimum of 10% of the Issue Size, or at least [•] Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance [•] Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other QIBs
Face Value	₹ 2 per Equity Share
Issue Price	₹ [•] per Equity Share
Minimum Issue Size	Minimum value of offer or invitation to subscribe to each QIB is ₹ 20,000 of the face value of the Equity Shares
Floor Price	₹ 436.66 per Equity Share Our Company may offer a discount of up to 5% on the Floor Price in terms of Regulation 85 of the SEBI ICDR Regulations.
Eligible Investors	QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations to whom the Preliminary Placement Document and the Application Form is circulated and who are eligible to bid and participate in the Issue and QIBs not excluded pursuant to Regulation 86(1)(b) of the SEBI ICDR Regulations. The list of QIBs to whom the Preliminary Placement Document and Application Form is delivered shall be determined by the Lead Manager in consultation with our Company, at their sole discretion. See "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" on page 121, 133 and 139, respectively.
Dividend	See "***Description of Equity Shares***", "***Dividend Policy***" and "***Statement of Tax Benefits***" on page 144, 66 and 150, respectively.
Indian Taxation	See "***Statement of Tax Benefits***" on page 150.
Date of Board Resolution authorising the Issue	November 10, 2016
Date of passing of resolution by Shareholders authorising the Issue	January 9, 2017
Equity Shares issued and outstanding immediately prior to the Issue	79,326,780 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[•] Equity Shares
Listing	Our Company has obtained in-principle approval dated March 23, 2017 in terms of Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares pursuant to the Issue, from the Stock Exchanges. Our Company shall make application to each of the Stock Exchanges after allotment to obtain final listing and trading approvals for the Equity Shares

Lock-up	Please see the sub-section titled "***Lock-up***" of "***Placement Agreement***" on page 131 for a description of restrictions on our Company and our Promoter and Promoter Group in relation to Equity Shares
Transferability Restriction	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For details in relation to other transfer restrictions, see "***Selling Restrictions****"* and *"****Transfer Restrictions***" on pages 133 and 139, respectively.
Use of Proceeds	The net proceeds of the Issue, after deduction of fees, commissions and expenses in relation to the Issue, are expected to total approximately ₹ [•] lakhs. Please see "***Use of Proceeds***" on page 62
Risk Factors	Please see "***Risk Factors***" on page 38 for a discussion of risks that you should consider before participating in the Issue
Pay-in Date	Last date specified in the CAN sent to the successful Bidders for payment of application money.
Closing Date	The Allotment is expected to be made on or about [•], 2017
Ranking	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including the rights in respect of dividends after the closing. The holders of such Equity Shares will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013. The holders of such Equity Shares may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act, 2013. Please see "***Description of Equity Shares***" on page 144.
Voting Rights of Share Holders	See the section titled "***Description of Equity Shares- Voting Rights***" on page 147.
Security Codes for the Equity Shares	ISIN: INE405E01023 BSE Code: 532539 NSE Code: MINDAIND

SUMMARY FINANCIAL INFORMATION

The following summary financial information and other data should be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our Financial Statements, including the notes thereto and the reports thereon, which appear in the section "Financial Information".

The summary financial information set forth below is derived from the Audited Consolidated Financial Statements as of and for the years ended March 31, 2014, 2015 and 2016, and from the Summary Consolidated Financial Information (Reformatted) prepared in accordance with Indian GAAP.

Solely for the convenience of the reader, the selected data set out below is presented in a format different from our Audited Consolidated Financial Statements and such data has been derived from Audited Consolidated Financial Statements. Neither the information set forth below nor the format in which it is presented should be viewed as comparable to information presented in accordance with Indian GAAP, IFRS or other accounting principles.

Consolidated balance sheet

(₹ in lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Equity and Liabilities			
Shareholders' Funds			
Share Capital	1,936.54	1,936.54	1,936.54
Reserves and Surplus	45,234.12	34,591.39	29,196.39
Minority Interest	10,960.79	2,132.55	1,380.81
Deferred Revenue Income	-	-	85.58
Non-current liabilities			
Long-Term Borrowings	16,901.02	9,720.11	13,764.36
Other Long-Term Liabilities	909.21	302.61	194.83
Long-Term Provisions	3,360.32	2,636.31	2,367.35
Current Liabilities			
Short-Term Borrowings	18,405.76	11,155.95	14,023.25
Trade Payables	32,144.62	26,699.87	24,734.77
Other Current Liabilities	16,944.84	8,926.83	9,352.96
Short-Term Provisions	1,887.38	1,558.49	1,105.27
Total	**148,684.60**	**99,660.65**	**98,142.11**
Non-Current Assets			
Fixed Assets	69,651.36	42,056.86	42,241.56
Goodwill on Consolidation	633.94	-	-
Non-Current Investments	4,362.33	2,633.04	2,442.18
Deferred Tax Assets (Net)	717.81	23.68	161.66
Long-Term Loans and Advances	2,513.60	1,856.29	2,056.13
Other Non-Current Assets	799.61	1,187.45	855.32
Current Assets			
Current Investments	-	202.95	2,304.72
Inventories	18,384.22	14,059.37	12,466.71
Trade Receivables	36,391.30	28,945.55	26,104.04
Cash and Bank Balances	5,666.06	2,802.33	2,775.85
Short-Term Loans and Advances	8,727.77	5,425.07	5,985.65
Other Current Assets	836.60	468.06	748.29
Total	**148,684.60**	**99,660.65**	**98,142.11**

Consolidated balance sheet as at September 30, 2016

(₹ in lakhs)

Particulars	As at September 30, 2016
Equity and Liabilities	
Shareholders' Funds	
Share Capital	1,936.53
Reserves and Surplus	51,790.23
Capital reserve on consolidation	10,990.06
Sub-total – Shareholders' Funds	**64,716.82**
Minority Interest	12,654.94
Non-current liabilities	
Long-Term Borrowings	21,367.20
Other Long-Term Liabilities	-
Deferred Tax Liabilities (net)	746.94
Long-Term Provisions	6,215.51
Sub-total – Non-current liabilities	**28,329.65**
Current Liabilities	
Short-Term Borrowings	29,244.30
Trade Payables	48,133.21
Other Current Liabilities	15,299.07
Short-Term Provisions	1,780.76
Sub-total – Current liabilities	**94,457.34**
Total	**200,158.75**
Non-Current Assets	
Fixed Assets	91,017.09
Goodwill on Consolidation	-
Non-Current Investments	5,001.01
Deferred Tax Assets	1,069.52
Long-Term Loans and Advances	4,041.45
Other Non-Current Assets	652.05
Sub-total – Non-current assets	**101,781.12**
Current Assets	
Inventories	23,405.57
Trade Receivables	51,153.52
Cash and Bank Balances	13,899.26
Short-Term Loans and Advances	8,998.03
Other Current Assets	921.25
Sub-total – Current assets	**98,377.63**
Total	**200,158.75**

Consolidated Statement of Profit and Loss

(₹ in lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Revenue from Operations			
Sale of product (gross)	266,847.29	232,741.09	180,062.42
Excise Duty	18,663.56	14,796.17	12,803.05
Sale of product (net)	248,183.73	217,944.92	167,259.37
Sale of services	2,431.31	2,086.27	1,788.34
Other Operating Income	2,118.45	2,630.39	1,564.79
Net Revenue from Operations	**252,733.49**	**222,661.58**	**170,612.50**
Other Income	1,397.24	2,291.51	1,686.78
Total Revenue	254,130.73	224,953.09	172,299.28
Expenses			
Cost of materials consumed	137,879.64	123,572.89	91,635.58
Purchase of stock-in-trade	24,862.91	24,949.44	26,336.25
Change in inventories of finished goods, work-in-progress and stock-in-trade	(1,765.04)	(747.35)	(856.27)
Employee benefits	32,634.20	28,785.00	22,484.71
Finance costs	2,567.57	2,500.90	2,417.79
Depreciation and amortization	9,261.76	8,349.41	5,907.75
Other expenses	35,338.92	30,667.26	23,230.61
Total expenses	**240,779.96**	**218,077.55**	**171,156.42**
Profit before exceptional items and tax, share in profit of associates (net) and minority interest	13,350.77	6,875.54	1,142.86
Exceptional items	520.18	1,595.67	149.64
Profit for the year before tax	13,870.95	8,471.21	1,292.50
Profit before tax from continuing operations	**13,968.70**	**6,882.94**	**1,292.50**
Income tax expense from continuing operations			
Current tax (including Minimum Alternate Tax)	2,814.24	1,961.74	779.93
Minimum Alternate Tax utilised / (created)	75.22	(297.73)	-
Deferred tax charge / (credit)	(114.54)	274.14	(20.97)
Profit from continuing operations after tax	11,193.77	4,944.79	533.54
Profit / (Loss) from dis-continuing operations after tax	**(97.75)**	**1,588.27**	**-**
Profit for the year after tax, before share in profit of associates (net) and minority interest	11,096.30	6,533.06	533.54
Minority interest	(1,149.23)	25.26	102.23
Share of profit of associates	1,166.60	238.51	81.90
Profit for the year after tax, share in profit of associates (net) and minority interest	**11,113.40**	**6,796.83**	**717.67**
Earing per share			
Basic	**69.97**	**42.76**	**4.45**
Diluted	**69.97**	**42.76**	**4.45**

Consolidated statement of profit and loss as at December 31, 2016 and September 30, 2016

(₹ in lakhs)

Particulars	As at December 31, 2016	As at September 30, 2016
Income from Operations		
Net Sales/Income from operations (Net of Excise Duty)	253,682.90	166,100.97
Other Operating Income	2,015.04	1,141.25
Total Income from Operations (net)	**255,697.94**	**167,242.22**
Expenses		
Cost of materials consumed	141,167.67	93,967.87
Purchases of stock-in-trade	19,305.14	12,218.57
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,497.99)	(1,077.68)
Employees benefits expenses	33,748.47	21,588.78
Depreciation and amortization expense	9,964.75	6,208.84
Other expenses	35,694.32	23,980.40
Total Expenses	**238,382.36**	**156,886.78**
Profit/(Loss) from operations before other income, finance costs and exceptional items	**17,315.58**	**10,355.44**
Other income	1,040.17	609.00
Profit/(Loss) from ordinary activities before finance costs and exceptional items	**18,355.75**	**10,964.44**
Finance costs	3,233.66	2,309.05
Profit/(Loss) from ordinary activities after finance costs but before exceptional items	**15,122.09**	**8,655.39**
Exceptional items	-	-
Profit/(Loss) from ordinary activities before Tax	**15,122.09**	**8,655.39**
Tax Expense	3,574.08	2,247.36
Net Profit/(Loss) from ordinary activities after tax	**11,548.01**	**6,408.03**
Extra-ordinary items (net of tax expense)	-	-
Net Profit/(Loss) for the period	**11,548.01**	**6,408.03**
Share of profit/(loss) of associates	835.91	686.01
Minority interest	(1,353.85)	(537.58)
Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates	11,030.07	6,556.46
Paid up Equity Share Capital	1,586.54	1,586.54
Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-
Earnings per share		
EPS before extra-ordinary items		
a) Basic	13.89	8.26
b) Diluted	13.89	8.26
EPS after extra-ordinary items		
a) Basic	13.89	8.26
b) Diluted	13.89	8.26

Consolidated Statement of Cash Flows

(₹ in lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Cash Flows from Operating Activities			
Profit Before Tax	13,870.95	8,471.21	1,292.50
Share in profit of associates	1,166.60	-	-
Adjustments for:			
Depreciation and Amortization	9,261.76	8,750.06	5,907.75
Finance Costs	2,567.57	2,317.85	2,250.48
Interest Income on Fixed Deposits	(274.53)	(200.74)	(241.93)
Dividend Income from non-current investments	(103.02)	(80.67)	(40.61)
Liabilities / provisions no longer required written back	(79.81)	(327.46)	(279.88)
Net unrealized gain/loss on foreign currency fluctuations	94.51	25.93	210.76
Foreign currency translation reserve	-	-	201.91
Fixed Assets scrapped / written off	43.00	10.54	5.09
Doubtful trade and other receivables provided for	118.66	48.45	74.62
Doubtful trade and other receivables, loans and advances written off	165.70	22.21	45.84
Provision for inventory	-	-	58.30
Profit on sale of fixed assets (net)	(287.98)	(481.33)	(198.60)
Share in profit of associates	(1,166.60)	(592.23)	(550.21)
Impairment of fixed assets / Reversal	-	(1,576.33)	(149.64)
Warranty Rejection	-	993.64	-
Provision for warranty	-	-	385.55
Provision for labour case	-	-	280.01
Operating profit before working capital changes	**25,376.81**	**17,381.12**	**9,251.94**
Adjustments for working capital changes:			
Increase in inventories	(4,324.86)	(1,592.66)	(3,575.98)
Increase in trade receivables	(7,658.92)	(2,915.89)	(4,665.51)
Change in short term loans and advances	(3,227.60)	538.37	(1,379.80)
Change in long term loans and advances	(254.98)	(34.54)	136.29
Change in other non-current assets	285.18	(322.43)	(181.26)
Change in other current assets	(369.74)	279.70	(510.40)
Increase in trade payables	5,444.75	2,292.56	3,376.14
Increase in other current liabilities	1,202.59	87.61	2,705.24
Change in short term provisions	10.90	(642.90)	(510.24)
Change in other long term liabilities	(0.38)	107.78	70.31
Increase in long term provisions	724.02	268.96	319.87
Cash generated from operations	**17,157.77**	**15,447.67**	**5,036.60**
Income tax paid	(2,529.83)	(1,687.09)	(869.07)
Wealth tax paid	(3.45)	3.28	(3.89)
Net Cash Flows from Operating Activities	**14,624.49**	**13,763.86**	**4,163.64**
Cash Flows from Investing Activities			
Sale of current investments	202.95	2,101.77	(2,304.72)
Purchase of non-current investments	(1,145.23)	(153.48)	(174.05)
Share of profit from associates	582.53	554.85	550.21
Purchase of fixed assets	(21,069.63)	(7,797.22)	(12,210.13)
Proceeds from sale of fixed assets	2,601.70	939.99	784.37
Payment from acquisition of subsidiaries	(5,752.08)	-	-
Interest received on fixed deposits	257.76	201.28	284.47

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Dividend income on non-current investments	103.02	80.67	40.61
Change in deposits (with original maturity more than three months)	(1,473.66)	(242.00)	(648.26)
Net Cash Flows from Investing Activities	**(25,692.64)**	**(4,314.14)**	**(13,677.50)**
Cash Flows from Financing Activities			
Proceeds from issue of preference shares	-	527.00	250.00
Proceeds from / (repayment of) short term borrowings (net)	7,249.81	(2,867.30)	5,940.11
Proceeds from long-term borrowings	10,518.59	-	7,374.69
Capital grant received	33.84	-	85.58
Repayment of long term borrowings	(1,751.23)	(3,875.85)	(2,734.66)
Interest paid on borrowings	(2,459.60)	(2,392.23)	(2,328.91)
Dividend paid including corporate dividend tax	(1,253.82)	(1,047.16)	(569.13)
Net Cash Flows from Financing Activities	**12,337.59**	**(9,655.54)**	**8,017.68**
Net increase / (decrease) in cash and cash equivalents	**1,269.44**	**(205.82)**	**(1,496.18)**
Cash and Cash equivalents at opening	2,108.35	2,356.56	3,852.74
Cash and Cash equivalents at closing	**3,377.79**	**2,150.74**	**2,356.56**
Cash in hand	62.15	33.28	46.33
With banks:			
Current accounts	2,884.33	1,764.36	1,818.63
Deposit accounts	431.31	310.71	455.32
Unpaid dividend account	-	23.65	21.41
Cash on imprest account	-	18.74	14.87
Cash and Cash Equivalents at the end of the year	**3,377.79**	**2,150.74**	**2,356.56**

RISK FACTORS

This offering and an investment in Equity Shares involve a high degree of risk. You should carefully consider the risks described below as well as other information contained in this Preliminary Placement Document before making an investment decision in the Issue. If any particular risk or some combination of the risks described below actually occurs, our business, prospects, financial condition, results of operation and cash flows could be seriously harmed, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless specified in the risk factors below, we are not in a position to quantify the financial implications of any of the risks mentioned below. We have described the risks and uncertainties that our management currently believes are material but the risks set out in this Preliminary Placement Document may not be exhaustive or complete and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. This section should be read together with "Industry Overview", "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as the Financial Statements, including the notes thereto, and other financial information included elsewhere in this Preliminary Placement Document. This Preliminary Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Preliminary Placement Document. Additional risks not described below or not currently known to us or that we currently deem immaterial may also adversely affect the market price of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and the risks involved.

Risk relating to our business

1. ***A significant portion of our revenue from sale of products is concentrated amongst a limited number of customers.***

   Globally, the automotive industry is dominated by a limited number of OEMs and despite our diversified product portfolio, we derive a significant percentage of our revenue from our top ten OEM customers in respective segment and/or on an overall basis. While we have long-standing relations with some of our major customers, the loss of any one of our key customers or a significant reduction in demand from such customers, if not replaced, could have an adverse effect on our business, results of operations and financial condition.

   Decline in the vehicle demand could prompt OEMs to reduce their production volumes, directly affecting the demand for our products from such OEM customers. In addition to decline in demand for existing products, insufficient demand for new products launched by our OEMs, financial difficulties experienced by any of our large volume OEM customers or their inability to obtain financing for their business may also have a material adverse impact on our result of operations.

   Further, our dependence on such major OEMs could potentially impact our ability to negotiate favourable contract terms which may impact our margins, working capital requirements and consequentially our result of operations.

2. ***Our contractual arrangements with our OEM customers are generally requirement contracts, and any termination of such contract or decline in the production requirements of any of our customers, in particular for any of our large customers, could materially and adversely affect our business, results of operations and financial condition.***

   Pursuant to the prevalent automotive industry practice, we do not have firm commitment supply agreements with most of our customers and instead we rely on purchase orders to govern the volume and other terms of our product sales. We enter into agreements with our OEM customers for specific products, which include general terms of sale, specification requirements and pricing policy, but such agreements do not obligate our customers to place an order with us. Actual orders are based on purchase orders issued by our customers from time to time. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules. We supply substantially all of our products to our customers pursuant to purchase orders for specific products for particular vehicles, which are governed by terms and conditions established by each OEM customer.

In most instances, our OEM customers agree to purchase their requirements for specific products but are not mandatorily required to purchase any minimum quantity of products from us. Further, such conditions provide flexibility to our customers to place order for a lesser quantity of products in the purchase orders in spite of a higher number being specified in the contract. Accordingly, we face the risk that our OEM customers might place lesser-than-expected orders or may even cancel existing orders (including where deliveries were to be made in the future) or make changes to their policies which may result in reduced quantities being manufactured by us for our customers. Some OEM customers may also contract with an alternative supplier for the same vehicle platform. The purchase orders we receive from some customers specify a per-unit price, the delivery schedule and the requisite quantities.

Our supply contracts with our OEM customers typically provide for the supply of our products for a specified time period, typically ranging from one and up to three years. Since our customers typically have no obligation to purchase a specific quantity of products, the discontinuation of, or a decrease in demand for, certain models or group of related models sold by any of our major customers or resourcing or discontinuation or purchasing from us, for a particular model or group of models, could have a material impact on us.

We typically commit to order raw materials and sub-assembly components from our suppliers based on our customer recommendations, forecasts and orders. Cancellation by customers or any delay or reduction in their orders can result in a mismatch between the inventory of pre-constructed components, raw materials and the manufactured product that we hold. This could also result in excess inventory and increased working capital, till such time as the such products are sold. This could materially affect the orderly management of our inventory and could potentially impact our production.

In addition, we make significant decisions, including setting up of facilities, determining the levels of business that we will seek and accept, production schedules, component procurement commitments, personnel requirements and other resource requirements, based on our estimates of customer orders. This may require us to increase staffing, increase capacity, engage sub-contractors and incur other expenses to meet the anticipated demand of our customers, in relation to changes (such as order getting delayed or cancelled) which could cause reductions in our margins. We cannot assure you that we will be able to realise the value of investments made by us on the basis of such contractual arrangements and any such loss may have an adverse impact on our results of operations.

3. Product liability and other civil claims and costs incurred for any reason owing to a product recall; could harm our business, results of operations and financial condition.

Our customers use our products for critical applications, and in the event, that our products fail to perform as expected or such failure results, or is alleged to result, in bodily injury or property damage or both we may be subject to product liability. We procure certain materials and bought-out parts from our suppliers, and while we believe that such suppliers follow quality standards in-line with industry standards, any failure of such components may enhance our product liability risk. There can be no assurances that we will not become subject to product liability claims or that we will be able to successfully defend ourselves against any such claims. The outcome of litigation and other legal proceedings that we may be involved in the future is difficult to assess or quantify. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. Defence and settlement costs can be substantial, even with respect to claims that have no merit.

Vehicle manufacturers have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the vehicle design process and assume more vehicle assembly functions, vehicle manufacturers may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims. Vehicle manufacturers are also increasingly requiring their suppliers to provide warranties for their products and bear the costs of repair and replacement of such products under new vehicle warranties.

Depending on the terms under which we supply products, our customers may hold us responsible for some or all of the repair or replacement costs of defective products under new vehicle warranties provided by us or by our customers, when the products supplied do not perform as expected. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage and provisions made by us, if any, would have an adverse effect on our business, results of operations and/or our financial condition. Further, as a result of product liability legislation, civil claims may be brought against

OEMs, and we may be made parties to such claims where damages may have been caused by any faulty products that we produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition. Our insurance coverage taken for this purpose could not be sufficient to cover losses or other costs which we may incur.

4. The automotive component industry is characterised by intense competition, which could reduce our sales or put continued pressure on our sales prices.

The Indian automotive component industry is highly competitive. The principal competitive factors in this industry include:

- product quality and features;
- innovation and product development time;
- a company's reputation as a manufacturer and distributor of quality products;
- ability to control costs;
- pricing and financial terms;
- reliability and safety; and
- a company's level of service (including maintaining sufficient inventory levels for timely deliveries)

Many of our competitors may have longer operating histories and strong financials, greater market penetration, operations in diversified geographies and product portfolios, research and development, marketing and more resources than we do. Consequently, many of our competitors may be able to develop products and/or processes competitive with, or superior to, our own. Furthermore, we may not be able to differentiate our products from those of our competitors; to successfully develop or introduce new products on a timely basis or at all, that are less costly than those of our competitors; or to offer customers payment and other commercial terms as favourable as those offered by our competitors. Our competitors include automotive component manufacturing companies, both domestic and foreign. If our competitors outperform our business and develop superior products at a lesser cost in a timely manner, our growth and financial results could be adversely affected.

Increased consolidation among our competitors or between our competitors and any of our OEM customers could allow competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure. Furthermore, competitors may gain control over or influence our suppliers or customers by shareholdings in such companies, which could adversely affect our supplier relationships. Our inability to form such alliances or adequately adjust our customer pricing in response to customer demand or market trend in a timely manner, or at all, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

5. We significantly rely on our suppliers and if these suppliers fail to deliver necessary raw materials, systems and parts of appropriate quality in a timely manner our operations may be disrupted.

Our business depends on a considerable number of suppliers, who provide the raw materials and essential parts that we require to manufacture our products and to operate our business. We use a variety of raw materials in our business including metals (such as aluminum, copper and lead), plastics and other electronic components. We source materials from a limited number of suppliers and cannot guarantee that we will be able to maintain uninterrupted access to these sources, or the price of such products, which in some cases may be affected by factors outside of our control and/or the control of our suppliers. This essentially exposes us to the risk of price fluctuations and if required to change the suppliers on account of price escalation, we may be subject to a variety of supply risks. In addition, prices for these raw materials fluctuate and while we seek to manage this exposure, we may not be successful in mitigating these risks. Furthermore, we have limited ability to monitor the financial stability of our suppliers.

We undertake procedures internally to ensure that we procure raw materials of the highest quality and from reputed and well known suppliers. Further, there can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in shortages or delays in their supplies to us. If our suppliers fail to provide essential raw material in a timely manner or at the level of quality necessary to manufacture our products or if we were to experience a significant or prolonged shortage of supplies from

any of our suppliers, and are unable to procure the supplies from other sources, we would be unable to meet our production schedules and to supply such products to our customers in timely fashion. Any such delay may expose us to consequential damages being sought by our customers which would adversely affect our sales, margins and customer relations, operating results and/or our financial condition.

6. We incur significant costs in developing new products for our customers and we may not achieve the targeted return on investment on such products.

While we incur significant costs in developing new products in accordance with requirements of our customers, there can be no assurance that such products will be successful or that we will achieve the targeted return on investment on such activities. In the past, we have developed and registered product patents and have also filed registrations for various designs required for the business. There can be no assurance that such R&D activities will result in new significant marketable products or enhancements to our products, design improvements, cost savings, revenues or other expected benefits. If we spend significant time and effort on R&D and are unable to generate an adequate return on our investment, our business and results of operations may be materially and adversely affected.

7. We have invested substantial resources in markets and product lines where we expect growth. Should such expectations not be realised, we may be unable to alter our strategies.

Our growth is dependent on making timely investments to support our product development initiatives and manufacturing capacity in markets and product lines. Accordingly, we have made and expect to continue to make substantial investments in manufacturing operations, engineering centres and other infrastructure to support anticipated growth across markets and product lines. While such investment decisions are based on inherent market potential and internal analysis of the business opportunity, if these markets or product lines do not grow at the pace that we expect or at all, or if we are unable to deepen existing and develop additional customer relationships in these markets and product lines, we may fail to realise expected rates of return on our existing investments, incur losses on such investments and be unable to effectively redeploy the invested capital to take advantage of other markets and opportunities, potentially resulting in loss of market share to our competitors. Our business, results of operations and financial condition may be materially affected if these markets and product lines do not grow as quickly as we anticipate or at all.

8. We have undertaken and may continue to undertake strategic investments, joint ventures and alliances, acquisitions and mergers in the future, which may be difficult to integrate and manage.

We have pursued and continue to pursue acquisitions, mergers and strategic investments and alliances as a mode of expanding our operations. For example, we currently have a joint venture agreement with Katolec Corporation, Japan, pursuant to which we intend to incorporate a new JV named Minda Katolec Electronics Services Private Limited for manufacturing high end electronic products like printed circuit boards and box build assemblies. Also, pursuant to a joint venture agreement with Onkyo Corporation, Japan we have recently incorporated a JV namely, Minda Onkyo India Private Limited for designing, developing and manufacturing speakers and speaker systems in India as well as to undertake exports to other countries. In 2016, our Company acquired the global lighting business of the Spain based Rinder Group to complement our overall strategy for growth in the sector wherein our Company acquired Rinder India Private Limited, Light Systems and Technical Centre, Spain and acquired 50% of shareholding in Rinder Riducu, Colombia. There can be no assurance that the integration of such strategic investments, joint ventures and alliances, acquisitions and mergers, whether already existing, or which we may enter in the future, will be successful or that the expected strategic benefits of any such action will be realised.

We may continue to pursue further acquisitions, mergers, joint ventures, investments and expansions to enhance our operations and technological capabilities. However, there can be no assurance that we will be able to identify suitable acquisition targets or investment opportunities on commercially reasonable terms or be able to raise sufficient funds to finance such strategies for growth. Further expansion and acquisitions may require us to incur or assume new debt, expose us to future funding obligations or integration risks and we cannot assure you that such expansion or acquisitions will contribute to our profitability. In addition, acquisitions and investments involve a number of risks, including possible adverse effects on our operating results, diversion of management's attention, failure to retain key personnel, currency risks, risks associated with unanticipated events or liabilities, possible contravention of applicable laws in relation to investment and transfer of shareholding, including any pre-emptive rights of existing shareholders of such entities and difficulties in the assimilation of the operations, technologies, systems, services and products of the acquired

businesses or investments, as well as other economic, political and regulatory risks. Additionally, there can be no assurance that we will be able to consummate our expansions, acquisitions, mergers or strategic alliances in the future on terms acceptable to us, or at all. Further there is no assurance that our products manufactured through technical collaborations and alliances will generate the expected levels of interest amongst our customers or that our new ventures will generate return on investment at expected levels or at all.

9. Our Company is currently undergoing a reorganisation and consolidation process which is crucial to our plan of creating a single entity.

Our Company recently completed a phase of consolidation and reorganisation upon receipt of the relevant approvals and accordingly have increased our stake in our joint ventures, Subsidiaries and Associates. We believe that the creation of a single entity helps us create an investor friendly holding structure with a seamless process to maximise profits and ensure optimal revenue mix, and enhances our financial capacity.

Our Board in the future, may also consider taking steps (subject to receipt of relevant corporate approvals) to continue consolidation of our business including with among others, our Subsidiaries, Joint Ventures and Associates or any other entity as deemed appropriate by our Board. In the event that our Board, undertakes steps to further consolidate our stake in our Joint Ventures, Subsidiaries and Associates where our Promoter and Promoter Group are interested, our Company may have to pay consideration to such entities forming part of our Promoter and Promoter Group. We cannot assure you that any reorganisation already completed by us would deliver the desired objectives or that any further consolidation will be approved by the board and other shareholders in such Subsidiaries, Joint Ventures or Associates, our shareholders and/or regulators, on terms acceptable to us. While we believe that the reorganisation is beneficial for all stakeholders in our Company, we cannot assure you that we will be able to achieve the desired results any failure to do so may disrupt our ongoing business, distract our management and employees and increase our expenses.

10. We are required to obtain and maintain quality and product certifications.

In some countries, for certain products we may be required to procure certifications in addition to other quality standards which could be necessary for these products to be accepted by customers and the markets. Such certifications could also be specified by our customers.

As such, we need to be able to obtain and maintain the relevant certifications so that our customers are able to sell their products, which include components that are manufactured by us, in these countries. In addition, some OEM customers also require us to maintain certain standards and conduct inspections at regular intervals to ensure that we maintain these standards.

Further, we are required to and wherever applicable are, in the process of obtaining, renewing or rectifying certain registrations, permits, licenses, certificates, authorisations and consents for certain of our operations, which either have not been obtained, have expired or are expiring. Our inability to secure such license, or any other licenses, certification, registrations and permits in other jurisdictions in a timely manner or at all, could result in operational delays or suspensions and/or administrative fines and penalties, which could have a material adverse effect on the manufacturing operations of our relevant facilities in those jurisdictions, as well as our overall business, results of operations and financial condition.

11. Our inability to identify and adapt to evolving industry trends and preferences and develop new products to meet our customers' demands may adversely affect our business.

Changes in competitive technologies may render certain of our products obsolete, cost inefficient or less attractive, and to compete effectively we must be able to develop and produce new products or enhanced versions of existing products to meet our customers' demands in a timely manner. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge or capabilities which will allow us to expand our product portfolio in a timely manner or at all, in which circumstances, we may be unable to effectively implement our strategy, and our business and results of operations may be adversely affected. Additionally, we may not be able to secure adequate financing for the capital expenditures required for the research and development of new technologies and products. If we are unable to secure adequate financing, or financing in time on commercially acceptable terms, or at all, we may be forced to curtail our

product development programs, and our business, financial conditions and results of operations may be materially and adversely affected. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly.

12. Seasonal or economic cyclicality together with reduced demand in the automotive component manufacturing industry could affect our business.

Substantially all of our business is directly related to vehicle sales and production by our customers, who consist primarily of large automotive OEMs, and demand for our products is largely dependent on the industrial output of the automotive industry. The sales, volumes and prices for vehicles are influenced by the cyclicality and seasonality of demand for these products. The automotive industry has been cyclical in the past and we expect this cyclicality to continue. Our operations and performance are directly related to levels of global vehicle production and are therefore affected by factors that generally affect the automotive industry. The automotive industry is sensitive to factors such as consumer demand, consumer confidence, disposable income levels, employment levels, fuel prices and general economic conditions. Any significant reduction in vehicle sales and production by our customers may have a material adverse effect on our business, financial condition and results of operations. For example, a substantial deterioration in vehicle production such as that experienced immediately following the demonetisation of currency notes announced by the Government of India, had a short-term impact on our sales to customers.

13. Product recalls by OEMs could negatively affect their production levels and therefore have a material adverse effect on our business, results of operations and financial condition.

In the past, there have been significant product recalls by some of the world's largest OEMs, including our existing customers. Recalls may result in decreased production levels due to: (i) an OEM focusing its efforts on addressing the problems underlying the recall, as opposed to generating new sales volume; and (ii) consumers electing not to purchase vehicles manufactured by the OEM initiating the recall, or by OEMs in general, while such recalls persist. Any reductions in OEM production volumes, especially those OEMs which are our existing customers, could have a material adverse effect on our business, results of operations and financial condition.

If any of our products are or are alleged to be defective, we may be required to undertake corrective steps such as providing replacements at our costs, participate in service actions and wherever applicable also be involved in recall campaigns involving such products. Any negative publicity arising from our role in these, could adversely affect our reputation and brand and coupled with the costs associated with the remedial action, could have a material adverse effect on our business, results of operations and financial condition.

14. Our operations are subject to various hazards, environmental and health and safety laws and regulations, and other government regulations, which could expose us to the risk of liabilities, loss of revenues and increased expenses or material liabilities in the future, that may in turn result in an adverse effect on our financial condition or result in material liabilities in the future.

Our operations are subject to various hazards associated with the manufacturing industry such as the use, handling, processing, storage and transportation of hazardous materials, as well as accidents such as leakage or spillage of hazardous materials. The storage of these hazardous materials near our manufacturing facilities and the handling of these materials in the manufacturing process pose inherent risks. Any mishandling of hazardous substances could expose our work force to injuries or death. In addition, our workmen operate heavy machinery at our manufacturing facilities and accidents may occur during operations.

While the company adopts high safety standards, these hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. While we maintain general insurance against these liabilities, insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur.

Any failure to effectively cover ourselves against any of the foregoing risks could expose us to substantial costs and potentially lead to losses. Additionally, the occurrence of any of these risks may also divert management's attention and resources and adversely affect public perception about our operations and the

perception of our suppliers, customers and employees, leading to an adverse effect on our business, results of operations and financial condition in the short term.

We are subject to numerous central, state, local and foreign laws and regulations, of the countries in which we operate relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes. Under certain environmental laws, we could be held solely or jointly and severally responsible, regardless of fault, for the remediation of any hazardous substance contamination at our past and present facilities or any consequences arising out of human exposure to such hazardous substances, and could also be held liable for damages to natural resources or other environmental damage. For instance, we require approvals under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, in order to establish and operate our manufacturing facilities in India. Further, environmental laws of Mexico, Morocco and Spain, require us to obtain environment impact approval in relation to our manufacturing facilities and obtain environment license in accordance their respective environmental norms.

If we fail to comply with such laws and regulations, we could be subject to significant fines, penalties, costs, liabilities or restrictions on operations, which could negatively affect our financial condition. Regulatory permits required for our operations may also be subject to periodic renewal and, in certain circumstances, modification or revocation. Environmental and occupational health and safety laws and regulations, and the interpretation and enforcement thereof, are subject to change and have tended to become stricter over time, in India and internationally. While we are not aware of any outstanding material claims or obligations, we may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of violations of or liabilities under environmental or health and safety laws or noncompliance with permits required at our facilities, which, as a result, may have an adverse effect on our business and financial condition.

15. We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our quarterly results to fluctuate.

Our Financial Statements are presented in Indian Rupees. However, revenues and operating expenses of our overseas subsidiaries are influenced by the currencies of those countries where we manufacture and/or sell our products (for example ASEAN, Mexico and Europe).

The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and this has impacted our results of operations in the past and may also impact our business in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period. Further, our Company imports raw materials and components from other countries where payments are made in foreign currencies any we may not be able to pass on any unfavourable increase in raw materials and components to our customers. There can be no guarantee that such fluctuations will not affect our financial performance in the future as we continue to expand our operations globally, particularly in emerging markets where the risk of currency volatility is higher.

While we seek to hedge our foreign currency exchange risk by entering into forward exchange contracts, any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations.

The realisation of any of these risks could have a material adverse impact on our financial condition and results of operations.

16. ***Volatility in the prices of raw materials on which we rely could adversely affect our results of operations and cash flows.***

Prices of certain raw materials that we use to manufacture our finished products, including metals (such as aluminum, copper and lead) and plastics are linked to commodity markets and thus subject to fluctuation. We cannot assure you that the markets for these products will not develop volatility in the future. In addition, supply shortages or delays in deliveries of raw materials or component parts can also result in increased costs. Although we seek to enter into negotiations with our customers to increase the sale prices of our products to account for increases in such costs, there can be no assurance that we will be successful in such negotiations or that any agreed price increase will fully cover the increase in such costs. Our inability to adequately adjust our customer pricing in response to increases in prices of raw materials in a timely manner, or at all, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

17. ***Increases in the price or inadequate supply of energy and other input materials may adversely affect our results of operations and cash flows.***

Power and fuel accounts for a significant portion of the cost for a number of activities connected with our business including transportation of raw materials and finished products and operation of our production facilities. Energy prices, particularly for petroleum-based sources, are volatile and an increase in energy prices could lead to an increase in transportation costs for us and our suppliers and customers as well as increasing the cost of operating our production facilities. Where our locations are not close to that of our customers, such increased cost owing to increase in prices may have an impact on our profitability. While we may in some cases, factor in the cost for utilities including transportation, and pass on this cost to the consumer, any such increase in costs could decrease our margins if we are unable to negotiate an increase in our product prices, sufficient enough to offset these increased costs. Such energy cost increases and margin erosion could have an adverse effect on our results of operations and cash flows. If supply is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason sufficient electricity is not available at reasonable cost, we may need to shut down our plants until an adequate supply of electricity is restored.

18. ***Deterioration in the performance of any of our Subsidiaries, Joint Ventures and Associates may adversely affect our results of operations and our ability to pay dividends on the Equity Shares depends on our ability to obtain cash dividends or other cash payments.***

We currently conduct a substantial part of our operations through our Subsidiaries, Joint Ventures and Associates, contribute to our revenue. We have made and may continue to make capital commitments to our Subsidiaries, Joint Ventures and Associates, and if the business or operations of any of these Subsidiaries, Joint Ventures and Associates deteriorates, the value of our investments may decline substantially. In some entities, we enjoy only partial or joint control and any inability or unwillingness of our partners to fulfil their obligations may significantly reduce the value of our investments, and, which may in turn have a material adverse effect on our reputation, business, financial position or results of operations.

The ability of our Subsidiaries, Joint Ventures or Associates to make payments to us depends largely on their financial condition and ability to generate profits as well as regulatory conditions. In addition, because our Subsidiaries, Joint Ventures and Associates are separate and distinct legal entities, they will have no obligation to pay any dividends and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or partners or the applicable laws and regulations of the various countries in which they operate. We cannot assure you that our Subsidiaries, Joint Ventures or Associates entities will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends to enable us to meet our obligations and pay interest, expenses and wherever approved by our Board to pay dividend on the Equity Shares. The inability of one or more of these entities to pay dividends could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

In addition, our financial condition and results of operations could be adversely affected should our equity stake in our Subsidiaries or our equity interest in our Joint Ventures or Associates be diluted or in the event they cease to be our Subsidiaries, Joint Ventures or Associates. Further, in the event that the value of our

investment in any of our Subsidiaries, Joint Ventures or Associates diminishes significantly, this could have a material adverse effect on our financial condition and results of operations.

19. The geographical concentration of our manufacturing facilities may restrict our operations and adversely affect our business and financial conditions.

We conduct most of our manufacturing operations in various facilities in India and Europe. Due to the geographic concentration of our manufacturing operations and the operations of certain of our suppliers, our operations are susceptible to local and regional factors, agitations, accidents, system failures, economic and weather conditions, natural disasters, and demographic and population changes, and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing facilities, significant delays in shipments of our products and/or otherwise materially adversely affect our business, financial condition and results of operations.

20. We do not own all the premises from which we operate and continuous and uninterrupted use and possession of such premises are subject to certain conditions as per the lease agreements.

We do not own all the premises from which we operate and such premises also include leased properties. While such lease agreements are renewable as per the terms of the lease agreements. If the owner of such premises does not renew the relevant agreements under which we occupy the premises or renews such agreements on terms and conditions that are unfavourable to the Company, we may suffer a disruption in its operations or an impact on our financial condition, which could in turn have a material adverse effect on its business. While there are currently no unresolved proceedings before, nor any pending notices issued by, such authorities and/or our Company, there is however, a pending litigation involving one of our subsidiaries and there can be no assurance in relation to the outcome of the dispute. Further, while our Company and Subsidiaries continues to engage with such authorities, there could be instances of non-compliance of certain terms of the lease deeds leading to termination of such leases. Such termination could result in disruption of business operations which may have a material impact on the business and financial performance of our Company.

21. We have experienced growth in the past few years and if we are unable to sustain or manage our growth, our business, results of operations and financial condition may be adversely affected.

We have experienced growth in the past three years. We had ₹ 2,54,130.73 lakhs of total revenue, on a consolidated basis, in Fiscal 2016 as compared to ₹ 1,72,299.28 lakhs for the Fiscal 2014. Our operations have also grown significantly over the last three Fiscals. We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for automotive components, increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition. We are embarking on a growth strategy which involves re-alignment of our organisation for better business synergies, achieve leadership across key segments and expand existing relationship with OEM customers in new product areas, continue to improve margins and profitability, focusing on operational efficiencies to improve returns, continuing to develop innovative products and designs through R&D, technical collaborations, strategic alliances and inorganic growth opportunities and expanding our presence in the profitable after-market segment. We cannot assure you that we will be successful in implementing our growth strategies or that such strategies will have the desired impact on our growth, profitability of results of operations. Further, as we scale-up our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

22. We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business and operate our manufacturing facilities, which could result in an adverse effect on our results of operations.

We require certain statutory and regulatory permits, licenses and approvals to operate our business such as consents to establish and operate from the state pollution control boards (where our manufacturing facilities are located), such as registration and licenses issued under the Factories Act for our various manufacturing facilities, fire safety licenses from municipal fire safety authorities, registration certificates issued under various labour laws, including contract labour registration certificates and licenses as well as various taxation

related registrations, such as registrations for payment of excise duties, sales and value added taxes, professional taxes and service taxes. The success of our strategy to modernise, optimise and expand our existing operations in the verticals in which we operate is contingent upon, among other factors, receipt of all required licenses, registrations, permits and authorisations. Whilst we have obtained a significant number of approvals for our businesses, certain approvals that we have applied for are currently pending. Additionally, our licenses, permits and approvals impose certain terms and conditions that require us to incur significant costs and *inter alia*, restrict certain activities. There can be no assurances that the approvals, licenses, permits and registrations may not be revoked in the event of any non-compliance with any terms or conditions imposed thereof.

In the future, we will be required to regularly renew permits, licenses and approvals for our business, and to obtain new permits, licenses and approvals for any proposed expansion. While we will endeavour to renew, or obtain such approvals as required, there can be no assurance that the relevant authorities will issue any such approvals within our anticipated timeframe or at all.

Further, there can be no assurances that the legal framework, licensing and other regulatory requirements or enforcement trends in our industry will not further change in a manner that does not result in increased costs of compliance, or that we will be successful in responding to such changes. Moreover, as we grow our business, the requirements for obtaining new licenses, approvals and authorisations will also increase. If we lose or otherwise are unable to maintain any of our required licenses, registrations, permits and approvals under applicable laws and regulations, our business operations may be materially and adversely affected and we may be required to incur additional expenditure in this regard.

23. We are a manufacturing company, and any shutdown of operations at any of our manufacturing facilities could result in significant costs and may have an adverse effect on our operations and financial condition.

Our manufacturing facilities and R&D and design centres are subject to operating risks, such as (i) the risk of substantial disruption or shutdown due to breakdowns or failure of equipment, natural disasters, storms, fires, explosions, earthquakes, floods and other catastrophic events, actual, potential or suspected epidemic outbreaks, terrorist attacks and wars, labour disputes, strikes, lock-outs, loss of services of our external contractors, and industrial accidents, (ii) performance below expected levels of output or efficiency, and (iii) obsolescence. Moreover, catastrophic events could also destroy any inventory located at our facilities. The occurrence of any such event could result in a temporary or long-term closure of any of our manufacturing facilities. If we are required to close any of our facilities, the costs relating to such closure may be significant. In certain locations where our facilities are subject to leases, we may continue to incur significant costs in accordance with the existing lease terms.

Additionally, the assembly lines of some of our OEM customers rely significantly on the timely delivery of our components and our ability to provide an uninterrupted supply of our products is critical to our business and sustained relationships with our OEM customers. Also, under our supply obligations certain of our customers impose significant penalties on component manufacturers, like us, for any stoppage in any assembly line, caused either by delayed delivery of a component or a defect in the components delivered. Our business and financial results may be adversely affected by any disruption of operations of our product lines, and we cannot assure you that we will not be required to close any of our manufacturing facilities in the future, including as a result of any of the factors mentioned above.

24. We depend on our senior management, executive officers, key employees and skilled personnel, and if we are unable to recruit and retain skilled management personnel, our business and our ability to operate or grow our business could be adversely affected.

Our success depends to a large extent upon the continued services of senior management, executive officers, key employees and other skilled personnel. We could be adversely affected by the loss of any of the members of senior management, executive officers and other key employees. The market for such qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. In some of our markets, the specialized skills we require are difficult and time-consuming to acquire and, as a result, are in short supply. We require a long period of time to hire and train replacement personnel when we lose skilled employees. Our inability to hire, train and retain a sufficient number of qualified employees could delay our ability to bring new products or services to the market and impair the success of our operations. This could have a material adverse effect on our business, financial condition and results of operations.

Our success also depends, in part, on key customer relationships forged by our senior management. If we were to lose these members of senior management we cannot assure you that we will be able to continue to maintain key customer relationships or renew them. If we are unable to retain /or suitably replace the members of our senior management, our business, financial condition and results of operations may be adversely affected.

25. The workforce in the automotive industry is highly unionised and our business could be adversely affected by labour disruptions.

As of January, 2017, our Company and our Subsidiaries had more than 10,500 employees on a consolidated basis, and only around 17 of such employees are covered under collective bargaining agreements and/or tariff agreements, or are members of industrial trade union organisations. Where our workforce is covered by collective bargaining agreements and/or tariff agreements, and where there are no agreements, we follow the employment-related legislation in which our facilities are located. If major work disruptions involving our employees were to occur, our business could be adversely affected by a variety of factors, including sales loss, increased costs and reduced profitability. We cannot ensure that we will not experience a material labour disruption at one or more of our facilities in the future in the course of renegotiation of our labour arrangements or otherwise. In addition, a substantial portion of hourly employees of OEM customers and many of their suppliers are covered by collective bargaining agreements. OEM customers and suppliers and their employees in other countries are also subject to labour agreements. A work stoppage or strike at our production facilities, at those of a significant customer or at a significant supplier of ours, could have a material adverse impact on us by disrupting demand for our products or our ability to manufacture our products.

Additionally, in order to retain flexibility, we enter into contracts with independent contractors to complete specified assignments in our facilities and these contractors are required to source the labour necessary to complete such assignments. Any shortage of such contract labour or any work stoppages caused by disagreements with independent contractors could have a material adverse effect on our business, financial condition and results of operations. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition.

26. We rely upon the success of our dealers and retailers network for our replacement market sales.

Certain portion of our net sales comprise of replacement or aftermarket sales for which we rely on our dealers and retailer network. Not all our dealers and retailers are contractually required to sell our products on an exclusive basis. In addition, no assurance can be given that our current dealers and retailers will continue to do business with us or that we can continue to attract new dealers and retailers to our network. Our business to an extent is dependent on our ability to attract and retain third-party dealers and retailers and such parties' ability to promote sell and market our products effectively. Maintaining good relations with the dealers and retailers is vital to our business. Our inability to maintain stability of our dealers and retailers network and to attract new distributors to our dealers and retailers network in the future could adversely affect our business, results of operations and financial condition.

27. Any inability to manage our growing international business may materially and adversely affect our financial condition and results of operations.

Our growth strategy relies on the expansion of our operations by introducing certain automotive products in markets outside India, including the North America, Europe, South America, Africa and South-east Asia. The costs associated with entering and establishing ourselves in new markets, and expanding such operations, may be higher than expected, and we may face significant competition in those regions. In addition, our international business is subject to many actual and potential risks and challenges, including language barriers, cultural differences and other difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of some foreign countries, the risk of non-tariff barriers, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws, rules and regulations. As part of our global activities, we may engage with third-party dealers and distributors whom we do not control but which nevertheless take actions that could have a material adverse impact on our

reputation and business. In addition, we cannot assure you that we will not be held responsible for any activities undertaken by such dealers and distributors. If we are unable to manage risks related to our expansion and growth in other parts of the world, our business, financial condition and results of operations could be materially affected.

28. Restrictive covenants in our financing agreements may limit our operations and financial flexibility and materially and adversely impact our financial condition, results of operations and prospects.

Some of our financing agreements and debt arrangements set limits on or require us to obtain lender consent before, among other things, pledging assets as security, raising additional sources of capital and from effecting changes in control of our Company. In the past, we have been able to obtain required lender consent for such activities. However, there can be no assurance that we will be able to obtain such consents in the future. While in the past, in the instances where there have been breaches, our lenders may not have issued notices, we cannot assure you that the lender shall condone such breaches, if any. If our liquidity needs, or growth plans, require such consents and such consents are not obtained, we may be forced to forego or alter our plans, which could materially and adversely affect our financial condition and results of operations. In addition, certain financial covenants may limit our ability to borrow additional funds or to incur additional liens. In the event, we breach financing agreements, the outstanding amounts due thereunder could become due and payable immediately or result in increased costs. A default under one of these agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. This could have a material adverse effect on our financial condition and results of operations.

Further, some of our borrowing agreements also require us to obtain prior written consent for certain acts such as amendments to constitutional documents or to create any security. Violation of any of these covenants may amount to events of default, which may result in breach of contract causing claims to be brought against us or termination of the agreements as well as prepayment obligations. Where instances of breaches arise, our lenders may invoke rights under the borrowing arrangements. In addition, future non-compliance with the financial covenants of our financing agreements may lead to increased costs for any future financings.

29. We are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.

There is no guarantee that we will accurately assess the creditworthiness of our customers. If there is deterioration in our customers' financial condition, including insufficient liquidity, they may be unable to pay their dues to us on time, or at all. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Any failure or delay in payment could also lead us to further extend our payment terms, restructure our accounts receivable or create allowances for doubtful debts. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. Sometimes we commit resources prior to receiving advances and any delays in customer payments may require us to make a working capital investment and may also delay honouring of our payment obligations to our suppliers and vendors If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our customer balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

30. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows and working capital requirements.

Our ability to pay dividends to our shareholders will depend upon our future earnings, financial condition, cash flows, planned capital expenditures and working capital requirements. On February 7, 2017, our Company declared a dividend at the rate of ₹ 1.20 per Equity Share i.e. 60% on 7,93,26,780 Equity Shares and ₹ 0.30 per cumulative redeemable preference share on the 35,00,000 3% cumulative redeemable preference share of ₹ 10 each. For details, see "***Dividend Policy***" on page 66. We may be unable to pay dividends in the near or medium term, and the future dividend pay-out will depend on our planned capital

expenditures and working capital requirements, financial condition, results of operations and cash flows.

31. We do not own the logo that we use for our business and are permitted to use them pursuant to a trademark license agreement. Any discontinuation of the usage of this logo could adversely affect our business, financial condition and the results of our operations.

Our Company does not own any intellectual property in relation to the '*UNO MINDA'* logo. Therefore, the logo that we use for our business is not owned by us and has been applied to be registered by another entity who has allowed us to use such logo. There can be no assurance that such applications for registration of these trademarks will be approved by the Trade Marks Registry in a timely manner, or at all. Further, there can also be no assurance that the such entity will continue to allow us to use the logo which we are currently using. In light of the same, we are also exposed to the risk that other entities may pass off their products with this logo, by imitating our brand name, packaging material and attempting to create counterfeit products. Our inability to be able to use the logo in the future, may materially and adversely affect our business, financial condition and the results of our operations.

32. If we fail to keep our technical knowledge and process know-how confidential, we may suffer a loss of our competitive advantage.

We possess extensive technical knowledge about our products and such technical knowledge has been developed through our own experiences and through licensing agreements and technical assistance agreements, which grant us access to new technologies. Our technical knowledge is an independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with some of our customers and suppliers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as many of our designs and products are not patented, and thus we may have no recourse against copies of our products and designs that enter the market subsequent to such leakages. In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the electronics manufacturing sector could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

33. We face risks relating to the availability of tax deductions.

We are subject to income, withholding, value-added and other sales-based, real property and local taxes and other taxes and duties in various jurisdictions. Our provision for taxes is based on our judgment (acting reasonably and after considering the relevant information available to us) of tax risk in such jurisdictions which may be challenged by relevant tax authorities. The tax position taken with respect to certain transactions and calculations may be challenged by tax authorities for reasons, including transfer pricing, the availability of deductions for interest expense and other deductible items, the treatment of acquisition, refinancing and reorganization transactions, intercompany funding arrangements, the application and effect of tax 'holidays' and the calculation of deferred tax assets and liabilities. Although we believe our tax estimates and provisions are reasonable, there can be no assurance that the final determination of any tax audits or litigation will not be materially different from that which is reflected in historical income tax provisions and accruals. We are subject to tax audits and tax reviews, which, by their nature, are often complex, and can require several years to conclude. The total accrual for income tax in any year is based on the judgment of our management, interpretation of country-specific tax law and the likelihood of crystallization and settlement of any particular tax liability. Amounts provided for in any year could be less than actual tax liabilities, and adjustments may be required in subsequent years that may materially and

adversely affect our income statement and/or cash tax payments, and may result in the payment of interest and/or penalties.

34. Changes in legislation or policies related to tax applicable to us could adversely affect our results of operations.

We are subject to complex tax laws in each of the jurisdictions in which we operate. Changes in tax laws could adversely affect our tax position, including our effective tax rate or tax payments. In addition, European tax laws and regulations are extremely complex and are subject to varying interpretations. We often rely on generally available interpretations of tax laws and regulations in the jurisdictions in which we operate. We cannot be certain that the relevant tax authorities are in agreement with our interpretation of these laws. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or pay or increase the costs of our products or services to track and collect such taxes, which could increase our costs of operations and have a material adverse effect on our business, financial condition and results of operations.

In addition, particularly in emerging markets, tax laws may be interpreted inconsistently. The application and interpretation of laws by governmental authorities may therefore be uncertain and difficult to predict. The position we take on taxation-related matters is subject to possible review and investigation by tax authorities. If governmental authorities were to successfully challenge the tax positions we take, substantial fines, penalties and interest charges may be imposed on us. This could have a material adverse impact on our business, financial condition and results of operations.

Certain territories in which we operate also have transfer pricing regulations that require transactions involving associated companies to be effected on arm's length terms. It is our policy, therefore, that any pricing of arrangements between members of our Company, such as the intra-group provision of services, is carried out on an arm's length basis and in accordance with all applicable regulations. However, if the tax authorities in the relevant jurisdictions do not regard these arrangements as being made at arm's length and successfully challenge those arrangements, the amount of tax payable, in both current and previous years, by the relevant member of our Company may increase materially, and penalties or interest may also be payable. There may also be changes in transfer pricing regulations or policies, and our failure to promptly comply with such changes could have a material adverse impact on our business, financial condition and results of operations.

35. Employee misconduct could harm us and is difficult to detect and deter.

Although we have put measures in place dedicated to monitoring fraud, data theft or other misconduct of employees, we run the risk that such employee misconduct could occur. Misconduct by employees or executives could include binding us to transactions that exceed authorised limits or present unacceptable risks or hiding unauthorised or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our reputation.

36. Our Company is involved in certain legal and other proceedings. Any adverse outcome in such proceedings may have an adverse effect on our business, results of operations and financial condition.

We are contesting certain legal proceedings in various courts, including certain civil, labour and taxation cases that have been filed against our Company. For further details of the legal proceedings that we are subject to, please see sections titled *"**Legal Proceedings**"* on page 161. Any adverse decision in any of these cases may adversely affect our business and financial condition. We are also involved in disputes with respect to direct and indirect tax assessments for various years. We cannot assure that the outcome of these legal proceedings will be favourable. Such litigation could consume our financial resources in their defence or prosecution. In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities. If we fail to successfully defend our

claims or if our provisions prove to be inadequate, our business, results of operations and financial condition could be adversely affected.

37. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business, financial condition and results of operations.

While we believe that the insurance coverage that we maintain is reasonably adequate to cover all normal risks associated with the operation of our business, there can be no assurance that our insurance coverage will be sufficient, that any claim under our insurance policies will be honoured fully or timely, or that our insurance premiums will not increase substantially. Accordingly, to the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, or are required to pay higher insurance premiums, our business, financial condition and results of operations may be materially and adversely affected.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected

38. We have in the past entered into related party transactions and may continue to do so in the future.

We have entered into certain transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For further details on related party transactions, see "***Financial Information***" on page 165.

39. Our Company has experienced negative cash flows during the last three financial years. Any negative cash flows in the future could adversely affect our business and financial conditions.

We had negative cash flows (on consolidated basis) in two out of the last three Fiscals. The table below summarises our cash flows for Fiscals 2016, 2015 and 2014:

(*In ₹ lakhs*)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net Cash flow from operating activities	14,624.49	13,763.86	4,163.64
Net Cash (used) in investing activities	(25,692.64)	(4,314.14)	(13,677.50)
Net Cash from/ (used) in financing activities	12,337.59	(9,655.54)	8,017.68
Net increase / (decrease) in cash and cash equivalents	1,269.44	(205.82)	(1,496.18)

40. Terms contained in various agreements entered into by our Company may restrict our operations.

Some of the agreements that we are party to, contain covenants that may be onerous and commercially restrictive in nature. For example, some of our JV agreements include covenants that prevent us from accessing certain geographies or entering certain product categories. Violation of any of these covenants may amount to events of default, which may result in breach of contract causing claims to be brought against us or termination of the agreements as well as prepayment obligations.

41. If our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our profitability and financial position could be negatively impacted.

If the estimates or assumptions used in developing our strategic plan vary significantly from actual conditions, our sales, margins and profitability could be impacted. For instance, sales of our products may not grow as quickly as we currently expect, and we may be incorrect in our assumptions and expectations of consumer preferences during our R&D of new products. Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

42. We may be subject to claims of infringement of third-party intellectual property rights, which could adversely affect our business.

While we take abundant precautions to ensure that we do not infringe the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. Any claims of infringement, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. As a result of such infringement claims, we could be required to pay third party infringement claims, alter our technologies, change the brands under which we distribute our products, obtain licenses or cease some portions of our operations. The occurrence of any of the foregoing could result in unexpected expenses. In addition, if we alter our technologies, change the brands under which we distribute our products or cease manufacturing of affected items, our revenue could be adversely affected.

43. Any delay in the implementation or failure in the operation of our information systems could disrupt our operations and cause an unanticipated increase in costs.

We have implemented various information technology ("**IT**") solutions to cover key areas of our operations and these IT solutions are an integral part of our manufacturing processes. Any delay in the implementation or failure in the operation of these information systems could result in material adverse consequences, including disruption of operations, loss of information and an unanticipated increase in costs.

Further, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

External Risk Factors

44. There could be political, economic or other factors that are beyond our control but may have a material adverse impact on our business and results of operations should they materialise.

The following external risks may have a material adverse impact on our business and results of operations should any of them materialise:

- Political instability, a change in the Government or a change in the economic and deregulation policies

could adversely affect economic conditions in India in general and our business in particular;

- A slowdown in economic growth in India could adversely affect our business and results of operations. The growth of our business and our performance is linked to the performance of the overall Indian economy. We are also impacted by consumer spending levels and businesses such as ours would be particularly affected should Indian consumers in our target segment have reduced access to disposable income;
- Civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies involves a higher degree in risk which could reduce the value of our Equity Shares;
- Natural disasters in India may disrupt or adversely affect the Indian economy, the health of which our business depends on;
- Any downgrading of India's sovereign rating by international credit rating agencies may negatively impact our business and access to capital. In such event, our ability to grow our business and operate profitably would be severely constrained;
- Instances of corruption in India have the potential to discourage investors and derail the growth prospects of the Indian economy. Corruption creates economic and regulatory uncertainty and could have an adverse effect on our business, profitability and results of operations; and
- The Indian economy has had sustained periods of high inflation. Should inflation continue to increase sharply, our profitability and results of operations may be adversely impacted. High rates of inflation in India could increase our employee costs, decrease the disposable income available to our customers and decrease our operating margins, which could have an adverse effect on our profitability and results of operations.

45. The recent currency demonetisation measures imposed by the Government of India may adversely affect our business and the Indian economy.

Through notifications dated November 8, 2016 issued by the Ministry of Finance, GoI and the RBI ₹ 500 and ₹ 1,000 denominations of bank notes of then existing series issued by the RBI ceased to be legal tender. Pursuant to this currency demonetisation, these high denomination notes have no value and cannot be used for transactions or exchange purposes with effect from November 9, 2016. These notes are currently being replaced with a new series of bank notes. In an effort to monitor replacement of demonetised notes, the GOI had specified restrictive limits for exchange and withdrawal of currency from ATMs and bank accounts across India. While these restrictions in relation to the ATMs and bank accounts have been lifted on March 13, 2017, the process of demonetisation and replacement of these high denomination notes is likely to reduce the liquidity in the Indian economy which has significant reliance on cash. These factors may result in reduction of purchasing power, and alteration in consumption patterns of the economy in general. While the comprehensive and long-term impact of this currency demonetisation measure cannot be ascertained at the moment, it is possible that there will be a slowdown in the economic activities in India, at least in the short term, given the demonetisation impacts a majority quantity of the cash currency in circulation. Such a slowdown can adversely affect the Indian economy, impacting the manufacturing sector, in turn affecting our results of operations and financial position.

46. Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as U.S. GAAP or IFRS, with which investors may be more familiar.

Our Financial Statements provided in this Preliminary Placement Document, are prepared in accordance with Indian GAAP. US GAAP and IFRS differ in significant respects from Indian GAAP. As a result, our financial statements and reported earnings could be different from those which would be reported under IFRS or US GAAP. Such differences may be material. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS.

Accordingly, the degree to which the Indian GAAP financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Had the financial statements and other financial information

been prepared in accordance with IFRS or US GAAP, the results of operations and financial position may have been materially different. Because differences exist between Indian GAAP and IFRS or US GAAP, the financial information in respect of our Company contained in this Preliminary Placement Document may not be an effective means to compare us with other companies that prepare their financial information in accordance with IFRS or US GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. In making an investment decision, investors must rely upon their own examination of our Company, the terms of this Issue and the financial information relating to our Company.

Potential investors should consult their own professional advisers for an understanding of these differences between Indian GAAP and IFRS or US GAAP, and how such differences might affect the financial information contained herein.

47. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

- The GoI proposed to revamp the implementation of direct taxes by way of the introduction of the Direct Tax Code.

- The GoI has approved a comprehensive national goods and services tax ("**GST**") regime that will combine taxes and levies by the central and state Governments into a unified rate structure. The Indian Parliament, on September 8, 2016, vide a constitutional amendment has inserted Article 246A into the Constitution of India, to further enable the implementation of the GST, which has received assent from the President of India. This GST regime will subsume most of the central and state indirect tax laws and levies into one unified rate structure. While the GoI and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST and the various governing rules, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalised tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

- Further, the General Anti Avoidance Rules ("**GAAR**") are proposed to be made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

48. Companies in India, including our Company, are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India, including our Company, will be required to follow the Income Computation and Disclosure Standards.

The Ministry of Corporate Affairs ("**MCA**"), Government of India, has through a notification issued the Indian Accounting Standards Rules, 2015 ("**Ind AS**") and are applicable to companies which fulfil certain conditions. In accordance with this circular, our Company is required to prepare its financial statements in accordance with Ind AS for the financial years beginning on April 1, 2017. Given that Ind AS is different in many respects from Indian GAAP, our financial statements for the period commencing from April 1, 2017 and its comparable period included in accordance with Ind AS may not be comparable to our historical

financial statements prepared under Indian GAAP. For instance, accounting policies related to employee benefits, operating lease rentals, investments, borrowings, deferred taxes, etc. in terms of the Ind AS are different from the accounting policies for these items under Indian GAAP.

The full impact of the adoption of Ind AS cannot be ascertained at this stage. There can be no assurance that the adoption of Ind AS will not affect our reported results of operations or cash flows. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of Ind AS. Any failure to successfully adopt Ind AS may have an adverse effect on the trading price of our Equity Shares and/or may lead to regulatory action and other legal consequences. Any of these factors relating to the use of Ind AS may adversely affect our financial condition, results of operations and cash flows.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("**ICDS**"), thereby creating a new framework for the computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition

Risks in relation to Equity Shares

49. We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchanges in a timely manner, if at all.

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the QIBs, we are required to apply to the Stock Exchanges for listing and trading approvals. After receiving the listing and trading approvals from the Stock Exchanges, we will credit the Equity Shares into the Depository Participant accounts of the respective QIBs and apply for the final listing and trading approvals from the Stock Exchanges. There could be a delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. Any delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares.

50. An investor will not be able to sell any of the Equity Shares other than on a recognised Indian stock exchange for a period of 12 months from Allotment under this Issue.

The Equity Shares are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the Allotment of the Equity Shares, QIBs subscribing to the Equity Shares may sell their Equity Shares only on the Stock Exchanges. We cannot be certain that these restrictions will not have an impact on the price and liquidity of the Equity Shares.

51. Our Promoter and Promoter Group will retain majority control of our Company after the Issue, which will enable them to control the outcome of matters submitted to shareholders for approval.

As on March 17, 2017, our Promoter and Promoter Group beneficially own 74.02% of our total paid-up share capital and post the Issue shall continue to hold majority shareholding of our Company. As a result, our Promoter and Promoter Group will continue to have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election, termination or appointment of our officers and directors. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. Furthermore, our Promoter and Promoter Group may influence our material policies in a manner that could conflict with the interests of other shareholders. We cannot guarantee that any conflicts of interest will be resolved in our favour.

52. Any future issuance of the Equity Shares or sales of the Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.

A future issuance of Equity Shares by us may dilute your shareholding in our Company. There are no restrictions on our ability to issue further Equity Shares, including allotment of any securities to the Promoter and Promoter Group, other than as stipulated under applicable laws. The issue and allotment of Equity Shares by us to third parties would result in a dilution of your shareholding and rights in our Company.

Moreover, any significant disposal of Equity Shares by any of our significant shareholders, or the perception that such sales will occur, may affect the trading price of our Equity Shares. As a publicly traded company, there is no restriction on our shareholders to dispose of a part or the entirety of their shareholding in our Company, which could lead to a negative sentiment in the market regarding us that could in turn impact the value of the Equity Shares.

53. Since our Equity Shares are quoted in Indian rupees in India, foreign investors may be subject to potential losses arising out of exchange rate risk on the Indian rupee and risks associated with the conversion of Indian rupee proceeds into foreign currency.

Foreign investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian rupees on the Indian Stock Exchanges on which they are listed. Dividends on our Equity Shares will also be paid in Indian rupees. Investors that seek to convert the Indian rupee proceeds of a sale of equity shares into foreign currency and export the foreign currency, will need to obtain the approval of the RBI for each such transaction. Holders of Indian rupees in India may also generally not purchase foreign currency without general or special approval from RBI.

54. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect your ability to sell, or the price at which you can sell, Equity Shares at a particular point in time.

We are subject to a daily "circuit breaker" imposed by all Stock Exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian Stock Exchanges. The percentage limit on our circuit breakers is set by the Stock Exchanges based on the historical volatility in the price and trading volume of our Equity Shares.

The Stock Exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

55. Our ability to raise foreign capital may be constrained by Indian law. The limitations on foreign debt may have an adverse impact on our business growth, financial condition and results of operations.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financings on competitive terms and refinance future indebtedness. In addition, it cannot be assured to the prospective investor that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse impact on our business growth, financial condition and results of operations.

56. You may be subject to Indian taxes arising out of capital gains. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as result of which no Securities Transaction Tax (STT) has been paid, will be subject to capital gains tax in India.

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an

Indian resident, which are sold other than on a recognised stock exchange and as result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will be exempt from tax in India in cases where such exemption is provided under the tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of certain countries may be liable for tax in India, as well as in their own jurisdictions on gain upon a sale of the Equity Shares.

57. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All of our Directors and key management personnel are residents of India and a large part of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties outside India.

Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. For further details, see "***Enforcement of Civil Liabilities***" on page 14. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to execute such a judgment or to repatriate outside India any amount recovered. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

58. Applicants to the Issue are not allowed to withdraw their bids after the Bid/Issue Closing Date.

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to ten days from the Bid/Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the Company's business, results of operation or financial condition, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/Issue Closing Date and the date of allotment of Equity Shares in the Issue. The occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence without the prior approval of the SEBI. The Company may complete the allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

MARKET PRICE INFORMATION

The Equity Shares have been listed and are available for trading on the BSE and the NSE.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the BSE and the NSE on the dates on which such high and low prices were recorded for Fiscal 2014, Fiscal 2015 and Fiscal 2016:

BSE

Period	Face value (₹)	High [(a)] (₹)	Date of High	Total Volume on date of High (Number of Equity Shares traded on the date of high)	Total Volume of Equity shares traded on the date of high (₹ in lakhs)	Low [(b)] (₹)	Date of low	Volume on date of Low (Number of Equity Shares traded on the date of low)	Total Volume of Equity shares traded on the on date of low (₹ in lakhs)	Average price for the period* (₹)	Total Volume of Equity Shares traded in the period	
											In number	(₹ in lakhs)
September 12, 2016 to February 28, 2017[#]	2	439	February 28, 2017	1,08,385	475	265	November 22, 2016	42,452	114	333	5,328,697	17,609
September 09, 2016 to April 1, 2016	10	1,580	September 7, 2016	51,771	810	991	April 7, 2016	1,328	13	1,147	729,134	8,982
2016	10	1,021	March 22, 2016	1,01,300	975	483	June 15, 2015	908	4	659	14,05,815	11,186
2015	10	629	November 12, 2014	1,47,951	940	184	April 9, 2014	148	0	440	12,22,498	6,272

(Source: www.bseindia.com)

**Average of the daily closing price.*

(a) High of daily closing price. In case the price is the same on two dates then the date with the higher volume has been considered.

(b) Low of daily closing price. In case the price is the same on two dates then the date with the higher volume has been considered.

[#]Pursuant to a split, the face value of Equity Shares was changed from ₹ 10 per equity share to ₹ 2 per Equity Share.

NSE

Period	Face value (₹)	High [(a)] (₹)	Date of High	Total Volume on date of High (Number of Equity Shares traded on the date of high)	Total Volume of Equity shares traded on the date of high (₹ in lakhs)	Low [(b)] (₹)	Date of low	Volume on date of Low (Number of Equity Shares traded on the date of low)	Total Volume of Equity shares traded on the on date of low (₹ in lakhs)	Average price for the period* (₹)	Total Volume of Equity Shares traded in the period	
											In number	(₹ in lakhs)
September 12, 2016 to February 28, 2017[#]	2	440	February 28, 2017	5,90,674	2,587	265	November 22, 2016	2,33,148	626	334	1,46,12,593	50,586
September 09, 2016 to April 1, 2016	10	1,580	September 7, 2016	1,553	2,365	996	April 29, 2016	44,039	441	1,26,174	30,50,086	37,054
2016	10	1,018	March 22, 2016	1,82,847	1,807	481	June 15, 2015	874	4	659	41,29,129	33,554
2015	10	628	November 12, 2014	4,53,188	2,882	185	April 4, 2014	1,337	2	438	32,13,540	16,691

(Source: www.bseindia.com)

**Average of the daily closing price.*

(a) High of daily closing price. In case the price is the same on two dates then the date with the higher volume has been considered.

(b) Low of daily closing price. In case the price is the same on two dates then the date with the higher volume has been considered.

[#]Pursuant to a split, the face value of Equity Shares was changed from ₹ 10 per equity share to ₹ 2 per Equity Share.

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the BSE and NSE on the dates on which such high and low prices were recorded during each of the last six months:

BSE

Month Year	High (₹)	Date of High	Total Volume on date of High (Number of Equity Shares traded on the date of high)	Total Volume of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Volume on date of Low (Number of Equity Shares traded on the date of low)	Total volume of Equity shares traded on the on date of low (₹ in lakhs)	Average price for the period (₹)	Total volume of Equity Shares traded in the period	
										In number	(₹ in lakhs)
September 1, 2016 to September 09, 2016	1,580	September 7, 2016	51,771	810	1,388	September 1, 2016	51,920	715	1,487	1,61,552	2,392
September 12, 2016 to September 30, 2016	314	September 14, 2016	1,87,842	594	280	September 29, 2016	57,474	160	297	5,49,675	1,663
October 2016	389	October 30, 2016	36,172	139	313	October 3, 2016	37,476	115	341	5,41,357	1,868
November 2016	384	November 1, 2016	1,40,135	551	265	November 22, 2016	42,452	114	329	9,41,782	3,175
December 2016	323	December 15, 2016	22,14,334	6,985	293	December 26, 2016	7,724	23	306	24,89,214	7,832
January 2017	356	January 18, 2017	35,658	127	315	January 2, 2017	12,114	38	335	2,24,707	755
February 2017	439	February 28, 2017	1,08,385	475	355	February 1, 2017	7,343	26	384	5,81,962	2,315

(Source: www.bseindia.com)

NSE

Month Year	High (₹)	Date of High	Total Volume on date of High (Number of Equity Shares traded on the date of high)	Total Volume of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Volume on date of Low (Number of Equity Shares traded on the date of low)	Total Volume of Equity shares traded on the on date of low (₹ in lakhs)	Average price for the period (₹)	Total Volume of Equity Shares traded in the period	
										In number	(₹ in lakhs)
September 1, 2016 to September 09, 2016	1,580	September 7, 2016	1,52,247	2,365	1,387	September 1, 2016	1,85,232	2,547	1,488	5,75,569	8,465
September 12, 2016 to September 30, 2016	315	September 14, 2016	4,97,723	1,578	281	September 29, 2016	1,34,740	380	299	1,19,700	362
October 2016	391	October 30, 2016	2,51,873	977	312	October 3, 2016	1,76,309	540	343	25,61,174	8,881
November 2016	385	November 1, 2016	4,00,371	1,579	265	November 22, 2016	2,33,148	626	329	41,73,836	13,996
December 2016	322	December 15, 2016	2,96,342	964	294	December 27, 2016	68,494	201	307	14,11,594	4,400
January 2017	357	January 18, 2017	2,43,656	865	314	January 2, 2017	56,475	176	336	13,78,616	4,667
February 2017	440	February 28, 2017	5,90,674	2,587	354	February 1, 2017	70,646	250	384	34,11,568	13,569

(Source: www.nseindia.com)

Notes:

1. *High, low and average prices are based on the daily closing prices.*
2. *In case of two days with the same closing price, the date with the higher volume has been considered.*

(iii) The following table set forth the details of the number of Equity Shares traded and the volume of business transacted during the last six months on the BSE and the NSE:

Period	Number of Equity Shares Traded		Volume of Business Transacted (In ₹ lakhs)	
	BSE	NSE	BSE	NSE
September 1, 2016 to September 9, 2016	1,61,552	5,75,569	2,392	8,465
September 12, 2016 to September 30, 2016	5,49,675	1,19,700	1,663	362
October 2016	5,41,357	25,61,174	1,868	8,881
November 2016	9,41,782	41,73,836	3,175	13,996
December 2016	24,89,214	14,11,594	7,832	4,400
January 2017	2,24,707	13,78,616	755	4,667
February 2017	5,81,962	34,11,568	2,315	13,569

(*Source: www.bseindia.com and www.nseindia.com*)

(iv) The following table sets forth the market price on the BSE and NSE on November 11, 2016, i.e., the first working day following the approval of the Board of Directors for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Turnover (In ₹ lakhs)	Open	High	Low	Close	Number of Equity Shares traded	Turnover (In ₹ lakhs)
366	375	326	341	53,649	187	365	374	332	339	2,09,795	732

(Source: www.bseindia.com and www.nseindia.com)

USE OF PROCEEDS

The total proceeds of the Issue will be ₹ [•] after deducting the Issue expenses (including fees and commissions) of approximately ₹ [•] lakhs, the net proceeds of the Issue will be approximately ₹ [•] lakhs (the "**Net Proceeds**").

Subject to compliance with applicable laws and regulations, we intend to use the Net Proceeds to further the consolidation process undertaken by our Company], for investments in new projects and for meeting our working capital requirement.

As permissible under applicable laws, our management will have flexibility in deploying the Net Proceeds received by our Company from the Issue which shall be in the best interest of our Company. Neither our Promoters and Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

CAPITALISATION STATEMENT

The following table sets forth the capitalisation of our Company derived from the Company's Audited Consolidated Financial Statements, and as adjusted to give effect to the Issue. This table should be read in conjunction with "*Summary Financial Information*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information" on pages 32, 38, 91, and 165, respectively, of the Preliminary Placement Document.*

(₹ in lakhs)

Particulars	As of March 31, 2016	As adjusted for the Issue*
Short-term borrowings (A)	**18,405.76**	[•]
Long-term borrowings (B)	**16,901.02**	[•]
Current maturities of long-term borrowings (C)	**3,676.41**	[•]
Total borrowing (D = A + B + C)	**38,983.19**	[•]
Shareholders' funds:		
Share capital	1,936.54	[•]
Fresh shares pursuant to the Issue	-	[•]
Reserves and surplus	45,234.12	[•]
Share premium pursuant to the Issue	-	[•]
Total shareholder's funds (E)	**47,170.66**	[•]
Total capitalisation (D) + (E)	**86,153.85**	[•]
Debt / equity ratio: (Total long term borrowings/total Shareholders fund (B/E))	0.36	[•]
Debt / equity ratio: (Total borrowings/total Shareholders' fund (D/E))	0.83	[•]

**Will be finalised upon determination of the Issue Price.*

CAPITAL STRUCTURE

The Equity Share capital of our Company as on date of this Preliminary Placement Document is as follows:

(in ₹, except Equity Share data)

	Aggregate nominal value (in ₹ lakhs)
Authorised Share Capital	
31,75,00,000 Equity Shares of ₹ 2 each	6,350.00
30,00,000 (9%) Cumulative Redeemable Preference Shares of ₹ 10 each	300.00
1,83,500 (3%) Cumulative Compulsorily Convertible Preference Shares of ₹ 2,187 each	4,013.14
35,00,000 (3%) Cumulative Redeemable Preference Shares of ₹ 10 each	350.00
1,00,00,000 (1%) Non-cumulative Fully Convertible Preference Shares of ₹ 10 each	1,000.00
Total Authorised Share Capital	**12,013.14**
Issued, subscribed and paid-up share capital prior to the Issue	
7,93,26,780 Equity Shares of ₹ 2 each	1,586.54
Total issued, subscribed and paid-up share capital prior to the Issue	**1,586.54**
Present Issue being offered to the QIBs	
Up to [•] Equity Shares at a premium of ₹ [•]	[•]
Paid-up share capital after the Issue	
[•] Equity Shares	[•]
Securities premium account	
Securities premium account prior to the Issue	4,472.78
Securities premium account after the Issue	[•]

As at March 17, 2017, our Promoter and Promoter Group, held 74.02% of the pre-Issue share capital of our Company. We presently comply with the provisions relating to minimum public shareholding as required under the SEBI Listing Regulations.

The Issue has been authorised by the Board vide a resolution passed in its meeting held on November 10, 2016 and by the shareholders of our Company pursuant to a special resolution vide postal ballot, dated January 9, 2017.

Equity Share capital history of our Company

The history of the share capital of our Company since incorporation is as follows:

Date of Issue/ Allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Cumulative number of Equity Shares	Cumulative paid up capital (₹)	Nature of consideration	Reason for Allotment
September 16, 1992	70	10	10	70	700	Cash	Subscribers to Memorandum of Association
March 31, 1994	20,40,200	10	10	20,40,270	2,04,02,700	Cash	Preferential allotment of equity shares
January 31, 1995	12,33,330	10	10	32,73,600	3,27,36,000	Other than cash	Allotment of equity shares pursuant to scheme of amalgamation
December 15, 1995	3,92,832	10	-	36,66,432	3,66,64,320	Other than cash	Bonus issue of equity shares in the ratio of 12:100 to the existing shareholders of our Company
June 25, 1996	1,00,000	10	30	37,66,432	3,76,64,320	Cash	Preferential allotment of equity shares
August 2, 1996	14,86,100	10	30	52,52,532	5,25,25,320	Cash	Public issue of equity shares

Date of Issue/ Allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Cumulative number of Equity Shares	Cumulative paid up capital (₹)	Nature of consideration	Reason for Allotment
March 31, 2004	52,52,532	10	-	1,05,05,064	10,50,50,640	Other than cash	Bonus issue of equity shares in the ratio of 1:1 to the existing shareholders of our Company
February 26, 2011	24,05,128	10	-	1,29,10,192	12,91,01,920	Other than cash	Allotment of equity shares pursuant to scheme of amalgamation
April 1, 2011	18,35,000	10	218.70	1,47,45,192	14,74,51,920	Other than cash	Allotment pursuant to conversion of compulsorily convertible cumulative preference shares
September 30, 2011	11,20,164	10	-	1,58,65,356	15,86,53,560	Other than cash	Allotment of equity shares pursuant to scheme of amalgamation
September 14, 2016	-	2	-	7,93,26,780	15,86,53,560	-	Sub-division of equity shares

In the last one year preceding the date of this Preliminary Placement Document, our Company has not issued any Equity Shares for consideration other than cash.

Employee Stock Option Scheme

Our Company instituted the Minda Employee Stock Option Scheme – 2016 ("**ESOS 2016**") pursuant to a special resolution dated August 11, 2016 passed by the shareholders of our Company. Under ESOS 2016, the Company can grant employee stock options exercisable into not more than 15,00,000 Equity Shares of ₹ 2 each. The eligibility and number of options to be granted to an employee is determined on the basis of criteria laid down in the ESOS 2016 and is approved by the Nomination and Remuneration Committee of the Board of Directors. The options granted shall vest on the eligible employees of the Company or subsidiaries on or before March 31, 2018 and can be exercised within a period of 1 year from the date of vesting of the respective options. The ESOS 2016 shall continue to be in force until (i) its termination by the Board or the Nomination and Remuneration Committee, or (ii) the date on which all of the options available to be granted under the ESOS 2016 have been exercised, whichever is earlier.

As on the date of this Preliminary Placement Document, an aggregate of 9,86,750 options have been granted but not vested. Some of the employees who have been granted these options include the CEOs and business heads of the respective business verticals.

DIVIDEND POLICY

The declaration and payment of dividends by our Company is governed by the applicable provisions of the Companies Act, 2013 and our Memorandum and Articles of Association. Under the Companies Act, 2013, the board of directors of a company recommends the payment of dividend and the shareholders approve of the same at a general meeting. The Articles of Association grant discretion to the Board to declare and pay interim dividends as it may think fit. The shareholders have the right to decrease but not to increase the dividend amount recommended by the Board of Directors. For a summary of some of the restrictions that may materially inhibit our ability to declare or pay dividends, please see "***Risk Factors - Risks relating to our business - Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows and capital expenditure***" on page 50.

The table below sets forth the details of the dividends declared by our Company on its Equity Shares during the last three Fiscals:

Fiscal	Interim dividend per Equity Share (₹)	Final dividend per Equity Share (₹)	Total dividend per Equity Share (₹)	Total dividend per preference share (₹)	Amount of interim dividend declared for Equity Shares exclusive of tax (₹ in lakhs)	Amount of final dividend declared for Equity Shares exclusive of tax (₹ in lakhs)	Amount of dividend declared for preference Shares exclusive of tax (₹ in lakhs)	Dividend tax (₹ in lakhs)	Total (₹ in lakhs)	Rate of dividend for Equity shares (in %)
March 31, 2016	3.00	4.00	7.00	0.30	475.95	634.61	10.50	228.22	1,338.78	70
March 31, 2015	2.50	3.50	6.00	0.30	396.63	555.29	10.50	194.44	1,146.36	60
March 31, 2014	-	3.00	3.00	0.30	Nil	475.97	10.50	82.66	569.13	30

Our Board has approved the following interim dividend in the board meeting held on February 7, 2017:

a. At the rate of ₹ 1.20 per share i.e. 60% on 7,93,26,780 Equity Shares; and
b. At the rate of ₹ 0.30 per share on 35,00,000 3% cumulative redeemable preference share of ₹ 10 each.

The amounts paid as dividends in the past are not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. The declaration of dividends is dependent on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions, results of operations, overall financial position of our Company and other factors that may be considered relevant by the Board. Our Company has no formal dividend policy. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various publications and industry sources such as CRISIL, CIA World Factbook, World Bank and International Monetary Fund. Neither the Company, nor the Lead Manager nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

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GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund ("**IMF**"), after a lacklustre outturn in 2016, economic activity is projected to pick up pace in 2017 and 2018, especially in emerging market and developing economies ("**EMDE**"). The global growth for 2016 is estimated at 3.1% while economic activity in both advanced economies and emerging market and developing economies is forecasted to accelerate in 2017-18, with global growth projected to be 3.4% and 3.6%, respectively.

Advanced economies are projected to grow by 1.9% in 2017 and 2.0% in 2018, respectively. There is uncertainty in relation to the forecast particularly in light of potential changes in the policy stance of the United States under the incoming administration. The projection for the United States assumes a Fiscal stimulus that leads growth to rise to 2.3% in 2017 and 2.5% in 2018. Growth projections for 2017 have also been revised upward for Germany, Japan, Spain, and the United Kingdom, mostly on account of a stronger-than-expected performance during the latter part of 2016. These upward revisions more than offset the downward revisions to the outlook for Italy and Korea.

The primary factor underlying the strengthening global outlook over 2017–18 is, however, the projected pickup in EMDEs' growth. This projection reflects to an important extent a gradual normalisation of conditions in a number of large economies that are currently experiencing macroeconomic strains. EMDE growth is currently estimated at 4.1% in 2016, and is projected to reach 4.5% for 2017. A further pickup in growth to 4.8% is projected for 2018.

The growth forecast for 2017 was revised up for China to 6.5% on expectations of continued policy support. However, continued reliance on policy stimulus measures, with rapid expansion of credit and slow progress in addressing corporate debt, especially in hardening the budget constraints of state-owned enterprises, raises the risk of a sharper slowdown or a disruptive adjustment. These risks can be exacerbated by capital outflow pressures, especially in a more unsettled external environment.

In India, the growth forecast for Fiscal 2017 and Fiscal 2018 were trimmed by 1% point and 0.4% point, respectively, primarily due to the temporary negative consumption shock induced by cash shortages and payment disruptions associated with the recent currency note withdrawal and exchange initiative.

Elsewhere in emerging Asia, growth projections were also revised down in Indonesia, reflecting weaker-than-projected private investment, and in Thailand, in light of a slowdown in consumption and tourism.

In the Middle East, growth in Saudi Arabia is expected to be weaker than previous forecast in 2017 as oil production is cut back in line with the recent OPEC agreement, while civil strife continues to take a heavy toll on a number of other countries.

In Latin America, the growth downgrade reflects to an important extent more muted expectations of short-term recovery in Argentina and Brazil following weaker-than-expected growth outturns in the second half of 2016, tighter financial conditions and increased headwinds from United States related uncertainty in Mexico, and continued deterioration in Venezuela. *(Source: International Monetary Fund, World Economic Outlook – An update of the key WEO projections, January 2017).*

OVERVIEW OF THE INDIAN ECONOMY

According to the CIA World Factbook, India is the fourth largest economy in the world with an estimated gross domestic product of $8.72 trillion on a purchasing power parity basis for 2016and the country's real GDP is estimated to have grown by 7.6%, 7.6% and 7.2% in 2016, 2015 and 2014, respectively. The population of India is estimated at 1.27 billion, as of July, 2016, with a growth rate of 1.19% and a median age of 27.6 years, which makes it one the youngest population in the world. The outlook for India's long-term growth is moderately positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. *(Source: CIA, World Factbook)*

Additionally, according to the World Bank's Global Economic Prospects Report, January 2017, economic activity in South Asia expanded by an estimated 6.8% in 2016, buoyed by robust domestic demand. India continued to post strong growth, reflecting ongoing tailwinds from low oil prices and support from structural reforms. Further, growth in India (a country that represents four-fifths of South Asia's GDP) has been estimated to reach 7.0% in Fiscal 2017, accounting for much of the region's expansion. Lower energy costs, public sector salary and pension increases, and favourable monsoon rains, which boosted urban and rural incomes, together supported overall consumption. Economic activity also benefitted from a pickup in foreign direct investment and an increase in public infrastructure spending.

Four key reforms in India were passed in 2016. First, a bankruptcy and insolvency code was enacted, making it easier to close failing businesses and recover debts. Second, rules governing FDI underwent sweeping liberalisation, allowing for 100% ownership in previously restricted sectors. Third, the Goods and Services Tax ("**GST**") Amendment Bill was passed; this aims to streamline the country's complex tax system, reduce fragmentation in markets for goods and services, lower business costs, and widen the tax base. Fourth, the government and the Reserve Bank of India agreed on a monetary policy framework that includes setting up a monetary policy committee and agreeing on a flexible inflation target, with a 2–6% range. In addition, the Reserve Bank of India strengthened bank resolution procedures by establishing a single Financial Resolution Authority that brought state-owned banks under the resolution framework and placed restrictions on the usage of bail-ins clause resolutions. Robust implementation of these legislative changes will be key to transforming the accompanying boost to confidence into greater activity. *(Source: World Bank's January 2017 Global Economic Prospects Report*)

OVERVIEW OF INDIAN AUTOMOTIVE INDUSTRY

Weak MHCV sales and exports to limit auto component production growth in 2017-18

A. Commercial Vehicles:

Medium and Heavy Commercial Vehicles to decline 2-4% in Fiscal 2018 as the replacement demand of large fleet operators continue to fall. Light Commercial Vehicles sales are expected to grow 5-7% over a high base. Growth will be aided by improved private final consumption expenditure, a key driver for Light Commercial Vehicles which are used to carry redistribution freight, implying growth for component makers of this segment. *(Source: CRISIL Report)*

B. Cars and Utility Vehicle:

Cars and Utility Vehicle segment is expected to grow at an estimated 7-9% in Fiscal 2018 due to rise in affordability. Higher GDP growth will lead to higher disposable income aiding growth. However, further growth will be restricted with rise in cost of the vehicle and fuel, leading to rise in cost of ownership.

Auto-component suppliers of cars have limited bargaining power considering the significant proportion of the small car segment; small cars constitute over 70% of the PV segment. Suppliers for sedan components have relatively higher bargaining power over other car segments, but as consumer preference continues to shift to compact Utility Vehicles, bargaining power is expected to remain moderate, restricting higher realisation growth. *(Source: CRISIL Report)*

C. Two-wheelers:

Two-wheeler sales is expected to grow 8-10% in Fiscal 2018 as motorcycle sales are expected to clock 6-8% growth, assuming normal monsoon. Scooters will continue growing at a faster 12-14%. *(Source: CRISIL Report)*

D. Tractors:

Tractor sales are projected to grow 8-10% in Fiscal 2018 over a high base, assuming normal monsoon. Suppliers to tractors will begin to see a rise in cash flows after two back-to-back hits declines in volumes in Fiscal 15 and Fiscal 16, which dented their profitability. *(Source: CRISIL Report)*

Segmental production (volume terms) vs OEM auto-component demand (value terms)

Vehicle type	2014-15	2015-16	2016-17	2017-18 P
2- Wheelers	10%	2%	7-9%	8-10%
3- Wheelers	14%	(2%)	3-5%	0-5%
Cars and Utility Vehicles	4%	6%	9-11%	7-9%
Commercial Vehicles	Nil	12%	3-5%	2-4%
Tractors	(13%)	(7%)	16-18%	8-10%

(Source: CRISIL Report)

Goods and Service Tax: Rate structure to have neutral impact on Automobile sector

Based on the rate structure finalised by the GST Council in November 2016, the tax rate for automobiles is not expected to change significantly from the current rate structure. Hence, we do not expect any major benefit from the GST rate structure on automobiles and auto components.

GST will lead to the hub and spoke model gaining prominence, and a faster shift towards larger MHCV trucks in primary routes - to 37 tonne from 31 tonne and from 25 tonne multi-axel vehicles (MAVs) and 40 tonne trailers from 35 tonne. The spokes will now be catered largely by ICVs aiding to overall MHCV sales over the long run. However, better fleet productivity will result in lower requirement for commercial vehicles.
(Source: CRISIL Report)

Policy Impact

Phased implementation of duties

The government has rationalised excise and customs duties on automobiles, auto components and raw materials in a phased manner. However, the government has retained high customs duties on semi-knocked down units (SKD) and completely built units (CBU) for passenger motor vehicles, and second-hand imports of the same. This will offer some protection to domestic automakers. It will also provide impetus for foreign direct investments and local manufacturing by global automobile manufacturers.

(Source: CRISIL Report)

NATRIP

The National Automotive Testing and R&D Infrastructure Project (NATRIP) aims to fund and develop state-of-the-art testing, validation and research and development (R&D) infrastructure for the Indian auto-components industry. The government and the automotive industry plan to jointly invest ₹ 38 billion in NATRIP. Its objectives, when met, will give the Indian players the combined advantages of low-cost manufacturing and product development, which will enhance the industry's competitiveness.

A part of this initiative is the homologation and technology centre of the ARAI at Chakan, developed with a ₹ 1 billion contribution from NATRIP. It is expected to offer homologation services to both domestic and export markets.

(Source: CRISIL Report)

Automotive Mission Plan 2016-2026 (AMP)

The AMP is a continuation of the collective vision of the Indian Government and the Indian auto manufacturing industry, originally set out in 2006. The plan focuses on creation of intellectual property, improvement in the quality of tier-II and tier-III suppliers, improved safety and emission norms, increased electronic content in vehicles and a push to globalization of the market through free-trade initiatives.

The milestones set out in the AMP are:

- Create 65 million jobs, over and above the 25 million generated in the previous ten years. AMP 2016-26 aims to make the industry a significant contributor to the Skill India programme.
- Account for 12% of the GDP
- Ensure India is among the top three global automotive industries
- Grow 3.5 to 4 times the current value of ₹ 4,640 billion to ₹ 16,610 billion-18,885 billion based on a base case with average GDP growth of 5.8% and an optimistic case with average GDP growth of 7.5%.
- Increase exports multi-fold to reach 35-40% of overall output
- Implement end-of-life policy for vehicles and components
- Skip Bharat Stage (BS) V and leapfrog to BS VI norms by 2020

(Source: CRISIL Report)

Industry drivers

Improving safety standards

Constantly evolving safety regulations have led to several technological developments in the Indian automobile industry. The government launched the National Automotive and R&D Infrastructure Project (NATRIP) in 2005 to amend and update the existing vehicle safety norms. NATRIP aimed at creating state-of-the-art testing, homologation, validation, and research and development infrastructure to build and strengthen India's core competencies.

Safety systems in India can be split into active and passive systems. Active safety systems stabilise the vehicle's response to critical situations, helping maintain its steerability. Passive systems are in-built and prevent/minimise injuries to occupants and pedestrians in case of accidents.

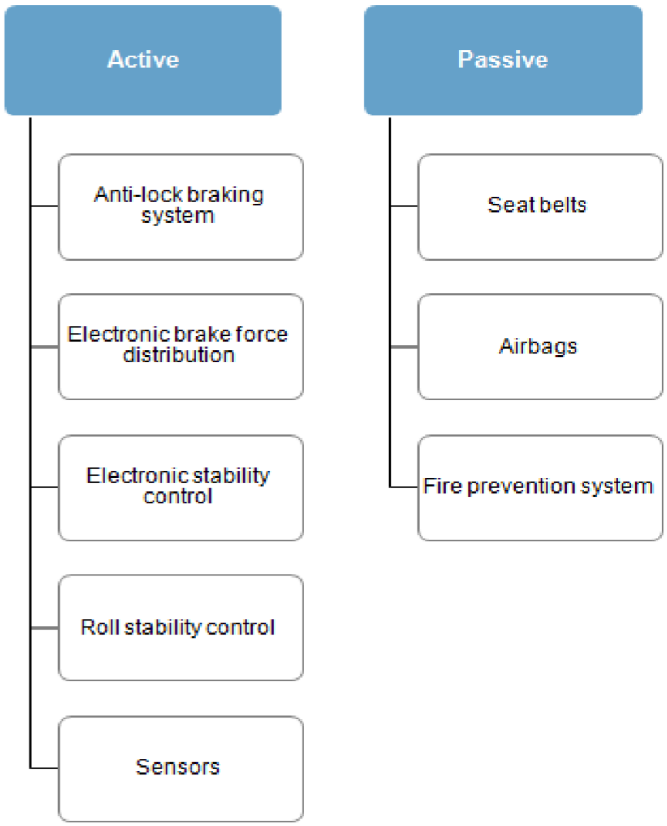
Types of safety systems:

(Source: CRISIL Report)

Both active and passive safety systems are expected to get a boost due to the increased safety requirements in the near future.

Increased requirement of value-added systems

Emerging technologies such as electronic control units/sensors and advanced engine designs hold immense medium-term growth potential. Requirement for safety systems such as lane assistance, distance control, and vehicle-to-vehicle communication is also rising. Increasing penetration of anti-lock braking system (ABS) in PVs, MHCVs; ABS and combined braking system (CBS) in two-wheelers; growing usage of airbags; upgradation in engine components such as fuel injection system and exhaust after-treatment systems; usage of turbochargers in smaller petrol engines, and electronic control units/sensors would give a fillip to the growth rates of certain players catering to these niche products. Players catering to convenience-driven products such as automated manual transmissions and navigation systems are also likely to outperform. Implementation of Bharat Stage (BS)-IV norm

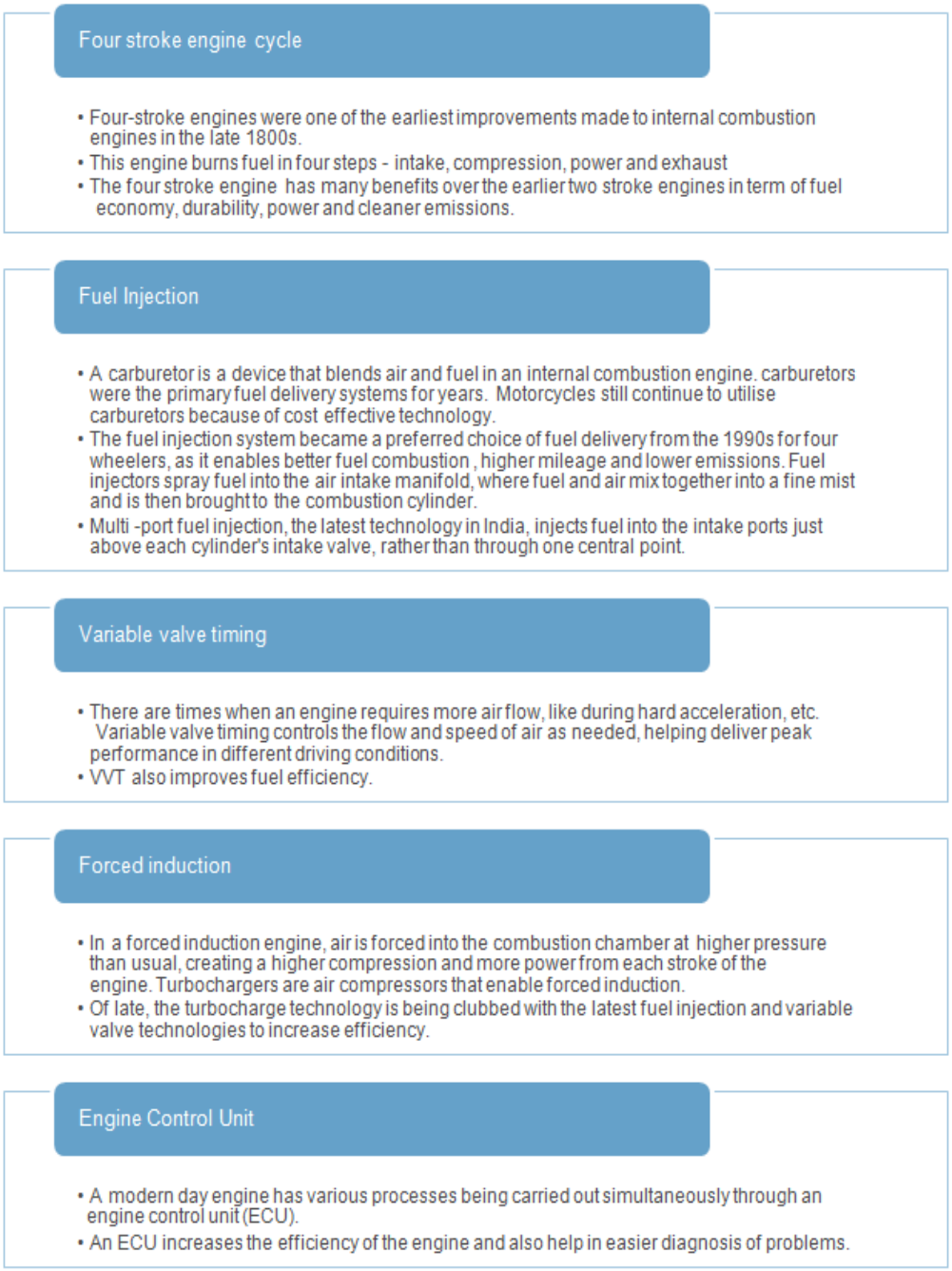


also requires technologically intensive components, such as catalytic convertors, EGR (exhaust gas recirculation) coolers, fuel injectors, etc., which will provide a boost to small and medium enterprises (SMEs).

Advances in engine technology

Over the past few years, there have been numerous advancements in petrol and diesel engines, like forced induction, engine control unit, turbochargers and CRDi engines. These advancements have been necessitated by the adoption of more stringent safety standards and the need for more power from smaller and lighter engines. This technology is expected to dictate the direction of R&D investments and capital expenditure from auto manufacturers and auto ancillary companies.

Advancements in petrol engines:



(Source: CRISIL Report)

Increasing electronic content

Prospects of the auto component industry are also expected to be guided by increasing electronic content by virtue of stricter safety norms and usage of driver-assistance systems like ABS, satellite navigation and lane assistance systems. Transition and adherence to BS-VI norms also requires the change to electronic controls. Recent advancements in engine technology also involve the use of electronic control units to monitor the flow of fuel and air into the cylinders. As a result, build-up of electronic manufacturing capabilities has been incorporated into the milestones of AMP 2016-2026, and is expected to be a significant driver for the auto and auto components sector. *(Source: CRISIL Report)*

INDIAN AUTOMOTIVE COMPONENT INDUSTRY

I. Auto component production growth to remain stable in 2017-18

The domestic auto component production is projected to grow 7-9% in Fiscal 2018, aided by a 9-11% growth in OEM segment and 0-3% growth in exports. The domestic auto-component production is expected to grow at a compounded annual growth rate ("**CAGR**") of 10-12% to about ₹ 4,193 billion between 2015-16 and 2020-21.

A healthy rise in automobile sales are expected to help OEM offtake record 10-12% CAGR and touch ₹ 2,772 billion by 2020-21. Higher realisation is expected across vehicle segments over the long term due to regulatory norms, leading to high-value components. While higher cost of vehicles due to BS VI implementation is expected to lower demand in 2020-21, however, higher realisation is expected to offset decline in volume demand in Fiscal 2021. *(Source: CRISIL Report)*

The following table depicts the expected growth in the vehicle segments over a period of time:

Segment	2010-11 to 2015-16	2015-16 to 2020-21
Two Wheelers	7.0%	4-6%
Cars & Uvs	2.0%	11-13%
CVs	0.0%	8-10%
Three Wheelers	-1.0%	1-3%
Tractors	0.0%	9-11%

Source: CRISIL Research

Note: CAGR of 2015-16 to 2020-21 represents value growth, while the CAGR of 2010-11 to 2015-16 represents volume growth.

Exports are expected to record 10-12% CAGR from 2015-16 to 2020-21 as India serves as a hub for global OEMs to cater to neighbouring markets. However, the rise will be slower than in the past five years due to projected moderate growth in underlying markets. Auto-component imports (of which over 70% are estimated to cater to replacements) are forecasted to expand at 8-10% CAGR. This is expected to limit domestic production for aftermarket at 8-10% CAGR.

Prospects of the automotive component industry are expected to be guided by changes in products (reduction in weight of vehicles by replacing metals with plastics and increasing electronic content) and regulations (emission and safety norms).

- Cars and utility vehicle segment growth is expected to decelerate slightly in 2017-18, growing at 7-9% due to high cost of ownership (rise in fuel price as well as cost of the vehicle). Tractors segment is expected to grow 8-10%, due to a high base in 2016-17, assuming a normal monsoon. Commercial vehicle (CV) segment is projected to grow at a moderate 2-4% with decline in MHCV segment offsetting growth in LCV (5-7%) and buses (7-9%) segment.

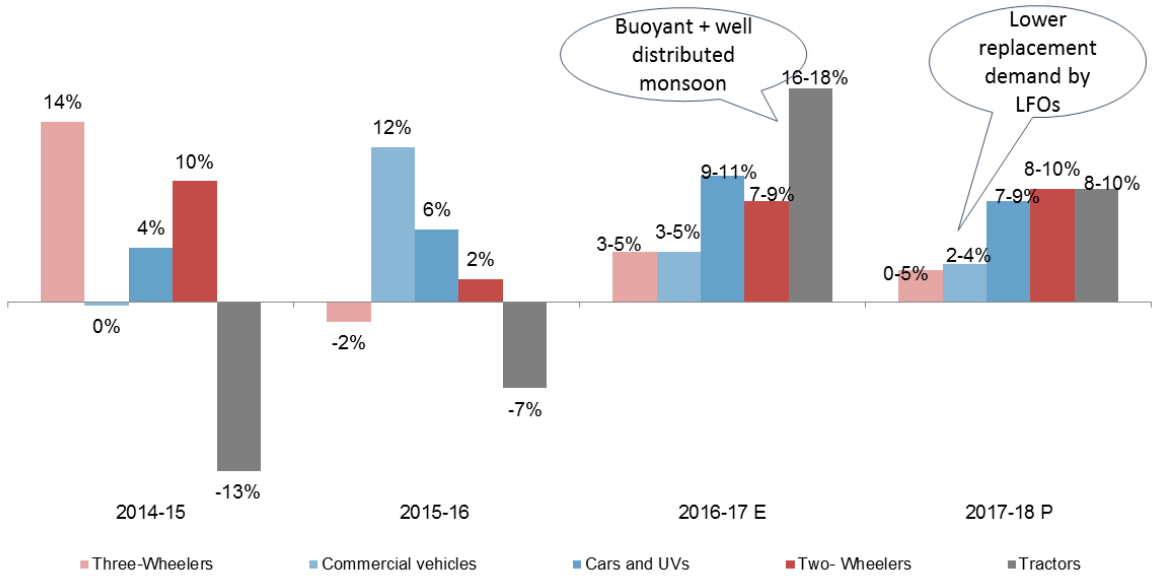
- Realisations for auto component suppliers for the original equipment manufacturer (OEM) segment are expected to increase 2-3% with eventual pass-through of the raw material price and price rise in certain components, owing to Bharat Stage IV (BS IV) implementation.

- **Exports:** Exports are expected to pick up slightly (0-3%), with a flat growth in US CV sales. UK car sales are projected to decline in Fiscal 2018 with Brexit beginning to impact car buying sentiment. However, a steady growth (+5%) is expected in Germany in Fiscal 2017 on buoyed consumer sentiment.

- **Replacement market:** Replacement demand will continue at a stable 8-10% (on-year) in Fiscal 2018, amid improving CV utilisation rates (this will spur replacement of components by transporters) and healthy

growth in two-wheeler sales in Fiscal years 2014 and 2015 (that led to growth in vehicular population for replacement of components this Fiscal).

The realisation of auto component suppliers is expected to grow 2-3% in fiscal 2018 in addition to 7-9% volume growth, due to increased sales of high-value components and eventual pass through of raw material price rise, resulting in OEM growth of 9-11%.



(Source: CRISIL Report)

II. 2017-18 Domestic Auto Component Production

The auto-component production is estimated to grow 7-9% in Fiscal 2017 owing to increased offtake from OEMs, especially of two-wheelers and passenger vehicles. Demand from tractor, two-wheeler, and light commercial vehicle ("**LCV**") manufacturers is expected to accelerate, led by the improved monsoon. The estimation of two-wheeler sales growth is tapered slightly, with demonetisation watering down the positive effect of a good monsoon. However, it is estimated that growth in component offtake shall be closer to the lower end of the estimated range of 7-9%.

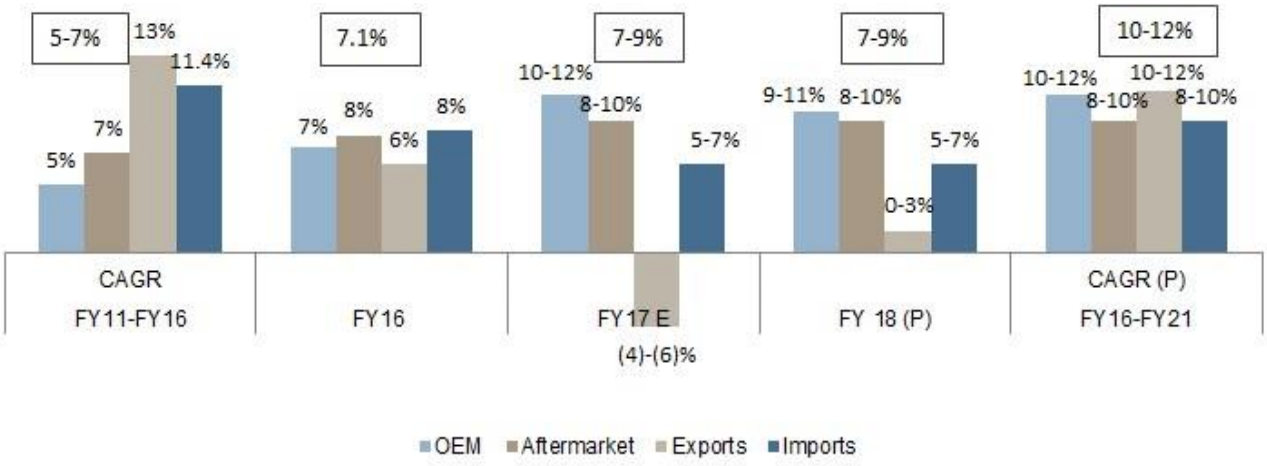
The domestic auto-component production is expected to grow at a compounded annual growth rate ("**CAGR**") of 10-12% to about ₹ 4,193 billion between 2015-16 and 2020-21. In the near term, OEM segment are expected to be a major growth driver, since exports are estimated to decline in 2016-17 and will remain moderate in 2017-18.

In the long run, however, both OEM and exports segment will grow at 10-12%. The share of exports is expected to pick up gradually. Domestic companies will begin to produce components at global standards with the help of joint ventures and technical collaborations, owing to changing regulatory norms. This, accompanied by the structural advantage of India as a low-cost country, will lead to higher penetration, resulting in robust export growth.

Simultaneously, growing research and development ("**R&D**") investments by domestic players and stricter regulatory norms will restrict competition from imports, resulting in lower global sourcing of automotive components. Imports are expected to grow at 9-11% in the long run, slower than in the past five years. The share of domestic after-market sales will continue to be 9-10% of overall production.

(Source: CRISIL Report)

III. Automotive Components: Demand Outlook by Segment



Note: Numbers in box indicate growth in overall auto component production

(Source: CRISIL Report)

A. OEM Demand

The OEM demand is expected to grow at 10-12% CAGR between Fiscal 2016 and Fiscal 2021, to approximately ₹ 2,772 billion, led by robust vehicle production. Among OEMs, demand will be primarily from cars and utility vehicles (11-13% CAGR), commercial vehicles (MHCV 5-7%, LCV 10-12% and buses 8-10%) and two-wheelers (8-10%). The proportion of manufacturing activity outsourced to auto-component makers is the highest for cars and utility vehicles, explaining this segment's prominence. Outsourcing in CV segment is lower than that of cars which is expected to increase going ahead owing to with growing technological spending by auto-component players. We expect localisation by OEMs to increase further supporting growth in domestic OEM offtake.

B. Replacement Demand

As the proportion of vehicles requiring replacement remains high until 2020-21, after-market demand is expected to be robust. Growth is projected at an 8-10% CAGR in the next five years, as higher production in the past five years (compared with the 2004-2009 period) will lead to more replacement demand. Total auto-component imports are forecasted to post an 8-10% CAGR, slightly lower than the past five-year growth of 11.4%. The Government is likely to impose anti-dumping duties on certain components, and OEMs are shifting towards localised products. The trucking industry is expected to gradually shift towards organised auto component players given GST; hence, replacement parts are expected to be increasingly sourced from domestic players, leading to increased use of service stations as the service quality is improves.

C. Export Demand

As global OEMs look to reduce costs, they are expected to increasingly source automotive components from low-cost countries, such as India. Indian component manufacturers have demonstrated their ability to adhere to stringent quality standards. Currently, the penetration of Indian automotive components in major markets such as the North American Free Trade Agreement region and the European Union is minuscule, forming less than 1% of global exports. Therefore, there is a considerable opportunity for expansion by Indian auto-component players in the next few years.

Over the past decade, India has emerged as an auto-component hub for automakers across the globe, given its relatively lower manufacturing cost. Superior product quality and a shift to high-tech products have helped Indian component makers compete better with other low-cost destinations and thus boosted exports. In the auto-component industry, cost is the most critical factor. Low-cost countries such as China, Mexico, South Korea, Poland, Hungary, Thailand, Brazil, India, Malaysia and Russia focus on lowering manufacturing as well as supply chain costs while maintaining quality.

(Source: CRISIL Report)

IV. Strong growth potential in critical, complex component exports

Critical components, such as engine parts, drive transmission and steering, and electricals, are technologically more complex compared with lower margin commoditised components, which were earlier the preserve of Indian players. Critical components offer higher margins to manufacturers, but require greater investment in R&D as well as high-precision engineering to adhere to stringent quality standards of global OEMs.

Indian manufacturers were able to gradually increase their proportion of exports of critical components, as they faced relatively lesser competition from other low cost countries in this segment; many of these countries supplied more basic components, which were not as cost and quality-intensive. However, since 2006, the share of technologically complex products has formed only 35-45% of Indian exports. During the same period, competing low cost countries such as Brazil (which exported 65% technologically complex products in 2015), Thailand and China (each 49%), have stepped up their share of exports of critical components. India's share of technologically complex products is expected to expand gradually, as the domestic automotive market increasingly attains global technological intensity levels and component manufacturers continue to acquire greater technological prowess. In 2015, low cost country exports comprised about 51.5% of commoditised components, which are less technologically intensive.

(Source: CRISIL Report)

V. Emission Norms

BS-IV norms to be implemented throughout India by April 2017, BS-VI by 2020

Fuel combustion in vehicle engines generates by-products such as carbon monoxide, hydrocarbons and nitrogen oxides, leading to air pollution. India has progressively moved to adopting higher standards for emission norms, which permit lesser amounts of pollutants on consumption of fuel. For this purpose, the Central Pollution Control Board has implemented the Bharat Stage ("**BS**").

New emission norms necessitate changes to vehicle design and fuel quality, which call for large investments from both automakers and oil refining companies. Although these changes have long-term environmental benefits, they pose near-term challenges such as cost implications.

(Source: CRISIL Report)

The following table depict the emission limits for BS norms

Prescribed emission limits	For petrol vehicles			For diesel vehicles		
	CO (G/KM)	HC + NOX (G/KM)		CO (G/KM)	HC + NOX (G/KM)	PM
Bharat Stage - I	2.75	0.97		2.72	0.97	0.14
Bharat Stage - II	2.20	0.50		1.00	0.70	0.08
		HC	NOx		HC + NOx	PM
Bharat Stage - III	2.3	0.2	0.15	0.64	0.56	0.05
Bharat Stage - IV	1.0	0.1	0.08	0.5	0.3	0.025

Note: CO: Carbon monoxide, HC: Hydrocarbon, NOx: Nitrogen Oxide, PM: Particulate Matter
(Source: CRISIL Report)

Bharat Stage VI

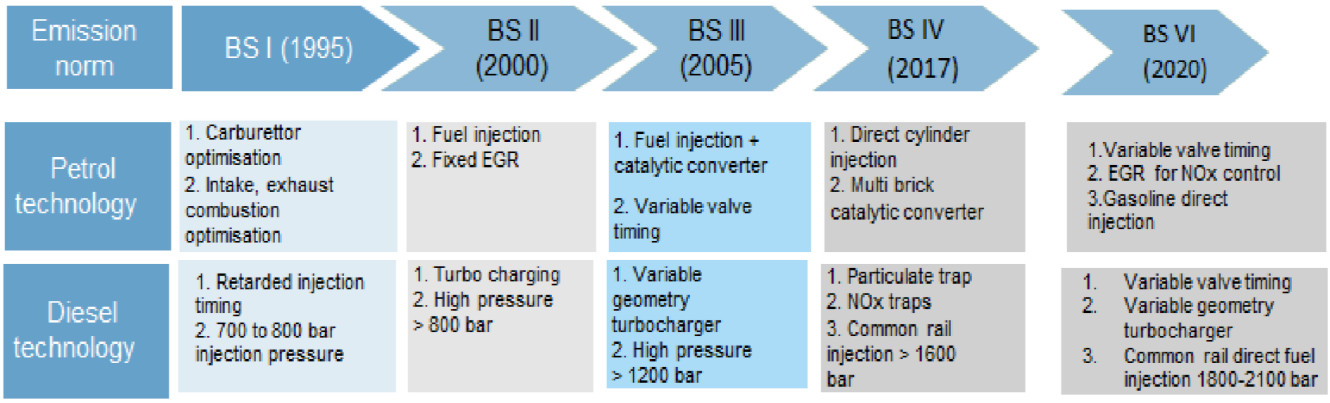
As per Auto Fuel Policy 2025, BS-IV roll-out was envisaged for the entire country by 2017; BS V by 2021 and BS-VI by 2024. However, in January2016, the central government decided to skip BS-V norms and shift directly to BS-VI norms by April 2020. The move is expected to reduce NOx emissions by 25% in petrol engine vehicles and by 68% in diesel engine vehicles. Furthermore, particulate matter (PM) emissions, a major component of outdoor air pollution, are also expected to come down drastically by over 80% in diesel engine vehicles.
(Source: CRISIL Report)

BS-VI emission norms are separately proposed for passenger vehicles, commercial vehicles and two- and three-wheelers as depicted in the following table:

Prescribed emission limits	For petrol vehicles			For diesel vehicles		
	CO (G/KM)	HC + NOX (G/KM)		CO (G/KM)	HC + NOX (G/KM)	PM
Bharat Stage - VI	10	0.1*	0.06	0.5	0.17	0.0045

Note: CO: Carbon monoxide, HC: Hydrocarbon, NOx: Nitrogen Oxide, PM: Particulate Matter
**Non-methane hydrocarbon limit – 0.068g/km*
(Source: CRISIL Report)

Technology requirements for different emission norms



(Source: CRISIL Report)

Implications on Auto Component Industry

Transitioning to BS-VI norms require significant engine technology changes including improvements in engine combustion and calibration, increased injection and cylinder pressures, NOx and PM after-treatment solutions and transitioning to electronic controls. Typically, two types of engine fitments will be required for upgradation of four-wheelers to BS-VI norms from BS-IV norms:

- Diesel Particulate Filter (DPF)- For reduction of PM in diesel vehicles; and
- Selective Catalytic Reduction (SCR) Module - For reduction in NOx emissions.

Owing to this technology upgrade, auto component industry experts expect vehicle prices to increase as follows:

Vehicle type	Cost increase per unit from BS III to BS IV	Cost increase per unit from BS IV to BS VI
Two-wheelers	Rs 2,000 – Rs 3,000	Rs 3,000 – Rs 4,000
Three-wheelers	Rs 3,000 – Rs 4,000	Rs 6,000 – Rs 8,000
Passenger cars - Gasoline	Rs 3,000 – Rs 5,000	Rs 8,000 – Rs 10,000
Passenger cars - Diesel	Rs 10,000 – Rs 30,000	Rs 50,000 – Rs 70,000
MHCVs - Diesel	Rs 80,000 – Rs 100,000	Rs 150,000 – Rs 250,000

(Source: CRISIL Report which states that the source for this data is the National Auto Fuel Policy, International Council on Clean Transportation)

BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 13 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on page 38, "Financial Information" on page 165 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 91 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Fiscal ends on March 31 of each year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year. In this section, a reference to the "Company" means Minda Industries Limited. Unless the context otherwise requires, references to "we", "us" or "our" refers to Minda Industries Limited, its Subsidiaries and Joint Ventures on a consolidated basis.

Unless otherwise indicated, financial information included herein are based on our Financial Statements included elsewhere in this Preliminary Placement Document.

We believe we are one of India's leading manufacturers and suppliers of a variety of automotive systems to OEMs and one of world's leading manufacturers of automotive horns. We manufacture and supply over 15 categories of automotive components to leading Indian and international OEMs based in India, North America and Europe.

We operate as full systems solution providers and cater to a diverse range of customers in the products manufactured by us which include automotive switching systems; automotive lighting systems; acoustics systems for automotive industry; alloy wheels; and other products like fuel caps, CNG kits, rubber hoses, air intakes, die casting and blow moulding among others.

Our Company was incorporated in 1992 with an object to take over the business of Minda Industries, a partnership firm, which was engaged in manufacture and trade of auto electric parts since 1958. Subsequently, we have gained expertise in various products in the automotive industry through our in-house expertise, strategic alliances, consolidations and acquisitions. We believe our diverse product portfolio and scale of operations, long standing relationships with domestic and global OEMs, manufacturing and operational excellence, robust aftermarket presence through dealer and distributor network, strong financial profile and seasoned management team acts as strong and sustainable competitive advantages. Some of our key customers include Maruti Suzuki India Limited and Honda Motorcycles and Scooters India Private Limited, Bajaj Auto Limited, Royal Enfield (a unit of Eicher Motors Limited) and TVS Motor Company Limited, among others.

We have 32 manufacturing plants located in India and seven manufacturing plants located in South-east Asia, Europe, Africa and Americas. We believe our manufacturing facilities in India are located in key auto-clusters in North, South and West India and strive to locate our facilities in close proximity to our OEM customers' plants. For e.g., our manufacturing plants in Manesar, Indonesia and Hosur are located in close proximity to the manufacturing facilities of some of our leading customers. We believe that research and development and access to latest technology is a key to our success and currently have three DSIR certified R&D centres in India and 19 other design centres in India and overseas. which are further complemented through technical arrangements and joint ventures with partners who we believe are industry and technology leaders in their respective markets and technological capabilities.

In addition to our demonstrated ability to expand our product portfolio and markets organically, our various Joint Ventures and technical collaborations and our acquisitions of global lighting business of the Spain based Rinder group and Clarton Horn, illustrate our ability to identify, partner or acquire and assimilate complementary businesses across products and geographies in order to consolidate our position in the auto component industry.

Our operations are overseen by a professional management team with most of our business domains being led by independent chief executive officers. Mr. Nirmal Minda, our Chairman and Managing Director, has been associated with us since the inception of our Company and has been instrumental in the growth of our Company. Under the leadership team, our Company received the CII Industrial Innovation Awards as one of the 'Top 25 Most Innovative Companies for 2016'.

Our total income from operations (net) was ₹ 2,55,697.94 lakhs and our net profit was ₹ 11,030.07 lakhs for the nine-month period ended December 31, 2016, which constituted 4.31% of the total income from operations net for the period. Our consolidated total revenue was ₹ 1,72,299.28 lakhs, ₹ 2,24,953.09 lakhs and ₹ 2,54,130.73

lakhs in Fiscals 2014, 2015 and 2016, respectively. Our profit after tax on a consolidated basis was ₹ 717.67 lakhs, ₹ 6,796.83 lakhs and ₹ 11,113.40 lakhs and constituted 0.42%, 3.02% and 4.37% of our consolidated total revenue in Fiscals 2014, 2015 and 2016, respectively.

Our competitive strengths

We believe the following competitive strengths differentiate us from other industry participants, have contributed to our success and will continue to enable us to increase our market share and capture future growth opportunities:

Diversified product portfolio

We believe that we offer one of the most diversified portfolio of products in the Indian auto component industry. While we manufacture and supply over 15 categories of automotive systems and components, some of the key product systems manufactured by us include automotive switching systems, automotive lighting systems, acoustics systems for automotive industry and alloy wheels which we supply across a wide spectrum of end customers in two-wheeler, four-wheeler, commercial and off-road vehicle segment. In addition to the OEMs, the diversity of our product portfolio also helps us in servicing our extensive after-market distribution network across major cities as well as in tier II and tier III cities and towns. We believe that our product portfolio helps us in offering comprehensive solutions to our customers, enhances our ability to attract new customers, improve our share of business amongst existing customers and helps de-risk the business through limited dependence on any single product domain or product system.

We believe that our product portfolio, has helped us, along with our Associates, to become one of India's leading manufacturers and suppliers of automotive switching systems, lighting systems and alloy wheels and one of world's leading manufacturers of automotive horns. We believe that our ability to manage a wide product portfolio and gain leadership in certain product systems is based on our ability to understand evolving customer requirements, design, development, manufacturing capabilities, technical collaborations and joint ventures.

Strong relationship with OEMs

We believe we are a trusted partner and strategic Tier I supplier to, and have longstanding, extensive relationships with, leading Indian OEMs such as Maruti Suzuki India Limited, Honda Motorcycles and Scooters India Private Limited, Bajaj Auto Limited, Royal Enfield (a unit of Eicher Motors Limited) and TVS Motor Company Limited as well as leading international OEMs such as Volkswagen AG, Yamaha Indonesia Motor Manufacturing, Polaris Industries Incorporated, PT. Suzuki Indomobil Motor and PT. Toyota Boshoku Indonesia. Our strategically located manufacturing facilities, consistent performance, timely delivery and adherence to quality standards has helped us maintain customer engagements and attract new customers. Our existing relationships with large global and domestic OEMs enable us to cross-sell additional products, enter new geographies and cultivate new customer relationships.

We continually strive to strengthen our customer relationships through superior service quality and by ensuring that our products keep pace with requirements of the rapidly changing industry. We have a dedicated R&D and design team across three locations in India and over 19 design centres in India and overseas, thereby enabling us to develop new products for our OEM customers and keeping track of the latest developments. To take into account the requirements of our OEM customers, our R&D team regularly interacts with our product development team and our customer to focus on developing new products with improvements in quality and design. In the past, we have been awarded the "Excellence in Quality" award from Yamaha Motors India Private Limited in 2016 for our automotive switching systems and the "Supplier Quality Excellence" award from General Motors in 2015 for our automotive lighting systems business.

Technical collaboration and inorganic route for expansion of business

Our product portfolio is a combination of technical know-how of our joint venture partners and of what we have developed internally. We believe that our partners are industry and technology leaders in their respective markets and their technological capabilities and global reach and presence provides us with significant advantages across our various businesses. We have a well-established track record of successfully collaborating and forming long standing relationships with our various joint venture partners which has helped us become one of the leading companies in multiple automotive systems. Some of the joint ventures we have, include:

- Roki Minda Company Private Limited to manufacture air intakes and filters;

- Minda Emer Technologies Limited to design and manufacture LPG and CNG gas fuel systems; and
- Minda Onkyo India Private Limited to manufacture speaker and speaker systems.

Such collaboration gives us access to the latest know-how, design and technology an expertise which facilitate the manufacturing process. We believe our technological relationships and our in-house design expertise are complementary to each other and enable us to provide our customers innovative and customized solutions in line with the evolving technologies across the globe.

In addition to having technological tie-ups, we have an established track record of successfully identifying, acquiring and assimilating companies/ businesses to supplement our business verticals, diversify our revenue streams and further strengthen our service portfolio. In 2014, we had acquired Clarton Horn, a company incorporated in Spain which manufactures automotive electric horns, which has helped us become one of the leading players in global automotive horns market. In 2016, we acquired the global lighting business of Spain based Rinder group which we believe will have significant synergies with our automotive lighting systems business.

We believe these acquisitions are significant to our business as in addition to giving us presence in these new markets and verticals, it also provides us with fully functional infrastructure facilities in these locations. For example, the Rinder Group acquisition also gives us the ability to utilise the technology centre in Spain which we believe will help build global competitive capabilities through R&D. Our approach of growth with technical collaborations and acquisitions have historically introduced operating efficiencies, faster time to market, ability to revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins.

Presence in the aftermarket sales segment and well connected distributor network

We believe that the aftermarket segment in India is gradually shifting from significant participation by unorganized sector to one dominated by larger auto component manufacturers and OEMs through their dealer and service networks. We rely on our extensive distribution network to facilitate our aftermarket sales operations and sell our products through a pan-India network of distributors. We believe that our well-developed sales and distribution network complements our broad product basket and helps us in servicing the replacement market. Further, we believe, that our pedigree in auto component space, leadership position in certain product solutions and focus on quality systems makes us a preferred choice for end customers in the replacement market. As on February 28, 2017 we have over 900 distributors spread across India, some of which have been working with us for over a decade. Our distributors are located across major cities as well as in tier II and tier III cities and towns. We believe our distributors are well entrenched in their respective geographies and provide us access to a large universe of retailers who in-turn sell our products to end customers.

Strategic locations of manufacturing facilities

We have 32 manufacturing plants located in India and seven manufacturing plants located in South-east Asia, Europe, Africa and Americas. We believe our facilities in India are located in key auto-clusters in north, south and west India and we strive to locate our facilities in close proximity to our OEM customers' plants. For e.g., our manufacturing plants in Manesar, Indonesia and Hosur are located in close proximity to the manufacturing facilities of some of our leading customers. We believe that the proximity of our manufacturing plants to our customer locations helps us have better control over logistics for timely delivery and leverage the eco-system being set-up by the OEMs. We have established a global presence by successfully integrating our acquisitions and our joint ventures which have complemented our global operations and enhanced our ability to cater to the needs of our customers from multiple locations.

We believe our fully integrated manufacturing facilities allow us to benefit from economies of scale and our multiple facilities give us flexibility in case of production disruption at any of our plants. Our quality management procedures focus on (i) improvement in customer satisfaction, (ii) supplier performance improvement, (iii) on-time delivery, and (iv) reduction of wastage. These procedures include specific processes implemented to ensure quality checks at every phase of the production process which enable us to ensure quality of products delivered to our customers at competitive prices.

We believe that we have been able to provide competitively priced products through cost efficient production and with stringent quality standards which enables us to receive new business from our existing as well as from new

customers. We constantly work towards making our designs easier to manufacture, which improves reliability, quality and cost.

Experienced senior leadership and technically skilled and motivated employees

We believe that our qualified and experienced senior management team, technically skilled employee base and established background of our Chairman and Managing Director have contributed to the growth of our operations and the development of in-house processes and competencies.

Mr. Nirmal K Minda, our Chairman and Managing Director, has been associated with us since the inception of our Company and has been instrumental in the growth of our Company. He has over three years of experience in the automotive components industry. Our senior management team consists of technically qualified and highly experienced professionals in the industry we operate in. Our business domains are managed by independent chief executive officers who have extensive experience in the industry. This enables each domain to focus exclusively on the opportunities and challenges that it faces. Our senior management team is responsible for the overall strategic planning and business development of our Company and has been instrumental in the consistent growth in our revenues and operations.

Our strategies

We will continue to seek opportunities to realize sustainable growth of our business. To achieve this, we plan to focus on the following strategies:

Re-alignment for better business synergies

Our Company recently completed a phase of consolidation and reorganisation upon receipt of the relevant approvals and accordingly have increased our stake in our joint ventures, Subsidiaries and Associates. We believe that the creation of a single entity along with providing better financial capacity, shall also help us to create an investor friendly holding structure with seamless process to maximise profits and ensure optimal revenue mix. The consolidation and reorganisation process is also intended to aid us in optimisation of costs and operating leverage along with enabling us to optimise resources resulting in elimination of overlapping activities. We continue to constantly explore such opportunities in the best interest of our Company and our stakeholders.

Achieve leadership across key segments and expand existing relationships with OEM customers into new product areas

We will continue to focus on developing our key product verticals namely, automotive horns; automotive lighting; automotive switches; alloy wheels; and other products like fuel caps, CNG kits, rubber hoses and improve the market share we enjoy in our product segments. Our focussed initiatives towards this include continued efforts to make investments in technology and identifying qualified professionals with experience in our industry.

Further, we will continue to work with our OEM customers, with whom we believe we have long-standing relationships and knowledge of requirements and preferences, in order to develop and supply more sophisticated, higher margin products. Our experienced R&D teams enable us to bring new designs and innovations that we then translate into opportunities by marketing these to our customers. We believe that our wide product portfolio and leadership in key product segments will help us in increasing our share of business amongst our OEM customers.

Develop innovative products and designs through in-house R&D, joint ventures, technical collaborations and inorganic acquisitions

We are focused on retaining and strengthening our technological leadership through the continued development of innovative products, which we believe will enable us to expand our diversified products portfolio. We continue to focus on developing and introducing new value added products into our markets. Through constant product innovation and research and development, we intend to offer a diverse range of products that are new to the market and are innovative in nature. We intend to continue to innovate on products and designs and therefore continue to try to ensure market leadership and also be the preferred choice of the OEMs. We also continue to explore opportunities to collaborate with global players to augment the positioning of our products, enhance our manufacturing capabilities, upgrade our technological processes and offer new and diversified range of products to our customers.

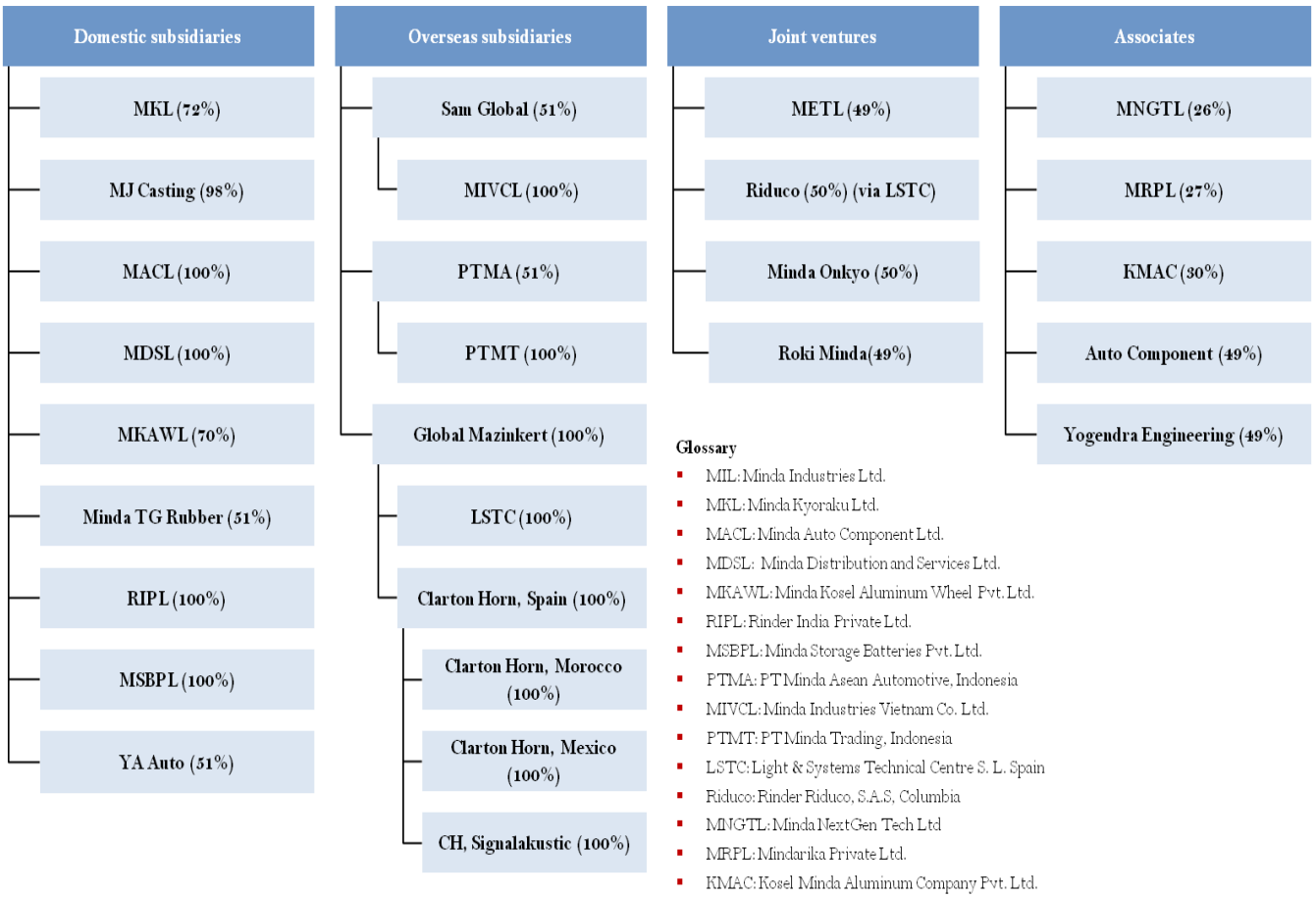
Our acquisitions of global lighting business of the Spain based Rinder group and Clarton Horn, illustrate our ability to identify, partner or acquire and assimilate complementary businesses across products and geographies in order to consolidate our position in the auto component industry and we continue to explore relevant opportunities in our focus segments.

Continue to improve margins and profitability

We aim to continue to improve profitability by improving our manufacturing processes, raising margins that we make on each product we manufacture and thereby gaining cost efficiencies. We intend to continue to focus on sourcing materials keeping in mind the economies of scale and thereby ensuring that we get the best available price form the best supplier of raw materials. We also constantly aim to identify opportunities to implement production improvements and dedicate research and development resources to enhance production processes.

Our Corporate Structure

The following table depicts our corporate structure:

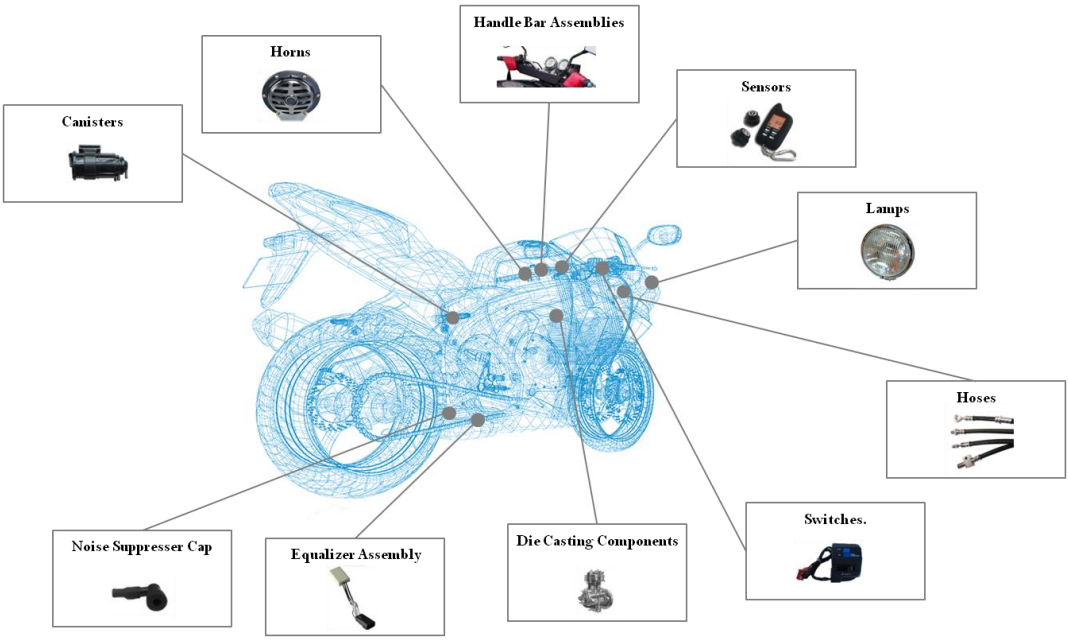


Description of our Business

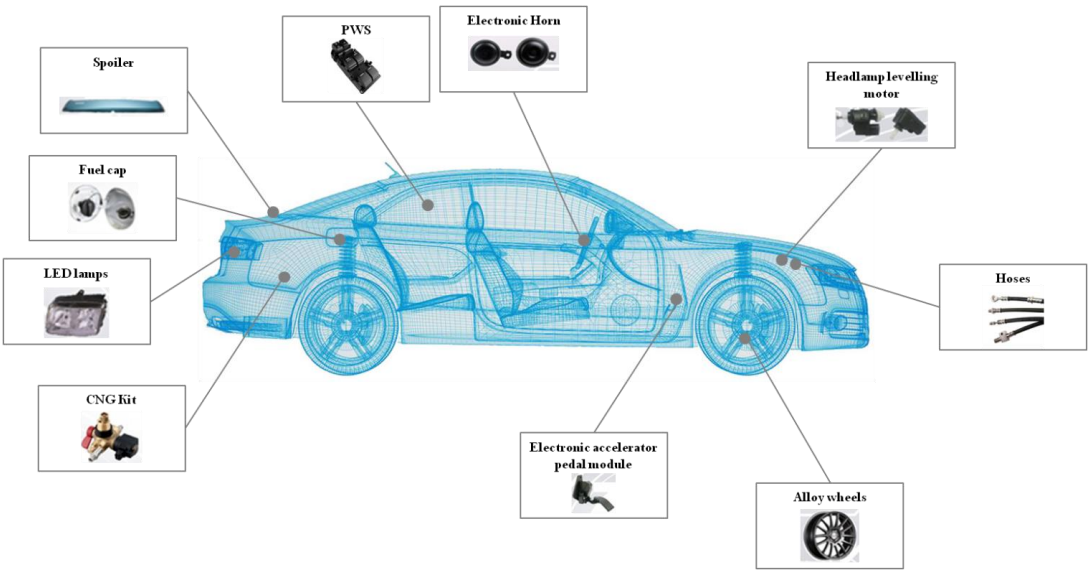
We are a full systems solution provider for a wide range of automotive components and are engaged from concept development, design, development of tools and moulds, process engineering, manufacturing and testing of automotive components to leading OEMs in India and abroad. We offer a wide range of products across over 15 categories of automotive components which include among others, switching systems, lighting systems, acoustic systems and alloy wheels.

The following diagrams highlight the application of our products in the two-wheeler segment and the four-wheeler segment:

Range of products for two-wheeler segment



Range of products for four-wheeler segment



The following are the primary business verticals of our Company:

Automotive switching systems

We believe that we are one of the leading Indian manufacturer for two-wheeler automotive switching systems, and along with our Associates, are one of the leading Indian manufacturer for four-wheeler automotive switching systems. We produce a wide range of automotive switches for some of the leading OEMs of two wheelers, three wheelers and off road vehicles, in India and abroad through our eight manufacturing facilities located at Aurangabad, Hosur, Nalagarh, Manesar, Mysore, Pantnagar, Pune and Surajpur and our three overseas manufacturing facilities in Indonesia and Vietnam operated by our subsidiaries P.T. Minda Asean Automotive, Indonesia and Minda Industries Vietnam Limited, respectively. We have also set up a design centre in Japan.

Some of our key automotive switch products include:

- ***For two-wheeler and three-wheeler vehicles***
  - handlebar switches; and
  - modular switches;

- ***For off -highway vehicles***
  - push button switches; and
  - ignition switches;

During our production process, we utilise various softwares such as Ansys, Autodesk and Catia, which are used to create products for our automotive switching division. Apart from certain software, for our manufacturing process we also utilise hardware machinery like milling machine, tablet for digital sketching, soldering station, micro-controller programmer kit, fluke multi-meter, drill machine and pedestal grinder.

Some of our OEM customers in the automotive switch segment are - Bajaj Auto Limited, Honda Motorcycles and Scooters India Private Limited, TVS Motor Company Limited, Royal Enfield (a unit of Eicher Motors Limited) and Hero Motocorp Limited.

Automotive lighting systems

We believe that we are among the leading manufacturers of automotive lighting products including automobile lamps and signalling devices in India. We provide end to end solutions to OEM customers with respect to their lighting requirements across for vehicles across the two-wheeler, four-wheeler segments as well as for the off-road vehicle segments while also maintaining comprehensive presence in aftermarket business.

We produce a wide range of lighting solutions for some of the leading OEM customers, in India and abroad through our six manufacturing facilities in India and one in Indonesia operated by our subsidiaries P.T. Minda Asean Automotive, Indonesia.

Our manufacturing facilities are equipped with latest machines such as vibration welding, homologation photometry gig, BMC moulding and ultrasonic welding. Our product development process involves an array of qualitative processes including conceptualization, designing, production engineering, tooling, quality engineering and lab management.

Some of our key automotive lighting products include:

- ***For two-wheeler vehicles***
  - indicator; and
  - head lamps;

- ***For off-road vehicles***
  - plough lamps; and
  - tail lamps;

- ***For four-wheeler vehicles***
  - front turn signal lamp;
  - spot lamp;
  - fog lamp; and
  - head lamps.

Some of our OEM customers in the automotive lighting segment are Maruti Suzuki India Limited, Mahindra and Mahindra Limited, Renault Nissan Automotive India Private Limited, Royal Enfield (a unit of Eicher Motors Limited) and Tata Motors Limited. While our international customer base includes OEMs like PT. Suzuki Indomobil Motor.

To keep up with the technological advancement and to effectively service the requirements of our OEM customers, we have set up design centre and customer support offices in Taiwan.

In 2016, we acquired entities forming part of the Rinder group, which is a leading automotive lighting manufacturer for two-wheelers and commercial vehicles, with manufacturing facilities in Pune and at Bahadurgarh in Haryana. Additionally, in June 2016, Global Mazinkert, S.L. Spain, our wholly owned subsidiary, also acquired the entire shareholding of Light & Systems Technical Center, S.L., Spain and 50% shareholding of Rinder Riduco, S.A.S. Columbia from Corporacion Rinder, Spain. These acquisitions have aided in establishing our Company as a technology driven player and increased our market share in the automotive lighting solutions segment.

Automotive acoustic business

We believe we are one of the world's leading manufacturers of automotive horns which forms part of our acoustic business. We design and produce a wide range of automobile horns including hypertone horns, K 95 horns, trumpet horns, disc horns and jericho air horns for some of the leading OEMs of two wheelers, four wheelers, commercial vehicles and off road vehicles through our manufacturing facilities in Manesar and Pantnagar in India and three manufacturing facilities spread across in Spain, Morocco and Mexico. Our OEM customers in the acoustic systems segment are Honda Cars India Limited, TVS Motor Company Limited, Royal Enfield (a unit of Eicher Motors Limited), Honda Motorcycles and Scooters India Private Limited, Mahindra and Mahindra Limited. Our acoustics business is supported by a design centre in Spain.

As part of our expansion initiatives, we acquired 100% shareholding of Global Mazinkert, S.L., Spain vide an investment in March 2013, which in turn acquired 100% shareholding of Clarton Horn S.A., Spain ("**CHS**"). This acquisition has offered us opportunities of leveraging synergies between our two entities by way of product, process and technology assistance, enhanced marketability in the Indian market as well as the use of tools and components from India, in the Spanish manufacturing unit to achieve cost improvements.

Alloy Wheels

We believe that we are amongst the largest manufacturers of aluminum alloy wheels for four-wheelers in India. Our Company carries out its business of manufacturing of aluminum alloy wheels through its subsidiary, Minda Kosei Aluminum Wheel Private Limited ("**MKAWPL**") which was incorporated in February 2015 and has a manufacturing unit in Bawal, Haryana.

Our customers in the alloy wheels' division are Maruti Suzuki India Limited and Mahindra and Mahindra Limited

Other businesses

With a view to effectively leverage our existing relationships with a wider range of our OEM customers, and as part of our new business initiatives we undertake a gamut of product offerings wherein we engage in production of ancillary automotive components including the following:

Air Filters and Canisters

We undertake the business of air filters and canisters through our joint venture Roki Minda Company Private Limited ("**RMCPL**"), a joint venture with Roki Company Limited. Some of our OEM customers are Honda Motorcycles and Scooters India Private Limited, Honda Cars India Limited, Yamaha Motors India Private Limited and Suzuki Motorcycle India Private Limited.

Blow moulding components

We undertake the business of producing blow moulding components through our subsidiary Minda Kyoraku Limited ("**MKL**") which manufactures products like air conditioning ducts, EA pads, spoilers, etc. Some of our OEM customers for blow moulding components business are Ford India Private Limited, Honda Cars India Limited, Renault Nissan Automotive India Private Limited and Toyota Kirloskar Motors Limited.

Fuel and CNG / LPG kits

We produce alternate fuel kits, CNG/ LPG kits and alternate fuel components through our joint venture Minda Emer Technologies Limited. Maruti Suzuki India Limited is our prime OEM customer for this business along with OEMs such as Tata Motors Limited and Honda Siel Power Products Limited.

Fuel and brake hoses

We also manufacture brake hoses and fuel hoses which are produced by our subsidiary, Minda TG Rubber Private Limited and primarily supplies such as OEMs Maruti Suzuki India Limited and Toyota Kirloskar Motors Limited, Honda R&D India Private Limited.

Aluminum die casting

We are engaged in the business of aluminum die casting through our subsidiary M J Casting Limited ("**MJCL**"). The key products manufactured by MJCL include crankcase covers, magneto covers, pillion handles and cylinders for air brakes. Some of our OEM customers for the die casting business are Honda Motorcycles and Scooters India Private Limited, TVS Motor Company Limited and Wabco India Limited.

Speaker and speaker systems

Pursuant to a joint venture agreement in 2016, between Onkyo Corporation, Japan and our Company, we jointly incorporated Minda Onkyo India Private Limited ("**MOIPL**"). MOIPL has been set up to design, develop and manufacture the speaker and speaker systems in the Indian market as well as with an intention to increase our exports to other countries.

Raw Material

The principal raw materials that we use in the manufacturing of our products include metals (such as aluminum, copper and lead), plastics and other electronic components.

Utilities

Power and Fuel

To power our operations, we need a substantial amount of power and fuel. For Fiscal 2016, our total power and fuel costs comprised 2.27% of our total expenses on a consolidated basis.

In addition to the above, our Company makes arrangements for captive power generation through diesel run generator sets in all of our manufacturing facilities to mitigate the risks associated with power outages, voltage fluctuations and other such disruptions.

Logistics

We typically, ship the finished goods to our OEM clients. In addition to providing just in time delivery on assembly line of some of our customers, we supply to most of the OEM customers to their factories. In case of supply to OEM customers, the transporter is either nominated by the OEM customer or we deliver the goods at their factories. Further, with respect to the replacement market as of February 28, 2017, we had over 900 distributors across major cities as well as in tier II and tier III cities and towns. Most of our distributors are responsible for receiving and dispatch of goods to all our dealers and retailers. We also have agreements with several logistics providers in India who provide transportation of our products to our distribution network and customers. In order to insure our products from unforeseen circumstances while in transit, we obtain transit insurances against damage of goods while in transit.

Research and Development

We place significant importance on continued R&D activities as we consider them to be critical in maintaining our leadership position in the segments of the automotive component manufacturing industry where we operate. We also consider it imperative to evolve to the needs of the industry with a view to create a sustainable future and a robust business model. Over the years, the responsibilities and functions of our R&D team have evolved from providing design support and verification to our OEM customers to developing in-house capabilities for designing of our own products ad expediting new offerings to our clients in the switching, lighting and acoustic segments. We believe that our R&D efforts provide us with a competitive advantage with respect to quality and cost and by virtue of our strong in house R&D department.

Currently we own three dedicated R&D centres at Nawada Fatehpur Manesar, Sonepat, Haryana, and Pune, Maharashtra, which are all approved by the Department of Scientific and Industrial Research ("**DSIR**"). As of

February 28, 2017, we employed 147 R&D engineers, designers, technicians and support staff in India and at our overseas R&D facilities. Most members of our research and development team have undergraduate and graduate degrees in engineering or the sciences and have between 2 to 20 years of experience in the automotive industry. Our R&D centres are equipped with the latest technology and machinery required to assist our R&D team in effective designing and testing of our products across divisions.

In recognition of our technological achievements and innovation, we have received several industry awards, including being listed amongst the top 10 innovators for the year 2014-15, by Thomson Reuters in their annual "2014 State of Innovation India Report". In the year 2014-15, our switch division was also awarded for "New Part Development" by HMSI and gained recognition in various fields like 'Quality, Delivery, Technology upgradation and Tier-II upgradation initiatives' by Maruti Suzuki India Limited.

Quality Control and Testing

The quality of our products and customer satisfaction are of vital importance to our business. We ensure that our products undergo a rigorous qualification process throughout the entire value chain to ensure that high quality products are being provided to our customers. Over a period of time we have developed robust testing and quality assurance procedures which are imbibed in our employees from the unit level to senior management through a quality system manual, which is updated from time to time to keep pace with changes in standards, regulations, technological advancements and any particular requirements of the customer. Our quality system manual sets out detailed processes for product audit and quality rating, which are carried out on a periodical basis. The quality check parameters are laid down to ensure adherence to defined process and product specifications.

Our customers expect us to undertake extensive product approvals and/or certification process. Many of our customers also perform their own quality checks to ensure that our products meet their demands and comply with the requirements. Our quality control programs at most of our production sites involve subjecting the manufacturing processes and quality management systems to periodic reviews and observation for various periods of time.

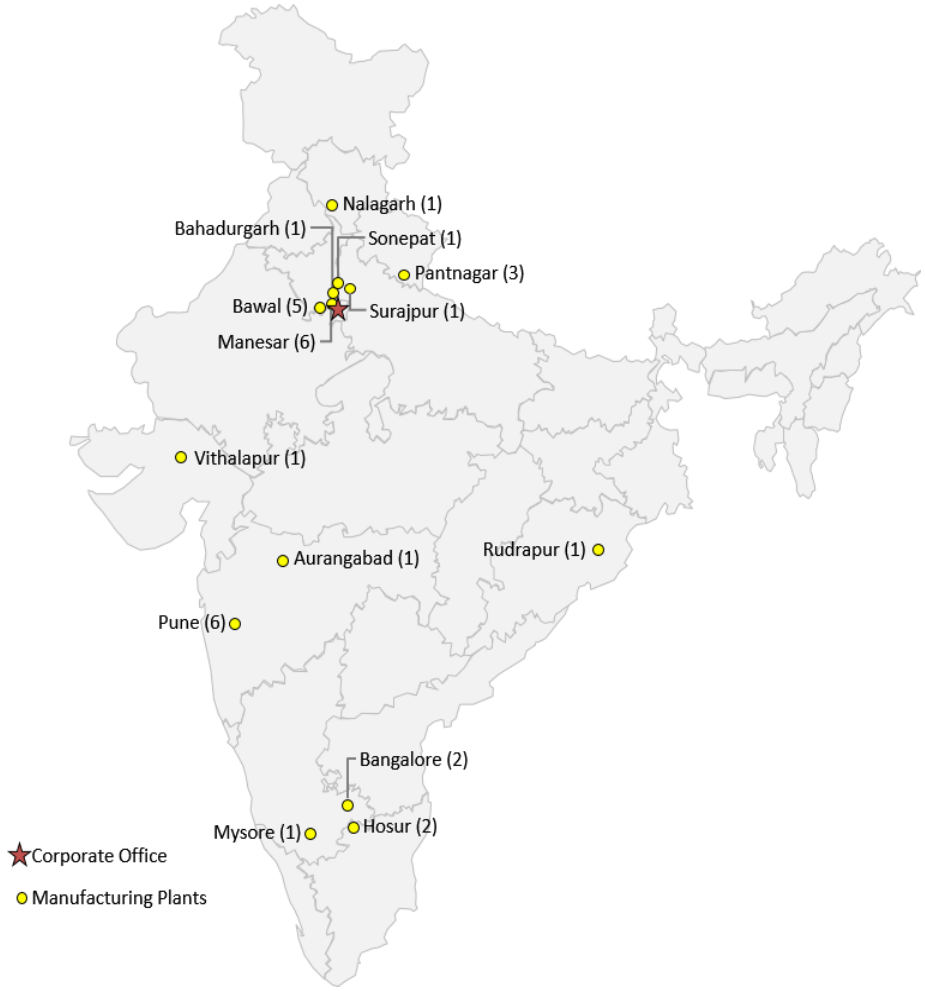
Sales, Marketing and Distribution

Our marketing begins with our development and engineering teams which work closely with customers or prospective customers, using our design and engineering facilities to design products tailored to meet their specific needs. Based on our credentials and recognitions awarded to us by our valued existing customers, we approach new customers for business. Our strong relationships with our customers as well as our strategy to cross sell our products to existing customers enable us to market our products with limited expenditure on marketing and brand building. Our seasoned logistics and sales team manages the supply, warehousing, packaging and inventory management and ensures timely delivery to our customers.] In addition, Minda Distribution Services Limited, our subsidiary, is responsible for marketing of our aftermarket products. We believe the efforts of these teams accentuate our capabilities in innovation, engineering, program management, launch, quality and manufacturing.

Manufacturing Facilities

Our manufacturing facilities are strategically located in close proximity to the major automotive hubs in India. Our operational facilities include 32 manufacturing plants in India, including among others, six plants in Manesar and five plants in Bawal in Haryana, three plants in Pantnagar, Uttarakhand, six plants in Pune, Maharashtra and two plants in Hosur, Tamil Nadu. Our international facilities include two manufacturing plants in Indonesia, and a manufacturing plant each in Spain, Vietnam, Mexico, Morocco and Colombia. We consider all of our principal manufacturing facilities and other significant properties to be in good condition and adequate to meet the needs of our operations.

The following figure depicts the locations of our domestic manufacturing plants:



The following figure depicts the locations of our manufacturing plants, globally:

Insurance

Our operations are subject to various risks inherent in the automobile industry. We maintain insurance policies for our manufacturing facilities, buildings, machinery and inventories, business, interruption and damage due to fire, earthquakes, floods and other natural disasters, as well as primary and excess combined liability, personal accident coverage and product liability coverage. In addition, we also maintain a comprehensive insurance policy covering directors' and officers' liability. Typically, we are not insured against consequential damages, terrorist acts and war related events. Further, where we negotiate contracts, we generally do not accept liability for product recalls in the context of our customer contracts. Consequently, we do not elect to purchase insurance against product recall risk.

We believe that our insurance coverage is in accordance with industry custom, including with respect to the terms of and the coverage provided by such insurance. For further details, see "***Risk Factors - Risks Relating to Our Business - Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business, financial condition and results of operations***" on page 52.

Competition

Our Company has evolved into a full system solutions provider and caters to a diverse range of customers in the automotive sector. Our Company offers a wide range of products, and is among the leading manufacturers of automotive switching systems, automotive lighting systems, automotive horns and alloy wheels. While there are multiple domestic and global competitors in the automotive industry, our Company has strong OEM relationships, core expertise in all aspect of design, research, engineering and development and global proximity to customer facilities which provides us with competitive advantage over the competitors. We believe we compete effectively on a domestic and international level with other major suppliers. We also believe that there are several significant barriers to entry into the automotive component manufacturing market, including the fact that the OEMs prefer companies with a strong operational track record and financial capabilities, the capital-intensive nature of business and it being a highly-regulated industry requiring the procurement of various licences in order to operate effectively.

Human Resources

Our relations with our employees are amicable and we have not had disruption in production or delivery to customers due to industrial relations issue in our factories in the past. Our employees contribute significantly to our business operations. As of January, 2017, we had a total workforce of over 10,500 individuals including engineers, design professionals, management graduates, company secretaries and chartered accountants.

We conduct regular training sessions for our employees to develop a variety of skill sets under our Company's 'Pathshala' initiative. We also provide for external training programs designed for our mid-level and senior level management to prepare them for the next level of responsibilities. Additionally, our Company has also undertaken a leadership programme designed to groom and nurture future leaders, by handpicking the most promising individuals from our varied employee base. Further, we adopt a robust performance management systems to encourage our employees to achieve their respective targets and efficiently dispense their responsibilities.

Our human resource practices are aimed at recruiting talented individuals, ensuring their continuous development and making sure their grievances, if any, are redressed in a timely manner. In this regard, we provide several forums and communication channels for our employees to provide their feedback and effectively share their views.

We have one trade union consisting of 17 employees in our Subsidiary, Rinder India Private Limited.

Corporate Social Responsibility

Sustainable practices have always been an integral part of our business strategy. Our CSR policy is aimed at demonstrating care for the community through focus on education and skill development. Also, embedded in this objective is support to the marginalised section of the society by providing opportunities to improve their quality of life. We support various social causes and are actively involved in running a number of charitable and social organisations under the support of the S L Minda Charitable Trust and Moga Devi Minda Charitable Trust. These organisations undertake various CSR activities including primary education, including computer courses and imparting various other vocational skills to students.

Further, the CSR Committee has been entrusted with the prime responsibility of recommending to the Board and monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Legal Proceedings

We are involved in various lawsuits, claims, investigations and proceedings, which arise in the ordinary course of our business. In terms of Policy for Determining Materiality of Events/ Information, as adopted by the Board on March 30, 2016, our Company is not involved in any material outstanding litigation. For details, see "***Legal Proceedings***" on page 161.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations is based on, and should be read in conjunction with, our Financial Statements included elsewhere in this Preliminary Placement Document. The Financial Statements reflect applicable statutory requirements and regulatory guidelines and accounting practices in India. Indian GAAP and Indian accounting standards may differ in certain material respects from generally accepted accounting principles and accounting standards in other countries, and IFRS.

Our Company's fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section "Risk Factors" on page 38.

Overview

We believe we are one of India's leading manufacturers and suppliers of a variety of automotive systems to OEMs and one of world's leading manufacturers of automotive horns. We manufacture and supply over 15 categories of automotive components to leading Indian and international OEMs based in India, North America and Europe.

We operate as full systems solution providers and cater to a diverse range of customers in the products manufactured by us which include automotive switching systems; automotive lighting systems; acoustics systems for automotive industry; alloy wheels; and other products like fuel caps, CNG kits, rubber hoses, air intakes, die casting and blow moulding among others.

Our Company was incorporated in 1992 with an object to take over the business of Minda Industries, a partnership firm, which was engaged in manufacture and trade of auto electric parts since 1958. Subsequently, we have gained expertise in various products in the automotive industry through our in-house expertise, strategic alliances, consolidations and acquisitions. We believe our diverse product portfolio and scale of operations, long standing relationships with domestic and global OEMs, manufacturing and operational excellence, robust aftermarket presence through dealer and distributor network, strong financial profile and seasoned management team acts as strong and sustainable competitive advantages. Some of our key customers include Maruti Suzuki India Limited and Honda Motorcycles and Scooters India Private Limited, Bajaj Auto Limited, Royal Enfield (a unit of Eicher Motors Limited) and TVS Motor Company Limited, among others.

We have 32 manufacturing plants located in India and seven manufacturing plants located in South-east Asia, Europe, Africa and Americas. We believe our manufacturing facilities in India are located in key auto-clusters in North, South and West India and strive to locate our facilities in close proximity to our OEM customers' plants. For e.g., our manufacturing plants in Manesar, Indonesia and Hosur are located in close proximity to the manufacturing facilities of some of our leading customers. We believe that research and development and access to latest technology is a key to our success and currently have three DSIR certified R&D centres in India and 19 other design centres in India and overseas. which are further complemented through technical arrangements and joint ventures with partners who we believe are industry and technology leaders in their respective markets and technological capabilities.

In addition to our demonstrated ability to expand our product portfolio and markets organically, our various Joint Ventures and technical collaborations and our acquisitions of global lighting business of the Spain based Rinder group and Clarton Horn, illustrate our ability to identify, partner or acquire and assimilate complementary businesses across products and geographies in order to consolidate our position in the auto component industry.

Our operations are overseen by a professional management team with most of our business domains being led by independent chief executive officers. Mr. Nirmal Minda, our Chairman and Managing Director, has been associated with us since the inception of our Company and has been instrumental in the growth of our Company. Under the leadership team, our Company received the CII Industrial Innovation Awards as one of the 'Top 25 Most Innovative Companies for 2016'.

Our total income from operations (net) was ₹ 2,55,697.94 lakhs and our net profit was ₹ 11,030.07 lakhs for the nine-month period ended December 31, 2016, which constituted 4.31% of the total income from operations net for the period. Our consolidated total revenue was ₹ 1,72,299.28 lakhs, ₹ 2,24,953.09 lakhs and ₹ 2,54,130.73 lakhs in Fiscals 2014, 2015 and 2016, respectively. Our profit after tax on a consolidated basis was ₹ 717.67 lakhs, ₹ 6,796.83 lakhs and ₹ 11,113.40 lakhs and constituted 0.42%, 3.02% and 4.37% of our consolidated total revenue in Fiscals 2014, 2015 and 2016, respectively.

Recent developments

The key developments since the date of our last audited financial statements are:

- Acquisition of 100% shares of Rinder India Private Limited;
- Acquisition of 100% shares of Lighting System & Technical Center by our subsidiary, Global Mazinkert S. L.;
- Acquisition of 50% shares of Rinder Riduco, S.A.S by our subsidiary, Global Mazinkert S. L.;
- Formation of Y A Auto Industries, with 51% majority stake in its partnership;
- Acquisition of 100% shares of Minda Storage Batteries Private Limited;
- Acquisition of 49% shares of Roki Minda Co. Private Limited;
- Investment in 50% shares of Minda Onkyo India Private Limited;
- Approval of our Board and shareholders for hiving off our battery division to Minda Storage Batteries Private Limited; and
- Joint venture agreement with Katolec Corporation, Japan for incorporation of a joint venture company, with a share of 51%, for the purpose of manufacture and sale of products through EMS.

Significant factors affecting results of our operations

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future.

Macroeconomic and market conditions affecting the automotive industry

Our revenues are primarily derived from our sales of automotive components to our OEM customers and, as a result, our operations are affected by general trends in the automotive industry. For instance, factors such as macroeconomic conditions, particularly widespread or prolonged changes in consumer confidence and spending on vehicles affect our business and results of operations. In addition, fluctuations in interest rates, exchange rates and inflation rates may have a material effect on key aspects of our operations as well as cost of financing for the ultimate consumers of vehicles that contain our products, including the cost of our raw materials and the costs of borrowing required to fund our operations.

Our business depends on the demand for vehicles and production by our OEM customers, which, in turn, depend, to a large extent, on general economic conditions in the countries, regions and localities in which our customers operate, as well as the economic conditions that affect their customers. While we believe that our diversification across products, markets, geographies and customers reduces, in part, our sensitivity to economic cycles in certain geographies and markets, we are particularly affected by factors affecting the vehicle industry in India, Europe, the Asia-Pacific region and the Americas. A deterioration in economic conditions in any of our key markets that is widespread, pronounced and/or long-lasting, such as the global financial crisis in 2008 and 2009, could have a significant impact on our results of operations and financial condition. For a more detailed discussion of the global automotive component industries, see "*Industry Overview*".

Purchasing patterns of our significant customers and contract terms

Customer Demand and Contract Terms

The demand for our products from OEMs has a significant impact on our results of operations and new orders have been a significant driver of our growth. The metrics employed by OEMs when selecting suppliers include product quality and features, innovation and product development time, company's reputation as a manufacturer and distributor of quality products, ability to control costs, pricing and financial terms, reliability and safety and a company's level of service (including maintaining sufficient inventory levels for timely deliveries). For further details, please see "***Business***" on page 78. Once we are awarded a contract, we typically enter into master

agreements with the OEM for the supply of our products and other terms including which include general terms of sale, specification requirements and pricing policy, but such agreements do not obligate our customers to place an order with us. However, pursuant to the prevalent automotive industry practice, we do not have firm commitment supply agreements with most of our customers and instead we rely on purchase orders to govern the volume and other terms of our product sales. Actual orders are based on purchase orders issued by our customers from time to time and the delivery schedule mentioned therein may be significantly different from the one indicated by such customer which may adversely impact our production schedules. See *"**Risk Factors – Risks relating to our business - Our contractual arrangements with our OEM customers are generally requirement contracts, and any termination of such contract or decline in the production requirements of any of our customers, in particular for any of our large customers, could materially and adversely affect our business, results of operations and financial condition**."* on page 38.

Product pricing

Our OEM customers are active in competitive industries and face constant pressure to cut their selling prices and production costs. Accordingly, component pricing is one of the key metrics by which OEMs choose suppliers for their vehicle programs. As a result, we have in the past and will likely continue to experience pressure to reduce our prices. Many automotive OEMs, for example, have annual price reduction policies and objectives with their suppliers. Price reductions are typically agreed on an annual basis as part of our long-term customer contracts and can vary by market or region, taking into account the OEM's specific economic objectives. When negotiated price, reductions are expected to be retroactive, we account for such amounts as a reduction of revenues as products are shipped. During the life cycle of a contract we are typically able to achieve certain production efficiencies, which enables us to offset a portion of the effect of price reductions on our margins during the term of the contract. Certain of such pricing reductions are conditional upon achieving certain joint cost-saving targets with our OEM customers. To the extent, we are not able to achieve the efficiencies necessary to offset the price reductions, such price reductions negatively impact our revenues and margins.

We expect such pricing pressure to continue in the future. Accordingly, we endeavour to continue to innovate and introduce new products and applications as well as to continue to carefully manage and reduce our operating costs in order to maintain our current margins and competitive position. For example, our purchasing teams work in close coordination with suppliers to extract discounts to reduce our purchasing cost. In addition, our engineering and manufacturing teams work on various product cost-optimization projects to reduce manufacturing costs, improve supply chain logistics and optimize the packaging of our products in order to reduce the cost per unit. Taken together these actions help to enable us to offer price reductions to our customers without affecting our margins, however there can be no assurances that we will continue to achieve sufficient cost savings in the future, which could affect our ability to offer reduced prices to our customers.

Operating Costs

Cost of Materials

Purchases of raw materials and pre-constructed components for the manufacture of our products, plus the associated manufacturing costs, account for a significant portion of our overall expenditure. During the years under review, our largest purchases of raw materials and pre-constructed components by value included metals (such as aluminum, copper, lead), plastics and other electronic components. The prices for the raw materials and pre-constructed components we use are influenced by, among other factors, changes in global economic conditions, industry cycles, demand-supply dynamics, attempts by individual producers to capture market share and market speculation. Our contracts sometimes include a mechanism whereby we can pass through increases in the costs of raw materials to our OEM customers, helping to reduce the effect on our margins relating to volatility in the prices of our raw materials. Alternatively, we may periodically renegotiate price adjustments with our customers. For the nine months ended December 31, 2016, and for the fiscal years ended March 31, 2014, 2015 and 2016, our total cost of materials consumed on a consolidated basis was as under:

(in ₹ lakhs, unless otherwise specified)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Cost of materials consumed	137,879.64	123,572.89	91,635.58
Purchase of stock-in-trade	24,862.91	24,949.44	26,336.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,765.04)	(747.35)	(856.27)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Total	**1,60,977.51**	**1,47,774.98**	**1,17,115.56**
Total as a % of our total revenues	63.34%	65.69%	67.97%

This variation in total cost of materials as a percentage of total revenue is driven primarily by improvements to our increased vertical integration initiatives, scrap reduction, improved manufacturing efficiencies and change in product mix. We have a broad and diversified supplier base for each of the major raw materials and pre-constructed components we purchase, and believe that we will be able to procure sufficient substitute supply in the event of a loss of one or more of our major suppliers.

Our contracts with most of our suppliers are typically of a specified duration and subject to renegotiation usually on an annual basis. We attempt to align our supplier requirements with the projected demand from our OEM customers, and provisions relating to volume estimates may impact our ability to effectively increase or decrease our raw material or pre-constructed component purchases in accordance with our actual production requirements under our program contracts. Consistent with the practices of the automotive component industry, the terms and conditions of our customer contracts do not typically include a commitment by the OEMs to make minimum purchase volumes, and in our supplier contracts we have significant flexibility to increase or decrease purchases from our third-party suppliers in response to customer demand.

We are typically successful in negotiating adjustments to the prices of our products to account for changes in materials costs. Such price adjustments based on cost changes occur at periodic intervals, either annually as part of our assessment of the overall economics of a particular contract, or semi-annually in the event that a specific contractual mechanism is applied to address changes in our cost structure. Accordingly, there is generally a time lag between changes in our costs and any adjustments to our prices, and we are typically compensated retroactively by our customers in the event of any such gap. Such cost pass-throughs and agreed price adjustments in our contracts with our customers, largely mitigate the effect of commodity price fluctuations.

Personnel costs

Our aggregate personnel costs comprise our second largest cost and have a significant effect on our results of operations. Our total personnel costs generally comprise personnel costs in respect of manufacturing operations, sales and distribution, research and development and general and administrative expenses. Personnel costs also include the cost of contract workers used in various manufacturing processes. Since our workforce requirements are ultimately dependent upon our production volumes, the use of temporary workers allows us the flexibility to expand or reduce our workforce depending upon business volume.

The following table sets forth our expenses for employee benefits for the fiscal years ended March 31, 2016, 2015 and 2014.

(in ₹ lakhs, unless otherwise specified)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Employee benefits	**32,634.20**	**28,785.00**	**22,484.71**
Employee benefits as a % of our total revenues	12.84%	12.80%	13.05%

Other expenses

Other expenses also have a significant effect on our results of operations. Such expenses are comprised primarily of power and fuel, consumption of stores and spares, job work charges, repair and maintenance costs, lease rent costs, freight and forwarding costs, legal and professional fees and other general administrative costs. Expenses associated with energy costs, repair and maintenance costs and freight and forwarding costs are generally variable in nature based on volumes sold, while the remainder of other operating costs are not tied to production. Increases in sales typically result in a corresponding increase in such variable costs while semi-variable/fixed costs do not increase in the same proportion, which leads to improvement in overall margin.

The following table sets forth other expenses for the fiscal years ended March 31, 2016, 2015 and 2014.

(in ₹ lakhs, unless otherwise specified)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Other expenses	**35,338.92**	**30,667.26**	**23,230.61**

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Other expenses as a % of our total revenues	13.91%	13.63%	13.48%

Reorganisation and consolidation

Our Company recently completed a phase of consolidation and reorganisation upon receipt of the relevant approvals and accordingly have increased our stake in our Joint Ventures, Subsidiaries and Associates. We believe that the creation of a single entity helps us create an investor friendly holding structure with a seamless process to maximise profits and ensure optimal revenue mix, and enhances our financial capacity. See *"**Risk Factors – Risks relating to our business - Our Company is currently undergoing a reorganisation and consolidation process which is crucial to our plan of creating a single entity.**"* on page 42.

Explanation of income statement items

Our total revenues from our operations consist of revenues from the sale of product, sale of services, other operating income and other income.

Revenue

Sale of product comprises of sales of finished goods manufactured by us at our manufacturing facilities and includes automotive switching systems, automotive lighting systems, acoustics systems for automotive industry; alloy wheels and other products like fuel caps, CNG kits, rubber hoses, air intakes, die casting and blow moulding among others, and traded goods in the after-market.

Sale of Services

Sale of services comprises of income from management services, and engineering and technology services provided to group entities.

Other Operating Income

Other operating income primarily includes income from scrap sale, royalty, job work and recovery of development costs.

Other income

Other income primarily consists of interest income, dividend income from non-current investments owing to our shareholding in various entities, profit on sale of fixed assets, income from foreign currency fluctuations, income from package scheme of incentives and miscellaneous income.

Cost of materials consumed

Our total cost of materials consumed comprises of raw materials (purchased components and packing materials consumed) after considering changes in the inventories, foreign currency translation adjustments and inventories acquired as part of acquisition of subsidiaries.

Purchase of stock-in-trade

Purchase of stock-in-trade comprises of items for trading activities.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods (other than those acquired for trading), work-in-progress and stock-in-trade (including those acquired for trading) are incurred in the ordinary course of our business.

Employee benefits

Our employee benefit expenses comprise of salaries, wages and bonus, gratuity, contribution to provident and other funds and staff welfare expenses. Employee benefit expenses are primarily driven by the size of our operations, our geographical reach and customer requirements.

Finance costs

Finance costs include interest expense on borrowings and other finance costs.

Depreciation and amortization

Depreciation and amortization includes the expense incurred by way of depreciation on tangible fixed assets and amortisation of intangible fixed assets.

Other expenses

Other expenses primarily consist of cost of consumption of stores and spare parts, job work charges, power and fuel costs, repair and maintenance costs, rental costs, insurance costs, expenses incurred towards travelling and conveyance, expenses incurred towards sales and promotion, auditor's fees, legal and professional fees, fixed assets being scrapped or written off, freight and other distribution overheads, royalty expenses, cost of rejection of warranty and other miscellaneous costs.

Income tax expenses from continuing operations

Tax expenses represent the sum of taxes currently payable and deferred taxes under the laws of each jurisdiction where we carry on our business.

Results of Operations

The following tables set forth certain of our historical revenue and expense items for the periods indicated below.

(in ₹ lakhs, unless otherwise specified)

Particulars	Fiscal ended March 31,		
	2016	**2015**	**2014**
Sale of Product (Gross)	2,66,847.29	2,32,741.09	1,80,062.42
(Less): Excise Duty	18,663.56	14,796.17	12,803.05
Sale of Product (Net)	2,48,183.73	2,17,944.92	1,67,259.37
Sale of Services	2,431.31	2,086.27	1,788.34
Other Operating Income	2,118.45	2,630.39	1,564.79
Revenue from operations (Net)	2,52,733.49	2,22,661.58	1,70,612.50
Other Income	1,397.24	2,291.51	1,686.78
Total Revenue	2,54,130.73	2,24,953.09	1,72,299.28
Expenses			
Cost of materials consumed	1,37,879.64	1,23,572.89	91,635.58
Purchases of stock-in-trade	24,862.91	24,949.44	26,336.25
Changes in inventories of finished goods work-in-progress and stock-in-trade	(1,765.04)	(747.35)	(856.27)
Employee benefits	32,634.20	28,785.00	22,484.71
Finance costs	2,567.57	2,500.90	2,417.79
Depreciation and amortisation	9,261.76	8,349.41	5,907.75
Other expenses	35,338.92	30,667.26	23,230.61
Total expenses	2,40,779.96	2,18,077.55	1,71,156.42
Profit before exceptional items and tax, share in profit of associates (net) and minority interest	**13,350.77**	**6,875.54**	**1,142.86**
Exceptional item	520.18	1,595.67	149.64

Particulars	Fiscal ended March 31,		
	2016	2015	2014
Profit for the year before tax	13,870.95	8,471.21	1,292.50
Profit before tax from continuing operations	**13,968.70**	**6,882.94**	**1,292.50**
Income tax expense from continuing operations			
Current tax (including Minimum Alternate Tax)	2,814.24	1,961.74	779.93
Minimum alternate tax utilised / (created)	75.22	(297.73)	-
Deferred tax charge / (credit)	(114.54)	274.14	(20.97)
Profit from continuing operations	**11,193.77**	**4,944.79**	**533.54**
Profit/ (Loss) from dis-continuing operations after tax (tax impact ₹ nil) (previous year ₹nil)	**(97.75)**	**1,588.27**	**-**
Profit for the year after tax, before share in profit of associates (net) and minority interest	**11,096.30**	**6,533.06**	**533.54**
Add / (Less): Minority Interest	(1,149.23)	25.26	102.23
Add: Share of profit of associates	1,166.60	238.51	81.90
Profit for the year after tax, share in profit of associates (net) and minority interest	**11,113.40**	**6,796.83**	**717.67**
Earnings per Equity Share:			
Basic (in ₹)	69.97	42.76	4.45
Diluted (in ₹)	69.97	42.76	4.45

The following tables set forth certain of our historical revenue and expense items for the periods indicated below:

(in ₹ lakhs, unless otherwise specified)

Particulars	Period ended	
	December 31, 2016	September 30, 2016
Income from Operations		
Net Sales/Income from operations (Net of Excise Duty)	2,53,682.90	1,66,100.97
Other Operating Income	2,015.04	1,141.25
Total Income from Operations (net)	**2,55,697.94**	**1,67,242.22**
Expenses		
Cost of materials consumed	1,41,167.67	93,967.87
Purchases of stock-in-trade	19,305.14	12,218.57
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,497.99)	(1,077.68)
Employees benefits expenses	33,748.47	21,588.78
Depreciation and amortization expense	9,964.75	6,208.84
Other expenses	35,694.32	23,980.40
Total Expenses	**2,38,382.36**	**1,56,886.78**
Profit/(Loss) from operations before other income, finance costs and exceptional items	**17,315.58**	**10,355.44**
Other income	1,040.17	609.00
Profit/(Loss) from ordinary activities before finance costs and exceptional items	**18,355.75**	**10,964.44**
Finance costs	3,233.66	2,309.05
Profit/(Loss) from ordinary activities after finance costs but before exceptional items	**15,122.09**	**8,655.39**
Exceptional items	-	-

Particulars	Period ended	
	December 31, 2016	September 30, 2016
Profit/(Loss) from ordinary activities before Tax	**15,122.09**	**8,655.39**
Tax Expense	3,574.08	2,247.36
Net Profit/(Loss) from ordinary activities after tax	**11,548.01**	**6,408.03**
Extra-ordinary items (net of tax expense)	-	-
Net Profit/(Loss) for the period	**11,548.01**	**6,408.03**
Share of profit/(loss) of associates	835.91	686.01
Minority interest	(1,353.85)	(537.58)
Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates	11,030.07	6,556.46
Paid up Equity Share Capital	1,586.54	1,586.54
Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-
Earnings per share		
EPS before extra-ordinary items		
a) Basic (in ₹)	13.89	8.26
b) Diluted (in ₹)	13.89	8.26
EPS after extra-ordinary items		
a) Basic (in ₹)	13.89	8.26
b) Diluted (in ₹)	13.89	8.26

Results of operations for the nine-month ended December 31, 2016

Our net sales/income from operations, net of excise duty, for the nine-month period ended December 31, 2016 stood at ₹ 2,53,682.90 lakhs. Our total expenses for the period were ₹ 2,38,382.36 lakhs, with cost of materials consumed, employee benefits expense and other expenses contributing ₹ 1,41,167.67 lakhs, ₹ 33,748.47 lakhs and ₹ 35,694.32 lakhs respectively. As a result, profit from ordinary activities before tax stood at ₹ 15,122.09 lakhs, incurring a tax of ₹ 3,574.08 lakhs. Net profit after taxes, minority interest and share of profit/(loss) of associates for the nine-month period ended December 31, 2016 was ₹ 11,030.07 lakhs.

Results of operations for the six-month period ended September 30, 2016

Our net sales/income from operations, net of excise duty, for the six-month period ended September 30, 2016 stood at ₹ 1,66,100.97 lakhs. Our total expenses for the period were ₹ 1,56,886.78 lakhs, with cost of materials consumed, employee benefits expense and other expenses contributing ₹ 93,967.87 lakhs, ₹ 21,588.78 lakhs and ₹ 23,980.40 lakhs respectively. As a result, profit from ordinary activities before tax stood at ₹ 8,655.39 lakhs, incurring a tax of ₹ 2,247.36 lakhs. Net profit after taxes, minority interest and share of profit/(loss) of associates for the six-month period ended September 30, 2016 was ₹ 6,556.46 lakhs.

Comparison of results of operations for the fiscal years ended March 31, 2016 and 2015

Total revenue

Our total revenue increased by ₹ 29,177.64 lakhs, or 12.97%, to ₹ 2,54,130.73 lakhs for the fiscal year ended March 31, 2016, from ₹ 2,24,953.09 lakhs for the fiscal year ended March 31, 2015, primarily due to the consolidation of PTMA, SAM Global, MJCL and MKAWPL. The rise can also be attributed to an increase in the sale of finished products across key product categories as well as introduction of alloy wheels as a new product division.

Sale of Product (Net)

Sale of product, net of excise duty, increased by ₹ 30,238.81 lakhs, or 13.87%, to ₹ 2,48,183.73 lakhs for the fiscal year ended March 31, 2016, from ₹ 2,17,944.92 lakhs for the fiscal year ended March 31, 2015, primarily due to the consolidation of PTMA, SAM Global, MJCL and MKAWPL. The rise can also be attributed to an increase in

the sale of finished products across key product categories as well as introduction of alloy wheels as a new product division.

Sale of Services

The sale of services increased by ₹ 345.04 lakhs, or 16.54%, to ₹ 2,431.31 lakhs for the fiscal year ended March 31, 2016, from ₹ 2,086.27 lakhs for the fiscal year ended March 31, 2015, primarily due to management consultancy fees and engineering service fees charged to group entities.

Other Operating Income

Other operating income decreased by ₹ 511.94 lakhs, or 19.46%, to ₹ 2,118.45 lakhs for the fiscal year ended March 31, 2016, from ₹ 2,630.39 lakhs for the fiscal year ended March 31, 2015, primarily due to a decline in royalty income and job work income, despite a rise in income generated through scrap sale.

Other income

Other income decreased by ₹ 894.27 lakhs, or 39.03%, to ₹ 1,397.24 lakhs for the fiscal year ended March 31, 2016 from ₹ 2,291.51 lakhs for the fiscal year ended March 31, 2015, primarily due to a decrease in the provisions and liabilities written back as compared to fiscal year ended March 31, 2015, along with a fall in the profits from sale of fixed assets. Rise in interest income and dividend income was not enough to offset the same.

Total cost of materials consumed

Total cost of materials consumed (which includes cost of materials consumed, purchase of stock in trade and changes in inventories of finished goods, work-in-progress and stock-in-trade) increased by ₹ 13,202.53 lakhs, or 8.93%, to ₹ 1,60,977.51 lakhs for the fiscal year ended March 31, 2016 from ₹ 1,47,774.98 lakhs for the fiscal year ended March 31, 2015. This increase was mainly attributable to the increase in the cost of raw materials consumed due to increased production across business verticals. As a percentage of total revenue, the total cost of materials consumed decreased from 65.69% for the fiscal year ended March 31, 2015 to 63.34% for the fiscal year March 31, 2016, primarily due to introduction of more high-value products into the product mix, cost efficiencies and the consolidation of certain entities which have a better cost structure.

Employee benefits

Expenses towards employee benefits increased by ₹ 3,849.20 lakhs, or 13.37%, to ₹ 32,634.20 lakhs for the fiscal year ended March 31, 2016 from ₹ 28,785.00 lakhs for the fiscal year ended March 31, 2015. This increase was primarily due to an increase in wages and salaries due to increased headcount, and a rise in staff welfare expenses. As a percentage of total revenue, employee benefit expenses saw a minor increase from at 12.80% in the fiscal year ended March 31, 2015 to 12.84% in the fiscal year ended March 31, 2016.

Finance costs

Finance costs increased by ₹ 66.67 lakhs, or 2.67%, to ₹ 2,567.57 lakhs for the fiscal year ended March 31, 2016 from ₹ 2,500.90 lakhs for the fiscal year ended March 31, 2015. This increase is primarily due to an increase in borrowings and an increase in other finance costs like bank charges and forward cancellation charges, being partially offset by a fall in interest expenses due to capitalization of interest.

Depreciation and amortization

Depreciation and amortization increased by ₹ 912.35 lakhs, or 10.93%, to ₹ 9,261.76 lakhs for the fiscal year ended March 31, 2016 from ₹ 8,349.41 lakhs for the fiscal year ended March 31, 2015 primarily due to increase in asset base in line with addition of businesses and expansion of operations.

Other expenses

Other expenses increased by ₹ 4,671.66 lakhs, or 15.23%, to ₹ 35,338.92 lakhs for the fiscal year ended March 31, 2016 from ₹ 30,667.26 lakhs for the fiscal year ended March 31, 2015. As a percentage of total revenue, other expenses increased to 13.91% for the fiscal year ended March 31, 2016 from 13.63% for the fiscal year ended March 31, 2015. This increase is primarily due to rise in consumption of stores and spare parts by ₹ 1,093.01

lakhs, cost of power and fuel by ₹ 649.75 lakhs and cost of travelling and conveyance by ₹ 714.63 lakhs. This increase in other expenses was in largely line with the expansion in operations and increased sale of products.

Income tax expenses from continuing operations

Current tax including minimum alternate tax increased by ₹ 852.50 lakhs, or 43.46% to ₹ 2,814.24 lakhs for the fiscal year ended March 31, 2016 from ₹ 1,961.74 lakhs for the fiscal year ended March 31, 2015, which was primarily due to the increase in profits, leading to an increase in current tax for the year and was partially offset by the recognition of deferred tax charge / (credit) by ₹ (114.54) lakhs for the fiscal year ended March 31, 2016 as compared with ₹ 274.14 lakhs for the fiscal year ended March 31, 2015.

Comparison of results of operations for the fiscal years ended March 31, 2015 and 2014

Total revenue

Our total revenue increased by ₹ 52,653.81 lakhs, or 30.56%, to ₹ 2,24,953.09 lakhs for the fiscal year ended March 31, 2015, from ₹ 1,72,299.28 lakhs for the fiscal year ended March 31, 2014, primarily due to acquisition and consolidation of Clarton Horn and an increase in the sale of finished products across key product categories.

Sale of Product (Net)

Sale of product, net of excise duty, increased by ₹ 50,685.55 lakhs, or 30.30%, to ₹ 217,944.92 lakhs for the fiscal year ended March 31, 2015, from ₹ 167,259.37 lakhs for the fiscal year ended March 31, 2014. This was primarily due, primarily due to acquisition and consolidation of Clarton Horn and an increase in the sale of finished products across key product categories.

Sale of Services

The sale of services increased by ₹ 297.93 lakhs, or 16.66%, to ₹ 2,086.27 lakhs for the fiscal year ended March 31, 2015, from ₹ 1,788.34 lakhs for the fiscal year ended March 31, 2014, primarily due to increase in management consultancy fees and engineering service fees charged to group entities.

Other Operating Income

Other operating income increased by ₹ 1,065.60 lakhs, or 68.10%, to ₹ 2,630.39 lakhs for the fiscal year ended March 31, 2015, from ₹ 1,564.79 lakhs for the fiscal year ended March 31, 2014, primarily due to increase in scrap sale, royalties and job work project development cost recovery.

Other income

Other income increased by ₹ 604.73 lakhs, or 35.85%, to ₹ 2,291.51 lakhs for the fiscal year ended March 31, 2015 from ₹ 1,686.78 lakhs for the fiscal year ended March 31, 2014, primarily due to an increase in profit on sale of fixed assets, dividend income and income under package scheme of incentives, partially offset by the fall in interest income and decreased gain from foreign currency fluctuation.

Cost of materials consumed

Total cost of materials consumed (which includes cost of materials consumed, purchase of stock in trade and changes in inventories of finished goods, work-in-progress and stock-in-trade) increased by ₹ 30,659.42 lakhs, or 26.18%, to ₹ 147,774.98 lakhs for the fiscal year ended March 31, 2015 from ₹ 117,115.56 lakhs for the fiscal year ended March 31, 2014, primarily due to a rise in cost of materials consumed due to increased production, and an increase in inventories. As a percentage of total revenue, the total cost of materials consumed decreased from 67.97% for the fiscal year ended March 31, 2014 to 65.69% for the fiscal year March 31, 2015, primarily due to increased operational efficiency and change in product mix.

Employee benefits

Expenses towards employee benefits increased by ₹ 6,300.29 lakhs, or 28.02%, to ₹ 28,785.00 lakhs for the fiscal year ended March 31, 2015 from ₹ 22,484.71 lakhs for the fiscal year ended March 31, 2014. This increase was primarily due to increased employee headcount, which translated into higher salaries, wages and provident fund

contributions. As a percentage of total revenue, employee benefit expenses decreased from 13.05% for the fiscal year ended March 31, 2014 to 12.80% for the fiscal year ended March 31, 2015.

Finance costs

Finance costs increased by ₹ 83.11 lakhs, or 3.44%, to ₹ 2,500.90 lakhs for the fiscal year ended March 31, 2015 from ₹ 2,417.79 lakhs for the fiscal year ended March 31, 2014. This increase was primarily due to a rise in interest expense despite a decrease in overall borrowings of our Company from ₹ 30,420.53 lakhs in fiscal year 2014 to ₹ 23,677.39 lakhs in fiscal year 2015.

Depreciation and amortization

Depreciation and amortization increased by ₹ 2,441.66 lakhs, or 41.33%, to ₹ 8,349.41 lakhs for the fiscal year ended March 31, 2015 from ₹ 5,907.75 lakhs for the fiscal year ended March 31, 2014 primarily due to the depreciation on assets acquired from Clarton Horn consolidated into our financial statements.

Other expenses

Other expenses increased by ₹ 7,436.65 lakhs, or 32.01%, to ₹ 30,667.26 lakhs for the fiscal year ended March 31, 2015 from ₹ 23,230.61 lakhs for the fiscal year ended March 31, 2014, primarily due to increase in operations of the company and the resultant increase in consumption of stores and spare parts, job work expenses, and freight and distribution overheads incurred. As a percentage of total revenue, other expenses increased to 13.63% for the fiscal year ended March 31, 2015 from 13.48% for the fiscal year ended March 31, 2014.

Income tax expenses from continuing operations

Current tax including minimum alternate tax increased by ₹ 1,181.81 lakhs, or 151.53% to ₹ 1,961.74 lakhs for the fiscal year ended March 31, 2015 from ₹ 779.93 lakhs for the fiscal year ended March 31, 2014, which was primarily due to an increase in taxable profit and was partially offset by minimum alternate tax utilised/ (created) of ₹ (297.73) lakhs. The recognition of deferred tax of ₹ 274.14 lakhs for the fiscal year ended March 31, 2015 as compared with ₹ (20.97) lakhs for the fiscal year ended March 31, 2014 further increased the overall tax for our Company.

Cash Flow

The following table sets forth cash flow information for the fiscal years ended March 31, 2016, 2015 and 2014:

(*in ₹ lakhs*)

Particulars	**Fiscal 2016**	**Fiscal 2015**	**Fiscal 2014**
Net cash flow from operating activities	14,624.49	13,763.86	4,163.64
Net cash flow (used) in investing activities	(25,692.64)	(4,314.14)	(13,677.50)
Net cash flow from/ (used) in financing activities	12,337.59	(9,655.54)	8,017.68
Net increase / (decrease) in cash and cash equivalents	1,269.44	(205.82)	(1,496.18)
Cash and cash equivalents as at opening	2,108.35	2,356.56	3,852.74
Cash and cash equivalents as at closing	3,377.79	2,150.74	2,356.56
Cash in hand	62.15	33.28	46.33
With banks:			
Current accounts	2,884.33	1,764.36	1,818.63
Deposit accounts	431.31	310.71	455.32
Cash and cash equivalents at the end of the year	**3,377.79**	**2,150.74**	**2,356.56**

Net cash generated from operating activities

Net cash generated from operating activities was ₹14,624.49 lakhs for the fiscal year ended March 31, 2016, compared to ₹13,763.86 lakhs for the fiscal year ended March 31, 2015. This increase was primarily due to a higher profit position and increased depreciation and amortization adjustment. This was partially offset by an increase in working capital requirements due to increased inventories and trade receivables.

Net cash generated from operating activities was ₹13,763.86 lakhs for the fiscal year ended March 31, 2015 compared to ₹4,163.64 lakhs for the fiscal year ended March 31, 2014. This increase was primarily due to a higher profit position and increased depreciation and amortization adjustment. Working capital requirements also decreased during the year as seen in a comparatively low increase in inventories and receivables, and short term loans and advances being paid back by debtors.

Net cash (used in) investing activities

Net cash used in investing activities was ₹25,692.64 lakhs for the fiscal year ended March 31, 2016, compared to ₹4,314.14 lakhs for the fiscal year ended March 31, 2015. The net cash outflow from investing activities for the fiscal year ended March 31, 2016 was primarily due to investment in fixed assets, payment made for acquisition of subsidiaries, and increased non-current investments.

Net cash used in investing activities was ₹4,314.14 lakhs for the fiscal year ended March 31, 2015 compared to ₹13,677.50 lakhs for the fiscal year ended March 31, 2014. The net cash outflow from investing activities for the fiscal year ended March 31, 2015 was primarily due to purchase of fixed assets, partially offset by liquidation of some short-term investment instruments.

Net cash from / (used in) financing activities

Net cash from financing activities was an inflow of ₹ 12,337.59 lakhs for the fiscal year ended March 31, 2016, compared to an outflow of ₹ 9,655.54 lakhs for the fiscal year ended March 31, 2015. The increase in net cash from financing activities for was primarily due to proceeds from long-term and short-term loan facilities, and decrease in the quantum of long-term borrowings repaid.

Net cash used in financing activities was an outflow of ₹ 9,655.54 lakhs for the fiscal year ended March 31, 2015, compared to an inflow of ₹8,017.68 lakhs for the fiscal year ended March 31, 2014. The decrease in net cash from financing activities for was primarily due to repayment of long-term and short-term loan facilities, and higher dividend payment.

Liquidity and Capital Resources

Our liquidity requirements arise principally from our operating activities, capital expenditures for maintenance and expansion activities, the repayment of borrowings and debt service obligations. Our expansion plans include the ongoing expansion of existing facilities and the development of new manufacturing facilities.

Historically, our principal sources of funding have included cash from operations, short- and long- term committed and uncommitted loan facilities, overdraft facilities that are repayable on demand, cash and cash equivalents and equity and financing provided by our shareholders. We have also entered into various revolving credit and other working capital facilities, which provides sufficient liquidity for the requirements of our Company.

We held cash and cash equivalents of ₹ 13,899.26 lakhs, ₹ 5,666.06 lakhs, ₹ 2,802.33 lakhs and ₹ 2,775.85 lakhs as of the nine-month period ended September 30, 2016, and fiscal years ended March 31, 2016, 2015 and 2014, respectively.

Indebtedness

Our consolidated indebtedness as of September 30, 2016, as derived from our Summary Consolidated Financial Information (Reformatted), is set out below:

(in ₹ lakhs)

Particulars	As of September 30, 2016
Long term borrowings	21,367.20
Short term borrowings	29,244.30
Current maturities of long term borrowings	5,437.92
Total	**56,049.42**

For further details, see *"**Financial Information***" on page 165.

Interest coverage ratio

Our interested coverage ratio on a consolidated basis for Fiscals 2016, 2015 and 2014 were as follows:

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
Interest coverage ratio	6.41	4.49	1.61

Contingent Liabilities

For details in relation to our contingent liabilities as on March 31, 2016, see relevant section in "***Financial Information***" on page 165.

Changes in Working Capital

(*in ₹ lakhs*)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
(Increase)/decrease in inventories	(4,324.86)	(1,592.66)	(3,575.98)
(Increase)/decrease in trade receivables	(7,658.92)	(2,915.89)	(4,665.51)
(Increase)/decrease in short-term loans and advances	(3,227.60)	538.37	(1,379.80)
(Increase)/decrease in long-term loans and advances	(254.98)	(34.54)	136.29
(Increase)/decrease in other non-current assets	285.18	(322.43)	(181.26)
(Increase)/decrease in other current assets	(369.74)	279.70	(510.40)
Increase/(decrease) in trade payables	5,444.75	2,292.56	3,376.14
Increase/(decrease) in other current liabilities	1,202.59	87.61	2,705.24
Increase/(decrease) in short-term provisions	10.90	(642.90)	(510.24)
Increase/(decrease) in other long term liability	(0.38)	107.78	70.31
Increase/(decrease) in long-term provisions	724.02	268.96	319.87
Change in Working Capital	**(8,219.04)**	**(1,933.44)**	**(4,215.34)**

Off Balance Sheet Arrangements

For details in relation to our off-balance sheet arrangements as on March 31, 2016, see relevant section in "***Financial Information***" on page 165.

Qualitative Disclosures about Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are subject to currency rate risk and interest rate risk. The financial instruments that are affected by these risks include loans, bonds and borrowing, deposits, available-for-sale investments and derivative financial instruments. We use derivative financial instruments such as forward exchange contracts to manage our exposures to such foreign exchange movements.

Foreign Exchange Rate Risk

We typically receive revenue in the same currency in which we incur costs in the majority of geographies in which we operate. As such, we have a natural hedge against currency fluctuations. However, we face some exchange rate risk in respect of (i) our loans denominated in other currencies than the functional currency of our entities (ii) currency mismatches between our income and our expenditures, which we seek to manage at the operating entity level, and (iii) currency translation for the purpose of preparing our financial statements, on account of our global operations.

Interest Rate Risk

As of September 30, 2016, our total borrowings were ₹ 56,049.42 lakhs, of which a large part of borrowings were based on benchmark lending rates, as applicable. We are subject to market risks due to fluctuations in interest rates primarily in relation to our debt obligations with floating interest rates. We do not actively hedge our interest rate risk.

Commodity Price Risk

While we believe our commodity price risk is low, we may be subject to volatility in the prices of any significant raw materials, such as (aluminum, copper, lead) and plastics which we use in the course of our manufacturing activity. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times. Even in the case we can pass on input costs, we may only be able to do so with a time lag, which may leave us exposed to commodity price fluctuations.

Credit Risk

We are subject to the risk that our counterparties will not meet their obligations as set out under various finance and customer agreements. Our credit risk exposure relates to both, our operating and financing activities, including but not limited to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments, and receivables from customers.

Critical accounting policies

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the consolidated financial statements. These judgments, assumptions and estimates are reflected in our accounting policies, which are more fully described in the notes to the financial statements, which have been included elsewhere in this Preliminary Placement Document.

Certain of our accounting policies are particularly important to the presentation of our financial position and results of operations and require the application of significant assumptions and estimates of our management. We refer to these accounting policies as our "critical accounting policies". Our management uses its historical experience and analyses the terms of existing contracts, historical cost conventions, global industry practices and information provided by outside sources, as appropriate, when forming its assumptions and estimates. Although the estimates are based upon management's best knowledge of current events and actions, actual results may materially differ from estimates.

While we believe that all aspects of our financial statements should be studied and understood in assessing our current and expected financial condition and results of operations, the following critical accounting policies warrant particular attention.

Recognition of income and expenses

Sale of goods

Revenue from sale of goods in the course of ordinary activities is recognized when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection.

The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT) and is net of returns and trade discounts and quantity discount.

Sale of services

Management fees, Designing and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

Other Income

Interest income

Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.

Dividend income

Dividend income is recognized when the right to receive dividend is established.

Duty drawback and export incentives

Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.

Segment reporting

Our Company operates primarily in the segment of auto components including electrical parts and its accessories and hence has only one reportable product segment.

Depreciation

Depreciation on plant & machinery and tools & dies is provided as per WDV basis and on other tangible fixed assets as per SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of opening block and 6 years in case of additions during the year.

Leasehold land and leasehold improvements are amortised on a straight-line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Impairment of assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Consolidated Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

Changes in accounting policies during last three years and their effect on the profits and reserves of the Company

There are no changes in accounting policies during last three years.

Recent Developments since March 31, 2016, which could affect our results of operations

Our Company has on February 7, 2017, released its unaudited consolidated financial results for the nine month period ended on December 31, 2016, to the Stock Exchanges, which are provided below.

B S R & Co. LLP
Chartered Accountants

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Review report to The Board of Directors of Minda Industries Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Minda Industries Limited ('the Company'), its subsidiaries (the Company and its subsidiaries together referred to as 'the Group), its associates and its jointly controlled entities for the quarter and nine months ended 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are the responsibility of the Company's management and have been approved by the Board of Directors at their meeting held on 7 February 2017. Our responsibility is to issue a report on these financial results based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. We did not review the financial results of fourteen subsidiaries and two jointly controlled entities, whose financial results (before consolidation adjustments) reflect total assets of Rs. 947.09 crores as at 31 December 2016 and total revenues of Rs. 473.39 crores for the quarter (Rs. 1,277.02 crores for the nine months) ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit of Rs. 3.76 crores for the quarter (Rs. 10.64 crores for the nine months) ended 31 December 2016, as considered in the consolidated financial results, in respect of three associates, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and associates, is based solely on the reports of the other auditors.

4. We did not review the financial results of two subsidiaries, whose financial results (before consolidation adjustments) reflect total assets of Rs. 34.51 crores as at 31 December 2016 and total revenues of Rs. 11.38 crores for the quarter (Rs. 32.94 crores for the nine months) ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of Rs. 0.99 crores for the quarter (Rs. 1.00 crores for the nine months) ended 31 December 2016, as considered in the consolidated financial results, in respect of two associates, whose financial results have not been reviewed by us. These financial results have been certified by the Management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such financial results certified by the Management. In our view and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

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5. Based on our review conducted as stated in paragraph 2 above and based on consideration of the review report of the other auditors referred to in paragraph 3 and financial results certified by management referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Rajiv Goyal
Partner
Membership number: 094549

Place: Gurgaon
Date: 7 February 2017

MINDA INDUSTRIES LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2016

(Rs. In Crores)

	PARTICULARS	Quarter ended			Nine months period ended		Year ended
		31 Dec 2016	30 Sep 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015	31 March 2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from Operations**						
	(a) Net Sales/Income from operations (Net of Excise duty)	875.82	901.20	622.90	2,536.83	1,796.63	2,506.15
	(b) Other Operating Income	8.74	4.65	2.78	20.15	13.39	21.18
	Total Income from operations (net)	**884.56**	**905.85**	**625.69**	**2,556.98**	**1,810.02**	**2,527.33**
2	**Expenses**						
	(a) Cost of materials consumed	472.00	519.24	346.49	1,411.68	1,027.19	1,378.80
	(b) Purchases of stock-in trade	70.86	63.04	86.97	193.05	233.59	248.63
	(c) Changes in inventories of finished goods, work-in-progress and stock-in trade	(4.20)	(10.09)	(43.46)	(14.98)	(98.06)	(17.65)
	(d) Employees benefits expense	121.59	114.08	88.59	337.48	239.17	326.34
	(e) Depreciation and amortisation expense	37.56	34.41	21.66	99.65	64.42	92.62
	(f) Other expenses	117.14	126.38	88.17	356.94	251.83	353.39
	Total Expenses	**814.95**	**847.06**	**588.42**	**2,383.82**	**1,718.13**	**2,382.13**
3	**Profit/(Loss) from operations before other income, finance costs and exceptional items**	**69.61**	**58.79**	**37.27**	**173.16**	**91.89**	**145.20**
4	Other income	4.31	4.06	7.58	10.40	17.02	13.97
5	**Profit/(Loss) from ordinary activities before finance costs and exceptional items**	**73.92**	**62.85**	**44.85**	**183.56**	**108.91**	**159.17**
6	Finance Costs	9.25	10.08	7.06	32.34	20.23	25.68
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items**	**64.67**	**52.77**	**37.79**	**151.22**	**88.68**	**133.49**
8	Exceptional items	-	-	2.63	-	2.63	5.20
9	**Profit/ (Loss) from ordinary activities before Tax**	**64.67**	**52.77**	**40.42**	**151.22**	**91.31**	**138.69**
10	Tax Expense	13.27	14.05	8.99	35.74	21.04	27.74
11	**Net Profit/(Loss) from ordinary activities after tax**	**51.40**	**38.72**	**31.43**	**115.48**	**70.26**	**110.95**
12	Extra-ordinary items (net of tax expenses)	-	-	-	-	-	-
13	**Net Profit /(Loss) for the period**	**51.40**	**38.72**	**31.43**	**115.48**	**70.26**	**110.95**
14	Share of profit/(loss) of associates	1.50	4.10	0.41	8.36	3.01	11.67
15	Minority Interest	(8.16)	(4.40)	(3.00)	(13.54)	(4.70)	(11.49)
16	**Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates**	**44.74**	**38.42**	**28.85**	**110.30**	**68.58**	**111.13**
17	Paid up Equity Share Capital (Face Value Rs. 2 per share)	15.87	15.87	15.87	15.87	15.87	15.87
18	Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year						452.34
19	i) Earnings per share (before extra-ordinary items) (Face Value Rs. 2/-each) (not annualised)						
	a) Basic (in Rs.)	5.64	4.84	3.63	13.89	8.63	13.99
	b) Diluted (in Rs.)	5.64	4.84	3.63	13.89	8.63	13.99
	ii) Earnings per share (after extra-ordinary items) (Face Value Rs. 2/-each) (not annualised)						
	a) Basic (in Rs.)	5.64	4.84	3.63	13.89	8.63	13.99
	b) Diluted (in Rs.)	5.64	4.84	3.63	13.89	8.63	13.99

MINDA INDUSTRIES LIMITED DELHI

Notes on unaudited consolidated financial results:

1) The above unaudited consolidated financial results for the quarter and nine months ended 31 December 2016 have been reviewed on 7 February 2017 by the Audit Committee and approved by the Board of Directors. These results have been subjected to limited review by the statutory auditors of the parent company.

   These results along with the review report of the statutory auditors have been filed with stock exchanges, pursuant to Regulations 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are available on the stock exchanges' websites, NSE website (www.nseindia.com), BSE website (www.bseindia.com) and on Company's website (www.mindagroup.com).

2) Key numbers of Standalone Financial Results of the Parent Company are as under:

Rs. in crores

Particulars	Quarter Ended			Nine months ended		Year ended
	31 December 2016 (Unaudited)	30 Sept 2016 (Unaudited)	31 December 2015 (Unaudited)	31 December 2016 (Unaudited)	31 December 2015 (Unaudited)	31 March 2016 (Audited)
Total Income from Operations	400.18	438.80	370.23	1,239.81	1,088.18	1,468.74
Profit Before Tax	26.11	41.52	26.87	96.29	73.22	98.84
Net Profit After Tax	18.96	33.06	20.35	74.63	57.11	79.37

3) The shareholders approved the sub-division of equity shares of Rs 10 each (fully paid-up) into five equity shares of Rs. 2 each (fully paid-up) in their meeting dated 11 August 2016. The record date for sub-division was 14 September 2016. Accordingly, the Earning Per Share for the current and earlier periods have been restated.

4) During the quarter, the Board of Directors, subject to the consent of the shareholders of the Company approved the plan to hive off, to sell, transfer, assign or otherwise dispose off the Company's business related to manufacturing and trading of Batteries to its wholly owned subsidiary viz. Minda Storage Batteries Private Limited on or before 30 April 2017. The shareholders have accorded their consent subsequent to the quarter end. The net assets of business aggregated to Rs. 21.76 crores as at 31 December 2016.

5) During the Quarter, the Company has acquired 40,924,800 equity shares of Rs. 10 each of ROKI Minda Co. Private Limited for a total consideration of Rs. 42.97 crores representing 49% shareholding in the jointly controlled entity.

6) During the quarter ended 31 December 2015 and year ended 31 March 2016, the Exceptional Item represents profit on sale of land by a subsidiary.

MINDA INDUSTRIES LIMITED DELHI

7) The Board of Directors in their meeting dated 7 February 2017 have approved and declared the following interim dividend for the shareholders of the Parent Company–

   a. At the rate of Rs.1.20 per share i.e. 60% on 79,326,780 equity shares (face value of Rs. 2 each);
   b. At the rate of Rs.0.30 per share on 3,500,000 3% cumulative redeemable preference share of Rs.10 each.

8) The Group is engaged in the business of manufacturing of auto components including auto electrical parts and its accessories and there is no separate reportable business segment as per Accounting Standard (AS-17) on Segment Reporting.

9) Tax expense includes Current Tax (including Minimum Alternate Tax) and deferred tax.

10) The figures of the previous periods have been regrouped / reclassified wherever necessary to confirm to current period's classification.

For and on behalf of the Board
Minda Industries Limited

(NIRMAL K. MINDA)
Chairman & Managing Director

Place : Gurgaon, Haryana
Date : 7 February 2017

MINDA INDUSTRIES LIMITED DELHI

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations and business are vested in the Board, which exercises its power subject to the Memorandum of Association and Articles of Association of our Company and the requirements of the applicable laws. The Articles of Association set out that the number of Directors in our Company shall be not less than three Directors and not more than 12 Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations. As on date our Company has five Directors. Out of the five Directors, the Board comprises of three Independent Directors, one Non-Executive Director and one Chairman & Managing Director. The Board also includes a woman Director.

The following table sets forth details regarding the Board at the date of this Preliminary Placement Document:

Name, Occupation, Term and Nationality	Age	Designation	Address
Nirmal K Minda Occupation: Businessman Term: For a period of two years up to March 31, 2018 Nationality: Indian DIN: 00014942	59	Chairman and Managing Director	J-I0/32-33 DLF Phase-II, Gurugram 122 002, Haryana, India
Anand Kumar Minda Occupation: Businessman Term: Liable to retire by rotation Nationality: Indian DIN: 00007964	64	Non-Executive Director	N-2/31, DLF Phase-II, Gurugram 122 002, Haryana, India
Alok Dutta Occupation: Professional Term: For a period, of five years up to March 31, 2019 Nationality: Indian DIN: 02792147	70	Independent Director	4710, DLF CITY, Phase - IV Qutub Enclave, Gurugram 122 002, Haryana, India
Satish Sekhri Occupation: Professional Term: For a period, of five years up to March 31, 2019 Nationality: Indian DIN: 00211478	66	Independent Director	R-6 Sacred Heart Town Wanowrie, Pune 411 040, Maharashtra, India

Name, Occupation, Term and Nationality	Age	Designation	Address
Renu Challu Occupation: Professional Term: For a period, of two years up to December 18, 2018 Nationality: Indian DIN: 00157204	65	Independent Director	A-34/1, The Armed Forces Officer's Cooperative Housing Society, Sainikpuri, Secunderabad 500 094, Telangana, India

Compensation of Directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation to Directors. The Board of Directors or the shareholders, as the case may be, approve the compensation to Directors. Our Independent Directors are paid only sitting fees for the Board meetings and Committee meetings they participate in and are not eligible for any other remuneration.

The table below sets forth the details of the remuneration (including sitting fees, salaries, arrears, commission and perquisites) of the existing Directors for the last three Fiscals and the current Fiscal:

(*in* ₹ *lakhs*)

Name	Current Fiscal*	Fiscal 2016	Fiscal 2015	Fiscal 2014
Nirmal K Minda	237.93	382.45	281.48	126.16
Anand Kumar Minda	Nil	Nil	Nil	Nil
Alok Dutta	3.68	4.60	1.55	0.83
Satish Sekhri	3.68	4.20	2.12	0.75
Renu Challu	3.00	2.75	1.08	N. A.

** As on February 28, 2017 (does not include commission accrued for the current Fiscal)*

Terms and conditions of employment of our Executive Directors

Nirmal K Minda

Pursuant to the resolution of the Shareholders' dated August 11, 2016, the remuneration payable to Nirmal K Minda is as mentioned below:

Sr. No.	Category	Remuneration
1.	Salary	Basic salary of ₹ 9.50 lakhs per month (entitled to up to 20% annual increment)
2.	Perquisites	Medical reimbursements, housing facility, reimbursement of gas, electricity and water expenses, club fees, personal accident insurance premium, leave travel concession, office vehicle, reimbursements of expenses for diver, residential telephone, travelling, entertainment and other business expenses along with Company's contribution to the provident fund, superannuation fund, annuity fund, gratuity and encashment of leave at the end of tenure.
3.	Commission	3% to be calculated with reference to the net profit of the Company, for a particular Fiscal, subject to compliance with the Companies Act.

Terms and conditions of employment of our Non-Executive Directors

Pursuant to a resolution of our Board dated December 19, 2014 our Non-executive and Independent Directors are entitled to receive sitting fees of ₹ 25,000 for attending each meeting of our Board and of our Audit Committee,

Further, they are also entitled to receive sitting fees of ₹ 7,500 for attending each meeting of the committees of our Board other than the Audit Committee. In addition to the sitting fee, our independent Directors are eligible to reimbursement of expenses towards attending such meetings.

Relationship with other Directors

None of the Directors on our Board are related to each other.

Borrowing powers of the Board

Our Company has, pursuant to a special resolution dated August 28, 2014, passed under Section 180(1) (c) of Companies Act, 2013, authorised the Board of Directors to borrow, from time to time, such sum of monies which together with monies already borrowed by our Company (other than temporary loan obtained in ordinary course of business) may exceed the aggregate paid-up capital and free reserves of the Company, provided that the total amount so borrowed by the Board shall not exceed ₹ 50,000 lakhs.

Interest of Directors

Our Company has increased its shareholding in subsidiaries, joint ventures and associates in the recent past. Pursuant to the same, certain consideration, at arm's length, has been made to entities in which our executive director has direct/indirect control.

Further, all of the Directors, may be deemed to be interested to the extent of fees payable to them for attending Board or Board committee meetings and commission as well as to the extent of reimbursement of expenses payable to them. Further, the Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. Our Directors may also be regarded as interested in the Equity Shares held by them, if any, or that which may be subscribed by or allotted to their relatives or the companies, firms or trusts, in which they are interested as directors, members, partners, trustees or promoters. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as disclosed in this Preliminary Placement Document, and except to the extent of shareholding in our Company, our Directors do not have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

For details relating to contracts, agreements or arrangements entered into by our Company during the last three Fiscals, in which the Directors are interested directly or indirectly and for payments made to them in respect of such contracts, agreements or arrangements and for other interest of Directors in respect to other related party transactions, see "***Financial Information***" on page 165.

As of March 31, 2016, and except as disclosed in the related party transactions disclosed in the Financial Statements, there were no outstanding transactions other than in the ordinary course of business undertaken by our Company in which the Directors were interested parties.

Except as otherwise stated in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the preceding two Fiscals from the date of this Preliminary Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. Further, as on March 31, 2016, no Director has taken any loans from our Company.

Bonus or profit sharing plan of the Directors

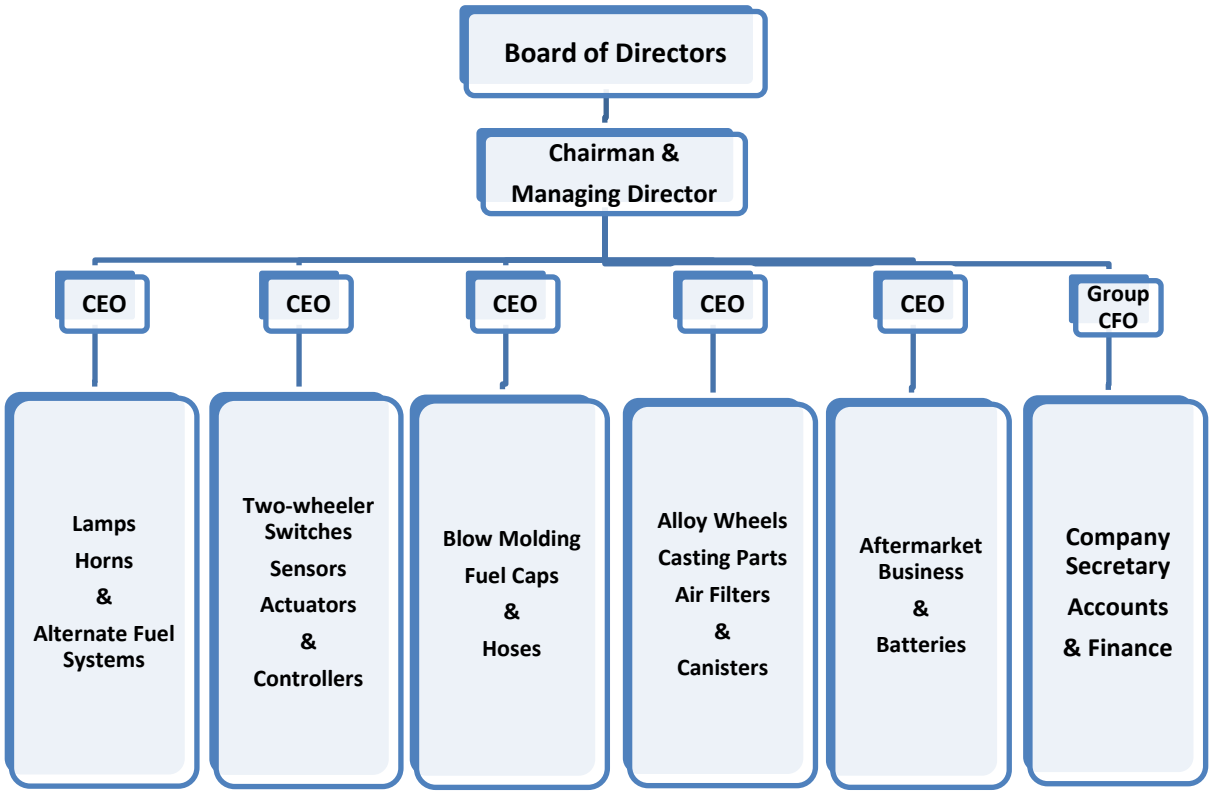
The Company does not have any bonus or profit sharing plan with the Directors.

Shareholding of Directors

As at March 17, 2017, our Directors held the following number of the Equity Shares:

Names of Directors	Number of Equity Shares held
Nirmal K Minda	1,20,09,345
Anand Kumar Minda	18,000
Alok Dutta	Nil
Satish Sekhri	700
Renu Challu	Nil

Management Structure



Corporate Governance

Our Company has in place processes and systems whereby it complies with the requirements of corporate governance provided under the SEBI Listing Regulations. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law.

Our Company believes that its Board is constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of Board of Directors

1. Audit Committee

Audit Committee was last reconstituted on November 3, 2015. The terms of reference of this committee were last amended on May 24, 2014. The Audit Committee comprises of three members: Alok Dutta, Satish Sekhri and Renu Challu. Alok Dutta is the Chairman of the Audit Committee.

2. **Stakeholders Relationship Committee** ("**SRC**")

SRC was last reconstituted on March 30, 2016. The terms of reference of this committee were last amended on May 24, 2014. The SRC comprises of three members: Alok Dutta, Anand Kumar Minda and Satish Sekhri. Alok Dutta is the chairman of the SRC.

3. **Nomination and Remuneration Committee** ("**NRC**")

NRC was last reconstituted on November 3, 2015. The terms of reference of this committee were last amended on May 24, 2014. NRC comprises of three members: Alok Dutta, Anand Kumar Minda and Satish Sekri.

4. **Corporate Social Responsibility Committee** ("**CSRC**")

CSRC was constituted and its terms of reference were adopted on May 24, 2014. The CSRC comprises of four members: Nirmal K Minda, Anand Kumar Minda, Alok Dutta and Satish Sekhri. Nirmal K Minda is the chairman of the CSRC.

5. **Committee of Directors**

The Committee of Directors was constituted on November 10, 2016. The terms of reference of this committee were adopted on November 10, 2016. The Committee of Directors comprises of three members: Nirmal K Minda, Anand Kumar Minda and Alok Dutta.

Key Managerial Personnel

Our operations are overseen by a professional management team. The following are the key managerial personnel of the Company, in terms of the Companies Act:

Nirmal Kumar Minda, Chairman and Managing Director

Nirmal Kumar Minda aged 59 years, is the Chairman and the Managing Director of our Company. He has over three decades of experience in the automotive component manufacturing industry. In the past, he has also served in the capacity of the Vice President of ACMA Northern Region for the year 2016-17 and also serves as a member of the Executive Committee of ACMA Northern Region.

Sudhir Jain, Chief Financial Officer

Sudhir Jain aged 59 years, is the Chief Financial Officer of our Company. He is a member of the Institute of Chartered Accountants of India and also a member of the Institute of Company Secretaries of India.

H. C. Dhamija, Company Secretary

H. C. Dhamija, aged 59 years is the Company Secretary of our Company. He is a member of the Institute of Chartered Accountants of India and also a member of the Institute of Company Secretaries of India.

Bonus or profit sharing plan of the KMPs

Except as disclosed in this Preliminary Placement Document our Company does not have any bonus or profit sharing plan with the KMPs.

Payment or Benefit to Officers of our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any other benefit upon termination of his/her employment in our Company.

Shareholding of our Company's KMPs

As at March 17, 2017, KMPs of the Company holding Equity Shares in the Company are as mentioned below:

Sr. No.	Name of the KMPs	Number of Equity Shares held	Number of Employee Stock Options held
1.	Nirmal K Minda	1,20,09,345	Nil
2.	Sudhir Jain	455	60,000
3.	H.C. Dhamija	2,230	Nil

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscals, as per the requirements under "Accounting Standard 18 - Related Party Transactions" specified under the Companies Act, 2013, see "***Financial Information***" on page 165.

Employee Stock Option Schemes

For the details of options granted under the Minda Employee Stock Option Scheme – 2016, please see "***Capital Structure***" on page 64.

PRINCIPAL SHAREHOLDERS AND OTHER INFORMATION

The following table presents information regarding the ownership of Equity Shares by the Shareholders as of December 31, 2016:

Summary statement holding of Equity Shares

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
(A) Promoter & Promoter Group	12	5,87,16,650	5,87,16,650	74.02	5,87,16,650
(B) Public	14,609	2,06,10,130	2,06,10,130	25.98	1,98,04,102
(C1) Shares underlying DRs	-	-	-	0.00	
(C2) Shares held by Employee Trust	-	-	-	0.00	
(C) Non-Promoter-Non-Public	-	-	-	0.00	
Grand Total	**14,621**	**7,93,26,780**	**7,93,26,780**	**100.00**	**7,85,20,752**

Statement showing shareholding pattern of the Promoter and Promoter Group

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
A1) Indian					
Individuals/Hindu undivided Family	**8**	**3,39,77,305**	**3,39,77,305**	**42.83**	**3,39,77,305**
Suman Minda		1,23,80,700	1,23,80,700	15.61	1,23,80,700
Nirmal K Minda		1,20,09,345	1,20,09,345	15.14	1,20,09,345
Nirmal K Minda (HUF)		75,10,710	75,10,710	9.47	75,10,710
Pallak Minda		10,57,400	10,57,400	1.33	10,57,400
Paridhi Minda Jindal		5,70,000	5,70,000	0.72	5,70,000
Amit Minda		4,30,840	4,30,840	0.54	4,30,840
Anand Kumar Minda		18,000	18,000	0.02	18,000
Vijay Kumar Jain		310	310	0.00	310
Central Government / State Government(s)	-	-	-	-	-
Financial Institutions/ Banks	-	-	-	-	-
Any Other (specify)	-	-	-	-	-
Promoters Trust	**1**	**1,08,230**	**1,08,230**	**0.14**	**1,08,230**
Maa Vaishno Devi Endowment		1,08,230	1,08,230	0.14	1,08,230
Bodies Corporate	**3**	**2,46,31,115**	**2,46,31,115**	**31.05**	**2,46,31,115**
Minda Investments Limited		2,09,04,650	2,09,04,650	26.35	2,09,04,650
Minda Finance Limited		12,43,200	12,43,200	1.57	12,43,200

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
Singhal Fincap Limited		24,83,265	24,83,265	3.13	24,83,265
Sub Total A1	**12**	**5,87,16,650**	**5,87,16,650**	**74.02**	**5,87,16,650**
A2) Foreign					
Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-
Government	-	-	-	-	-
Institutions	-	-	-	-	-
Foreign Portfolio Investor	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-
Sub Total A2	-	-	-	-	-
A=A1+A2	**12**	**5,87,16,650**	**5,87,16,650**	**74.02**	**5,87,16,650**

Statement showing shareholding pattern of the Public shareholder

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
B1) Institutions					
Mutual Funds/	6	23,53,832	23,53,832	2.97	23,53,832
Canara Robeco Mutual Fund A/C Canara Robeco Emerging Equities		9,17,755	9,17,755	1.16	9,17,755
Venture Capital Fund	-	-	-	-	-
Alternate Investment Funds	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-
Foreign Portfolio Investors	16	27,42,120	27,42,120	3.46	27,42,120
HSBC Global Investment Funds - Asia Ex Japan Equity Smaller Companies		21,20,113	21,20,113	2.67	21,20,113
Financial Institutions/ Banks	2	30,417	30,417	0.04	30,417
Insurance Companies	-	-	-	-	-
Provident Funds / Pension Funds	-	-	-	-	-
Any Other (specify)	-	-	-	-	-
Sub Total B1	**24**	**51,26,369**	**51,26,369**	**6.46**	**51,26,369**
B2) Central Government/ State Government(s)/ President of India	-	-	-	-	-
B3) Non-Institutions	-	-	-	-	-

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
Individual shareholders holding nominal share capital up to ₹ 2 lakhs	13,288	69,50,332	69,50,332	8.76	69,50,332
Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	3	29,51,795	29,51,795	3.72	29,51,795
Om Parkash Aggarwal		15,68,000	15,68,000	1.98	15,68,000
Viney Parkash		10,28,730	10,28,730	1.30	10,28,730
NBFCs registered with RBI	-	-	-	-	-
Employee Trusts	-	-	-	-	-
Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-
Any Other (specify)					
Trust(s)	1	2,10,925	2,10,925	0.27	2,10,925
Hindu Undivided Family	345	5,41,845	5,41,845	0.68	5,32,845
Non-Resident Indians (Non-Repat)	95	1,16,897	1,16,897	0.15	1,16,897
Non-Resident Indians (Repat)	332	4,51,562	4,51,562	0.57	4,51,562
Clearing Members	178	2,05,016	2,05,016	0.26	2,05,016
Bodies Corporates	343	40,55,389	40,55,389	5.11	40,28,389
Amity Infotech Private Limited		13,35,000	13,35,000	1.68	13,35,000
Zeal Impex and Traders Private Limited		13,35,000	13,35,000	1.68	13,35,000
Sub Total B3	**14,585**	**1,54,83,761**	**1,54,83,761**	**19.52**	**1,46,77,733**
B=B1+B2+B3	**14,609**	**2,06,10,130**	**2,06,10,130**	**25.98**	**1,98,04,102**

Statement showing shareholding pattern of the Non-Promoter-Non-Public shareholder

Category & name of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. shares held	Shareholding % calculated as a % of total shares	Number of Equity Shares held in dematerialised form
C1) Custodian/ DR Holder	-	-	-	-	-
C2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-
Total Non-Promoter-Non-Public Shareholding C = C1+C2	-	-	-	-	-

Details of disclosure made by the Trading Members holding 1% or more of the total no. of Equity Shares of our Company

Sl. No.	Name of the Trading Member	Name of the beneficial owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
-	-	-	-	-	-

ISSUE PROCEDURE

Below is a summary intended to present a general outline of the procedure relating to the bidding, payment, Allocation and Allotment of the Equity Shares. The procedure followed in this Issue may differ from the one mentioned below and the prospective investors are assumed to have appraised themselves of the same from our Company or the Lead Manager.

The prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares. Also, see "Selling Restrictions" and "Transfer Restrictions" on pages 133 and 139, respectively.

Qualified Institutions Placements

This Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, through the mechanism of QIP wherein a listed company in India may issue and allot equity shares to QIBs on a private placement basis, provided that:

- a special resolution approving the QIP has been passed by its shareholders. Such special resolution must specify; (a) that the allotment of equity shares is proposed to be pursuant to a QIP; and (b) the relevant date;

- equity shares of the same class of such company which are proposed to be allotted through the QIP are listed on a recognised stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;

- the aggregate of the proposed issue and all previous QIP made by the issuer in the same financial year does not exceed five times the net worth (as defined in the SEBI ICDR Regulations) of the issuer as per the audited balance sheet of the previous financial year;

- the issuer complies with the minimum public shareholding requirements set out in the Securities Contract Regulation Rules, 1957 ("**SCRR**");

- prior to circulating the preliminary placement document the issuer must prepare and record a list of QIBs to whom the offer will be made. The offer must be made only to such persons whose names are recorded by the issuer prior to the invitation to subscribe;

- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the QIB to whom the offer is made and is sent within 30 days of recording the names of such QIBs in accordance with Section 42(7) of the Companies Act, 2013;

- the issuer shall have completed allotments with respect to any offer or invitation made earlier by the issuer or shall have withdrawn or abandoned any invitation or offer previously made by the issuer;

- the issuer shall offer to each allottee at least such number of securities in the issue which would aggregate to ₹ 20,000 at the face value of the equity shares;

- the explanatory statement to the postal ballot notice to the shareholders for convening the general meeting must disclose the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- the payment to be made for subscription to the equity shares shall be made from the bank account of the person subscribing to such securities and in case of securities to be held by joint holders, the payment for subscription to the securities shall be paid from the bank account of the person whose name appears first in the application;

- at least 10% of equity shares issued to QIB's must be allotted to mutual funds, provided that, if this portion or any part thereof to be allotted to mutual funds remains unsubscribed, it may be allotted to other QIBs;
- bidders are not allowed to withdraw their bids after the closure of the issue; and
- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the issue is prohibited.

Additionally, there is a minimum pricing requirement for pricing equity shares, offered in a QIP, under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. Provided, however an issuer may offer a discount of not more than 5% on the price calculated for the QIP as above, subject to the approval of the shareholders by a special resolution pursuant to Regulation 82(a) of the SEBI ICDR Regulations.

The "relevant date" referred to above means the date of the meeting in which the board of directors or the committee of directors, duly authorised by the board of directors, decides to open the proposed issue; and the "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such equity shares has been recorded during two weeks immediately preceding the relevant date.

Equity shares must be allotted within 12 months from the date of the shareholders' resolution approving the QIP and also within 60 days from the date of receipt of application money from the relevant QIBs. The equity shares issued pursuant to the QIP must be issued on the basis of a placement document that shall include the information specified in Schedule XVIII of the SEBI ICDR Regulations and Form PAS- 4 as prescribed under Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The preliminary placement document and the placement document are private documents provided to only select QIBs, through serially numbered copies and are required to be placed on the website of the concerned stock exchanges and of the issuer with a disclaimer to the effect that they are in connection with an issue to QIBs and no offer is being made to the public or to any category of investors.

Securities allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of allotment except on a recognised stock exchange in India.

The minimum number of allottees for each QIP shall not be less than:

- Two, where the issue size is less than or equal to ₹ 25,000 lakhs; and
- Five, where the issue size is greater than ₹ 25,000 lakhs.

No single allottee shall be allotted more than 50% of the issue size or less than ₹ 20,000 of face value of Equity Shares. QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee for this purpose.

The issuer is required to furnish a copy of the placement document to each stock exchange on which its equity shares are listed. Accordingly, our Company shall file a copy of this Preliminary Placement Document, and subsequently file a copy of the Placement Document with Stock Exchanges.

The issuer shall also make the requisite filings with the RoC, Stock Exchanges, and SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The aggregate of the proposed QIP and all previous QIPs made in the same financial year shall not exceed five times the net worth of the issuer as per its audited balance sheet of the previous financial year.

Our Company has received the in-principle approval of the Stock Exchanges on March 23, 2017 in terms of Regulation 28(1) of the SEBI Listing Regulations for the Issue. The Issue was approved by the Board on November 10, 2016. The shareholders of our Company have approved the Issue vide a special resolution through a postal ballot dated January 9, 2017.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and unless so registered may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities Accordingly,

the Equity Shares are being offered, sold and delivered outside the United States in offshore transactions in reliance on Regulation S and in compliance with the applicable laws of the jurisdictions where those offers and sales are made. For a description of these and certain further restrictions on offers, sales and transfers of the Equity Shares and distribution of this Preliminary Placement Document, see "***Selling Restrictions***" on page 133. The Equity Shares are transferable only in accordance with the restrictions described in the section titled "***Transfer Restrictions***" on page 139.

Issue Procedure

1. Our Company and the Lead Manager shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic form or physical form, to QIBs and the Application Form shall be specifically addressed to such QIBs. Pursuant to Section 42(7) of the Companies Act, 2013, our Company shall maintain complete record of the QIBs to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC and with SEBI within the stipulated time period as required under the Companies Act, 2013 and the rules made thereunder.

2. The list of QIBs to whom the Application Form is delivered shall be determined by the Lead Manager at their sole discretion. **Unless a serially numbered Preliminary Placement Document along with the Application Form is addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made to such QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such other person and any application that does not comply with this requirement shall be treated as invalid.

3. QIBs may submit the Application Form, including any revisions thereof, during the Bidding Period to the Lead Manager.

4. Bidders shall submit Bids for, and our Company shall issue and allot to each successful Allottee at least such number of Equity Shares in the Issue which would aggregate to ₹ 20,000 calculated at the face value of the Equity Shares.

5. QIBs will be required to indicate the following in the Application Form:

   (a) name of the QIB to whom Equity Shares are to be Allotted;

   (b) number of Equity Shares Bid for;

   (c) price at which they offer to apply for the Equity Shares provided that QIBs may also indicate that they are agreeable to submit a bid at "Cut-off Price" which shall be any price as may be determined by our Company in consultation with the Lead Manager at or above the Floor Price, net of such discount as approved in accordance with SEBI ICDR Regulations and decided by the Board as approved in accordance with SEBI ICDR Regulations and decided by the Board. The Company may offer a discount up to 5% to the Floor Price in accordance with the proviso of Regulation 85(1) of the SEBI ICDR Regulations;

   (d) a representation that it is outside the United States and is acquiring the Equity Shares in an offshore transaction in reliance on Regulation S and it has agreed to all the representations set forth in the Application Form;

   (e) if you are not a resident of India, then the investment amount will be paid out of inward remittance of foreign exchange received through normal banking channels and as per RBI's notification no. FEMA 20/2000 – RB dated May 3, 2000, as amended from time to time; and

   (f) the details of the depository account(s) to which the Equity Shares should be credited.

   Note: Each eligible sub-account of an FII other than a sub-account which is a foreign corporate or a foreign individual will be considered as an individual QIB and separate Application Forms would be required from each such sub – account for submitting Bids.

6. Once a duly filled in Application Form is submitted by the QIB, such Application Form constitutes an irrevocable offer and the same cannot be withdrawn after the Issue Closing Date. The Issue Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after the receipt of the Application Form.

7. The Bids made by asset management companies or custodians of mutual funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI. All such bids/applications by or on behalf of various schemes of a mutual fund shall be treated as a single application.

8. Based on the Application Forms received, our Company in consultation with the Lead Manager shall determine the Issue Price and the number of Equity Shares to be issued. We shall notify the Stock Exchange of the Issue Price. On determining the Issue Price and the QIBs to whom Allocation shall be made, such QIBs shall be sent serially numbered Confirmation of Allocation Note ("**CAN**") along with serially numbered Preliminary Placement Document either in electronic form or through physical delivery. The dispatch of the CANs shall be deemed a valid, binding and irrevocable contract for the QIBs to pay the entire Issue Price for all the Equity Shares Allocated to such QIB. The CAN shall contain details like the number of Equity Shares Allocated to the QIB, payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective QIBs.

   Following the receipt of the CAN, each QIB would have to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price through electronic transfer to the Escrow Account by the Pay-In Date as specified in the CAN sent to the respective QIB. **Please note that the allocation shall be at the absolute discretion of our Company and will be based on the recommendation of the Lead Manager.**

9. No payment shall be made by QIBs in cash. Please note that any payment of application monies for the Equity Shares shall be made from the bank accounts of the relevant QIBs applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the application. Pending allotment, all monies received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013.

10. Upon receipt of the application monies from the QIBs, our Company shall issue and allot Equity Shares as per the details in the CAN to the QIBs. Our Company will intimate the details of the Allotment to the Stock Exchanges.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the depository participant accounts of the successful Bidders, our Company shall apply to the Stock Exchanges for listing approval.

12. After receipt of the listing approval from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIB in accordance with the details submitted by the QIBs in the Application Forms.

13. Our Company shall then apply to Stock Exchanges for the final trading and listing permission.

14. The Equity Shares that have been credited to the beneficiary account with the Depository Participant of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approval from Stock Exchanges.

15. Our Company and the Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approval granted by the Stock Exchanges is also placed on their respective websites. QIBs are advised to apprise themselves of the status of the receipt of the permissions from Stock Exchanges or our Company.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of Chapter VIII of the SEBI ICDR Regulations are eligible to invest. Under Regulation 86(1)(b) of the SEBI ICDR Regulations, no Allotment shall be made, either directly or indirectly, to any QIB who is a promoter (as defined under the SEBI ICDR Regulations) or any person related to such promoter. Currently QIBs include:

- Alternate investment funds registered with SEBI;
- Eligible FPIs;
- Foreign venture capital investors registered with SEBI;

- Insurance companies registered with Insurance Regulatory and Development Authority;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Multilateral and bilateral development financial institutions;
- Mutual funds registered with SEBI;
- Pension Funds with minimum corpus of ₹ 2,500 lakhs;
- Provident Funds with minimum corpus of ₹ 2,500 lakhs;
- Public financial institutions as defined in Section 2(72) of the Companies Act, 2013;
- Scheduled commercial banks;
- State industrial development corporations;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India; and
- Venture capital funds registered with SEBI;

FIIs (other than a sub-account which is a foreign corporate or a foreign individual) and Eligible FPIs shall participate in this Issue under Schedule 2 and Schedule 2A of FEMA, respectively. FIIs and Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs and FIIs does not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule 1 of the FEMA and shall make the payment of application money through the foreign currency non-resident (FCNR) account and not through the special non-resident rupee (SNRR) account. All non-resident QIBs shall ensure that the investment amount is paid out of inward remittance of foreign exchange received through normal banking channels and as per RBI's notification no. FEMA 20/2000 – RB dated May 3, 2000, as amended from time to time.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to be 10.00% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA, the total holding by each FPI shall be below 10% of our total paid-up Equity Share capital and the total holdings of all FPIs put together shall not exceed 24% of our paid-up Equity Share capital. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Subject to trailing condition, an FII or sub-account of an FII may participate in the Issue until the expiry of its registration as a FII or sub-account or until it obtains a certificate of registration as FPI, whichever is earlier. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Under Regulation 86(1)(b) of the SEBI ICDR Regulations, no allotment shall be made pursuant to this Issue, either directly or indirectly, to any QIB being our promoter (as defined under the SEBI ICDR Regulations) or any person related such promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to our promoters:

(i) Rights under a shareholders' agreement or voting agreement entered into with our Promoter and Promoter Group or persons related to them;

(ii) Veto rights; or

(iii) A right to appoint any nominee director on the Board

Provided, however, that a QIB which does not hold any Equity Shares in our Company and who has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be a person related to the Promoter and Promoter Group.

Neither our Company nor the Lead Manager nor any of their respective directors, officers, counsel, advisors, representatives, agents or affiliates are liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single Application Form from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. QIBs are advised to consult their advisers in this regard. Furthermore, QIBs are required to satisfy themselves that their Application Form would not eventually result in triggering a tender offer under the Takeover Regulations.

Note: Affiliates or associates of the Lead Manager who are QIBs may participate in this Issue subject to compliance with applicable laws.

Allotments made to FVCIs, VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion as specified above, such minimum portion or part thereof may be Allotted to other QIBs.

Bid Process

Application Form

QIBs are permitted to only use the serially numbered Application Forms (which is addressed to the QIB) supplied by our Company and the Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including any revision of a Bid) in terms of this Preliminary Placement Document.

By making a Bid (including revisions thereof) for Equity Shares pursuant to the terms of this Preliminary Placement Document, each QIB will be deemed to have made the following representations and warranties, and the representations, warranties, acknowledgements and agreements made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" beginning on pages 1, 3, 133 and 139, respectively. The representations listed in this section shall be included in the Application Form:

1. The QIB confirms that it is a QIB in terms of Regulation 2(1)(zd) of the SEBI ICDR Regulations and has a valid and existing registration under the applicable laws of India and is eligible to participate in this Issue and is not excluded under Regulation 86 of the SEBI ICDR Regulations;

2. The QIB confirms that it is not a promoter (as defined under the SEBI ICDR Regulations) of our Company and is not a person related to them, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter and Promoter Group or a person related to the Promoter and Promoter Group of our Company;

3. The QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter and Promoter Group or persons related to them, no veto rights or right to appoint any nominee director on the Board of our Company other than such rights acquired in the capacity of a lender (not holding any Equity Shares) which shall not be deemed to be a person related to the Promoter and Promoter Group;

4. The QIB acknowledges that it has no right to withdraw its Application after the Issue Closing Date;

5. The QIB confirms that if Equity Shares are Allotted pursuant to this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

6. The QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to this Issue. The QIB further confirms that its holding of the Equity Shares does not, and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

7. The QIB confirms that the Bids will not eventually result in triggering an open offer under the Takeover Regulations;

8. The QIB confirms that, to the best of its knowledge and belief, together with other QIBs in this Issue that belongs to the same group or are under common control, the Allotment to the QIB shall not exceed 50% of the Issue Size. For the purposes of this statement:

   (a) The expression "belongs to the same group" shall derive meaning from the concept of "companies under the same group" as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and

   (b) "Control" shall have the same meaning as is assigned to it by Clause 1(e) of Regulation 2 of the Takeover Regulations;

9. The QIBs shall not undertake any trade in the Equity Shares credited to its Depository Participant account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges; and

10. The QIB represents that it is outside the United States and is acquiring the Equity Shares in an offshore transaction in reliance on Regulation S under the U.S. Securities Act and it has agreed to certain other representations set forth in the Application Form.

QIBs MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. FOR THIS PURPOSE, ELIGIBLE SUB-ACCOUNTs OF AN FII WOULD BE CONSIDERED AS AN INDEPENDENT QIB.

IF SO REQUIRED BY THE Lead Manager, THE QIB SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO Lead Manager TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

Demographic details such as an address and a bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by the QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for its share of Allotment (as indicated by the CAN) and becomes a binding contract on the QIB, upon issuance of the CAN by the Issuer in favour of the QIB.

Bids by Mutual Funds

The Bids submitted by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. Each scheme or fund of a mutual fund will be required to submit a separate Application Form. Such applications will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. However, for the purpose of calculating the number of allottees or applicants, various schemes of the same mutual fund will be considered as a single allottee or applicant. Under the current regulations, the following restrictions are applicable for investments by Mutual Funds: No mutual fund scheme shall invest more than 10% of its net asset value in Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

Submission of Application Form

All Application Forms shall be required to be duly completed with information including the name of the QIB, the price and the number of Equity Shares applied. The Application Form shall be submitted to the Lead Manager either through electronic form or through physical delivery at the following addresses:

Name of the Lead Manager	Address	Contact Person	E-mail	Phone
Equirus Capital Private Limited	12th Floor, C Wing, Marathon Futurex, NM Joshi Marg, Lower Parel Mumbai 400 013	Munish Aggarwal	project.tamarind@equirus.com	Tel: +91 22 4432 0600 Fax: +91 22 4432 0601

The Lead Manager shall not be required to provide any written acknowledgement of the same.

Permanent Account Number or PAN

Each QIB should mention its Permanent Account Number ("**PAN**") allotted under the IT Act. **The copy of the PAN card or PAN allotment letter is required to be submitted with the Application Form.** Bids without this information will be considered incomplete and is liable to be rejected. It is to be specifically noted that applicant should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Pricing and Allocation

Build-up of the book

The QIBs shall submit their Bids (including the revision thereof) through the Application Form within the Bidding Period to the Lead Manager. The book shall be maintained by the Lead Manager.

Price discovery and Allocation

Our Company, in consultation with the Lead Manager, shall finalise the Issue Price for the Equity Shares, which shall be at or above the Floor Price. The Issuer may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI ICDR Regulations. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the details of the Issue and file the Placement Document with the Stock Exchange.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with Stock Exchange as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Lead Manager on a discretionary basis and in compliance with Chapter VIII of the SEBI ICDR Regulations.

Application Forms received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Application Form being received at or above the Issue Price.

THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE Lead Manager, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL QIBs. QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE Lead Manager, AND QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE Lead Manager ARE OBLIGED TO ASSIGN ANY REASONS FOR SUCH NON-ALLOCATION.

CAN

Based on the Application Forms received, our Company, in consultation with the Lead Manager, will, in its sole and absolute discretion, decide the list of QIBs to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of the same in their respective names shall be notified to such QIBs. Additionally, the CAN would include details of Escrow Account into which such payments would need to be made, Pay-In Date as well as the probable designated date ("**Designated Date**"), being the date of credit of the Equity Shares to the QIB's account, as applicable to the respective QIBs.

The QIBs who would be eligible to participate in this Issue will also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the CAN to the QIB shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by the Lead Manager and our Company and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

QIBs ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOCATED / ALLOTTED TO THEM PURSUANT TO THE ISSUE.

Bank Account for the Payment of Bid Money

Our Company has opened an escrow account titled "**MIL – QIP 2017 Escrow Account**" (the "**Escrow Account**") with the Escrow Bank in terms of the arrangements between our Company, the Lead Manager, Axis Bank Limited (acting as the Escrow Bank). The QIBs will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in their respective CAN.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques are liable to be rejected.

If the payment is not made favouring the Escrow Account within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled.

In case of cancellations or default by the QIBs, our Company and the Lead Manager have the right to re-allocate the Equity Shares at the Issue Price among existing or new QIBs at their sole and absolute discretion, subject to the compliance with the requirements of the Companies Act, 2013 and the SEBI ICDR Regulations.

Our Company undertakes to utilise the amount in the Escrow Account only for the purposes of: (i) adjustments against Allotment of Equity Shares in the Issue; or (ii) repayment of application money if our Company is not able to Allot Equity Shares in the Issue.

Designated Date and Allotment of Equity Shares

1. The Equity Shares will not be Allotted unless the QIBs pay the Issue Price to the Escrow Account as stated above.

2. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN for the QIBs who have paid the aggregate subscription amounts as stipulated in the CAN.

3. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

4. Our Company reserves the right to cancel this Issue at any time up to Allotment without assigning any reasons whatsoever.

5. Post receipt of the listing approval of the Stock Exchanges, the Issuer shall credit the Equity Shares into the Depository Participant account of the QIBs.

6. Following the Allotment and credit of Equity Shares into the QIBs Depository Participant account, our Company will apply for final listing and trading approval for trading on the Stock Exchanges.

7. In the event our Company is unable to Issue and Allot the Equity Shares or on cancellation of the Issue, within 60 days from the date of receipt of application money, in accordance with Section 42 of the Companies Act, 2013 our Company shall repay the application money within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% per annum from expiry of the 60th day. The application money to be refunded by us shall be refunded to the same bank account from which application money was remitted by the QIBs.

8. The Escrow Bank shall release the monies lying to the credit of the Escrow Bank Account to our Company after the receipt of the final listing and trading approval from the Stock Exchanges.

9. In case of QIBs who have been Allotted more than 5% of the Equity Shares in the Issue, our Company shall disclose the name and the number of the Equity Shares Allotted to such QIB to Stock Exchanges and Stock Exchanges shall make the same available on their website.

Other Instructions

Our Right to Reject Bids

Our Company, in consultation with the Lead Manager, may reject Bids, in part or in full, without assigning any reasons whatsoever. The decision of our Company and the Lead Manager in relation to the rejection of Bids shall be final and binding.

Equity Shares in dematerialised form with NSDL or CDSL

1. The Allotment of the Equity Shares in this Issue shall be only in dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).
2. A QIB applying for Equity Shares must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid.
3. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.
4. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. BSE and NSE have electronic connectivity with NSDL and CDSL.
5. The trading of the Equity Shares would be in dematerialised form only for all QIBs in the demat segment of the BSE and the NSE.
6. Our Company will not be responsible or liable for the delay in the credit of the Equity Shares due to errors in the Application Forms or on part of the QIBs.

Compliance officer

H. C. Dhamija
Company Secretary and Compliance Officer
Village - Nawada,
Fatehpur P.O. Sikanderpur Badda,
IMT Manesar, District-Gurugram 122 004,
Haryana, India
Tel: +91 1242291604; **Fax:** +91 124 2290676;
E-mail: hcdhamija@mindagroup.com

PLACEMENT AGREEMENT

Placement Agreement

The Lead Manager has entered into a placement agreement dated March 23, 2017 with our Company (the "**Placement Agreement**"), pursuant to which the Lead Manager has agreed to manage the Issue and act as placement agent in connection with the proposed Issue and procure subscriptions for the Equity Shares on a reasonable efforts basis pursuant to Chapter VIII of SEBI ICDR Regulations and the Companies Act, 2013 read with rules thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Lead Manager, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than QIBs who are eligible to participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities. Accordingly, the Equity Shares are being offered, sold and delivered outside the United States in offshore transactions in reliance on Regulation S and in compliance with the applicable laws of the jurisdictions where those offers and sales are made. For a description of these and certain further restrictions on offers, sales and transfers of the Equity Shares and distribution of this Preliminary Placement Document, see "***Selling Restrictions***" on page 133. The Equity Shares are transferable only in accordance with the restrictions described in the section titled "***Transfer Restrictions***" on page 139.

In connection with the Issue, the Lead Manager (or their affiliates) may, for its own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Lead Manager (or its affiliates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Lead Manager may purchase Equity Shares and be allocated Equity Shares. For further details please see "*Representations by Investors - Off-shore Derivative Instruments (P-Notes)*".

From time to time, the Lead Manager and its affiliates may engage in transactions with and perform services for our Company, Subsidiaries, group companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, Subsidiaries and group companies or affiliates, for which they have received compensation and may in the future receive compensation.

Lock-up

Our Company undertakes to not, for a period of 180 days from the date of Allotment, without the prior written consent of the Lead Manager, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other

depositary in connection with a depositary receipt facility, or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above. The foregoing restriction shall not apply to any issuance, sale, transfer or disposition of Equity Shares or options by the Company: (a) pursuant to this Issue; and (b) pursuant to the existing employee stock option schemes of the Company.

Each of our Promoter and Promoter Group jointly and severally undertake that they will not, during the period commencing on the date hereof and ending 90 days after the date of Allotment, without the prior written consent of the Lead Manager, directly or indirectly: (a) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (c) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Equity Shares or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Persons who come into possession of this Preliminary Placement Document are advised to take legal advice with regard to any restrictions that may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or sale in any circumstances in which such offer or sale is not authorized or permitted.

General

No action has been taken or will be taken in any jurisdiction by our Company or the Lead Manager that would permit a public offering of the Equity Shares or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "*Notice to Investors*" and "*Transfer Restrictions*".

India

This Preliminary Placement Document may not be distributed, directly or indirectly, in India or to residents of India and any Equity Shares may not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to QIBs, who are eligible to participate in the Issue. This Preliminary Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made.

Australia

This Preliminary Placement Document is not a disclosure document under Chapter 6D of the Corporations Act 2001 (the "**Australian Corporations Act**"), and has not been lodged with the Australian Securities & Investments Commission and does not purport to include the information required of a disclosure document under the Australian Corporations Act. (i) The offer of the Equity Shares under this Preliminary Placement Document is only made to persons to whom it is lawful to offer the Equity Shares without disclosure to investors under Chapter 6D of the Australian Corporations Act under one or more exemptions set out in Section 708 of the Australian Corporations Act; (ii) this Preliminary Placement Document is made available in Australia to persons as set forth in clause (i) above; and (iii) by accepting this offer, the offeree represents that the offeree is such a person as set forth in clause (ii) above and agrees not to sell or offer for sale within Australia any Equity Share sold to the offeree within 12 months after their issue or transfer to the offeree under this Preliminary Placement Document.

Bahrain

This document has been prepared for private information purposes of intended investors only who will be accredited investors. For this purpose, an "accredited investor" means: (i) an individual holding financial assets (either singly or jointly with a spouse) of US$1,000,000 or more; (ii) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than US$1,000,000; or (iii) a government, supranational organization, central bank or other national monetary authority or a state organization whose main activity is to invest in financial instruments (such as a state pension fund). This document is intended to be read by the addressee only.

No invitation has been made in or from the Kingdom of Bahrain and there will be no marketing or offering of the Equity Shares to any potential investor in Bahrain. All marketing and offering is made and will be made outside of the Kingdom of Bahrain. None of the Central Bank of Bahrain, the Bahrain Stock Exchange or any other regulatory authority in Bahrain has reviewed, nor has it approved, this document or the marketing of Equity Shares and takes no responsibility for the accuracy of the statements and information contained in this document, nor shall it have any liability to any person for any loss or damage resulting from reliance on any statements or information contained herein. This document is not subject to the regulations of the Central Bank of Bahrain that

apply to public offerings of securities, and the extensive disclosure requirements and other protections that these regulations contain.

Cayman Islands

No offer or invitation to purchase Equity Shares may be made to the public in the Cayman Islands.

Dubai International Financial Centre

This Preliminary Placement Document relates to an exempt offer (an "**Exempt Offer**") in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser. For the avoidance of doubt, the Equity Shares are not interests in a ''fund'' or a ''collective investment scheme'' within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**"), an offer may not be made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), make an offer of Equity Shares to the public in that Relevant Member State at any time:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

- to any legal entity which has two or more of (i) an average of at least 250 employees during the last Financial Year, (ii) a total balance sheet of more than €50,000,000, as show in its last annual consolidated accounts;

- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Lead Manager for any such offer; or

- in any other circumstances, which do not require the publication of a prospectus pursuant to Article 3(2) of the Prospectus Directive.

provided that no such offer of Equity Shares shall result in a requirement for the publication by our Company or the Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means, of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

Hong Kong

No Equity Shares have been offered or sold, and no Equity Shares may be offered or sold, in Hong Kong by means of any document, other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal agent; or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or in other circumstances which do not result in the

document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong. No document, invitation or advertisement relating to the Equity Shares has been issued or may be issued, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to the Equity Shares which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Japan

The offering of the Equity Shares has not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**Financial Instruments and Exchange Law**"). No Equity Shares have been offered or sold, and will not be offered or sold, directly or in directly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and otherwise in compliance with the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial ordinances of Japan.

Korea

The Equity Shares have not been registered under the Korean Securities and Exchange Law, and the Equity Shares acquired in connection with the distribution contemplated hereby may not be offered or sold, directly or indirectly, in Korea or to or for the account of any resident thereof, except as otherwise permitted by applicable Korean laws and regulations, including, without limitation, the Korean Securities and Exchange Law and the Foreign Exchange Transaction Laws.

Kuwait

The Equity Shares have not been authorized or licensed for offering, marketing or sale in the State of Kuwait. The distribution of this Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Luxembourg

The Equity Shares may not be offered to the public in Luxembourg, except that they may be offered in Luxembourg in the following circumstances:

(a) in the period beginning on the date of publication of a prospectus in relation to those Equity Shares which have been approved by the *Commission De Surveillance Du Secteur Financier* ("**CSSF**") in Luxembourg or, where appropriate, approved in another relevant European Union member state and notified to the CSSF, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such Preliminary Offering Memorandum;

(B) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or (d) at any time in any other circumstances which do not require the publication by the co-issuers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "Offer of Notes to the Public" in relation to any Equity Shares in Luxembourg means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase the Equity Shares, as defined in the law of 10 July 2005 on prospectuses for securities and implementing Directive 2003/71/ec of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, or any variation thereof or amendment thereto.

Malaysia

No approval of the Securities Commission of Malaysia has been or will be obtained in connection with the offer and sale of the Equity Shares in Malaysia nor will any prospectus or other offering material or document in connection with the offer and sale of the Equity Shares be registered with the Securities Commission of Malaysia. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia.

Mauritius

Our shares may not be offered, distributed or sold, directly or indirectly, in Mauritius or to any resident of Mauritius, except as permitted by applicable Mauritius securities law. No offer or distribution of securities will be made to the public in Mauritius.

New Zealand

This Preliminary Placement Document is not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the "**New Zealand Securities Act**"). This Preliminary Placement Document is being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act ("**Habitual Investors**"). By accepting this Preliminary Placement Document, each investor represents and warrants that if they receive this Preliminary Placement Document in New Zealand they are a Habitual Investor and they will not disclose this Preliminary Placement Document to any person who is not also a Habitual Investor.

Qatar

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the state of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank Resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than recipient thereof.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

The Lead Manager has acknowledged that this Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Lead Manager has represented and agreed that it has not offered or sold any Equity Shares issued pursuant to the Issue or caused such Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such Equity Shares issued pursuant to the Issue or cause such Equity Shares to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will they circulate or distribute, this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Equity Shares issued pursuant to the Issue, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of

Singapore ("**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed, or purchased under Section 275 by a relevant person which is:

- a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation to the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except:

- to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

- where no consideration is, or will be given for the transfer;

- where the transfer is by operation of law; or

- as specified in Section 276(7) of the SFA.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the United Arab Emirates (the "**UAE**"). The Equity Shares have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities market or with any other UAE exchange. the Issue, the Equity Shares and interests therein do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise. This Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Equity Shares may not be offered or sold directly or indirectly to the public in the UAE.

By receiving this Preliminary Placement Document, the person or entity to whom this Preliminary Placement Document has been issued understands, acknowledges and agrees that the Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or sale of securities. The Dubai Financial Services Authority has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it.

United Kingdom

The Lead Manager has represented and agreed that it:

- is a person who is a qualified investor within the meaning of Section 86(7) of the Financial Services and Markets Act 2000 (the "**FSMA**"), being an investor whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business;

- has not offered or sold and will not offer or sell the Equity Shares other than to persons who are qualified investors within the meaning of Section 86(7) of the FSMA or who it reasonably expects will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Equity Shares would otherwise constitute a contravention of Section 19 of the FSMA by us;

- has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Equity Shares in circumstances in which Section 21(1) of the FSMA does not apply to it; and

- has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered, sold or delivered in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws. The Equity Shares are being offered and sold in the Issue only outside the United States in offshore transactions in accordance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur are made. To help ensure that the offer and sale of the Equity Shares in the Issue was made in compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in *"**Transfer Restrictions**"* beginning on page 139.

TRANSFER RESTRICTIONS

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment except through the Stock Exchanges. In addition to the above, allotments made to QIBs, including FVCIs, VCFs and AIFs in the Issue, may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. Accordingly, purchasers are advised to consult their own legal counsel prior to making any offer, re-sale, pledge or transfer of the Equity Shares.

Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable United States state securities laws. The Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S, in each case in compliance with the applicable laws of the jurisdictions where those offers and sales are made.

If you purchase the Equity Shares in this Issue, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase the Equity Shares and accepting delivery of the Equity Shares, you will be deemed to have represented to and agreed with our Company and the Lead Manager as follows:

- you have received a copy of the Preliminary Placement Document and such other information as you deem necessary to make an informed decision and that you are not relying on any other information or the representation concerning the Company or the Equity Shares and neither the Company nor any other person responsible for this document or any part of it or the Lead Manager will have any liability for any such other information or representation;

- you are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

- you will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of the Equity Shares, and you acknowledge and agree that none of our Company, the Lead Manager or any of their respective affiliates shall have any responsibility in this regard;

- you acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that such Equity Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

- you and the person, if any, for whose account or benefit you are acquiring the Equity Shares, were located outside the United States at the time the buy order for the Equity Shares was originated and continue to be located outside the United States and have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

- you are not an affiliate (as defined in Rule 405 of the U.S. Securities Act) of our Company or a person acting on behalf of such affiliate; and you are not in the business of buying and selling securities or, if you are in such business, you did not acquire the Equity Shares from our Company or an affiliate (as defined in Rule 405 of the U.S. Securities Act) thereof in the initial distribution of the Equity Shares;

- you certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and are located outside the United States (within the meaning of Regulation S) or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S);

- you are aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in this Preliminary Placement Document and that neither the BSE nor the NSE is a "designated offshore securities market" within the meaning of Regulation S of the U.S. Securities Act;

- the Equity Shares have not been offered to you by means of any "directed selling efforts" as defined in Regulation S; and

- you acknowledge that our Company, the Lead Manager and their respective affiliates (as defined in Rule 405 of the U.S. Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, you will promptly notify our Company and the Lead Manager, and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make the foregoing acknowledgements, representations and agreements on behalf of such accounts.

- you acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities law of any state of the United States and warrant to our Company, the Lead Manager and their respective affiliates that it will not offer, sell, pledge or otherwise transfer the Equity Shares except in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- you represent and warrant to our Company, the Lead Manager and their respective affiliates that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

- the Company, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of your representations, warranties, acknowledgements and undertakings set out in this document, each of which is given to (a) the Lead Manager on their own behalf and on behalf of the Company, and (b) to the Company, and each of which is irrevocable and, if any of such representations, warranties, acknowledgements or undertakings deemed to have been made by virtue of your purchase of the Equity Shares are no longer accurate, you will promptly notify the Company.

- you and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the Lead Manager or their respective affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to distribution;

- you have been provided access to this Preliminary Placement Document which you have read in its entirety;

- you are aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S;

- you agree to indemnify and hold the Company and the Lead Manager and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. You will not hold any of the Company or the Lead Manager and their respective affiliates liable with respect to its investment in the Equity Shares. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares; and

Any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by our Company.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Lead Manager or any of its respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"). On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the Securities and Exchange Board of India Act, 1992, as amended from time to time (the "**SEBI Act**"), notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (the "**SCR (SECC) Rules**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, FIIs, FPIs, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of a company's obligations under the Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

All listed companies are required to ensure a minimum public shareholding at 25%. Further, where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

Delisting

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India. Pursuant to the BSE (Corporatisation and Demutualisation) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated and is now a company under the Companies Act.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. The NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" and the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes' pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (or "**BOLT**") facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading (or "**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**Takeover Regulations**"), which provides specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 2015 have been notified by SEBI to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing either on his own behalf or on behalf of any other person, in the securities of a listed company or a company proposed to be listed when in possession of unpublished price sensitive information.

The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a predefined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person who has a connection with the company that is expected to put him in possession of unpublished price sensitive information.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association, and the provisions of the Companies Act, 2013 including the notified sections of the Companies Act, 1956 which are in force and applicable to us. Prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

Our Company's authorised share capital is ₹ 12,013.14 lakhs divided into 31,75,00,000 Equity Shares of ₹ 2 each, 30,00,000 (9%) Cumulative Redeemable Preference Shares of ₹ 10 each (Class A Preference Shares), 1,83,500 (3%) Cumulative Compulsorily Convertible Preference Shares of ₹ 2,187 each (Class B Preference Shares), 35,00,000 (3%) Cumulative Redeemable Preference Shares of ₹ 10 each (Class C Preference Shares) and 10,000,000 (1%) Non-cumulative Fully Convertible Preference Shares of ₹ 10 each (Class D Preference Shares) and the total issued subscribed and paid up share capital is ₹ 1,586.54 lakhs divided into 7,93,26,780 Equity Shares of ₹ 2 each. For further information, see "***Capital Structure***" on page 64.

Dividends

Under Indian law, a company declares and pays final dividend to its shareholders, upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each financial year. Under the Companies Act, 2013, unless the board of directors of a company recommends the payment of dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions specified under Section 123 of the Companies Act, 2013 and the rules made thereunder no dividend can be declared or paid by a company for any financial year except (a) out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013; or (b) out of the profits of the company for any previous financial year(s) arrived at in accordance with the Companies Act, 2013 and remaining undistributed; or (c) out of both; or (d) out of money provided by the Central Government or a State Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

Under our Articles of Association, our shareholders at a general meeting may declare a lower, but not higher, dividend than that recommended by our Board. The profits of our Company, subject to provisions of the Articles of Association, shall be divisible among the members in proportion of the amount of capital paid up on the shares held by them respectively.

Pursuant to the Companies (Declaration and Payment of Dividend) Rules, 2014, in the absence of profits in any year, a company may declare dividend out of surplus, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the 3 years immediately preceding that year; (b) the total amount to be drawn from such accumulated profits shall not exceed one – tenth of the sum of its paid up share capital and free reserves as per the latest audited balance sheet; (c) the amount so drawn shall be first utilised to set off the losses incurred in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance reserves after such withdrawal shall not below 15% of its paid up share capital as per the latest audited balance sheet of the company.

Dividend under the Companies Act includes interim dividends. It shall not exceed the amount recommended by the board of directors. The board of directors may from time to time pay the shareholder's interim dividend as may appear to them to be justified. This amount of dividend shall be deposited in a separate bank account within five (5) days from the date of declaration of dividend and when declared, shall have to be paid to shareholders within 30 days of the declaration. Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other monies payable in respect of such shares.

Capitalisation of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to capitalise the company's profits or reserves for the purpose of issuing fully paid-up bonus shares, which are similar to stock dividend. The Companies Act, 2013 permits the issue of fully paid up bonus shares from its free reserves, securities premium account or capital redemption reserve account, provided that bonus shares shall not be issued

by capitalising reserves created by revaluation of assets and/or in lieu of dividend. These bonus equity shares must be distributed to shareholders in proportion to the number of equity shares owned by them as recommended by the board of directors.

Any issue of bonus shares by a listed company would be subject to the SEBI ICDR Regulations. The SEBI ICDR Regulations prescribe that no company shall make a bonus issue of equity shares if it has outstanding fully or partly convertible debt instruments at the time of making the bonus issue, unless it has made reservation of the equity shares in the same class in favour of the holders of the outstanding convertible debt instruments in proportion to the convertible part thereof and the equity shares reserved for the holders of fully or partly convertible debt instruments shall be issued at the time of conversion of such convertible debt instruments on the same terms or same proportion on which the bonds were issued. Further, for issuance of such bonus shares, a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The bonus issuance shall be made out of free reserves built out of genuine profits or share premium collected in cash only. The reserves created by revaluation of fixed assets cannot be capitalised. Further, a company should have sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of the employees, such as contributions to provident funds, gratuities and/or bonuses.

Our Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves. Such reserves shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends. Such reserves may also, at the discretion of the Board, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. Our Board may also carry forward any profit which it may think prudent not to divide without setting aside as a reserve.

Our Company may by a resolution passed in a general meeting of the shareholders, upon a recommendation by the Board, resolve that the whole or any part of the undivided profits of the Company (which expression shall include premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalised and distributed amongst such shareholders who would be entitled to receive the same, if distributed by way of dividend and in the same proportions, on the footing that they become entitled thereto as capital. All or any part of such capitalised amount may be applied on behalf of such members upon paying up in full any unissued shares of the Company which shall be distributed accordingly or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such member in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of the share premium account or a capital redemption reserve account may only be applied in the paying up of unissued shares to be issued to the shareholders as fully paid bonus shares.

Alteration of Share Capital

Subject to the provisions of the Companies Act, 2013, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. Pursuant to the provisions of the Companies Act, 2013 such new shares shall be offered to existing shareholders in proportion to the paid-up share capital on those shares at that date.

The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date, the Board may dispose of the shares offered in respect of which no acceptance has been received in a manner which shall not be disadvantageous to the shareholders of our Company. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person. Private placement and public issues shall be undertaken pursuant to Chapter III the Companies Act, 2013.

Under the provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, new shares may be offered to any persons whether or not those persons include existing shareholders or employees to whom shares are allotted under a scheme of employee's stock options, either for cash or for consideration other than cash, if a special resolution to that effect is passed by our shareholders in a general meeting. Our Company may, by a resolution passed in a general meeting, from time to time, increase the share capital by the creation of new Equity Shares of such amount as may be deemed expedient and specified in the resolution. Such increase in

the share capital shall be subject to compliance with the provision of the Companies Act, 2013 and of any other laws that may be in force. New Equity Shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto as are consistent with provisions of the Companies Act, 2013 and which the general meeting, resolving upon the creation thereof shall direct and if no direction be given, as our Board shall determine, and in particular such Equity Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of our Company, subject to the conditions prescribed under the Companies Act, 2013.

Our Company may by ordinary resolution adopted in a general meeting of shareholders:

(i) increase its authorised share capital by such amount as it thinks expedient;

(ii) consolidate and divide its share capital into shares of larger amount than its existing Equity Shares;

(iii) sub-divide its existing Equity Shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, so however, that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share was derived; or

(iv) cancel any Equity Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the Equity Shares so cancelled.

Further, our Company may, from time to time, accept from any shareholder, the surrender of all or any of his shares on such terms as may be agreed and in compliance with provisions of applicable law.

General Meetings of Shareholders

Every year our Company is required to hold an annual general meeting in addition to any other meetings, within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between one annual general meeting and the other, unless extended by RoC for any special reason for a period not exceeding three (3) months. Further, our Board may, whenever it thinks fit, call an extraordinary general meeting and shall, on the requisition of a number of shareholders who constitute not less than one-tenth of the paid-up capital of our Company, proceed to call an extraordinary general meeting.

Not less than 21 days' clear notice in writing of the general meeting is to be given, but shorter notice may be given if consent in writing is accorded by all the shareholders entitled to vote and in case of any other meetings, with the consent of not less than 95% of the number of shareholders entitled to vote at the meeting. An explanatory statement shall be annexed to every notice of a general meeting and notice of every meeting of the Company shall be given to every member of the Company, to the auditors of the Company, to any legal representative of any deceased member or assignee of any insolvent member, and every director of the Company in accordance with Section 101 of the Companies Act, 2013. The quorum requirements for a general meeting in accordance with our Articles of Association shall be five (5) members present and voting, and no business is to be transacted at the general meeting unless the requisite quorum is present at the commencement of the same. If the quorum is not present within half an hour of the time appointed for a meeting, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place, or such other day and at such time and place as the Board may by notice appoint. Our Articles of Association further provide that no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

A resolution put to vote at a meeting of the shareholders shall be decided by a show of hands unless the voting is carried out electronically or a poll has been demanded under Section 109 of the Companies Act, 2013. A notice to all the shareholders of our Company shall be sent along with the draft resolution explaining the reasons therefore and requesting them to send their assent in writing in a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot shall include voting by electronic mode and shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association, votes may be given either personally or by proxy, or in the case of a body corporate, by a duly authorised representative under Section 113 of the Companies Act, 2013.

Every member present in person shall have one vote on a show of hands, and on poll, the member present in person or by proxy shall have one vote for each Equity Share of our Company held by him, subject to any rights or restrictions for the time being attached to any class or classes of Equity Shares. Further, in terms of Companies (Management and Administration) Rules, 2014, a member shall have the right to exercise its vote at any general meeting by electronic means.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of our Company in respect of any Equity Shares registered in his name on which any calls or other sums presently payable by him have not been paid or regard to which our Company has exercised any right of lien.

The instrument appointing a proxy is required to be deposited with our Company at least 48 hours before the time of the meeting. No proxy shall be entitled to vote on a show of hands unless such proxy is present on behalf of a company. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the Equity Share in respect of which the vote is given provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office of our Company before the general meeting. Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. The Companies Act, 2013 provides that to amend the Articles of Association a special resolution is required to be passed in a general meeting.

According to the Regulation 44 of SEBI Listing Regulations, our Company is required to provide the facility of remote e-voting to the shareholders, in respect of all shareholders' resolutions. The e-voting facility to be provided to shareholders shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, or amendments made thereto. Our Company shall submit to the stock exchanges, within forty-eight hours of conclusion of its general meeting, details regarding the voting results in the required format. Further, our Company shall send proxy forms to holders of securities in all cases mentioning that a holder may vote either for or against each resolution.

Directors

The Articles of Association provide that the number of Directors shall be not less than three and not more than twelve. The Directors shall be appointed by our Company in the general meeting subject to the provisions of the Companies Act, 2013, the rules framed thereunder and our Articles of Association. The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment but as between persons who became Directors on the same day those to retire shall in default of being subject to any agreement among themselves, be determined by lot.

The Directors have the power to appoint any other persons as an additional Director on our Board but any Director so appointed shall hold office only up to the date of the next following annual general meeting of our Company and the total number of Directors shall not at any time exceed twelve Directors, being the maximum number of Directors prescribed under our Articles of Association. Our Board shall also have the power to appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from India.

In terms of the Companies Act, 2013, our Board is required to meet at least four times in a year not exceeding more than 120 days between two meetings, for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit. The quorum for a meeting of our Board is two (2) Directors which is more than one-third of the total number of Directors.

Transfer of Equity Shares

An application for registration of a transfer of the Equity Shares in our Company may be made either by the transferor or the transferee. Where the application is made by the transferor and relates to partially paid Equity

Shares, the transfer shall not be registered unless our Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. No fee may be charged for registration of transfer of Equity Shares. Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI.

Our Company is required to comply with the SEBI Listing Regulations or the rules made under the Companies Act, 2013 or the rules made under the Securities Contracts (Regulation) Act, 1956, as amended ("**SCRA**"), or any other law or rules applicable, relating to the transfer or transmission of Equity Shares.

Registration of Transfers and Register of Members

Our Company is required to maintain a register of members wherein the details of the members of our Company are entered. For the purpose of determining the shareholders, entitled to corporate benefits declared by our Company, the register may be closed for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board of Directors may deem expedient in accordance with the provisions of the Companies Act. Under the SEBI Listing Regulations of the stock exchanges on which our Company's outstanding Equity Shares are listed, our Company may, upon at least seven working days' (excluding the date of intimation and the record date) advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Under Section 58 of the Companies Act 2013, if a public company without sufficient cause refuses to register a transfer of shares within 30 days from the date on which the instrument or intimation of transfer is delivered to the company, the transferee may, within a period of 60 days of such refusal or where no intimation has been received from the company, within 90 days of the delivery of the instrument of transfer, appeal to the National Company Law Tribunal seeking to register the transfer of shares.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, our Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Companies Act 2013, provides that the shares or debentures of a publicly listed company shall be freely transferable. However, the Board of Directors may, under our Articles of Association, subject to Section 58 of the Companies Act and the SCRA, at any time in its absolute discretion decline to register transfer of shares. Notice of such refusal must be sent to the transferee within one month of the date on which the transfer was lodged with our Company.

Liquidation Rights

In the event that our Company is wound up, the holders of Equity Shares shall be entitled to have the assets available for distribution amongst the members so that the losses shall be borne by the holders of the Equity Shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the Equity Shares held by them. If the assets available for distribution are more than sufficient to repay the whole of the paid-up capital at the commencement of the winding up, the surplus shall be distributed amongst the holders of Equity Shares in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, by them respectively.

INDEPENDENT AUDITORS

Our Company's Audited Consolidated Financial Statements and notes and the Summary Consolidated Financial Information (Reformatted) thereto have been included in this Preliminary Placement Document. Our Financial Statements are prepared in accordance with Indian GAAP as applicable to us. BSR & Co. LLP, are our statutory auditors and have audited our Audited Consolidated Financial Statements.

B S R & Co. LLP
Chartered Accountants

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Statement of possible tax benefits available to the Company and its shareholders

The Board of Directors,
Minda Industries Limited,
B-64/1, Wazirpur Industrial Area, New Delhi – 110052.

Sub: Proposed Qualified Institutions Placement (the "Issue") by Minda Industries Limited (the "Company")

We report that the enclosed statement, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill. No assurance is given that the revenue authorities will concur with the views expressed herein.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither we are suggesting nor advising the investor to invest money based on this statement.

The amendments in Finance Bill 2017 have not been incorporated in the enclosed Annexure.

We do not express any opinion or provide any assurance as to whether:
i) the Company or its shareholders will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been / would be met with.

Our views are based on the existing provisions of law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

Our views expressed herein are based on facts / assumptions indicated to us, our understanding of the law and interpretation thereof and hence are not binding on any authority or court. Accordingly, no assurance is given that a position contrary to that expressed herein will not be asserted by any tax authority and ultimately sustained by an appellate authority or a Court of law.

We hereby give consent to include this statement of tax benefits in the Preliminary Placement Document and the Placement Document.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Rajiv Goyal
Partner
Membership No.: 094549
Gurgaon
23 March 2017

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

The Company has prepared the below Statement of Tax benefits (hereinafter referred to as "the Statement") for inclusion in the Preliminary Placement Document dated 23 March 2017 and the Placement Document to be filed (together referred to as the "Offering Circular") for the proposed offering of equity shares of the Company pursuant to a Qualified Institutions Placement ('QIP'). The Statement has been prepared on the basis of our understanding of the business activities and operations of the Company.

Statement of Tax Benefits

1. General Tax Benefits available to the Company under the Income Tax Act, 1961 ("Act")

1.1 As per Section 32AC (1A) of the Income Tax Act, 1961, where an assessee, being a company, engaged in the business of manufacture or production of article or thing, acquires and installs new assets and the amount of actual cost of such new assets acquired during any previous year exceeds 25 crores and installed on or before 31 March 2017, then there shall be allowed a deduction of a sum equal to 15% of the actual cost of such new assets for the assessment year relevant to that previous year.

No deduction under Section 32AC (1A) of the Income Tax Act, 1961 shall be allowed for any assessment year commencing on or after the 1st day of April, 2018 i.e. assessment year 2018-19.

However there is a restriction on the transfer of plant or machinery for a period of 5 years, in respect of any assessee who is eligible to deduction under Section 32AC(1) and 32AC(1A). However, this restriction shall not apply in a case of amalgamation or demerger but shall continue to apply to the amalgamated company or resulting company, as the case may be.

1.2 Under section 32 of the Act, the deduction for depreciation (including additional depreciation, wherever applicable) will be available at the prescribed rates on tangible assets such as building, plant and machinery, furniture etc. and intangible assets such as patents, trademarks, copy rights, know how, licenses, franchise or any other business or commercial rights of similar nature.

1.3 With respect to the Company's share in partnership firms, as per section 10(2A), in computing the total income of a previous year of the Company, the Company's share in the total income of the firms shall not be included.

1.4 Under section 35(2AB) of the Act, subject to fulfillment of prescribed conditions, the Company would be eligible to claim a deduction of two hundred percent of the expenditure incurred on scientific research (other than cost of land or building) on in-house scientific research & development facility subject to approval of the prescribed authority, during financial year 2016-17. Such deduction (subject to approval of the prescribed authority) will be restricted to one hundred and fifty percent of such scientific research expenditure incurred during the financial year 2017-18 through financial year 2019-20 and to hundred percent of such scientific research expenditure incurred from financial year 2020-21 onwards. In respect of the expenditure incurred on scientific research (including capital expenditure other than expenditure on land) other than on in-house scientific research facility, deduction is allowed under section 35(1)(iv) of the Act.

1.5 As per section 80-IC of the Act which applies to certain specified undertaking or enterprise which has begun or begins to manufacture or produce or undertakes substantial expansion in specified area (the State of Uttaranchal) during the period beginning on the 7th day of January, 2003 and ending before the 1st day of April, 2012, a deduction equivalent to one hundred per cent of profits and gains (from such undertaking) for five assessment years commencing with the initial assessment year and thereafter, thirty per cent for the next five assessment years, shall be available.

B S R & Co. LLP * GURGAON * Chartered Accountants

MINDA INDUSTRIES LIMITED * Delhi

1.6 Under section 80JJAA of the Act, subject to fulfillment of prescribed conditions, the Company would be entitled to claim a deduction from its gross total income, of 30 % of the additional employee cost (emoluments paid/payable to additional employees employed) incurred in a year for three years starting from the year in which the employment is provided. Further, no such deduction is available in respect of employees where his/her total emoluments (excluding contribution to provident fund, pension fund or any other fund for the benefit of the employee) is more than Rs. 25000 per month or where the employee is employed for less than 240 days in a year or where an employee does not participate in recognized provident fund.

1.7 Income earned by the Company by way of dividend referred to in Section 115-O of the Income Tax Act, 1961 received from domestic companies is exempt from tax under section 10(34) of the Act. However, as per section 94(7) of the Act, losses arising from sale / transfer of securities, where such securities are purchased within three months prior to the record date and sold within three months from the record date, will be ignored to the extent such loss does not exceed the amount of dividend received or receivable on such securities claimed exempt.

Any income received by the Company in respect of units of a mutual fund specified under section 10(23D) of the Act, or income in respect of units from the administrator of the specified undertaking or from the specified company, as referred to in Section 10(35) of the Act, is exempt from tax in the hands of the Company under section 10(35) of the Act. However, as per section 94(7) of the Act, losses arising from the sale / transfer of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent such loss does not exceed the amount of income received or receivable on such units claimed exempt.

1.8 As per section 115O (1A), amount of dividend received by the Company from its Indian subsidiary and where such subsidiary has paid Dividend Distribution Tax (DDT) on such dividend, the amount of dividend to be declared / distributed / paid by the Company on which DDT is payable, shall get reduced by such amount of dividend received from Indian subsidiary.

1.9 As per section 115O (1A), amount of dividend received by the Company from its foreign subsidiary and where the Company has paid tax under section 115BBD on such dividend, the amount of dividend to be declared / distributed / paid by the Company on which DDT is payable, shall get reduced by such amount of dividend received from the foreign subsidiary.

1.10 Section 115BBD of Income-tax Act provides for taxation of gross dividends received by an Indian company from a specified foreign company (in which it has shareholding of 26% or more) at the rate of 15% where such dividend is included in the total income of the Company.

1.11 As per section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus, and is allotted bonus units without any payment on the basis of holding original units on the record date and such person sells/ redeems the original units within nine months of the record date, then the loss arising from sale/ transfers of the original units will be ignored for the purpose of computing income chargeable to tax and the amount of loss ignored shall be regarded as the cost of acquisition of the bonus units.

1.12 Income by way of interest, premium on redemption or other payment on notified securities, bonds, certificates issued by the Central Government is exempt from tax under section 10(15) of the Act in accordance with and subject to the conditions and limits as may be specified in notifications.

1.13 Long-term capital gain on sale of equity shares or units of an equity oriented fund will be exempt from tax under section 10(38) of the Act provided that the transaction of such sale is chargeable to Securities Transaction Tax (**"STT"**). However, the said long term capital gain is required to be taken into account in computing the book profit and tax payable under section 115JB of the Act.

1.14 In the computation of long term capital gains (which is not exempt from tax), as per the provisions of section 48, the actual cost of acquisition may be substituted by the indexed cost of acquisition i.e. the actual cost is scaled up by the prescribed index factor.

1.15 In accordance with the provisions of section 112 of the Act, long-term capital gains on transfer of capital assets , chargeable under the head 'capital gains' is taxable at the rate of 20% plus applicable surcharge, education cess and secondary & higher education cess ('Education Cess').

However, where tax on long term capital gains arising on sale of listed securities or zero coupon bond, calculated at the rate of 20% with cost indexation benefit exceeds the tax calculated at the rate of 10% without cost indexation benefit, then such gains are chargeable to tax at a concessional rate of 10% (plus applicable surcharge and Education Cess).

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains arising from the transfer of any long-term capital asset shall not be taxable, provided that the Company has at any time within a period of six months after the date of such transfer, invested the whole of capital gains in any long-term specified asset.

However, if such long-term specified asset is transferred or converted into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term specified asset is transferred or converted into money. Section 54EC also provides that the investment made by an assessee in the long term specified asset, out of capital gains arising from the transfer of one or more original asset or assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year shall not exceed INR 50 lakh. Further, if only a portion of capital gains is so invested, then the exemption is available proportionately.

For the purpose of section 54EC, long term specified asset means any bond redeemable after three years and issued by:

i) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988; or
ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

1.16 Under Section 111A of the Act, short-term capital gain on sale of equity shares or units of an equity oriented fund shall be chargeable to tax at the rate of 15% (plus applicable surcharge and Education Cess) provided that transaction of such sale is chargeable to STT.

1.17 According to the provisions of section 115JAA(1A) of the Act, credit is allowed in respect of any Minimum Alternate Tax ("MAT") paid under section 115JB of the Act for any assessment year commencing on or after April 1, 2006. Tax credit which can be carried forward is equal to the difference between MAT paid by the Company for one assessment year and tax computed as per normal provisions of the Act for that assessment year. MAT Tax credit, which can be allowed shall be the difference of the tax paid for any assessment year under Section 115JB (1) and the amount of tax payable as per normal provisions of the Act for that assessment year. MAT credit can be carried forward for the purpose of set off up to 10 years succeeding the year in which the MAT credit is allowable.

1.18 As per Section 35DDA, the Company is eligible for deduction in respect of payments made to its employees in connection with their voluntary retirement for an amount equal to 1/5th of such expenses in the previous year and balance in 4 equal installments in successive previous years, subject to conditions specified in that section.

1.19 Loss under the head "Profit and Gains from Business or Profession" except loss from speculation business it can be set-off against incomes of other head of sources (except income under the head "Income from salary") and the

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excess remaining loss, if any, after set -off can be carried forward for set-off against business income of the next eight Assessment Years.

1.20 Under section 32(2) of the Act, the unabsorbed depreciation arising due to absence/ insufficiency of profits or gains chargeable to tax can be carried forward. The amount is allowed to be carried forward and set off for the succeeding years until the amount is exhausted without any time limit.

1.21 As per the provisions of section 80G of the Act, the deduction will be available in respect of donations to various charitable institutions and funds covered under that section, subject to fulfillment of the conditions specified therein.

2. Benefits available to all Shareholder

2.1 According to the provisions of section 10(34) of the Act, income by way of dividends received on shares of the Company referred to in section115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by a domestic company) is exempt from tax. However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be ignored to the extent such loss does not exceed the amount of dividend claimed exempt.

2.2 As per section 115BBDA where the total income of an shareholders, being an individual, HUF or a firm, resident in India, includes any income by way of dividends declared / distributed / paid by the Company, the income-tax payable shall be @ 10% as per conditions provided in the said section.

2.3 Shares of the company held as Capital assets for a period of more than twelve months preceding the date of transfer will be treated as a long-term capital asset. Capital gains arising on transfer of long-term capital assets, being equity shares in a company, on which STT is paid, is exempt under section 10(38) of the Act whereas short-term capital gains arising from similar transaction shall be subject to tax under section 111A of the Act at the rate of 15% (plus applicable surcharge and Education Cess).

2.4 The benefit of exemption from tax under section 10(38) of the Act on long -term capital gains will not be available where no STT is paid. In such cases, long-term capital gains on sale or transfer of listed securities would be chargeable to tax (plus applicable surcharge and Education Cess) at lower of 20% (with cost indexation benefit) or at a concessional rate of 10% (without considering cost indexation benefit) in accordance with the provisions of section 112 of the Act. In the computation of long term capital gains (which is not exempt from tax), as per the provisions of section 48, the actual cost of acquisition may be substituted by the indexed cost of acquisition i.e. the actual cost is scaled up by the prescribed Index factor.

2.5 The Finance Act, 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

2.6 Under the provisions of section 115QA of the Act, a domestic Company is liable to pay additional income tax at the rate of 20% (plus applicable surcharge and cess) on the distributed income on buy back of shares of such domestic Company. However, the said provisions do not apply to the listed shares and thus, would not apply to the issuer Company (i.e. the Company who has issued the listed shares). Therefore, any buy back of shares by the issuer Company would not be subject to such buy back tax (tax on distributed income) under the provisions of section 115QA of the Act.

2.7 As per section 54EC of the Act, subject to the conditions specified therein, tax on capital gains arising from transfer of long-term capital asset (other than those exempt under section 10(38) of the Act), shall not be taxable, provided

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that the Shareholder has at any time, within a period of six months from the date of transfer, invested the whole of capital gains in any specified long-term asset. However, if such long-term asset is transferred or converted into money within a period of three years from the date of its acquisition, amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term asset is transferred or converted into money. Section 54EC also provides that the investment made by an assessee in the long term specified asset, out of capital gains arising from the transfer of one or more original asset or assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year, shall not exceed INR 50 lakh. Where the whole of capital gains is not invested in long term specified asset, then exemption would be proportional to the amount of capital gains invested in long term specified asset.

For the purpose of section 54EC, long term specified assets referred to herein above means any bond redeemable after three years and issued by:

i) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988; or
ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

2.8 According to the provisions of section 54F of the Act and subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of shares of the company on which STT is not payable, shall not be chargeable to tax, provided that the net consideration is utilized for either of the following:
i) Purchase of one residential house in India within a period of one year before or two years after the date of transfer of such long term capital assets; or
ii) Construction of one residential house in India within a period of three years after the date of transfer of the long-term capital asset.
Such benefit will not be available if the individual-
owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
purchases another residential house within a period of one year after the date of transfer of the shares; or
constructs another residential house within a period of three years after the date of transfer of the shares; and
the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

Further, if only a portion of the net consideration is so invested, then the exemption is available proportionately. However, if the residential house in which investment is made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred.

2.9 As per the provision of Section 71(3), if there is a loss under the head "Capital Gains", it cannot be set -off with the income under any other head. As per section 74 of the Act, short term capital loss suffered during the year is allowed to be set-off against short-term capital gains as well as long term capital gains of the same year and balance loss, if any, can be carried forward for eight years for claiming set -off against subsequent years' short term as well as long-term capital gains of subsequent years. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains only and balance loss, if any, can be carried forward and set –off for eight subsequent years, against long-term capital gains only.

2.10 Under section 36(1)(xv) of the Act, STT paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession".

3. Benefits available to Non - Resident Shareholders

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3.1 Under section 10(34) of the Act, income by way of dividends referred to in section 115-O received on the shares of the Company would be exempt from income tax in the hands of shareholders.

3.2 Under section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

3.3 The Finance Act, 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

3.4 As per section 54EC of the Act, subject to the conditions specified therein, tax on capital gains arising from transfer of long-term capital asset (other than those exempt under section 10(38) of the Act) shall not be taxable, provided that the Shareholder has at any time, within a period of six months from the date of transfer, invested the whole of capital gains in any specified long –term asset. However, if such long-term asset is transferred or converted into money within a period of three years from the date of its acquisition, amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term asset is transferred or converted into money. Section 54EC also provides that the investment made by an assessee in the long term specified asset, out of capital gains arising from the transfer of one or more original asset or assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year shall not exceed INR 50 lakh. Where the whole of capital gains is not invested in long term specified asset, then exemption would be proportional to the amount of capital gains invested in long term specified asset.

For the purpose of section 54EC, long term specified assets referred to herein above means any bond redeemable after three years and issued by:
i) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
ii) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

3.5 According to the provisions of section 54F of the Act and subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of shares of the company on which STT is not payable, shall not be chargeable to tax, provided that the net consideration is utilized for either of the following:

i) Purchase of one residential house in India within a period of one year before or two years after the date of transfer of such long term capital assets; or
ii) Construction of one residential house in India within a period of three years after the date of transfer of the long-term capital asset.

Such benefit will not be available if the individual
i) owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
ii) purchases another residential house within a period of one year after the date of transfer of the shares; or
iii) constructs another residential house within a period of three years after the date of transfer of the shares; and
iv) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

Further, if only a portion of the net consideration is so invested, then the exemption is available proportionately. However, if the residential house in which investment is made is transferred within a period of three years from the

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date of its purchase or construction, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred.

3.6 Any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

3.7 Under section 111A of the Act and other relevant provisions of the Act, short -term capital gains arising on transfer of equity shares in the Company would be taxable at a rate of 15 percent (plus applicable surcharge, education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax.

3.8 Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at the rate of 20 percent (plus applicable surcharge, education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge, education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

3.9 As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

As per provisions of section 90(4) of the Act, a non-resident, shall not be entitled to claim any relief under DTAA, unless a certificate of his being a resident in any country outside India or specified territory outside India, as the case may be has been obtained by him from the government of that country or specified territory. In other words, the non-resident tax payers shall be entitled to be governed by the provisions of the DTAA only when they obtain a tax residency certificate from the government of their country of residence.

In addition, as per the provisions of section 90(5) of the Act, a non-resident shall also provide prescribed documents.

3.10 Non-Resident Indian("**NRIs**") (as defined in Section 115C(e) of the Act) shareholders who have subscribed to shares in an Indian company in convertible foreign exchange, can exercise the option of being governed by the provisions of Chapter XII-A of the Act, which inter alia entitles them to the following benefits:

a. In accordance with and subject to the provisions of section 115D read with section 115E of the Act, long term capital gains arising on transfer of shares in an Indian company acquired out of convertible foreign exchange, are taxable at the rate of 10% (plus applicable surcharge and education cess). Cost indexation benefit and deduction under Chapter VI -A, will not be available but with protection against foreign currency fluctuation under the first proviso to section 48 of the Act. Further, income from investment or income from long term capital gains of an asset other than Specified Asset as defined in115C(f) (which includes shares, debentures, deposits of Indian Company and other prescribed securities/ assets) will be chargeable to tax at the rate of 20%.

b. In accordance with and subject to the provisions of section 115F of the Act, long term capital gains arising on sale of shares in an Indian company held by a NRI shareholder and purchased out of convertible foreign exchange shall not be chargeable to income tax, if the entire net consideration is invested for a period of three years in any savings certificates specified under section 10(4B) or specified assets as defined in section 115C(f) (which includes shares, debentures, deposits of Indian Company and other prescribed securities/ assets) of the Act. In case the whole of sales consideration is not invested in prescribed savings certificates or specified assets, proportionate capital gains would be liable to tax.

Such exemption is available provided investment in savings certificates/ specified assets are made within a period of six months after the date of transfer of shares. However, if such savings certificates or specified assets are transferred or converted (otherwise than by way of transfer) into money within three years from the date of

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acquisition, the amount so exempted will be chargeable to tax under the head 'Capital Gains' in the year when such assets/ certificates are transferred.

c. As per section 115G of the Act, a NRI Shareholder would not be required to file a return of income under section 139(1) of the Act, where the total income consists only of investment income and/or long-term capital gains as defined under section 115C of the Act and tax deductible at source has been deducted from such income as per provisions of Chapter XVIIB of the Act.

d. According to the provisions of section 115II of the Act, where, a NRI shareholder in any previous year, becomes assessable as a resident in India in any subsequent assessment year, he may furnish a declaration in writing to the assessing officer, along with his return of income for that assessment year filed under section 139 of the Act, to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from specified assets for that year and subsequent assessment years until such assets are converted into money. However, this option is not available in respect of shares in an Indian company.

e. As per the provision of section 115I of Act, an NRI Shareholder may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII –A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

4. Benefits available to Foreign Institutional Investors ('FIIs')

4.1 In accordance with section 10(34), dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax in the hands of Foreign Institutional Investors (FIIs). Capital gains arising in the hands of FIIs on sale of specified securities are governed by Section 115AD of the Act. According to the provisions of section 115AD of the Act, long-term capital gains arising on transfer of securities held by FIIs are taxable at the rate of 10% (plus applicable surcharge and education cess). Short term capital gains on transfer of securities are taxable at the rate of 15% (plus applicable surcharge and education cess) provided that the transaction is subject to levy of STT. In other cases, Short Term capital gains would be liable to tax at 30% (plus applicable surcharge and education cess). Cost indexation benefits are not available to FIIs. Further, the provisions of the first proviso of section 48 of the Act will not apply.

4.2 In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to STT.

4.3 In accordance with and subject to the provisions of section 115AD read with section 196D(2) of the Act, no deduction of tax at source is applicable on payment in respect of capital gains arising to a FII from the transfer of the equity shares in an Indian company.

4.4 Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company other than the sale referred to in section 10(38) of the Act is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of Rs. 5.0 million) for a minimum period of three years.

4.5 As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

4.6 In the case of all non-resident shareholders, the aforesaid tax rates are subject to the benefits, if any, available under the double taxation avoidance agreements signed by India with the country of which the non –resident shareholder may be a tax resident, subject to fulfillment of conditions prescribed there under.

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4.7 As per the Finance Act, 2013 any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders as per section 10(34A) of the Act.

5. Benefits available to Mutual Funds

Under section 10(23D) of the Act, exemption is available in respect of income (including capital gains arising on transfer of shares of the Company) of a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 or such other Mutual fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to the conditions as the Central Government may specify by notification.

6. Venture Capital Companies/Fund

In terms of section 10(23FB) of the I.T. Act, income of:-

Venture Capital company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and notified as such in the Official Gazette; and

Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992, set up for raising funds for investment in a Venture Capital Undertaking, is exempt from income tax.

Exemption available under the Act is subject to investment in domestic company whose shares are not listed and which is engaged in certain 'specified' business/ industry.

According to Section 115U of the Act, any income accruing or arising to or received by a person from his investment in venture capital companies/ funds would be taxable in his hands in the same manner as if it were the income accruing/ arising/ received by such person had the investments been made directly in the venture capital undertaking.

Further, as per Section 115U(5) of the Act, the income accruing or arising to or received by the Venture Capital Company/Funds from investments made in a Venture Capital Undertaking if not paid or credited to a person (who has made investments in a Venture Capital Company/ Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year

7. Benefits under the Wealth Tax Act, 1957

Wealth tax has been abolished w.e.f. April 01, 2016. Hence w.e.f. assessment year 2016-17, no wealth tax shall be payable by the company.

8. Gift Tax

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, gift of shares will not attract gift tax in the hands of the shareholders. Under section 56(2)(vii) If an individual or HUF receives any property, which includes shares, without consideration, the aggregate fair market value of which exceeds Rs. 50,000, the whole of the fair market value of such property will be considered as income in the hands of the recipient. Similarly, if an individual or HUF receives any property, which includes shares, for consideration which is less than the fair market value of the property by an amount exceeding Rs. 50,000, the fair market value of such property as exceeds the consideration will be considered as income in the hands of the recipient.

9. General Anti Avoidance Rule(GAAR)

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The General Anti Avoidance Rule (GAAR) was introduced in the Income Tax Act by the Finance Act, 2012 and was proposed to be made effective from 1st April 2013. The Finance Act 2015 makes the provision of GAAR applicable prospectively from 1 April 2017. Further Investments made up to 31 March 2017 would be protected from the applicability of GAAR.

10. Tax Deduction at source

No income-tax is deductible at source from income by way of capital gains under the present provisions of the IT Act, in case of residents. However, as per the provisions of section 195 of the IT Act, any income by way of capital gains, payable to non-residents (other than long-term capital gains exempt under section 10(38) of the IT Act), may be liable to the provisions of withholding tax, subject to the provisions of the relevant tax treaty. Accordingly, income tax may have to be deducted at source in the case of a non- resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee, unless a lower withholding tax certificate is obtained from the tax authorities. As per section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares, as referred to in Section 115AD of the Act, payable to Foreign Institutional Investor.

For **Minda Industries Limited**

MINDA INDUSTRIES LIMITED Delhi

Authorised Signatory

23 March 2017

B S R & Co. LLP GURGAON Chartered Accountants

LEGAL PROCEEDINGS

Our Company, from time to time, is involved in various legal proceedings in the ordinary course of business. Except as described below, our Company is not involved in any legal proceeding and is not aware of any proceeding that is threatened, which if determined adversely, may have a material adverse effect on the business, properties, financial condition or results of operations of our Company. Other than as disclosed in this section (i) no other litigation has been treated as material in the opinion of the Board of Directors (ii) there are no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter and Promoter Group during the last three years (iii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years involving our Company (iii) there are no default in repayment of statutory dues as of the date of this Preliminary Placement Document and (iv) there are no material frauds committed against us in the last three years. Pursuant to the 'Policy for Determining Materiality of Events/Information' as followed by our Company, the materiality threshold for disclosure of any event/information (including the litigations) shall be those which exceed 10% of the consolidated net worth or 10% of the consolidated gross turnover, for the last audited financial year, whichever is lower. In the course of our business, our Company is involved in legal matters such as labour proceedings, recovery of dues, direct and indirect tax matters among others.

A summary of certain legal proceedings where the amount involved exceeds 10% of our consolidated net worth in Fiscal 2016, and certain other litigation which may be construed as material is set forth below.

Litigation involving our Company

Nil

Litigation involving our Subsidiaries

Nil

Detail of inquiries, inspections or investigations initiated or conducted under the Companies Act, 1956 or the Companies Act, 2013 against the Company in the last three years:

There are no litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter or Promoter Group during the last three years and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action, as on date of this Preliminary Placement Document.

Material Fraud committed against our Company

Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

Nil

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:

As of date of this Preliminary Placement Document, there are no outstanding default in payment of statutory dues, repayment of debentures and interest thereon, repayment of deposits and interest thereon, and repayment of loan from any bank or financial institution and interest thereon. Please see "***Risk Factors – Risks relating to our business - Restrictive covenants in our financing agreements may limit our operations and financial flexibility and materially and adversely impact our financial condition, results of operations and prospects***."

Summary of reservations, emphasis of matters, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of circulation of this offer letter and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark

Nil

Other Confirmations

Except, as disclosed below, there are no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of this Preliminary Placement Document. Further, there are no prosecutions filed, fines imposed or compounding of offences against our Company and our Subsidiaries in the last three years immediately preceding the year of circulation of this Preliminary Placement Document.

1. In August 2015, our Company paid a fine of ₹ 2,000 to the BSE for late submission of the filings required to be made under clause 31 of the erstwhile listing agreement.

GENERAL INFORMATION

1. Our Company was incorporated as 'Minda Industries Limited' under the Companies Act, 1956 vide a certificate of incorporation dated September 16, 1992 issued by the Registrar Companies, Delhi & Haryana and received its certificate of commencement of business on November 3, 1992 under the Companies Act, 1956. The CIN of our Company is L74899DL1992PLC050333.

2. Our Company's Registered Office is situated at "B-64/1, Wazirpur Industrial Area, Delhi 110 052, India" and its Corporate Office is situated at "Village - Nawada, Fatehpur P.O. Sikanderpur Badda, IMT Manesar, District-Gurugram 122 004, Haryana, India".

3. Our Company's authorised Share Capital is ₹ 12,013.14 lakhs divided into 317,500,000 Equity Shares of ₹ 2 each, 3,000,000 (9%) Cumulative Redeemable Preference Shares of ₹ 10 each (Class A Preference Shares), 183,500 (3%) Cumulative Compulsorily Convertible Preference Shares of ₹ 2,187 each (Class B Preference Shares), 3,500,000 (3%) Cumulative Redeemable Preference Shares of ₹ 10 each (Class C Preference Shares) and 10,000,000 (1%) Non-cumulative Fully Convertible Preference Shares of ₹ 10 each (Class D Preference Shares) and the issued subscribed and paid up share capital is ₹ 1,586.54 lakhs divided into 7,93,26,780 Equity Shares of ₹ 2 each.

4. Our Equity Shares were listed on the BSE and on the NSE on August 24, 2004 and February 2, 2007, respectively.

5. The Issue was approved by the Board on November 10, 2016. The shareholders of our Company have approved the Issue vide a special resolution through a postal ballot dated January 9, 2017. The Company has been authorised to raise funds up to ₹ 50,000 lakhs by way of issue of securities including Equity Shares, pursuant to the Issue.

6. Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, both on BSE and NSE on March 23, 2017. We will apply for final listing and trading approvals of such Equity Shares on the Stock Exchanges.

7. Copies of Memorandum and Articles of Association will be available for inspection between 11:00 am to 1:00 pm on all working days, except Saturdays during the Bid/Issue Period at the Registered Office.

8. Except as disclosed in this Preliminary Placement Document, our Company has obtained necessary consents, approvals and authorisations required in connection with the Issue.

9. There has been no material change in the financial or trading position of our Company since March 31, 2016, the date of the last audited financial statements prepared in accordance with Indian GAAP included in this Preliminary Placement Document, except as disclosed in this Preliminary Placement Document.

10. Except as disclosed in this Preliminary Placement Document, there are no outstanding legal or arbitration proceedings against or affecting our Company or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which is material in terms of the Policy for Determination of Materiality for Disclosure of Events/Information, as adopted by the Board on March 30, 2016. For further details, see "***Legal Proceedings***" on page 161.

11. Our Company's statutory auditors, BSR & Co. LLP, Firm registration no. 101248W/W-100022, have audited the Audited Consolidated Financial Statements as of and for the Fiscals 2016, 2015 and 2014 and the Summary Consolidated Financial Information (Reformatted) which have been included in this Preliminary Placement Document.

12. Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations.

13. The Floor Price for the Equity Shares under the Issue is ₹ 436.66 per Equity Share which has been calculated in accordance with Chapter VIII of the SEBI ICDR Regulations.

14. Our Company may offer a discount of not more than 5% on the Floor Price of ₹ 436.66 per Equity Share in terms of Regulation 85 of the SEBI ICDR Regulations.

15. Details of the Compliance Officer:

H. C. Dhamija
Company Secretary and Compliance Officer
Village - Nawada,
Fatehpur P.O. Sikanderpur Badda,
IMT Manesar, District-Gurugram 122 004,
Haryana, India
Tel: +91 1242291604; **Fax:** +91 124 2290676;
E-mail: hcdhamija@mindagroup.com

FINANCIAL INFORMATION

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Independent Auditor's Report

To the Members of Minda Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Minda Industries Limited(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31 March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as a foresaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entity as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

a) We did not audit the financial statements of fourteen subsidiaries (including downstream subsidiaries), and one jointly controlled entity (for period upto 31 July 2015), whose financial statements reflect total assets as at 31st March 2016 of ₹ 59,799.24 lacs (previous year 24,105.85 lacs), total revenues of ₹110,370.23 lacs(previous year 90,942.31 lacs) and net cash flows amounting to ₹ 1,178.67 lacs (previous year 1,061.09 lacs) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹1,166.60 lacs (previous year ₹ 830.74 lacs) for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of five associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to

the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entity and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled company incorporated in India, none of the directors of the Group companies, its associates companies and jointly controlled companies incorporated in India is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

   g) With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

      (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 34 to the consolidated financial statements;

      (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 45 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and jointly controlled entities and (b) the Group's share of net profit in respect of its associates and;

      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India

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For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Rajiv Goyal
Partner
Membership number: 094549

Place: Gurgaon
Date: 21 May 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MINDA INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Minda Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled Company, which are companies incorporated in India, as of date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiary companies, its associate companies and jointly controlled entity's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies and jointly controlled entity considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Four subsidiary companies and three associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Rajiv Goyal
Partner
Membership number: 094549

Place: Gurgaon
Date: 21 May 2016

Consolidated Balance Sheet As at 31 March 2016

All amount in Indian ₹ lacs, unless otherwise stated

Particulars	Note	As at 31 Mar 2016	As at 31 Mar 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,936.54	1,936.54
Reserves and surplus	4	45,234.12	34,591.39
Minority interest	5	10,960.79	2,132.55
Non-current liabilities			
Long-term borrowings	6	16,901.02	9,720.11
Other long-term liabilities	7	909.21	302.61
Long-term provisions	8	3,360.32	2,636.31
Current liabilities			
Short-term borrowings	9	18,405.76	11,155.95
Trade payables	10		
(a) total outstanding dues of micro enterprises and small enterprises		224.94	354.21
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		31,919.68	26,345.66
Other current liabilities	11	16,944.84	8,926.83
Short-term provisions	12	1,887.38	1,558.49
		1,48,684.60	**99,660.65**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	13	55,831.77	40,270.46
Intangible assets	13	808.93	808.73
Capital work-in-progress		12,976.93	898.62
Intangible assets under development		33.73	33.82
Goodwill on consolidation		633.94	45.23
Non-current investments	14	4,362.33	2,633.04
Deferred tax assets (net)	15	717.81	23.68
Long-term loans and advances	16	2,513.60	1,856.29
Other non-current assets	17	799.61	1,187.45
Current assets			
Current investments	18	-	202.95
Inventories	19	18,384.22	14,059.37
Trade receivables	20	36,391.30	28,945.55
Cash and bank balances	21	5,666.06	2,802.33
Short-term loans and advances	22	8727.77	5,425.07
Other current assets	23	836.60	468.06
		1,48,684.60	**99,660.65**
Significant accounting policies	2		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549

Place : Gurgaon
Date : 21 May 2016

For **and on behalf of the Board of Directors of Minda Industries Limited**

Nirmal K Minda
Chairman and Managing Director
DIN No. 00014942

Sudhir Jain
Corporate Business Head and Group CFO

Place : Gurgaon
Date : 21 May 2016

Anand Kumar Minda
Director
DIN No. 00007964

H.C. Dhamija
VP Group: Accounts, Legal, Secretarial, Indirect Taxation, and Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2016

All amount in Indian ₹ lacs, unless otherwise stated

Particulars	Note	Year ended 31 Mar 2016		Year ended 31 Mar 2015	
Revenue from operations					
Sale of Product (Gross)			2,66,847.29		2,32,741.09
Less: Excise duty			18,663.56		14,249.37
Sale of Product (Net)			2,48,183.73		2,18,491.72
Sale of Services			2,431.31		2,086.27
Other Operating Income	24		2,118.45		2,630.39
	25		2,52,733.49		2,23,208.38
Other income			1,397.24		1,699.28
Total revenue			**2,54,130.73**		**2,24,907.66**
Expenses					
Cost of materials consumed	26		1,37,879.64		1,24,119.69
Purchase of stock in trade			24,862.91		24,949.44
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27		(1,765.04)		(747.35)
Employee benefits	28		32,634.20		28,785.00
Finance costs	29		2,567.57		2,500.90
Depreciation and amortization	30		9,261.76		8,349.41
Other expenses	31		35,338.92		30,667.26
Total expenses			**2,40,779.96**		**2,18,624.36**
Profit before exceptional items and tax, share in profit of associates (net) and minority interest			**13,350.77**		**6,283.31**
Exceptional items	32		520.18		1,595.67
Profit for the year before tax			13,870.95		7,878.98
Profit before tax from continuing operations		**13,968.70**		**6,290.71**	
Income tax expense from continuing operations					
Current tax (including Minimum Alternate Tax)		2,814.24		1,961.74	
Minimum alternate tax utilised/ (created)		75.22		(297.73)	
Deferred tax charge / (credit)		(114.54)		274.14	
Profit from continuing operations (A)			**11,193.77**		**4,352.56**
Profit/ (Loss) from dis-continuing operations after tax (tax impact ₹ nil (previous year ₹ nil) (B)			**(97.75)**		**1,588.27**
Profit for the year after tax, before share in profit of associates (net) and minority interest (A+B)			**11,096.03**		**5,940.84**
Add / (Less): Minority Interest			(1,149.23)		25.26
Add : Share of profit of associates			1,166.60		830.74
Profit for the year after tax, share in profit of associates (net) and minority interest			**11,113.40**		**6,796.84**
Earnings per equity share:	33				
Basic			69.97		42.76
Diluted			69.97		42.76
Significant accounting policies	2				

The notes referred to above form an integral part of consolidated the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549

Place : Gurgaon
Date : 21 May 2016

For **and on behalf of the Board of Directors of Minda Industries Limited**

Nirmal K Minda
Chairman and Managing Director
DIN No. 00014942

Sudhir Jain
Corporate Business Head and Group CFO

Place : Gurgaon
Date : 21 May 2016

Anand Kumar Minda
Director
DIN No. 00007964

H.C. Dhamija
VP Group: Accounts, Legal, Secretarial, Indirect Taxation, and Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2016

All amount in Indian ₹ lacs, unless otherwise stated

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
A. Cash flows from operating activities :		
Profit before tax	13,870.95	7,878.98
Add: Share in profit of associates	1,166.60	830.74
Adjustments for:		
Depreciation and amortisation	9,261.76	8,349.41
Finance Costs	2,567.57	2,500.90
Interest income on fixed deposits	(274.53)	(200.74)
Dividend income from non-current investments	(103.02)	(80.67)
Liabilities / provisions no longer required written back	(79.81)	(327.46)
Unrealised gain on Foreign currency fluctuations (net)	94.51	25.93
Fixed assets scrapped/ written off	43.00	10.54
Doubtful trade and other receivables provided for	118.66	48.45
Doubtful trade and other receivables, loans and advances written off	165.70	116.95
Profit on sale of fixed assets (net)	(287.98)	(481.33)
Share in profit of associates	(1,166.60)	(830.74)
Impairment of fixed assets -Reversal	-	(1,576.33)
	10,339.26	**7,554.91**
Operating profit before working capital changes	25,376.81	16,264.63
Adjustments for working capital changes:		
Increase in inventories	(4,324.86)	(1,592.66)
Increase in trade receivables	(7,658.92)	(2,915.89)
(Increase)/decrease in short-term loans and advances	(3227.60)	443.63
(Increase) in long-term loans and advances	(254.98)	(34.54)
(Increase)/decrease in other non-current assets	285.18	(328.54)
(Increase)/decrease in other current assets	(369.74)	279.70
Increase in trade payables	5,444.75	2,292.56
Increase in other current liabilities	1,202.59	1,081.25
Increase/(decrease) in short-term provisions	10.90	(642.90)
Increase/(decrease) in other long term liability	(0.38)	107.78
Increase in long-term provisions	724.02	268.96
	(8,219.04)	**(1,040.65)**
Cash generated from operations	17157.77	15,223.98
Income tax paid	(2,529.83)	(1,687.09)
Wealth tax refund/(paid)	(3.45)	3.28
Net Cash flows from operating activities (A)	**14,624.49**	**13,540.17**
B. Cash flows from investing activities		
Sale of Current investments	202.95	2,101.77
Purchase of non-current investments	(1,145.23)	(153.48)
Share of profit from associates	582.53	554.85
Purchase of fixed assets	(21,069.63)	(7,396.57)
Proceeds from sale of fixed assets	2,601.70	939.99
Payment from acquisition of subsidiaries	(5,752.08)	-
Interest received on fixed deposits	257.76	201.28
Dividend income on non-current investment	103.02	80.67
Decrease in deposits (with original maturity more than three months)	(1,473.66)	(242.00)
Net cash used in investing activities (B)	**(25,692.64)**	**(3913.50)**

Consolidated Cash Flow Statement for the year ended 31 March 2016

All amount in Indian ₹ lacs, unless otherwise stated

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
C. Cash flows from financing activities		
Proceeds from issue of preference shares	-	527.00
Proceeds from/ (repayment of) short term borrowings (net)	7,249.81	(2,867.30)
Proceeds from long term borrowings	10,518.59	-
Capital grant received	33.84	-
Repayment of long term borrowings	(1,751.23)	(3,875.85)
Interest paid on borrowings	(2,459.60)	(2,575.29)
Dividend paid (including corporate dividend tax)	(1,253.82)	(1,047.16)
Net cash used in financing activities (C)	**12,337.59**	**(9,838.60)**
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	**1,269.44**	**(211.93)**
Cash and cash equivalents as at opening	2,108.35	2,320.28
Cash and cash equivalents as at closing	**3,377.79**	**2,108.35**
Cash in hand	62.15	33.28
With banks:		
Current accounts	2,884.33	1,764.36
Deposit accounts	431.31	310.71
Cash and cash equivalents at the end of the year	**3,377.79**	**2,108.35**

1 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', as specified under the section 133 of the Companies Act, 2013
2 Cash and cash equivalents consist of cash in hand and balances with scheduled banks. Refer note 21.
3 Balance with banks includes deposit amounting to 431.31 (previous year 310.71) which are under lien.
4 Balance with banks includes balance in Escrow account amounting to 345.18 (previous year 344.89).
5 The accompanying notes are an integral part of the financial statements.

The notes referred to above form an integral part of consolidated the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549

Place : Gurgaon
Date : 21 May 2016

For **and on behalf of the Board of Directors of Minda Industries Limited**

Nirmal K Minda
Chairman and Managing Director
DIN No. 00014942

Sudhir Jain
Corporate Business Head and Group CFO

Place : Gurgaon
Date : 21 May 2016

Anand Kumar Minda
Director
DIN No. 00007964

H.C. Dhamija
VP Group: Accounts, Legal, Secretarial, Indirect Taxation, and Company Secretary

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 1. Principles of consolidation

The consolidated financial statements have been prepared in accordance with AS-21 on " Consolidated Financial Statements", AS-23 "Accounting for investments in Associates in Consolidated Financial Statements", AS-27 "Financial reporting of interest in Joint Ventures in Consolidated Financial Statements"as prescribedunder the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

As per the Accounting Standard Interpretation (ASI-15) on "Notes to the Consolidated Financial Statements", only the notes involving items which are material, need to be disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further,additional statutory information disclosed in separate financial statements of the subsidiaries or of the parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

The consolidated financial statements include the financial statements of Minda Industries Limited, ("the company" or "the parent company"), its subsidiaries, joint ventures and associates (collectively known as "the Group").

Name of subsidiaries / joint venture/ associates	Country of incorporation	% of interest	
		As at 31 March 2016	As at 31 March 2015
Subsidiaries			
Minda Auto Components Limited	India	100.00	100.00
MInda Kyoraku Limited	India	71.66	71.66
Minda Distribution and Services Limited	India	100.00	100.00
Global Mazinkert,S.L.	Spain	100.00	100.00
Downstream subsidiaries of Global Mazinkert, S.L.			
Clarton Horn, Spain	Spain	100.00	100.00
Clarton Horn, Asia	Switzerland	100.00	100.00
Clarton Horn, Morocco	Morocco	100.00	100.00
Clarton Horn, Signalkoustic	Germany	100.00	100.00
Clarton Horn, Mexico	Mexico	100.00	100.00
Minda TG Rubber Private Ltd.	India	51.00	-
Minda Kosei Aluminum Wheel Private Limited	India	69.98	-
MJ Casting Limited (w.e.f 01 August 2015)	India	98.00	
PT Minda Asean Automotive (Together with SAM Global Pte. Ltd.)	Indonesia	50.87	-
Downstream subsidiaries of PT Minda Asean Automotive.			
PT Minda Trading	Indonesia	100.00	-
Sam Global Pte Ltd.	Singapore	51.00	-
Downstream subsidiaries of SamGlobal Pte. Ltd..			
Minda Industries Vietnam Company Limited	Vietnam	100.00	-
Joint ventures			
MInda Emer Technologies Limited	India	49.10	48.90
MJ Casting Limited	India	-	50.00
Associates			
Mindarika Private Limited	India	27.08	27.08
MInda NexGenTech Limited	India	26.00	26.00
Yogendra Engineering (partnership firm)	India	48.90	48.90
Auto Components (partnership firm)	India	48.90	48.90
Kosei Minda Auminum Company Pvt. Ltd.	India	30.00	-

The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the parent company and its subsidiary companies are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealized profits in full in accordance with Accounting Standard (AS-21)-"Consolidated Financial Statements". The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

(b) The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognized in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

(c) Entities acquired/ sold during the year have been consolidated from/ up to the respective date of their acquisition/ disposal.

(d) Minority interest's share of net profit / (loss) of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

(e) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Group's shareholders.

(f) Interest in joint ventures has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".

(g) An investment in an associate has been accounted for by the equity method of consolidation from the date on which it falls within the definition of associates in accordance with AS-23 "Accounting for investments in Associates in Consolidated Financial Statements".

(h) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be.

(i) 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 parent company's standalone financial statements.

(j) The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian rupees as follows:-

i. Share capital and opening reserves and surplus are carried at historical cost.

ii. All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.

iii. Profit and loss items are translated at the respective weighted average rates or the exchange rate that approximates the actual exchange rate on date of specific transactions.

iv. Contingent liabilities are translated at the closing rate.

v. The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

(k) Statement of Net assets and Profit or Loss attributable to owners and minority interest

Name of the entity	**Net Assets i.e. total assets minus total liabilities**		**Share in profit or loss**	
	As % of consolidated net assets	**Amount** (in ₹ lacs)	**As % of consolidated Profit or loss**	**Amount** (in ₹ lacs)
Holding Company				
Minda Industries Limited	93.03	43,884.00	65.64	7,295.09
Subsidiary Company				
Indian				
Minda Auto Components Limited	2.87	1,354.51	1.98	220.05
Minda Kyoraku Limited	9.12	4,303.82	3.84	426.72
Minda Distribution and Services Limited	1.30	611.09	1.51	167.76
MJ Casting Limited	13.80	6,510.01	9.11	1,012.33
Minda TG Rubber Private Ltd.	5.67	2,673.37	(0.06)	(6.79)
Minda Kosei Aluminum Wheel Private Limited	12.20	5,755.13	(2.03)	(225.62)

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (in ₹ lacs)	As % of consolidated Profit or loss	Amount (in ₹ lacs)
Foreign:-				
Sam Global Pte Ltd.	8.19	3,863.64	4.64	515.61
PT Minda Asean Automotive	11.07	5,222.71	11.59	1,288.40
Global Mazinkert, S.L.	2.10	991.64	7.21	801.71
Minority Interest in Subsidiary				
Indian:-				
Minda Kyoraku Limited	(2.59)	(1,221.14)	(1.09)	(120.93)
MJ Casting Limited	(4.70)	(2,215.12)	(0.31)	(33.95)
Minda Kosei Aluminum Wheel Private Limited	(3.67)	(1,733.47)	0.61	67.73
Minda TG Rubber Private Ltd.	(2.78)	(1,309.95)	0.03	3.33
Foreign:-				
Sam Global Pte Ltd.	(4.01)	(1,892.38)	(3.87)	(430.11)
PT Minda Asean Automotive	(5.49)	(2,588.73)	(5.72)	(635.31)
Associates (Investment as per equity method)				
Indian-				
Mindarika Private Limited	-	-	4.69	520.82
Minda NexGen Tech Limited	-	-	0.01	1.20
Yogendra Engineering (partnership firm)	-	-	3.41	379.89
Auto Components (partnership firm)	-	-	2.37	263.89
Kosei Minda Auminum Company Pvt. Ltd.	-	-	0.01	1.30
Joint Venture(As per Proportionate consolidation)				
Indian:-				
Minda Emer Technologies Limited	0.76	356.74	0.17	18.37
Total eliminations	(36.88)	(17,395.21)	(3.76)	(417.60)
Total	**100.00**	**47,171.46**	**100.00**	**11,113.40**

Note 2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

A. Basis of preparation of financial statements

These consolidated financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

B. Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the consolidated financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

All amount in Indian ₹ lacs, unless otherwise stated

C. Current–non-current classification

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

Assets

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

(a) it is expected to be settled in the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

D. Fixed assets and depreciation

a) Tangible fixed assets

Tangible fixed assets except revalued assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets acquired wholly or partly with specific grant/subsidy from government, if any, are recorded at the net acquisition cost to the Group.

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Exchange differences (favourable as well as unfavourable) arising in respect of translation/settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on plant & machinery and tools & dies is provided as per WDV basis and on other tangible fixed assets as per SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of opening block and 6 years in case of additions during the year.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Group will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Group are applied.

Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.

Depreciation for the year is recognized in the Statement of Profit and Loss.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Assets retired from active use and held for disposal, if any, are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

b) Intangible fixed assets and amortization

(i) Goodwill

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortization and any accumulated impairment loss. Such goodwill is amortized over its estimated useful life or five years whichever is shorter. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Group follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

Technical know-how: Amortized over the period of agreement.

Computer software: Amortized over the period of 6 years.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

c) Capital work-in-progress

Fixed assets under construction and cost of assets not put to use before the year-end are disclosed as capital work-in-progress.

d) The differences in depreciation and amortization policies followed by the Group entities are mentionedbelow-

Name of subsidiaries / joint venture / associates	Difference in accounting policies	Relationship	Proportion to the total Depreciation.
Joint ventures			
(a) Minda Emer Technologies Limited	- Tools and dies: on written down value method on all tools (over the useful life of 8 years).	Joint Venture	0.33%
	- Furniture & fixtures: on written down value method (over the useful life of 10 years).		
	- Office equipment: on written down value method (over the useful life of 5 years)		
	- Computer hardware : on written down value method (over the useful life of 3 years)		
	- Vehicles : on written down value method (over the useful life of 8 years)		
	- Technical knowhow: Straight Line Basis method (over the useful life of 6 years)		
Associates			
(a) Mindarika Pvt. Limited	- Furniture and fixtures, computer hardware, vehicles and office equipment are depreciated on WDV method as per Schedule II to Companies Act, 2013.	Associate	-
	- Tools and dies on written down value method over a period of five years.		
	- Premium paid on leasehold land is amortized over the period of lease.		
	- Computer software is amortized over the estimated useful life of 3 years.		
	- Technical know-how is amortized over the period of 6 years.		
	- Expenses incurred on technical know-how are amortized over a period of six years from the date of commencement of commercial production of the products.		

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Name of subsidiaries / joint venture / associates	Difference in accounting policies	Relationship	Proportion to the total Depreciation.
(b) Minda NexGenTech Limited	- Plant and machineryon straight line basis over the period of life as prescribed in Schedule II of the Companies Act, 2013.	Associate	-
	- The intangible assets is amortized over a period of 4 years		
(c) Kosei Minda Aluminum Company Private Limited	- Software is amortized on straight line basis over their estimated useful life.	Associate	-
	- Office buildings on straight line method over a period of 60 years.		
	- Plant and Machineries – battery operated cranes on straight line method over a period of 8 years.		
	- Mould and dies- on straight lines basis over a period of 5 years.		
	- Reusable plastic containers on straight line basis over a period of 3 years.		
	- Vehicles on straight line basis over a period of 6 years.		
(d)Yogendra Engineering	- Depreciation is provided for the year on written down value method at the rates specified in Income Tax Act, 1961.	Associate	-
(e)Auto Component	- Depreciation for the year has been provided for on reducing balance method at the rates specified under the Income Tax Act/Rules.	Associate	-
Subsidiaries			
(a) Minda Kyoraku Limited	- Technical knowhow is amortized over the period of 5 / 6 years.	Subsidiary	8.48%
	- Addition made in respect of tools and dies from 01 April 2015 are depreciated over the period of 6 years on written down value method.		
(b) Minda Distribution & Services Limited	- All assets are depreciated on straight line basis over the period of life prescribed in Companies Act, 2013 except as under:	Subsidiary	1.35%
	- Electrical fitting : 10 years		
	- Plant and equipment : 7 years		
	- The intangible assets are amortized over a period of 4 years.		
	- All assets costing ₹.5,000 or below are depreciated fully by way of one time depreciation after retaining 5% residual value.		
	- Assets transferred from Minda Automotive Solutions Limited has been depreciated / amortized over a period of 4 years.		
(c) Minda Auto Components Limited	- Tools and dies on straight line method over the useful life of 5 years.	Subsidiary	0.12%

All amount in Indian ₹ lacs, unless otherwise stated

Name of subsidiaries / joint venture / associates	Difference in accounting policies	Relationship	Proportion to the total Depreciation.
(d) Global Mazinkert, S.L. (and its subsidiaries)	- Tangible assets are depreciated on straight line basis, distributing the cost of assets on the basis of their useful lives in years as mentioned below	Subsidiary	14.51%
	- Building : 33 years 4 months		
	- Technical Installations : 12 years 6 months		
	- Machinery : 8 years 4 months		
	- Tooling : 2 years		
	- Other installations : 10 years		
	- Furniture : 10 years		
	- Computer equipment : 3 years		
	- Other property, plant, and equipment : 10 years		
	- Computer software : 3 years		
(e) Minda Kosei Aluminum Wheel Private Limited	- Plant & Machineries and tools & dies are depreciated on straight line basis as per the useful life of the assets estimated by the management, which is equal to the useful life prescribed under Schedule II of the Companies Act 2013.	Subsidiary	0.05%
	- Computer software are amortized over a period of 3 years.		
(f) Minda TG Rubber Private Ltd.	- Intangible fixed Assets generated internally, excluding capitalized development costs are not capitalized.	Subsidiary	0.01%
	- Plant & Machinery- Trollies are depreciated over a period of 3 years.		
	Plant & Machinery- Bins are depreciated over a period of 2 years.		
(g) M J Casting Limited	Plant and machinery on straight line method at the rates prescribed as under :	Subsidiary	13.8
	Electrical Installations : 10 years		
	Bins / crates / trollies etc : 3 years		
	Tools and dies: Period over which expected to be available for use		
	Others : 15 years		
	The intangible assets is amortized over a period of 4 years		
(h) PT Minda Asean Automotive	Depreciation of property, plant and equipment, except land, is computed using the straight-line method over the following estimated useful life.	Subsidiary	3.33%
	Building : 20 years		
	Plant and Machineries : 8 years		
	Office Equipments : 8 years		
	Computers : 4 years		
	Furniture and Fixtures : 8 years		
	Dies and Tools : 4 years		
	Vehicles : 4 years		

E. Impairment of assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Consolidated Statement of

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

F. Leases

(a) Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

(b) Finance lease

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Consolidated Statement of Profit and Loss

G. Investments

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

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

Current investments are carried at the lower of cost and fair value.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Consolidated Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the balance sheet date. The parent company's share of profit or loss in a partnership firm is recognized in the Consolidated Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/current/any other account of the parent company in the books of the partnership firm

H. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares; and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

All amount in Indian ₹ lacs, unless otherwise stated

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventory based on management's current best estimate.

Name of the Company/Firm	Difference in accounting policy	Relationship	Proportion to the total inventory
Yogendra Engineering	In determining the cost, First in First out method is used.	Associate	-
Auto Component	In determining the cost, First in First out method is used.	Associate	-
PT Minda Asean Automotive.	Cost is based on the first in first out method.	Subsidiary	3.45%

I. Revenue recognition

a) Revenue from sale of goods in the course of ordinary activities is recognized when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT) and is net of returns and trade discounts and quantity discount..

b) Management fees, Designing and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

c) Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.

d) Dividend income is recognized when the right to receive dividend is established.

e) Royalty income is recognized based on the terms of the underlying agreement.

f) Claims lodged with Insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

g) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.

h) Share of profit from partnership firms is recognized on accrual basis.

J. Government grants

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Grants from State Government towards revenue expenditure are recognized as income either till the period the benefit expires or the financial cap is reached, whichever occurs earlier.

K. Research and development

a) Revenue expenditure on research and development is charged off under the respective heads of account in the year in which it is incurred.

b) Capitalized development expenditure is stated at cost less accumulated amortization and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Group's policy as stated above.

L. Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate betweenthe reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which arecarried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are, translated using theexchange rates that existed when such values were determined.

All amount in Indian ₹ lacs, unless otherwise stated

(c) Exchange differences

The Company accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

i) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

ii) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

iii) All other exchange differences are recognized as income or as expense in the period in which they arise.

For the purpose of i) and ii) above, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item",if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchangedifferences for this purpose, are total differences arising on long-term foreign currency monetary items for the period.

(d) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense /income over the life of the contract. Exchange differences on such contracts, except the contract which are long-term foreigncurrency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Anyprofit or loss arising on calculation or renewal of such forward exchange contract is also recognized as income or as expensefor the period. Any gain/loss arising on forward contracts which are long-term foreign currency monetary items is recognized in accordance with paragraph (c) (i) above.

(e) Derivative Instruments

IIn accordance with the ICAI Announcement, derivative contracts, other than foreign currency forward contracts covered under Accounting Standard 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect on the underlying hedge item, is charged to the Statement of Profit and Loss and the net gain, if any, is ignored

M. Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the Consolidated Statement of Profit and Loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably

N. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

All amount in Indian ₹ lacs, unless otherwise stated

O. Employee benefits

(a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

b) Post-employment benefits

Defined contribution plans

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

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

Defined benefit plan

The Group's gratuity benefit scheme isadefined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. The calculation of the Group's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the Consolidated Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The parent company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC"). Actuarial gains and losses are recognized immediately in the Consolidated Statement of Profit and Loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Name of the Company/Firm	Difference in accounting policy	Relationship	Proportion to the total inventory
Global Mazinkert, S.L. (and its subsidiaries)	Clarton Horn, S.A. (Sole Shareholder Company) has different commitments for pensions and other long term remuneration for some of its employees. As a general rule these commitments are externalized with various non-related insurance entities.	Subsidiary	-

P. Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in Consolidated Statement of Profit andLoss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which thetiming differences originate.

Q. Earnings per share

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

R. Cash and cash equivalent

Cash and cash equivalent include cash in hand, cash balanceswith bank, demand deposits with banks with original maturities of three months or less and highly liquid investments.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 3. Share capital

Particulars	As at 31 Mar 2016		As at 31 Mar 2015	
(a) Authorised	**Number**	**Amount**	**Number**	**Amount**
Equity shares of ₹10 each with voting rights	6,35,00,000	6,350.00	6,35,00,000	6350.00
Preference share capital				
9% Cumulative redeemable preference shares of R10 each (Class 'A')	30,00,000	300.00	30,00,000	300.00
3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B')	1,83,500	4,013.14	1,83,500	4013.14
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	35,00,000	350.00	35,00,000	350.00
1% Non-cumulative fully convertible preference shares of ₹10 each (Class 'D')	1,00,00,000	1,000.00	1,00,00,000	1000.00
	8,01,83,500	**12,013.14**	**8,01,83,500**	**12,013.14**
(b) Issued, subscribed and fully paid up				
Equity share capital				
Equity shares of ₹10 each with voting rights	1,58,65,356	1,586.54	1,58,65,356	1,586.54
Preference share capital				
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	35,00,000	350.00	35,00,000	350.00
	1,93,65,356.00	**1,936.54**	**1,93,65,356.00**	**1,936.54**
(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				
Equity shares of ₹10 each with voting rights				
Opening balance	1,58,65,356	1,586.54	1,58,65,356	1,586.54
Movement during the year	-	-	-	-
Closing balance	1,58,65,356	1,586.54	1,58,65,356	1,586.54
3% Cumulative Redeemable preference shares of ₹10 each (Class 'C')				
Opening balance	35,00,000	350.00	35,00,000	350.00
Movement during the year	-	-	-	-
Closing balance	35,00,000	350.00	35,00,000	350.00

(d) (i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding. During the year, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 7 (previous year ₹ 6)."

(ii) Rights, preferences and restrictions attached to preference shares

The Company has issued 3% cumulative redeemable preference shares of class 'C' having par value of ₹10 per share. Each Shareholder has right to receive fixed preferential dividend at a rate of 3% on the paid up capital of the Company. Preference shareholders also have right to receive all notices of general meetings of the Company but no right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 2013. Preference shareholders neither have right to participate in any offer or invitation by way of right or otherwise to subscribe additional shares nor they have right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves. 3,500,000 3% Cummulative redeemable preference shares of ₹10 each have been allotted on 17 February 2010, redeemable at par, after seven years from the date of allotement. However, same can be redeemed earlier in view of availability of profitability / surplus fund.

In the event of liquidation, preference shareholders have a preference right over equity shareholder to be repaid to the extend of capital paid-up and dividend in arrears on such shares.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 3. Share capital

(e) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 Mar 2016		As at 31 Mar 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Class of shares / Name of shareholder				
Equity shares with voting rights				
Mr. Nirmal K Minda	2,401,869	15.14%	2,401,869	15.14%
Nirmal K Minda (HUF)	1,502,142	9.47%	1,502,142	9.47%
Mrs. Suman Minda	2,476,140	15.61%	2,476,140	15.61%
Minda Investments Limited	4,180,930	26.35%	4,180,930	26.35%
India Business Excellence Fund -I	835,654	5.27%	1,346,228	8.49%
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')				
Mr. Nirmal K Minda	1,500,000	42.86%	1,500,000	42.86%
Mrs. Suman Minda	2,000,000	57.14%	2,000,000	57.14%

(f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the balance sheet date:

Equity shares includes

(i) 2,405,128 equity shares of ₹10 each fully paid up issued during the year 2010-11 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.

(ii) 1,120,164 equity shares of ₹10 each fully paid up issued during the year 2011-12 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.

(iii) 1,835,000 equity shares of ₹10 each fully paid up issued during the year 2011-12 on conversion of 3% cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B').

(g) The Company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

Note 4. Reserves and surplus

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Capital reserve		
Opening balance	339.28	339.28
Add: Capital grant received in a subsidiary	33.84	-
Closing balance	**373.12**	**339.28**
Capital redemption reserve		
At the commencement and at the end of the year	300.00	300.00
Securities premium account		
At the commencement and at the end of the year	4,472.78	4,472.78
General reserve		
Opening balance	6,062.12	5,803.31
Add: Transferred from surplus in Statement of Profit and Loss	300.00	300.00
Less: Pre-acquisition Profit and Loss of subsidiary	701.59	(41.19)
Closing balance	**7,063.71**	**6,062.12**
Foreign currency translation reserve		
Opening balance	262.60	201.91
Additions during the year	143.20	60.69
Closing balance	**405.80**	**262.60**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 4. Reserves and surplus

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Surplus in Statement of Profit and Loss		
Opening balance brought forward	23,154.61	18,079.11
Less: Additional depreciation net of deferred tax due to revision in depreciation rates. (Refer note 13)	-	264.46
	23,154.61	**17,814.65**
Add: Net Profit for the year	11,113.40	6,796.82
Less: Interim dividend ₹3 per share (previous year ₹2.50 per share)	475.95	396.63
Less: Final proposed dividend ₹4 per share (previous year ₹3.50 per share)	634.61	555.29
Less: Proposed dividend on 3% Cumulative redeemable preference shares	10.50	10.50
Less: Tax on equity dividend and preference dividend	228.22	194.44
Less: Transfer to general reserve	300.00	300.00
Closing balance	**32,618.73**	**23,154.61**
Total reserves and surplus	**45,234.12**	**34,591.39**

Note 5. Minority Interest

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Opening balance	2,132.55	1,380.81
Additions during the year*	7,679.01	777.00
Share in profit/(loss) for the year	1,149.23	(25.26)
	10,960.79	**2,132.55**

*Minority interest includes ₹2,129 (previous year ₹1,027) on account of non- cumulative redeemable preference shares amounting to ₹2,204 of which Minda Industries Limited was allotted shares amounting to ₹75 and the balance being held by other parties.

Note 6. Long-term borrowings

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Term loans		
Secured		
- from banks	13,710.38	10,170.30
Less: Current maturities of long term borrowings (Refer note 11)	3,018.72	1,824.95
- from other parties	-	281.27
Less: Current maturities of long term borrowings (Refer note 11)	-	261.42
	10,691.66	**8,365.20**
Unsecured		
from banks	4,878.81	-
Less: Current maturities of long term borrowings (Refer note 11)	549.09	-
from other parties	1,610.32	690.71
Less: Current maturities of long term borrowings (Refer note 11)	108.60	-
	16,523.10	**9,055.91**
Deferred payment liabilities		
Deferred sales tax liability (Unsecured)	659.77	1,379.16
Less: Current maturities of deferred sales tax liability (Refer note 11)	281.85	714.96
	377.92	**664.20**
	16,901.02	**9,720.11**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 6. Long-term borrowings

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest
- from Axis Bank amounting to ₹ Nil (previous year ₹75) is secured by first pari passu charge over fixed assets and second pari passu charge over current assets and equitable mortgage of the parent company immovable property at Gurgaon, Pune Sonepat and Pantnagar.	"Total loan sanctioned amounting to ₹1,200 (previous year ₹1,200), repayable in 16 quarterly instalments of ₹75 each. Rate of interest- 12.50%"
- from HDFC Bank amounting to ₹520 (previous year ₹600) and is secured by Exclusive charge on current assets of the parent company arising out of the Chennai Plant. Exclusive charge on movable and immovable fixed assets of the parent company arising out of the Chennai Plant. Exclusive charge on land and building (Chennai) standing in the name of the parent Company.	Total loan sanctioned amounting to ₹600 (previous year ₹600). Disbursed amount of ₹ nil (previous year ₹600) repayable in 15 equal quarterly instalments of ₹40 each. Repayment started from October 2015. Rate of interest- HDFC Base rate +1.70%
- from HDFC Bank amounting to ₹866.67 (previous year ₹1000) and is secured by First Pari passu charge on all movable fixed assets of the parent company. First pari passu charge on all immovable fixed assets of the parent company as below; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon. Second Pari passu charge on all present and future current assets of the parent company	Total loan sanctioned amounting to ₹1,500 (previous year ₹1,500) of which loan of ₹1,000 was availed in earlier years repayable in 15 equal quarterly instalments of ₹66.67 each. Repayment started from October 2015. Rate of interest- HDFC Base rate +1.7%
- from Axis Bank amounting to ₹1,620.54 (previous year ₹ 2,360.54), is primary secured by: - equitable mortgage over land and building both present and future of Hosur plant situated at Upparapalli, Mathagondapalli, Hosur, Tamilnadu - equitable mortgage over land and building both present and future of Bawal plant situated at 323, Phase II/IV, Sector 3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana - hypothecation on all movable fixed assets (except vehicles) of the M/s MJ Casting Limited, both present and future - Further secured by way of hypothecation on M/s MJ Casting Limited's entire stock and other such movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future.	Total Loan sanctioned amounting to ₹3,554 (previous year ₹ 3,554). Disbursed amount of ₹3,540.54 in the earlier years repayable in - 4 installments during 2013-14 of ₹135 each - 4 installments during 2014-15 of ₹160 each - 4 installments during 2015-16 of ₹185 each - 4 installments during 2016-17 of ₹190 each - 4 installments during 2017-18 of ₹215 each Rate of interest- Base rate +2.50%

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 6. Long-term borrowings

Nature of security	Terms of repayment and rate of interest
- from Axis Bank amounting to ₹ Nil (previous year ₹3,290), is primary secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of subsidiary M/s M.J.Casting Limited. The loan is further secured by a letter of comfort by the parent company and M/S Neel Metal Product Limited duly backed by the board resolution and undated cheques for the term loan of ₹4,200.	Total Loan sanctioned amounting to ₹4,200 (previous year ₹4,200). Disbursed amount of ₹4,200 in the earlier years repayable in - 3 installments during 2014-15 of ₹233.33 each - 4 installments during 2015-16 of ₹210 each - 4 installments during 2016-17 of ₹210 each - 4 installments during 2017-18 of ₹210 each - 4 installments during 2018-19 of ₹210 each - 4 installments during 2019-20 of ₹140 each Rate of interest- Base rate +2.50%
- from HDFC Bank amounting to ₹75 (previous year ₹150) and is secured by: First Pari passu charge on all movable fixed assets of the parent company. First pari passu charge on all immovable fixed assets of the parent company as below; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon. Second Pari passu charge on all present and future current assets of the parent company	Total loan sanctioned amounting to ₹2,000 (previous year ₹2,000) of which loan of ₹375 was availed in earlier years repayable in 20 quarterly instalments of ₹18.75 each. Rate of interest- HDFC Base rate + 2%
- from Kotak Bank Ltd. amounting to ₹176.95 (previous year ₹212.34), is secured by first and exclusive equitable mortgage charge on immovable properties being land and building situated at village Naharpur Kasan, Tehsil & Distt. Gurgaon, Haryana belonging to Minda Investment Ltd.. Also first and exclusive charge by way of hypothecation on the entire current assets and movable fixed assets of Minda Emer Technologies Ltd, both present and future for securing overall credit facilities of ₹408 (previous year ₹650). Out of which 49.10% amounting to ₹86.88 (previous year ₹104.26) is proportionately consolidated.	Total loan sanctioned amounting to ₹450 (previous year ₹ Nil). repayable in 48 equal monthly instalments starting from 13th month following the month of first disbursement of term loan.
- External Commercial Borrowings from Standard Chartered Bank amounting to ₹966.43 (previous year ₹1,767.17), is secured by: First pari passu charge on the entire fixed assets including land & building (as mentioned below) of the parent company both present and future i) Plot No. B-1/5, Chakan Industrial Area, Nogoje, Taluka Khed, Pune ii) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. iii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iv) B-6, MIDC Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. v) Plot No.- 5, Sector-10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar Second pari passu charge on the entire current assets of the parent company both present and future.	Total loan sanctioned amounting to USD 50 (previous year USD 50), repayable in 16 quarterly instalments of USD 3.13 Rate of interest- LIBOR + 3%

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 6. Long-term borrowings

Nature of security	Terms of repayment and rate of interest
- from ICICI Bank amounting to ₹3,116.57 (previous year ₹ nil), is primary secured by: - equitable mortgage over land and building both present and future of Hosur plant situated at Upparapalli, Mathagondapalli, Hosur, Tamilnadu - equitable mortgage over land and building both present and future of Bawal plant situated at 323, Phase II/IV, Sector 3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana - hypothecation on all movable fixed assets (except vehicles) of the M/s MJ Casting Limited, both present and future - Further secured by way of hypothecation on borrorwer's entire stock and other such movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future.	Total loan sanctioned amounting to ₹3,116.57 (previous year ₹ nil) repayable in 18 equal quarterly instalments of ₹73.14 each) Rate of Interest Base rate + 2.25%
-from Citi Bank amounting to ₹1,393.17 (previous year ₹2,256.33) (Euro 6.30) secured by Stand By Letter of Credit given by the parent company to the subsidiary company Global Mazinkert, S.L.	Total loan sanctioned amounting to ₹4,412.08 (previous year ₹4,412.08) (Euro 63) (previous year Euro 63) repayable in 17 equal quarterly instalments. Rate of Interest 2.75%
Subsidised loan amounting to ₹329.95 (previous year ₹373.43) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹469.42 (previous year ₹469.42) (Euro 5.52) (previous year Euro 5.52) repayable in 7 equal annual instalments of Euro 0.79 from year 2016-17. Rate of Interest 3.95%
Subsidised loan amounting to ₹352.62 (previous year ₹317.28) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹398.84 (previous year ₹398.84) (Euro 4.69) (previous year Euro 4.69) repayable in 10 equal annual instalments of Euro 0.47 from year 2017-18. Rate of Interest 0%
Loan from La Caixa Bank amounting to ₹1,218.23 (previous year nil) secured by the corporate guarantee given by Clarton, Spain (Unsecured)	Total loan sanctioned amounting to ₹1,221.79 (previous year ₹ nil) (Euro 16.25) (previous year Euro nil) repayable in 20 equal quarterly instalments. Rate of Interest 2.10%
Term loan from Yes Bank amounting to ₹1,700.00 (previous year ₹ nil) subsidiary company M/s Minda Kosei Aluminum Wheel Private Ltd is secured by: - First pari passu charge on all movable and immovable fixed assets (both present and future). - Second pari passu charge on all current assets (both present and future). - Letter of Comfort from the parent company.	Maximum tenor of loan is for 96 months from the date of first disbursement. Principal amount is repayable in 24 quarterly installments after a moratorium period of 24 months from the date of first disbursement. Rate of interest - 11% for first year and thereafter floating @ Yes bank base rate plus 0.50% per annum.
"Term loan from IndusInd Bank amounting to ₹1,790.00 (previous year ₹ nil) of subsidiary company M/s Minda Kosei Aluminum Wheel Private Ltd is secured by: - First pari passu charge on all movable fixed assets (both present and future) including all the underlying assets acquired from the proceeds of the term loan facility and charge by way of equitable mortgage on immovable property (Land and Building) located at Bawal, Haryana. - Second pari passu charge by way of hypothecation on all the present and future current assets. - Letter of Comfort from parent company."	Maximum tenor of loan shall not exceed 8 years from the date of first disbursement. Principal amount is repayable in 24 quarterly installments after a moratorium period of 2 years from the date of first disbursement. Rate of interest - base rate plus 0.15% per annum.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 6. Long-term borrowings

Nature of security	Terms of repayment and rate of interest
- External Commercial Borrowings from Bank of Tokyo Mitsubishi amounting to ₹3,660.56 (previous year ₹ nil) of subsidiary company M/s Minda TG Rubber Pvt Ltd (Unsecured)	Total loan sanctioned amounting to ₹100.00 (equivalent USD 15.72) (previous year ₹ Nil (previous year USD nil)), repayable in 20 quarterly instalments. Rate of interest- 8.95% Total loan sanctioned amounting to ₹100.00 (equivalent USD 15.97) (previous year ₹ Nil (previous year USD nil)), repayable in 20 quarterly instalments. Rate of interest- 9.30% Total loan sanctioned amounting to ₹150.00 (equivalent USD 23.50) (previous year ₹ Nil (previous year USD nil)), repayable in 20 quarterly instalments. Rate of interest- 8.98%
Term loan form Yes Bank amounting to ₹ 1,084.19 (inclusive of buyer's credit amuonting to ₹ nil) [previous year ₹ 1,352.04 (inclusive of buyer's credit amounting to USD 4.22)] are secured by exclusive charge on all movable and unmovable fixed assets of subsidiary Company M/S Minda Kyoraku Limited (both present & future) and second charge on all current assets (both present & future). Corporate guarantee given by the present Company was released during the year.	Total loan sanctioned amounting to ₹1200 (previous year ₹1200). The disbursed amount of ₹975.74 is repayable in 10 equal quarterly instalments of ₹54.21 each. Total loan sanctioned amounting to ₹650 (previous year ₹650). The disbursed amount of ₹447 is repayable in 20 quarterly instalments of ₹22.35 each. Total loan sanctioned amounting to ₹175 (previous year ₹ 175). Loan disbursed amount of ₹175 (previous year ₹175) is repayable in 12 equal quarterly instalments of ₹14.58 each Rate of Interest on term loan ranges from 12% - 12.50% Rate of Interest on buyers credit 1.75% - 2.74%
Term loan from Indovita Bank amounting to ₹29.24 (previous year nil) was secured by building and structures and land use right by Sam Global Pte Lte	Total loan sanctioned amounting to 7 USD out of which loan amounting to 2.65 USD is disbursed which is repayable in 12 equal quarterly instalments of 0.22 USD each starting from 30 November 2013. Rate of interest - 5%
Term loan from PT Bank Permata Tbk amounting to ₹320.29 (previous year ₹ nil) was secured by the colleteral of Land and Building, Machineries and Equipments, Accounts Receivable and Inventory (present and future) of subsidiary company PT Minda Asean Automotive	Total loan sanctioned amounting to 35 USD out of which loan amounting to 33 USD is disbursed which is repayable in 16 equal quarterly instalments of 2.06 USD each starting from 17 July 2012 and will end on 17 July 2016 Rate of interest - 5.25%
- Loans from Minda Finset amounting to ₹ 927.74 (previous year ₹ nil) repayable from 2017-18 (unsecured)	
- Vehicle loans from ICICI Bank amounting to ₹16.51 (previous year ₹ nil) are secured against hypothecation of respective vehicles financed by them.	
- Vehicle loans from banks amounting to ₹2.48 (previous year ₹20.96) are secured against hypothecation of respective vehicles financed by them.	
- Vehicle loans from Kotak Mahindra Limited amounting to ₹122.40 (previous year ₹39.42) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited	
- from HSIIDC amounting to Nil (previous year ₹261.42) and is secured by charge on land at Bawal	Total loan sanctioned amounting to ₹1,051.88 (previous year ₹1,051.88). Disbursed amount of ₹1,051.88 in the earlier years repayable in 8 half yearly instalments of ₹131.48 each. Rate of interest- 11% p.a.
- Sales tax incentive amounting to ₹659.77 (previous year ₹949.65) from the State Government of Maharashtra, received in 2003-04 (Disclosed under deferred payment liabilities -Unsecured)	Sales tax payable amounting to ₹1427.25 (previous year ₹1427.25) repayable in 8 annual instalments starting from 2011-12 and ending upto 2018-19 Rate of interest- Interest free

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 7. Other long-term liabilities

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Capital Creditors	606.98	-
Deferred revenue income	-	47.20
Trade / security deposits	291.27	-
Others	10.96	255.41
	909.21	**302.61**

Note 8. Long-term provisions

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Provision for employee benefits		
Gratuity (Refer note 40)	2,212.18	1,669.41
Compensated absences (Refer note 40)	1,006.62	837.27
Others	-	13.19
	3,218.80	**2,519.87**
Provision for warranty (Refer note 42)	141.52	116.44
	3,360.32	**2,636.31**

Note 9. Short-term borrowings

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Loans repayable on demand		
Secured		
from banks	11,203.69	8,669.56
Unsecured		
from banks	2,578.69	-
from related parties	-	150.00
from others	4,623.38	2,336.39
	18,405.76	**11,155.95**

*** Nature of security**

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31 March 2016	Outstanding as on 31 March 2015
1	HDFC (Cash Credit) First Pari Passu charge on entire current assets of the Company along with member banks Second pari passu charge on entire movable fixed assets and following second pari passu charge on immovable fixed asets of the company: i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon.	Payable on demand	2,819.82	2,038.90
2	Axis Bank (Cash Credit) First Pari Passu charge by way of hypothecation of entire current assets of the company, both present and future. Second pari passu charge on entire fixed assets of the company, both present and future.		1,008.40	672.89
3	Citi Bank (Cash Credit) First Pari Passu charge on present and future stocks and book debts of the Borrower. Second pari passu charge on the Fixed Assets of the borrower		11.44	2.74

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

*** Nature of security**

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31 March 2016	Outstanding as on 31 March 2015
4	SBI (Cash Credit) Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at Village Navada Fatehpur, P.O. Sikanderpur Badda, Manesar, Gurgaon c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. Negative lien on the following properties: e) Property at B-6, MIDC, Chakan Industrial Area, Village Mahalunge, Taluka Khed, Distt. Pune. f) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. "		Nil	1,009.00
5	"SBI (Cash Credit) -Working Capital Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village Navada Fatehpur, Manesar, Gurgaon c) Plot no. 5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. d) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. Negative lien on the following properties: e) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. f) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune."	Payable on demand	1,011.85	489.44
6	"Canara Bank (Cash Credit) Primary: First charge on pari passu basis by way of hypothecation with Working Capital lenders under Multiple Bank Arrangements i.e. Stocks and Receivables (present and future) and other current assets of the company. Collateral: Second charge on pari passu basis with Working Capital lender under Multiple Banking Arrangement by way of hypothecation/EMT. i.e. Fixed Assets of the company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes: i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana. iii) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. Negative lien on the following properties: iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. v) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.		734.41	672.71

All amount in Indian ₹ lacs, unless otherwise stated

*** Nature of security**

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31 March 2016	Outstanding as on 31 March 2015
7	Canara Bank (Buyers Credit EUR1.98) Primary: First charge on pari passu basis by way of hypothecation with Working Capital lenders under Multiple Bank Arrangements i.e. Stocks and Receivables (present and future) and other current assets of the company. Collateral: Second charge on pari passu basis with Working Capital lender under Multiple Banking Arrangement by way of hypothecation/EMT. i.e. Fixed Assets of the company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes: i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana. iii)Plotno.5A,Sector-10,IndustrialArea,IIEPantNagar,UdhamSinghNagar,Uttaranchal. Negative lien on the following properties: iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. v) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.	182 days	Nil	142.45
8	Kotak Mahindra Bank (Cash credit) Subservient charge on all existing and future current assets and moveable fixed assets of the borrower (excluding assets which are specifically charged to other lenders)	after 90 days	Nil	175.00
9	Outstnading Buyer's Credit from Yes Bank of the subsidiary Minda Kosei Aluminum Wheel Ltd is as below: ₹ 313.67 (4.67 USD) ₹ 471.22 (6.18 Euro) ₹ 1,051.02 (174.27 JPY) Buyer's credit is secured by: - First pari passu charge on all movable and immovable fixed assets (both present and future). - Second pari passu charge on all current assets (both present and future). - Letter of Comfort from Minda Industries Limited (Holding Company).	after 360 days	1,835.90	Nil
10	Outstnading Buyer's Credit of the subsidiary Minda Kosei Aluminum Wheel Ltd from IndusInd Bank is as below: ₹ 94.80 (1.24 Euro) ₹ 329.98 (547.13 JPY) Buyer's credit is secured by: - First pari passu charge on all movable fixed assets (both present and future) including all the underlying assets acquired from the proceeds of the term loan facility and charge by way of equitable mortgage on immovable property (Land and Building) located at Bawal, Haryana. - Second pari passu charge by way of hypothecation on all the present and future current assets. - Letter of Comfort from Minda Industries Limited (Holding Company).	after 358 days after 177 days	424.77	Nil
11	Axis Bank (Cash Credit) of the subsidiary MJ Casting Ltd secured by: -firstchargebywayofhypothecationonBorrower'sentirestockofrawmaterials,semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank - equitable mortgage on land and building both present and future of Hosur plant situated at Upparapalli, Mathagondapalli, Thally Road, Hosur, Tamilnadu - equitable mortgage on land and building both present and future of Bawal plant situated at 323, Phase II/IV, Sector-3, Industrial Growth Centre, Bawal Dist., Rewari, Haryana - hypothecation on all movable fixed assets (except vehicles) of the Borrower both present and future ranking.	Payable on demand	193.22	38.35

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

*** Nature of security**

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31 March 2016	Outstanding as on 31 March 2015
12	ICICI Bank (Cash Credit) of the subsidiary MJ Casting Ltd secured by: - first charge by way of hypothecation on Borrower's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank - equitable mortgage on land and building both present and future of Hosur plant situated at Upparapalli, Mathagondapalli, Thally Road, Hosur, Tamilnadu - equitable mortgage on land and building both present and future of Bawal plant situated at 323, Phase II/IV, Sector-3, Industrial Growth Centre, Bawal Dist., Rewari, Haryana - hypothecation on all movable fixed assets (except vehicles) of the Borrower both present and future ranking.	Payable on demand	140.96	Nil
13	BBVA Bank (Unsecured) of Global Mazinkert, S.L.	within 1 year	0.61	143.42
14	La Caixa Bank (Unsecured) of Global Mazinkert, S.L.	within 1 year	1773.18	1,334.41
15	Deutsche Bank (Unsecured) of Global Mazinkert, S.L.	within 1 year	Nil	1,028.28
16	Popular Bank (Unsecured) of Global Mazinkert, S.L.	within 1 year	446.33	Nil
17	Santander Bank (Unsecured) of Global Mazinkert, S.L.	within 1 year	358.58	Nil
18	Citi Bank Loan secured by Stand By Letter of Credit given by the parent company to the subsidiary company Global Mazinkert, S.L.	within 1 year	1133.92	456.77
19	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to 25.44 (previous year nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to 12.70 has been consolidated.	13-Apr-16	12.70	Nil
20	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to 76.34 (previous year nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to 38.09 has been consolidated.	8-Aug-16	38.09	Nil
21	ICICI Bank (Cash credit) Cash credit and overdraft facility is repayable on demand and is secured by first charge on all current assets and second charge on all movable fixed assets of the joint venture company Minda Emer Technologies Ltd. Proportionate amount of 72.93 has been consolidated.	Payable on demand	70.95	Nil
22	Yes Bank (Buyer's Credit) Buyer's credit loan amounting to 111.12 (previous year nil) is secured by exclusive charge on all movable and immovable fixed assets (both present and future) and second charge on all current assets (both present and future) of subsidiary company Minda Kyoraku Ltd.	Repayable on 6 May 2016	111.12	Nil
23	Yes Bank (Buyer's Credit) Buyer's credit loan amounting to 172.56 (previous year nil) is secured by exclusive charge on all movable and immovable fixed assets (both present and future) and second charge on all current assets (both present and future) of subsidiary company Minda Kyoraku Ltd.	Repayable on 21 Sep 2016	172.56	Nil
24	PT Bank Permata Tbk Credit facility amounting to 222.07 (previous year nil) is secured by the collateral of Land and Building, Machineries and Equipments, Accounts Receivable and Inventory (present and future) of subsidiary company PT Minda Asean Automotive.	Repayable on 5 Oct 2016	222.07	Nil
25	Cash credit from banks amounting to ₹ 1,261.50 (Previous year ₹ 465.20) are secured by exclusive charge on all current assets (both present and future) and second charge on all fixed assets (both present and future) of subsidiary company Minda Kyoraku Ltd. Corporate guarantee given by Minda Industries Limited was released during the year.	Payable on demand	1,261.50	465.20

All amount in Indian ₹ lacs, unless otherwise stated

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31 March 2016	Outstanding as on 31 March 2015
	Unsecured			
26	Neel Metal Industries Limited Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year	Nil	150.00
27	Pioneer Finset Ltd. Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year	Nil	175.00
28	Bajaj Finance Limited Loan is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan respectively.	60-180 days	2,596.12	1,741.79
29	Aditya Birla Finance Ltd Unsecured loan taken by joint venture company M/s. M.J.Casting Ltd.	60-180 days	232.53	419.60
	Total		**18,405.76**	**11,155.95**

Note 10. Trade payables

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Trade payables*	32,144.62	26,699.87
	32,144.62	**26,699.87**

* For dues to micro and small enterprises refer to note 41

Note 11. Other current liabilities

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Current maturities of long-term borrowings*	3,676.41	2,086.37
Current maturities of deferred payment liabilities*	281.85	285.45
Interest accrued but not due on long term borrowings	136.55	28.58
Advance from customers	2,789.55	2,481.25
Capital Creditors	5,292.06	91.23
Unpaid dividend**	25.62	23.65
Statutory dues	2,096.93	2,264.37
Payable to employees	2,526.56	1,592.42
Mark to market loss on derivative contracts	1.87	-
Forward contract payable	13.85	-
Other payables	103.59	73.51
	16,944.84	**8,926.83**

* Refer note 6 for security details

** Do not include any amount payable to Investor Education and Protection Fund

Note 12. Short-term provisions

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Provision for employee benefits		
Gratuity (Refer note 40)	140.37	100.99
Compensated absences (Refer note 40)	149.19	116.97
	289.56	**217.96**
Others		
Provision for wealth tax (net of advances ₹ nil, previous year ₹ nil)	-	3.45
Provision for Income Tax (net of advance income tax ₹4,539.55, previous year ₹3,007.74)	594.19	368.21
Provision for warranty (Refer note 42)	231.16	300.54
Provision for dividend		
-Provision for proposed equity dividend	634.60	555.29
-Provision for tax on proposed dividends	129.19	113.04
Provision - others	8.68	-
	1,597.82	**1,340.53**
	1,887.38	**1,558.49**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 13. Fixed Assets As at 31 March 2016

Particulars	Gross block					Accumulated depreciation/ amortisation							Net block		
	Balance as at 1 April, 2015	Additions pursuant to acquisition	Additions/ Transfers **	Disposals	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Additions pursuant to acquisition	Depreciation / amortisation expense for the year	Foreign Currency Translation Impact	Additional depreciation transferred to reserves and surplus	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
Tangible															
Land															
Land- Freehold	3,932.26	3,316.63	1,842.82	1,856.64	7,235.07	3.10	31.37	5.67	5.91	-	-	-	46.05	7,189.02	3,929.16
Land- Leasehold ***	1,453.51	-	-	-	1,453.51	99.75	-	12.06	-	-	-	-	111.81	1,341.70	1,353.76
Buildings	15,274.46	5,190.51	217.04	-	20,682.01	5,483.81	863.38	656.16	14.68	-	-	-	7,018.03	13,663.98	9,790.64
Plant and Machinery*	85,319.83	10,029.55	7,857.31	781.88	102,424.81	61,560.51	2,993.64	6,815.91	41.42	-	409.89	-	71,001.59	31,423.22	23,759.33
Furniture and Fixtures	1,286.53	342.28	977.95	684.36	1,922.40	925.28	89.42	906.63	1.65	-	681.81	-	1,241.17	681.23	361.25
Vehicles	1,161.84	290.64	377.92	187.72	1,642.68	669.22	161.17	180.45	0.57	-	118.07	-	893.34	749.34	492.61
Office Equipment	823.88	202.22	71.94	28.78	1,069.26	500.07	97.90	142.83	0.34	-	26.45	-	714.69	354.57	323.81
Computers	2,023.91	206.62	270.57	93.14	2,407.96	1,764.02	137.50	159.72	0.90	-	82.89	-	1,979.25	428.71	259.90
	111,276.22	**19,578.45**	**11,615.55**	**3,632.52**	138,837.70	**71,005.76**	**4,374.38**	**8,879.43**	**65.47**	**-**	**1,319.11**	**-**	83,005.93	55,831.77	**40,270.46**
Intangible															
Technical Knowhow	524.18	1.03	123.44	-	648.65	252.92	-	167.30	-	-	-	-	420.22	228.43	271.26
Computer Software	3,280.58	148.99	123.28	3.64	3,549.21	2,743.11	13.27	215.03	0.64	-	3.33	-	2,968.72	580.50	537.47
	3,804.76	**150.02**	**246.72**	**3.64**	4,197.86	**2,996.03**	**13.27**	**382.33**	**0.64**	**-**	**3.33**	**-**	3,388.93	808.93	**808.73**

* includes borrowing cost capitalised during the year of 32.46 (previous year 29.42).
** addition to assets includes 934.01 towards R&D (previous year 586.79)
*** The scheduled property was on lease till 30 July 2013. The sale deed is yet to be executed with Karnataka Industrial Areas Development Board (KIADB).

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 13.1 Fixed Assets As at 31 March 2015

Particulars	Gross block					Accumulated depreciation/ amortisation								Net block	
	Balance as at 1 April, 2014	Additions pursuant to acquisition	Additions/ Transfers	Disposals	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Additions pursuant to acquisition	Depreciation / amortisation expense for the year****	Foreign Currency Translation Impact	Additional depreciation transferred to reserves and surplus***	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss**	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
Tangible															
Land															
Land- Freehold*	3,880.58	-	51.68	-	3,932.26	-	-	-	3.10	-	-	-	3.10	3,929.16	3,880.58
Land- Leasehold	1,453.51	-	-	-	1,453.51	160.44	-	14.68	-	-	-	75.37	99.75	1,353.76	1,293.07
Buildings	13,478.52	-	1,805.16	9.22	15,274.46	5,401.62	-	413.02	2.56	8.27	-	341.65	5,483.81	9,790.64	8,076.90
Plant and Machinery	79,643.65	0.27	6,424.74	748.83	85,319.83	55,650.93	0.08	7,034.25	53.36	199.97	376.40	1,001.68	61,560.51	23,759.33	23,992.72
Furniture and Fixtures	1,243.94	-	57.20	14.61	1,286.53	836.21	-	82.86	0.72	16.34	3.04	7.81	925.28	361.25	407.73
Vehicles	1,187.62	0.01	83.54	109.33	1,161.84	506.00	-	208.75	0.03	1.81	41.92	5.44	669.22	492.61	681.62
Office Equipment	762.58	0.02	77.80	16.52	823.88	265.71	0.01	156.88	0.00	98.52	12.02	9.03	500.07	323.81	496.87
Computers	1,966.12	-	74.21	16.41	2,023.92	1,510.59	-	198.06	0.35	75.74	12.60	8.12	1,764.02	259.90	455.53
	103,616.52	**0.30**	**8,574.32**	**914.92**	**111,276.22**	**64,331.50**	**0.09**	**8,108.50**	**60.11**	**400.65**	**445.98**	**1,449.10**	**71,005.77**	**40,270.46**	**39,285.02**
Intangible															
Technical Knowhow	417.64	0.10	106.44	-	524.18	325.40	0.03	46.32	-	-	-	118.83	252.92	271.26	92.23
Computer Software	3,187.48	0.01	93.64	0.55	3,280.58	2,555.86	-	194.59	1.36	-	0.30	8.40	2,743.11	537.47	631.63
	3,605.12	**0.11**	**200.08**	**0.55**	**3,804.76**	**2,881.26**	**0.03**	**240.91**	**1.36**	**-**	**0.30**	**127.23**	**2,996.03**	**808.73**	**723.86**

*includes land amounting to 1,402.85, yet to be transferred in the name of the parent company.

** refer note 36 on 'Impairment Loss'

***Pursuant to the requirement of the Companies Act, 2013 ("the Act") effective from 1st April, 2014, the group has revised depreciation rates on certain fixed assets as per the useful life specified in Part "C" of Schedule II of the Act or as per the respective management's estimate based on internal technical evaluation. As a result of this change, the depreciation charge for the year ended 31 March, 2015 is higher by 1,481.90. In respect of assets whose usefuyl life is already exhausted as on 1 April, 2014, depreciation of 264.46 (net of tax impact of 136.17) has been adjusted in Reserves and Surplus in case of parent company in accordance with the requirement of Schedule II of the Act.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 14. Non-Current Investments (Trade, unquoted investments at cost)

Particulars	As at 31 Mar 2016		As at 31 Mar 2015	
(i) Associates				
Investments in Equity Instruments				
Mindarika Private Limited	1,652.82		1,414.30	
- 2,707,600 equity shares (previous year 2,707,600 equity shares) of ₹10 each, fully paid up				
Add: Share in the profits of the associate company	523.32	2,176.14	238.52	1,652.82
Minda NexGenTech Limited		312.00		312.00
- 3,120,000 equity shares (previous year 3,120,000 equity shares) of ₹10 each, fully paid up				
Kosei Minda Aluminum Co Pvt. Ltd	1,227.94		-	
- 24,558,800 equity shares (previous year Nil equity shares) of ₹5 each, fully paid up				
Add: Share in the profits of the associate company	3.06	1,231.00	-	-
Investments in partnership firms**				
- Auto Component		700.09		686.85
- Yogendra Engineering		244.91		197.41
(ii) Others				
Investment in Equity shares of OPG Power Generation Private Limited		3.08		-
- 28,000 equity shares @ ₹10, fully paid up (previous year nil equity shares)				
Minda Industria E Comerico De Autopecsa Ltd		7.11		7.11
- 25,000 equity shares (previous year 25,000 equity shares) of Brazilian $ 1 each, fully paid up				
PT Minda Asean Automotive (Indonesia)		-		88.85
- Nil equity shares (previous year 20,250 equity shares) of US$10 each, fully paid up				
(During the year, PT Minda Asean Automotive (Indonesia) become subsidiary company, therefore, investment eliminated on consolidation)				
		4,674.33		**2,945.04**
Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited*		312.00		312.00
		4,362.33		**2,633.04**
Aggregate amount of unquoted non-current investments		**4,362.33**		**2,633.04**

* Aggregate provision for diminution of non current investment is ₹312 (previous year ₹312)

**Investment in Partnership Firms

Partnership Firm	Name of the Partners	Share in Profit (%)	Share in Profit (%)
Auto Component	Minda Industries Limited	48.90%	48.90%
	Mr. Nirmal K Minda	25.55%	25.55%
	Ms. Palak Minda	25.55%	25.55%
Yogendra Engineering	Minda Industries Limited	48.90%	48.90%
	Mr. Sanjeev Garg	12.50%	12.50%
	Mr. Birender Garg	12.50%	12.50%
	Mrs. Suman Minda	26.10%	26.10%
Total Capital of the firm		**Amount**	**Amount**
Auto Component		1,415.88	1,404.60
Yogendra Engineering		492.25	403.71

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 15. Deferred tax assets (net)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Deferred tax liabilities		
Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/amortisation provided in accounts	2,417.75	2,258.24
	2,417.75	**2,258.24**
Deferred tax assets		
Provision for employee benefits	1,144.21	1,005.34
Unabsorbed depreciation/ carry forward business losses	1,506.12	1,027.46
Others	485.23	249.11
	3,135.56	**2,281.92**
Deferred tax assets (net)	**717.81**	**23.68**

Note 16. Long term loans and advances (Unsecured and considered good)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
To parties other than related parties		
Capital advances	756.03	172.42
Advance income tax (net of provision for tax ₹4,434.51, previous year ₹4,434.51)	663.41	944.32
Balances with government authorities	15.91	-
Security deposits		749.57
- Considered good	976.18	
- Cosidered doubtful	2.51	
Less: Provision for doubtful deposits	2.51	15.85
MAT credit entitlement	99.67	-
Advance to vendors	1.88	5.83
Prepaid expense	0.50	-
	2,513.60	**1,856.29**

Note 17. Other non-current assets

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Foreign currency receivable	33.32	201.58
Bank deposits (due to mature after 12 months from the reporting date) (refer note 21)	214.43	332.30
Interest accrued on deposits (due to mature after 12 months from the reporting date)	23.16	5.19
Retention money with customers	528.70	648.38
	799.61	**1,187.45**

Note 18. Current investments (Non trade, unquoted investments, at cost)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Investment in Government bonds by Clarton Horn, Spain	-	202.95
- Aragon Govt. bonds amounting to Euro-Nil (previous year Euro 2,700,000)		
	-	**202.95**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 19. Inventories (At lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Raw materials [Goods in transit ₹89.53 (previous year ₹260.28)]	8,764.45	7,013.97
Work-in-progress	2,045.56	1,816.72
Finished goods [Goods in transit ₹745.99 (previous year ₹664.02)]	2,853.39	1,516.70
Stock-in-trade [Goods in transit ₹26.63 (previous year ₹nil)]	2,768.95	1,991.93
Stores and spares	1,457.81	1,283.74
Loose tools	494.06	436.29
	18,384.22	**14,059.37**

Note 20. Trade receivables * (Unsecured, considered good unless otherwise stated)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Trade receivables outstanding for a period exceeding six months from due date		
Unsecured considered good	499.89	331.86
Doubtful	323.66	199.30
	823.55	**531.16**
Less: Provision for doubtful debts	323.66	199.30
	499.89	**331.86**
Other receivables		
Unsecured considered good	35,891.41	28,613.69
Doubtful	12.73	2.54
Less: Provision for doubtful trade receivables	12.73	2.54
(secured to the extend of ₹211.76 (previous year ₹186.30)		
	36,391.30	**28,945.55**

* Trade receivables (unsecured, considered good) include ₹135.51 (previous year ₹180.26) due from private companies in which a director is a director and ₹38.29 (previous year ₹48.29) due from firms in which director is a partner.

Note 21. Cash and bank balances

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Cash and cash equivalents		
Cash in hand	62.15	33.28
Balances with banks		
- on current accounts*	2,884.33	1,764.36
- on deposit accounts (with original maturity of 3 months or less)	431.31	310.71
Other bank balance	-	
Cash on imprest accounts	19.53	18.74
Bank deposits (due for realisation within 12 months of the reporting date)	2,243.12	651.59
Unpaid dividend accounts***	25.62	23.65
	5,666.06	**2,802.33**

* includes Escrow account amounting to ₹345.18 (previous year ₹344.89)

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 21. Cash and bank balances

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Detail of bank deposits		
- On deposit accounts with original maturity of 3 months or less included under 'Cash and cash equivalents'	431.31	310.71
- On deposit accounts due to mature within 12 months of reporting date included under 'Other bank balances'	2,243.12	651.59
- On deposit accounts due to mature after 12 months of reporting date included under 'Other non-current assets' (refer note no 17)	214.43	332.30
Total**	**2,888.86**	**1,294.60**

**Deposit accounts amounting to ₹984.09 (previous year ₹864.06) is lien under banks and other government authorities.

*** Do not include any amount payable to Investor Education and Protection Fund

Note 22. Short-term loans and advances (unsecured, considered good unless otherwise stated)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
To parties other than related parties		
Security deposits	71.23	160.42
Prepaid expenses	555.60	374.05
Advance to suppliers	3221.12	2,286.48
Advance tax recoverable (Net of provision for income tax ₹6.68)	228.53	-
Balances with government authorities		
- Considered good	3,896.83	2,124.66
- Cosidered doubtful	12.83	29.09
Less: Provision for doubtful loans and advances	(12.83)	(29.09)
Other Loans & advances		
- Advances to employees	313.10	181.74
- MAT credit entitlement	116.78	297.72
- Others	324.59	-
	8,727.77	**5,425.07**

Note 23. Other current assets (unsecured, considered good)

Particulars	As at 31 Mar 2016	As at 31 Mar 2015
Unbilled revenue	194.45	41.06
Interest income accrued on fixed deposits	51.48	52.67
Duty entitlement available	130.95	174.46
Forward currency receivable	382.74	173.76
Insurance claims receivable	72.14	21.70
Silver coins/items	4.84	4.41
	836.60	**468.06**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 24. Revenue from operations

Particulars		Year ended 31 Mar 2016		Year ended 31 Mar 2015
Sale of products				
Finished goods		232,538.51		200,642.24
Traded goods		34,308.78		32,098.85
Sale of products (gross)		266,847.29		232,741.09
Less: Excise duty		18,663.56		14,249.37
Sale of products (net)		248,183.73		218,491.72
Sale of services		2,431.31		2,086.27
Other operating revenues				
-Development Cost Recovery	458.87		310.25	
-Scrap Sale	812.55		392.94	
-Royalty	390.03		903.72	
-Job Work Income	217.89		647.32	
-Others	239.11	2,118.45	376.16	2,630.39
		252,733.49		**223,208.38**

Note 25. Other income

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Interest income	274.53	200.74
Dividend income from non-current investments	103.02	80.67
Net gain on foreign currency fluctuation (other than considered as finance cost) (net of loss on foreign currency fluctuation ₹552.16 (previous year ₹256.59)	103.74	7.24
Profit on sale of fixed assets (net of loss ₹35.60 (previous year ₹42.03))	287.98	481.33
Income under Package Scheme of Incentives	335.07	208.25
Other non-operating income		
Liabilities / provisions no longer required written back	79.81	327.46
Miscellaneous income	213.09	393.59
	1,397.24	**1,699.28**

Note 26. Cost of materials consumed

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Raw materials (including purchased components and packing material consumed)		
Opening inventories	7,014.46	5,799.29
Add: Foreign currency translation adjustment	143.79	121.36
Add: Inventories acquired as part of acquisition of subsidiaries	707.85	-
Add: Purchases	138,647.07	125,213.01
Less: Closing inventories	8,662.24	6,990.71
Add: Foreign currency translation adjustment	28.73	23.26
	137,879.64	**124,119.69**

* includes inventory on account of acquistion made during the year of PT Minda Asean Automotive, Sam Global Pte and MJ Casting Ltd amounting to ₹144.28

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 27. Changes in inventories

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Inventories at the end of the year:		
Work-in-progress	2,131.18	1,816.72
Finished goods (other than those acquired for trading)	2,795.53	1,516.70
Stock-in-trade (acquired for trading)	2,856.80	1,991.93
	7,783.51	**5,325.36**
Inventories at the beginning of the year:		
Work-in-progress*	2,143.40	1,349.28
Finished goods (other than those acquired for trading)*	1,747.23	1,602.40
Stock-in-trade (acquired for trading)*	2,182.98	1,626.15
	6,073.61	**4,577.83**
Stock Adjustment	(55.14)	0.18
Net (increase) / decrease in stocks	**(1,765.04)**	**(747.35)**

* includes inventory on account of acquistion made during the year of PT Minda Asean Automotive, Sam Global Pte and MJ Casting Ltd amounting to ₹748.25

Note 28. Employee benefits

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Salaries, wages and bonus	27,112.17	23,352.63
Gratuity (refer note 40)	544.03	485.80
Contribution to provident and other funds (refer note 40)	2,965.45	3,210.77
Staff welfare expense	2,012.55	1,735.81
	32,634.20	**28,785.00**

Note 29. Finance costs

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Interest expense on borrowings	2,291.40	2,317.85
Other finance costs	276.17	183.05
	2,567.57	**2,500.90**

Note 30. Depreciation and amortisation

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Depreciation on tangible fixed assets	8,879.43	8,108.50
Amortisation on intangible fixed assets	382.33	240.91
	9,261.76	**8,349.41**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 31. Other expenses

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Consumption of stores and spare parts	4,984.74	3,891.73
Job work charges	4,727.31	4,765.34
Power and fuel	5,460.67	4,810.92
Rent	1,472.73	1,286.51
Repairs and maintenance:		
Buildings	594.57	501.95
Machinery	1,196.64	1,060.76
Others	315.71	288.40
Insurance	241.40	168.38
Rates and taxes	357.01	254.37
Travelling and conveyance	3,022.42	2,307.79
Sales Promotion Expenses	3,618.75	3,619.63
Directors' sitting fee	11.55	3.17
Legal and professional	1,407.54	1,227.87
Payments to auditors*	162.25	126.74
Fixed assets scrapped/ written off	43.00	10.54
Provision for doubtful trade and other receivables, loans and advances (net)	118.66	48.45
Doubtful trade and other receivables, loans and advances written off	165.70	116.95
Royalty expenses	201.46	105.17
Freight and other distribution overheads	3,253.29	3,058.87
Warranty rejection	952.61	993.64
Printing and stationery	315.50	186.62
CSR Contribution & Donations***	136.66	102.40
Bank Charges	0.35	-
Miscellaneous expenses	2579.49	1731.06
	35,338.92	**30,667.26**
Note:		
*Payments to the auditors (excluding service tax)		
Statutory audit	119.47	92.66
Limited review of quarterly results	18.00	16.00
Consolidation fees	5.00	3.00
Certification Fee	8.00	5.00
Reimbursement of expenses	11.78	9.96
Other services	-	2.12
Total**	**162.25**	**128.74**

** Paid to other firms of Chartered accountants ₹55.48 (previous year ₹50.85)

*** As per section 135 of the Companies Act, 2013, CSR committee was formed by the Parent company. The area for CSR activities is promoting education and self employment enhancement. A sum of ₹136.36 (which is more than the 2% of average net profit amounting to ₹81.02 of preceding 3 years) was contributed to Corpus Fund of S.L.Minda Charitable Trust and Moga Devi Charitable Trust, the same has been utilised on CSR activities.

Note 32. Exceptional Items

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Profit on sale of fixed assets- Land sale	520.18	-
Impairment of fixed assets- Reversal/ (Loss) (refer note 36)	-	1,576.33
Preliminary share issue expenses	-	(8.18)
Insurance claim received (Net gain)	-	27.52
	520.18	**1,595.67**

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 33. Earnings per share

Particulars	Year ended 31 Mar 2016	Year ended 31 Mar 2015
Net profit after tax as per Statement of Profit and loss	11,113.40	6796.82
Adjustment to net profit after tax:		
Dividend on Preference Shares and Dividend Tax thereon.	(12.63)	(12.60)
Net profit attributable to equity shares	11,100.77	6784.22
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	158.65	158.65
for Diluted EPS	158.65	158.65
Basic earnings per share in rupees (Face value ₹10 per share) (In rupees)	69.97	42.76
Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees)	69.97	42.76
Calculation of weighted average number of shares for basic/diluted earnings per share		
Opening and closing balance of Equity Shares	158.65	158.65

Note 34. Contingent liabilities

(a) Claims made against the Group not acknowledged as debts (including interest, wherever applicable):

Name of the statute	Nature of the Dues	Amount 2015-16	Amount 2014-15	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	7.48	7.48	Assessment year 2002- 2003	Referred back to AO by Delhi High Court
Income Tax Act,1961	Income Tax	4.14	9.97	Assessment year 2007- 2008	Income Tax Appellate Tribunal
Income Tax Act,1961	Income Tax	7.03	30.40	Assessment year 2009- 2010	Income Tax Appellate Tribunal
Income Tax Act,1961	Income Tax	-	1.52	Assessment year 2010- 2011	Income Tax Appellate Tribunal
The Orissa Vat Act, 2004	Value Added Tax and Penalty	40.56	-	Financial year 2013-2014 & 2014-15	Joint Commissioner
Central Sales Tax Act, 1956	Sales Tax	6.23	6.23	Financial Year 2012-13	Joint Commissioner of Commercial Tax (Appeals-2) Bangalore
Karnataka tax on Entry of Goods Act 1979	Entry tax Act	-	8.95	Financial Year 2012-13	Joint Commissioner of Commercial Tax (Appeals-2) Bangalore

Contingent liabilities relating to other cases ₹74.07 (previous year ₹11.30).

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

(b) Corporate guarantee given by the parent company and outstanding as at 31 March 2016 amounting to ₹4,882 (previous year ₹7,625) in respect of loans borrowed by related parties. Further, the parent Company has also provided a 'letter of comfort' amounting to ₹15,577 (previous year ₹4,477) in respect of a loan taken by related parties from banks.

(c) Liability of Customs duty towards export obligation undertaken by the Company under "Export Promotion Capital Goods scheme (EPCG)" amounting to ₹1,778.55 (previous year ₹192.64).

The GroupCompany had imported Capital goods under EPCG and saved duty to the tune of ₹1,778.55. As per the EPCG terms and conditions, GroupCompany need to export ₹10,715.51 (previous year ₹950.88) i.e. 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. If the Group Company does not export goods in prescribed time, then the parent Company may have to pay duty on imported capital goods, including interest and penalty thereon.

(d) The parent Company has availed sales tax incentives for its unit at Pune, Maharashtra, from the Government of Maharashtra as

sales tax capital subsidy amounting to ₹335.26 (previous year ₹225.65). In accordance with Scheme of Government of Maharashtra for Development of Industries, the amount may be refundable to the government, if specified conditions are not fulfilled, within the prescribed time.

(e) Bank guarantee given by the Group Companyand outstanding as at 31 March 2016 amounting to ₹336.83 (previous year ₹24.75).

Note 35. Capital and other commitments (net of advance)

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2016 aggregates to ₹3,552.50(previous year ₹756.76).

Note 36. Impairment

(i) During the previous years, an impairment charge amounting to ₹2,213.79 was recorded, up to 31 March 2014 for Battery Division of the parent Company located at Pant Nagar, which was incurring continuous losses. During the year 2014-15, a binding sale agreement for the transfer of Battery Division was concluded on 1 October 2014. Accordingly, based on net selling price (lump sum consideration), an impairment charge to the extent of ₹1,576.33 (net of depreciation of ₹637.46) was reversed on 30 September 2014. The same was disclosed as an Exceptional item. The carrying amount of the total assets and liabilities to be hived off is ₹3,073.32 (previous year ₹3,981.90) and ₹474.92 (previous year ₹879.83) respectively as on 31 March 2016. The date of hiving off which was expected to be 30 September 2015 is being extended to on or before 30 June 2016.

(ii) Relevant information for discontinuing operations for Battery division

Sl. No.	Particulars	As at 31 March 2016	As at 31 March 2015
1	Total assets	3,073.32	3,981.90
2	Total liabilities	474.92	879.83
3	Total revenue	4,310.32	3,899.18
4	Total expenditure	4,408.07	3,887.24
5	Exceptional item	-	1,576.33
6	Profit/ (loss) before tax from ordinary activities	(97.75)	1,588.27
7	Tax expense	-	-
8	Profit/ (loss) after tax	(97.75)	1,588.27

(iii) The net cash flows attributable to the battery division are as follows

Sl. No.	Particulars	As at 31 March 2016	As at 31 March 2015
1	Net cash inflow from operating activities	740.03	85.95
2	Net cash inflow/(outflow) from investing activities	1.24	(16.63)
3	Net cash outflow from financing activities	(739.77)	(65.24)

Note 37.

During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the parent company amounting to ₹39.51 towards revised CLU (change of land use) charges for the land situated at village NawadaFatehpur, P.O. SikanderpurBadda, Gurgaon and Haryana. The parent company paid ₹1.58 and had also filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India, basis which a leave had been granted. Further, the parent company had deposited`9.50 as under protest with the authorities. During the earlier years, the parent company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the parent company had withdrawn the petition and accordingly had agreed to pay the total liability of ₹28.43 and the interest thereon amounting to ₹40.65, towards revised CLU charges after adjusting the amount of ₹11.08 paid earlier.

During the year 2013-14, the parent company had applied for grant of license under 'Affordable housing Policy- 2013' on the land measuring 9.9625 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurgaon and paid scrutiny fee (non-refundable) amounting to ₹15.35 in this respect.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable housing policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

Note 38. Segment information

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group Company as a whole.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

As the Company's business activity primarily falls within a single business and geographical segment i.e. Auto Components including Electrical Parts and its Accessories as primary segment, thus there are no additional disclosures to be provided under Accounting Standard 17 – 'Segment Reporting'. The management considers that the various goods and services provided by the Company constitutes single business segment, since the risk and rewards from these services are not different from one another.

The secondary segment is geographical, which is given as under:

Particulars		Current year	Previous year
Revenue *	Within India	2,01,748.53	173,598.27
	Outside India	50,984.96	49,610.11
Assets**	Within India	1,39,151.34	83,636.61
	Outside India	9,533.26	16,024.04
Cost incurred on acquisition of fixed assets	Within India	24,833.51	6,161.73
	Outside India	6,973.29	1,380.27

* on the basis of location of customers.

** on the basis of location of the assets.

Assets used in the Group Company's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above reportable segments as the assets and liabilities contracted are used interchangeably between the segments. Accordingly, except for trade receivables, no disclosure relating to other segment assets and liabilities have been made.

Note 39. Related partydisclosures

(i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Nature of Related Party Transaction	Name of Related Party
Key management personnel:	Mr. Nirmal K Minda
	{Chairman and Managing Director('CMD')}
	Mr. Sudhir Jain (CFO)
	Mr. H.C. Dhamija (Company Secretary)
Relatives of key management personnel:	Mrs. SumanMinda (wife of CMD)
	Mrs. ParidhiMinda (daughter of CMD)
	Mrs. PalakMinda (daughter of CMD)
	Mr. Vivek Jindal (daughter-in-law of CMD)
Other entities over which key management Personnel and their relatives are able to exercise significant influence:	Minda Investments Limited
	Minda International Limited
	Minda Corporation Limited
	Nirmal K Minda (HUF)
	Minda Industries (Firm)
	Minda Spectrum Advisory Limited
	Minda Automotive Limited
	Samaira Engineering (Firm)
	S.M. Auto Industries (Firm)
	Shankar Moulding Limited
	MaaRukmani Devi Auto Ltd.
Associates	Auto Component (Firm)
	Yogendra Engineering (Firm)
	Mindarika Private Limited
	MInda NexGenTech Limited
	Kosei Minda Aluminum Company Pvt. Ltd. (w.e.f. 29 March 2016)
Joint ventures (jointly controlled entities)	M J Casting Limited (upto 31 July 2016)
	Minda Emer Techonologies Limited

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

(ii) Transactions with related parties:

Transactions with related parties	Joint Venture Companies		Associates		Entities over which key personnel are able to exercise significant influence		Key management personnel and Relatives	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Sale of goods	3.48	2.95	342.97	580.87	129.35	99.15	-	-
Purchase of goods	9.37	14.15	415.87	2,608.36	6,823.41	5,647.16	-	-
Sale of Fixed Assets	-	-	-	10.64	4.34	1.21	-	-
Purchase of fixed assets	-	-	-	93.41	-	-	-	-
Expenses recovered	0.51	7.89	13.27	21.40	0.84	18.10	-	-
Reimbursements of expenses	-	0.25	2.54	7.10	3.67	168.76	-	-
Services rendered	20.61	24.45	577.96	480.54	2.98	51.69	-	-
Services Received	-	-	4.84	10.14	-	-	-	-
Remuneration	-	-	-	-	-	-	640.24	514.35
Rent paid	-	-	-	-	802.60	720.80	138.52	70.20
Rent received	-	-	-	-	-	-	-	-
Utility Services paid	-	-	-	-	629.00	683.76	-	-
Dividend received	-	-	67.69	40.61	-	-	-	-
Share of profits	-	-	643.27	592.23	-	-	-	-
Royalty received	-	-	73.25	70.71	47.87	41.56	-	-
Dividend paid on equity share capital	-	-	-	-	385.56	243.63	338.23	286.19
Dividend paid on 3% cumulative redeemable preference share capital	-	-	-	-	-	-	10.50	10.50
Investment in shares	-	49.50	-	-	5,568.05	-	-	-
Balance outstanding								
Receivable/(payable)	58.71	17.55	129.94	(671.64)	(3,352.67)	(283.36)	(196.60)	(128.70)
Reduction during the year	-	-	-	1,500.00	-	-	-	-
Guarantee/Letter of comfort end of the year	-	4,477.00	-	-	-	-	-	-

(iii) Details of related party with whom transactions exceed 10% of the class of transactions

Related party	Nature of transaction	Year ended 31 March 2016	Year ended 31 March 2015
Auto Component Firm	Sale of goods	100.19	95.83
Minda NexGen Tech Limited	Sale of goods	-	198.77
Mindarika Private Limited	Sale of goods	234.26	285.17
Minda Stoneridge Instruments Limited	Sale of goods	114.88	83.10
Minda NexGen Tech Limited	Purchase of goods	-	2,497.42
Minda Corporation Limited	Purchase of goods	5,489.02	4,528.51
Shankar Moulding Limited	Purchase of goods	1,329.11	1,114.87
Auto Component Firm	Sale of fixed assets	-	9.87
SM Auto Industries	Sale of fixed assets	-	1.21
Minda International Limited	Sale of fixed assets	4.13	-
Minda NexGen Tech Limited	Purchase of fixed assets	-	90.10
M J Casting Limited	Expenses recovered	1.50	7.89
Yogendra Engineering	Expenses recovered	5.40	-
Minda NexGen Tech Limited	Expenses recovered	1.89	-
Mindarika Private Limited	Expenses recovered	5.98	16.40
Minda International Limited	Expenses recovered	-	17.60
Minda International Limited	Re-imbursement of expenses	3.45	168.76
MInda NexGen Tech Limited	Re-imbursement of expenses	2.29	-
Mindarika Private Limited	Dividend received	67.69	40.61

All amount in Indian ₹ lacs, unless otherwise stated

Related party	Nature of transaction	Year ended 31 March 2016	Year ended 31 March 2015
Mindarika Private Limited	Services rendered	565.38	457.83
Mindarika Private Limited	Services received	4.84	-
Auto Component Firm	Share of profits	263.88	248.12
Yogendra Engineering Firm	Share of profits	379.39	344.11
Mindarika Private Limited	Services received	523.32	238.52
Auto Component Firm	Royalty received	22.95	19.17
Yogendra Engineering Firm	Royalty received	50.30	51.54
Samaira Engineering	Royalty received	47.87	41.56
Minda Investments Limited	Investment in Shares	3,782.42	-
Maa Rukmani Devi Auto Ltd.	Investment in Shares	1,785.00	-
Mr. Nirmal K Minda	Remuneration	377.32	281.47
Mr Sudhir Jain	Remuneration	153.45	141.89
Mr. Nirmal K Minda (HUF)	Equity dividend	97.63	83.00
Minda Investment Limited	Equity dividend	271.76	229.95
Mr. Nirmal Kumar Minda	Equity dividend	156.12	132.10
Mrs. SumanMinda	Equity dividend	160.95	136.19
Mr. Nirmal Kumar Minda	Preference dividend	4.50	4.50
Mrs. Suman Minda	Preference dividend	6.00	6.00
Minda Investment Limited	Rent paid	789.40	714.91
Minda Investment Limited	Utility Services paid	628.99	683.76
Minda Investments Limited	Amount due to	960.53	-
Minda Corporation Limited	Amount due to	851.85	-
Minda NexGen Tech Limited	Amount due to	-	783.39
Maa Rukmani Devi Auto Ltd.	Amount due to	1,338.75	-

Nil in previous year column represent nil or transaction less than 10% of the class of transaction.

* Nil in current year column represent nil or transaction less than 10% of the class of transaction.

Note 40. Disclosure pursuant to Accounting Standard-15 on "Employee Benefits"

a) Defined contribution plan

For Indian entities

An amount of ₹1057.28(Previous year ₹881.37) for the year, has been recognized as an expense in respect of the Group's contribution towards Provident Fund, deposited with the government authorities and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹42.20 (Previous year: ₹36.67) for the year, has been recognized as an expense in respect of the Group's contribution towards Superannuation Fund, and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹132.68(previous year ₹160.77) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI and other funds, and has been included under employee benefit expense in the Statement of Profit and Loss.

For overseas entities

The group's employee social security contribution are defined contributions plans. ₹1,733.29(previous year ₹2,131.96) has been recognized as expense for the year in the Consolidated Statement of Profit and Loss and shown under employee benefits expense in note no.28.

b) Defined benefit plans –for Indian entities

Gratuity is payable to all eligible employees of the Group on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

The obligation for compensated absences is recognized in the same manner as Gratuity.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

(i) Changes in present value of obligation:

Particulars	Gratuity		Compensated absences	
	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Present value of obligation as at the beginning of the year	2,249.30	1,572.44	969.31	704.21
Present value of obligation at the beginning of the year on account of consolidation	-	-	-	-
Acquisition adjustment	63.23	-	9.84	-
Interest cost	163.99	142.26	75.16	63.56
Past service cost	-	-	24.48	
Current service cost	413.35	287.81	267.09	230.38
Curtailment cost/(credit)	(12.73)	-	-	-
Settlement cost/(credit)		-	-	-
Benefits paid	(149.15)	(155.85)	(213.42)	(223.58)
Actuarial (gain)/loss on obligation	(22.84)	258.97	23.34	179.64
Present value of obligation as at the end of year	**2705.16**	**2,105.62**	**1155.80**	**954.22**
-Long term	2564.79	2,004.63	1006.61	837.25
-Short term	140.37	100.99	149.19	116.97
	2705.16	**2,105.62**	**1155.80**	**954.12**

* The parent Company is maintaining its gratuity trust with L.I.C. by the name Minda Industries Limited Gratuity Trust. Accumulated contribution by the company as on 31 March 2016is ₹401.24 (previous year ₹335.22). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹27.17(previous year ₹27.38). Contribution by the parent Company during the current year is `nil (previous year `nil)

(ii) Changes in the fair value of plan assets:

Particulars	Gratuity		Compensated absences	
	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Fair value of plan assets at the beginning of the year	325.44	293.67	-	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	29.29	27.38	-	-
Actuarial gain/loss for the year	(2.12)	-	-	-
Employer contributions	-	9.16	-	-
Benefits paid	-	(4.26)	-	-
Excess of actual over estimated return on plan assets	-	(0.51)	-	-
Fair value of plan assets at the end of the year	352.61	325.44	-	-

(iii) Actuarial gain/loss recognized is as follows:

Particulars	Gratuity		Compensated absences	
	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Actuarial gain/(loss) for the year – obligation	(22.84)	258.97	(23.34)	(179.64)
Actuarial (gain)/loss for the year – plan assets	2.12	(0.51)	-	-
Total (gain)/loss for the year	20.72	258.46	23.34	179.64
Actuarial (gain)/ loss recognized in the year	20.72	258.46	23.34	179.64
Unrecognized actuarial (gain)/losses at the end of year		-		-

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

(iv) Theamounts recognized in the consolidated balance sheet are as follows:

Particulars	Gratuity		Compensated absences	
	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Present value of obligation as at the end of the year	2,705.16	2,105.62	1,155.79	954.22
Fair value of plan assets as at the end of the year	352.61	346.82	-	-
Funded status	(2,352.55)	(1,758.80)	(1,155.79)	(954.22)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/losses	-	-	-	-
Net asset/(liability)recognized in balance sheet	(2,352.55)	(1,758.80)	(1,155.79)	(954.22)

(v) Expenses recognized in the Consolidated Statement of Profit and Loss:

Particulars	Gratuity		Compensated absences	
	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Current service cost	413.35	287.81	267.09	230.37
Past service cost	-	-	24.48	-
Interest cost	163.99	142.26	75.16	63.55
Expected return on plan assets	(2929)	(27.36)	-	-
Curtailment cost / (credit)	-	-		-
Settlement cost / (credit)	-	-		-
Net actuarial (gain)/ loss recognized in the year	(20.72)	258.46	23.34	180.22
Expenses recognized in the Consolidated Statement of Profit and Loss	527.34	661.17	390.08	474.14

* Net of fair value of plan assets of Nil (previous year ₹175.37) considered in Statementof Profit and Loss.

(vi) Experienceon actuarial Gain/ (Loss) for PBO and Plan Assets

Particulars	Gratuity			
	31 March 2016	31 March 2015	31 March 2014	31 March 2013
On Plan PBO	(11.20)	121.35	(148.40)	(106.50)
On Plan assets	(2.12)	12.92	(8.39)	-

(vii) Enterprise best estimate of contribution during next year is:

Particulars	Amount
Compensated absences	342.07
Gratuity	622.71

(viii) Principal actuarial assumptions at the balance sheet date are as follows:

a) Economic assumptions: The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Assumptions used for the Group are as follows:

Assumptions for the parent company

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	7.94%	7.80%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	8.35%	9.10%

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Assumptions for the Minda Auto Component Limited

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	7.94%	-
Future Salary Increase	8.00%	-
Expected rate of Return on Plan Assets	-	-

Assumptions for the Minda Kosei Aluminum Wheel Private Limited

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	7.94%	-
Future Salary Increase	8.00%	-
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda TG Rubber Pvt. Ltd.

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	8.00%	-
Future Salary Increase	6.00%	-
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Kyoraku Limited and M J Casting Limited

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	8.00%	7.80%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Distribution and Services Limited

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	8.00%	7.75%
Future Salary Increase	5.50%	5.50%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Emer Technologies Limited

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Discount rate	8.00%	7.88%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

b) Demographic assumptions:

Particulars	Assumptions as at 31 March 2016	Assumptions as at 31 March 2015
i) Retirement age (years)	58	58
ii) Mortality table	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

All amount in Indian ₹ lacs, unless otherwise stated

c) Transfer of employees

During the previous year certain employees of Minda Emer Technologies Limited(METL) were transferred to Minda Industries Limited (the parent Company). As per the terms of the agreement, the liability on account of gratuity and compensated absences for employee till date of transfer will be borne by METL. The amount receivable from METL towards gratuity is ₹7.25(previous year ₹7.25).

During the year certain employees of Minda Industries Limited (MIL) were transferred to the other Group companies. As per the terms of the agreement, the liability on account of gratuity for employees till date of transfer will be borne by MIL. The amount payable by MIL towards gratuity is ₹16.69 (previous year Nil).

Particulars	As at 31 March 2016	As at 31 March 2015
Auto Component (Firm)	14.11	-
MindaNexGen Tech Limited	2.58	
Total	**16.69**	**-**

Note 41. The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Group

Particulars	As at 31 March 2016	As at 31 March 2015
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	224.94	354.21
- Interest	1.27	1.12
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	4,989.80	2,156.75
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	55.70	16.34
The amount of interest accrued and remaining unpaid at the end of the year	56.97	17.46
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

Note 42. The following disclosures have been made in accordance with the provisions of Accounting Standard 29- 'Provisions, Contingent Liabilities and Contingent Assets'

Provision for Warranty

Particulars	As at 31 March 2016	As at 31 March 2015
Balance as at beginning of the year	416.98	299.85
Add: Provision made during the year	952.61	993.64
Less: Utilisation during the year	996.91	876.51
Balance as at the end of the year	372.68	416.98
Current portion	231.16	300.54
Non-Current portion	141.52	116.44

The Group companies have made a warranty provision on account of sale of components. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Unutilized provision is reversed on expiry of the warranty period.

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 43. Leases

The Group has taken premises and certain machineries on cancellable operating leases. The lease rentals recognised in the Consolidated Statement of Profit and Loss for the year 31 March 2016 are ₹1,472.73 (Previous Year ₹1,286.51)

Non-Cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows.

Particulars	As at 31 March 2016	As at 31 March 2015
Payable within one year	39.86	-
Payable between one to five years	94.86	-
Payable after five years	99.16	-
Total	**233.88**	**-**

Note 44. During the period, in relation to a new plant which is in construction stage, the Group Company has included following expenses of revenue nature to the cost of capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts included in CWIP by the Group Company:

Particulars	As at 31 March 2016
Salaries and wages	276.35
Interest expense	371.52
Travelling expenses	430.03
Consumables	231.26
Other expenses	362.76
	1,284.88
Less: Allocated to fixed assets	-
Total	**1,284.88**

Note 45. Derivative instruments

The Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates.

Particulars	Currency Hedged	Outstanding as at 31 March 2016		Outstanding as at 31 March 2015	
		Number of contracts	Foreign currency amount	Number of contracts	Foreign currency amount
Forward exchange contracts (Debtors)	USD	16	6,515,727	5	175,000
Forward exchange contracts (Debtors)	EURO	6	300,000	-	-
Currency options (to hedge the ECB loan)	USD	1	1,437,500	1	26,87,000

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 46. Particulars of un-hedged foreign currency exposure

Currency	As at 31 March 2016			As at 31 March 2015		
	Foreign currency Amount in lacs	Exchange rate (in `)	Rupees in lacs	Foreign currency Amount in lacs	Exchange rate (in `)	Rupees in lacs
Trade Receivables						
USD	24.92	65.41	1,630.02	61.91	61.66	3,817.37
EUR	9.78	73.72	720.98	14.23	66.34	944.02
JPY	15.38	0.58	8.92	21.53	0.51	10.98
GBP	0.07	93.41	6.54	0.01	90.94	0.91
CHF	-	-	-	0.05	63.5	3.18
Trade Payables						
USD	17.38	67.23	1,168.55	7.54	63.48	478.33
JPY	2,290.19	0.60	1,374.12	33.95	0.53	18.00
EUR	2.84	76.34	216.60	13.00	68.96	896.54
TWD	2.44	2.05	5.00	7.11	1.99	14.15
Advance to Vendors						
CHF	0.30	67.37	19.99	0.12	63.5	7.62
EUR	0.24	76.34	18.20	0.37	68.96	25.52
USD	9.71	67.23	653.09	19.05	63.48	1,209.50
JPY	54.49	0.60	32.69	15.52	0.53	8.23
Advance from Customers						
USD	2.47	65.41	161.56	2.31	61.66	142.43
Bank Balance						
TWD	1.52	2.05	3.12	1.65	2.28	3.76
USD	0.83	65.41	54.29	2.39	61.66	147.37
EUR	1.35	73.72	99.52	1.41	66.34	93.54
Short term Borrowing						
USD	8.88	67.23	597.28	1.94	63.48	123.28
JPY	2,289.82	0.60	1,373.89	-	0	-
EUR	8.07	76.34	616.00	-	0	-
Long term Borrowing						
USD	-	-	-	4.22	63.48	267.86

Notes forming part of the Consolidated financial statements

All amount in Indian ₹ lacs, unless otherwise stated

Note 47. The Group has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 48. Haryana State Industrial & Infrastructure Development Corporation Limited ('HSIIDC') had re-allotted a land to a subsidiary Company which was initially allotted to MaaRukmani Devi Auto Private Limited (the 'Party'). The Party had got the earlier land allotment and paid stamp duty at the price at which the Party had acquired it from the HSIIDC. The subsidiary Company has paid the Party a total consideration of ₹1,363.79 which includes the amount paid towards the cost of the land, consideration for vacating/ surrendering the said property, stamp duty charges, development charges, bifurcation charges, taxes and any other charges, etc. The management is of the view that since the original letter of allotment has been given to the subsidiary Company by HSIIDC, therefore and the subsidiary Company has paid stamp duty on the cost of land and no duty needs to be paid on the extra cost paid to the Party against transfer of the said land. Further, the subsidiary company is in the process of transferring the title of the said land in favour of the subsidiary company.

Note 49. The Group has signed a definitive aggreement to acquire business of Spain based Rinder Group that manufactures automotive lamps. The enterprice value for the total deal is ₹14,407 (Euro19.21 million), subject to final determining on the acquisition date. The acquisition expected to be completed by 15 June, 2016.

Note 50. The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company's i.e. year ended 31 March 2016. However, the financial statements of Global Mazinkert S.L. (Subsidiary) and Minda Emer Technologies Limited (Joint Venture) are made for fifteen months ended 31 March, 2015. The financial statement of Minda TG Rubber Private Limited is made for period 14 January 2015 to 31 March 2016 and financial statement of Minda Kosei Aluminum Wheel Private limited is made for period 23 March 2015 to 31 March 2016. Hence, to that extent previous year numbers for these entities are not comparable.

Note 51. Previous year figures have been reclassified/ regrouped, wherever required, to confirm to current year classification.

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549

Place : Gurgaon
Date : 21 May 2016

For **and on behalf of the Board of Directors of Minda Industries Limited**

Nirmal K Minda
Chairman and Managing Director
DIN No. 00014942

Sudhir Jain
Corporate Business Head
and Group CFO

Place : Gurgaon
Date : 21 May 2016

Anand Kumar Minda
Director
DIN No. 00007964

H.C. Dhamija
VP Group: Accounts, Legal, Secretarial, Indirect Taxation, and Company Secretary

Independent Auditors' Report

To the Members of Minda Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Minda Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), associates and jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements, Accounting Standard 23, Accounting for investments in Associates in Consolidated Financial Statements and Accounting Standard 27, Financial Reporting of Interest in Joint Ventures). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. These financial statements have been prepared on the basis of separate financial statements and other financial information regarding subsidiaries, jointly controlled entities and associates.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Companies Act,2013 ("the Act"), the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standerds on Auditing issued by the Institute of chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration

of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and a jointly controlled entity as noted in the other matter paragraph below, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

1) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group and its associates and jointly controlled entity as at 31 March 2015;

2) in the case of the Consolidated Profit and Loss Account, of the consolidated profits for the year ended on that date; and

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

Other Matter

We did not audit the financial statements of 3 subsidiaries and 1 jointly controlled entity, whose financial statements reflect total assets of Rs. 24,106 lacs as at 31st March, 2015 (previous year Rs. 28,247 lacs) and total revenues of Rs. 90,942 lacs (previous year Rs. 67,600 lacs), as considered in the annual consolidated financial results.Of the above:

(a) The financial statements of some of the subsidiaries, jointly controlled entities and associates incorporated in India have been audited by other auditors. These subsidiaries and jointly controlled entity account for Rs. 12,805 lacs (previous year Rs. 14,849 lacs) of total assets and Rs. 51,016 lacs (previous year Rs. 45,569 lacs) of total revenues and other income as shown in these annual consolidated financial results. The audit reports of the other auditors have been furnished to us by the management, and our opinion on the annual consolidated financial results, in so far as it relates to these entities, is based solely on the reports of the other auditors.

(b) The financial statements and other financial information of the subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') have been audited by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for Rs. 11,301 lacs (previous year Rs. 13,398 lacs) of total assets and Rs. 39,926 lacs (previous year Rs. 22,031 lacs) of total revenues and other income as shown in these annual consolidated financial results.The audit reports of the other auditors on local GAAP financial statements and other information of the above entities have been furnished to us. For purposes of preparation of annual consolidated financial results, the aforesaid local GAAP financial statements have been restated by the management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the company and examined by us which covers accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The adjustments made in this behalf have been examined by the other auditors for compliance with the reporting package and reports on such compliance have been furnished to us. Our opinion on the consolidated financial statements, in so far as it relates to these entities, is based on the aforesaid audit reports of these other auditors.

The annual consolidated financial results also include the Holding Company's share of net profit of Rs. 238.51 lacs for the year ended 31st March, 2015 (previous year Rs. 81.90 lacs), as considered in the annual consolidated financial results in respect of 2 associates, whose financial statements have not been audited by us.

Our opinionon the consolidated financial statementsis not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikram Advani
Partner
Membership No.: 091765

Place: Gurgaon
Date: 26 May 2015

Consolidated Balance Sheet As at 31 March 2015

₹ in Lac

Particulars	Note	As at 31-Mar-2015	As at 31-Mar-2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,936.54	1,936.54
Reserves and surplus	4	34,591.39	29,196.39
Minority interest	5	2,132.55	1,380.81
Deferred revenue income		-	85.58
Non-current liabilities			
Long-term borrowings	6	9,720.11	13,764.36
Other long-term liabilities	7	302.61	194.83
Long-term provisions	8	2,636.31	2,367.35
Current liabilities			
Short-term borrowings	9	11,155.95	14,023.25
Trade payables	10	26,699.87	24,734.77
Other current liabilities	11	8,926.83	9,352.96
Short-term provisions	12	1,558.49	1,105.27
		99,660.65	**98,142.11**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	13	40,270.46	39,285.02
Intangible assets	13	853.96	769.09
Capital work-in-progress		898.62	2,179.98
Intangible assets under development		33.82	7.47
Non-current investments	14	2,633.04	2,442.18
Deferred tax assets (net)	15	23.68	161.66
Long-term loans and advances	16	1,856.29	2,056.13
Other non-current assets	17	1,187.45	855.32
Current assets			
Current investments	18	202.95	2,304.72
Inventories	19	14,059.37	12,466.71
Trade receivables	20	28,945.55	26,104.04
Cash and bank balances	21	2,802.33	2,775.85
Short-term loans and advances	22	**5,425.07**	**5,985.65**
Other current assets	23	468.06	748.29
		99,660.65	**98,142.11**
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

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

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Consolidated Statement of Profit and Loss For the year ended 31 March 2015

₹ in Lac

Particulars	Note	Year ended 31-Mar-2015		Year ended 31-Mar-2014	
REVENUE FROM OPERATIONS					
Sale of Product (Gross)			232,741.09		180,062.42
Less: Excise duty			14,796.17		12,803.05
Sale of Product (Net)			217,944.92		167,259.37
Sale of Services			2,086.27		1,788.34
Other Operating Income			2,630.39		1,564.79
	24		222,661.58		170,612.50
Other income	25		2,291.51		1,686.78
Total revenue			**224,953.09**		**172,299.28**
EXPENSES:					
Cost of materials consumed	26		123,572.89		91,635.58
Purchase of stock in trade			24,949.44		26,336.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27		(747.35)		(856.27)
Employee benefits	28		28,785.00		22,484.71
Finance costs	29		2,500.90		2,417.79
Depreciation and amortization	30		8,349.41		5,907.75
Other expenses	31		30,667.26		23,230.61
Total expenses			218,077.55		171,156.42
Profit before exceptional items and tax, share in profit of associates (net) and minority interest			6,875.54		1,142.86
Exceptional items	32 and 35		1 ,595.67		149.64
Profit for the year before tax			8 ,471.21		1,292.50
Profit before tax from continuing operations		6,882.94		1354.26	
Income tax expense from continuing operations					
Current tax (including Minimum Alternate Tax)		1,961.74		779.93	
Minimum alternate tax utilised/ (created)		(297.73)		-	
Deferred tax		274.14		(20.97)	
Profit from continuing operations after tax			4 ,944.79		595.30
Profit before tax from dis-continuing operations		1,588.27		(61.76)	
Income tax expense from dis-continuing operations		-		-	
Profit from dis-continuing operations after tax			1 ,588.27		(61.76)
Profit for the year after tax, before share in profit of associates (net) and minority interest (A+B)			6 ,533.06		533.54
Add: Minority Interest (share in loss)			25.26		102.23
Add : Share of profit of associates			238.51		81.90
Profit for the year after tax, share in profit of associates (net) and minority interest			6 ,796.83		717.67
Earnings per equity share	33				
Basic			42.76		4.45
Diluted			42.76		4.45
Significant accounting policies	2				

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

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

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Consolidated Cash Flow Statement For the year ended 31 March 2015

₹ in Lac

Particulars	Year ended 31-Mar-2015	Year ended 31-Mar-2014
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	8,471.21	1,292.50
Adjustments for:		
Depreciation and amortisation (including additional depreciation charged to Reserves and Surplus Account)	8,750.06	5,907.75
Interest expense	2,317.85	2,250.48
Interest income	(200.74)	(241.93)
Foreign currency translation reserve	-	201.91
Dividend income	(80.67)	(40.61)
Share of profit from partnership firm	(592.23)	(550.21)
Liabilities / provisions no longer required written back	(327.46)	(279.88)
Unrealised foreign exchange loss	25.93	210.76
Fixed assets scrapped/ written off	10.54	5.09
Doubtful trade and other receivables provided for	48.45	74.62
Provision for inventory	-	58.30
Amounts written off	22.21	45.84
Profit on sale of fixed assets (net)	(481.33)	(198.60)
Impairment of fixed assets -Reversal	(1,576.33)	(149.64)
Provision for labor case	-	280.01
Warranty Rejection	993.64	385.55
	8,909.91	**7,959.44**
Operating profit before working capital changes	17,381.12	9,251.94
Adjustments for working capital changes:		
(Increase) in inventories	(1,592.66)	(3,575.98)
(Increase) in trade receivables	(2,915.89)	(4,665.51)
(Increase)/decrease in short-term loans and advances	538.37	(1,379.80)
(Increase)/decrease in long-term loans and advances	(34.54)	136.29
(Increase)/decrease in other non-current assets	(322.43)	(181.26)
(Increase)/decrease in other current assets	279.70	(510.40)
Increase/(decrease) in trade payables	2,292.56	3,376.14
Increase/(decrease) in other current liabilities	87.61	2,705.24
Increase/(decrease) in short-term provisions	(642.90)	(510.24)
Increase/(decrease) in other long term liability	107.78	70.31
Increase/(decrease) in long-term provisions	268.96	319.87
	(1,933.44)	**(4,215.34)**
Cash generated from operations	15,447.67	5,036.60
Income tax paid	(1,687.09)	(869.07)
Wealth tax refund/(paid)	3.28	(3.89)
Net Cash flow from operating activities	**13,763.86**	**4,163.64**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Current investments	2,101.77	(2,304.72)
Non-current investments	(153.48)	(174.05)
Purchase of fixed assets	(7,797.22)	(12,210.13)
Proceeds from sale of fixed assets	939.99	784.37
Interest received/ (paid)	201.28	284.47
Share of profit from partnership firm	554.85	550.21
Dividend income	80.67	40.61
Increase in deposits	(242.00)	(648.26)
Net cash used in investing activities	**(4,314.14)**	**(13,677.50)**

Consolidated Cash Flow Statement For the year ended 31 March 2015

₹ in Lac

Particulars	Year ended 31-Mar-2015	Year ended 31-Mar-2014
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from grant in Global	-	85.58
Proceeds from issue of preference shares	527.00	250.00
Proceeds from/ (repayment of) short term borrowings	(2,867.30)	5,940.11
Proceeds from long term borrowings	-	7,374.69
Repayment of long term borrowings	(3,875.85)	(2,734.66)
Interest paid	(2,392.23)	(2,328.91)
Dividend paid (including corporate dividend tax)	(1,047.16)	(569.13)
Net cash used in financing activities	**(9,655.54)**	**8,017.68**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(205.82)**	**(1,496.18)**
Cash and cash equivalents as at opening	2,356.56	3,852.74
Cash and cash equivalents as at closing	**2,150.74**	**2,356.56**
Cash in hand	33.28	46.33
With banks:		
Current accounts	1,764.36	1,818.63
Deposit accounts	310.71	455.32
Unpaid dividend account	23.65	21.41
Cash on imprest account	18.74	14.87
Cheques, drafts in hand		
Cash and cash equivalents at the end of the year	**2,150.74**	**2,356.56**

1 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)- 3 on 'Cash Flow Statement', as specified under the section 133 of the Companies Act, 2013

2 Cash and cash equivalents consist of cash in hand and balances with scheduled banks. Refer note 21.

3 Balance with banks includes deposit amounting to ₹ 864.06 (previous year ₹346.85) which are under lien.

4 Balance with banks includes balance in Escrow account amounting to ₹344.89 (previous year ₹17.07).

5 Balance in unpaid dividend account is ₹23.65 (previous year ₹21.41)

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

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

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

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 1 ▸ PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with AS-21 on " Consolidated Financial Statements", AS-23 "Accounting for investments in Associates in Consolidated Financial Statements", AS-27 "Financial reporting of interest in Joint Ventures in Consolidated Financial Statements" as prescribed under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

As per the Accounting Standard Interpretation (ASI-15) on "Notes to the Consolidated Financial Statements", only the notes involving items which are material, need to be disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries or of the parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

The consolidated financial statements include the financial statements of Minda Industries Limited, ("the company" or "the parent company"), its subsidiaries, joint ventures and associates (collectively known as "the Group").

Name of subsidiaries / joint venture/ associates	Country of incorporation	% of interest	
		As at 31-Mar-2015	As at 31-Mar-2014
Subsidiaries			
Minda Auto Components Limited	India	100.00	100.00
Minda Kyoraku Limited	India	71.66	71.66
Minda Distribution and Services Limited	India	100.00	100.00
Global Mazinkert,S.L.	Spain	100.00	100.00
Downstream subsidiaries			
Clarton Horn, Spain	Spain	100.00	100.00
Clarton Horn, Asia	Switzerland	100.00	100.00
Clarton Horn, Morocco	Morocco	100.00	100.00
Clarton Horn, Signalkoustik	Germany	100.00	100.00
Clarton Horn, Mexico	Mexico	100.00	100.00
Joint ventures			
MJ Casting Limited	India	50.00	50.00
Minda Emer Technologies Limited	India	49.10	48.90
Associates			
Mindarika Private Limited	India	27.08	27.08
Minda NexGenTech Limited	India	26.00	26.00
Yogendra Engineering (partnership firm)	India	48.90	48.90
Auto Components (partnership firm)	India	48.90	48.90

The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the parent company and its subsidiary companies are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealized profits in full in accordance with Accounting Standard (AS-21)-"Consolidated Financial Statements". The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 1 ▸ PRINCIPLES OF CONSOLIDATION (Contd...)

(b) The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognized in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

(c) Entities acquired/ sold during the year have been consolidated from/ up to the respective date of their acquisition/ disposal.

(d) Minority interest's share of net profit / (loss) of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

(e) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Group's shareholders.

(f) Interest in joint ventures has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".

(g) An investment in an associate has been accounted for by the equity method of consolidation from the date on which it falls within the definition of associates in accordance with AS-23 "Accounting for investments in Associates in Consolidated Financial Statements".

(h) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be.

(i) 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 parent company's standalone financial statements.

(j) The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian rupees as follows:-

i. Share capital and opening reserves and surplus are carried at historical cost.

ii. All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.

iii. Profit and loss items are translated at the respective weighted average rates or the exchange rate that approximates the actual exchange rate on date of specific transactions.

iv. Contingent liabilities are translated at the closing rate.

v. The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

(k) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company's i.e. year ended 31 March 2015. However, the financial statements of Global Mazinkert S.L. (Subsidiary) and Minda Emer Technologies Limited (Joint Venture) are made for fifteen months ended 31 March, 2015. Hence, to that extent previous year numbers for these entities are not comparable.

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

A. Basis of preparation of financial statements

These consolidated financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

B. Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the consolidated financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

C. Current–non-current classification

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

Assets

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

(a) it is expected to be settled in the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) thegroup does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

D. Fixed assets and depreciation

a) Tangible fixed assets

Tangible fixed assets except revalued assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets acquired wholly or partly with specific grant/subsidy from government, if any, are recorded at the net acquisition cost to the Group.

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Exchange differences (favourable as well as unfavourable) arising in respect of translation/settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on plant & machinery and tools & dies is provided as per WDV basis and on other tangible fixed assets as per SLM basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of tools & dies, the life based on technical advice ranges between 3 to 8 years in case of opening block and 6 years in case of additions during the year.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Group will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Group are applied.

Assets costing up to ₹5,000 are fully depreciated in the year of purchase.

Depreciation for the year is recognized in the Statement of Profit and Loss.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Assets retired from active use and held for disposal, if any, are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

b) **Intangible fixed assets and amortization**

(i) **Goodwill**

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortization and any accumulated

impairment loss. Such goodwill is amortized over its estimated useful life or five years whichever is shorter. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill is tested for impairment annually.

(ii) Acquired intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Group follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life. Such intangible assets and intangible assets that are not yet available for use are tested annually for impairment.

Technical knowhow: Amortized over the period of agreement.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

c) Capital work-in-progress

Fixed assets under construction and cost of assets not put to use before the year-end are disclosed as capital work-in-progress.

d) The differences in depreciation and amortization policies followed by the Group entities are mentioned below-

Name of subsidiaries / joint venture /associates	Difference in accounting policies
Joint ventures	
(a) Minda Emer Technologies Limited	- Tools and dies : on written down value method on all tools (over the useful life of 8 years). - Furniture & fixtures : on written down value method (over the useful life of 10 years). - Office equipments : on written down value method (over the useful life of 5 years) - Computer hardware : on written down value method (over the useful life of 3 years) - Vehicles : on written down value method (over the useful life of 8 years) - Technical knowhow: Straight Line Basis method (over the useful life of 4 years) - Computer software : Straight Line Basis method (over the useful life of 6 years)

Notes Forming Part of the Consolidated Financial Statements

(All amounts in Rupees lacs, unless otherwise stated)

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Name of subsidiaries / joint venture /associates	Difference in accounting policies
(b) M J Casting Limited	- Plant and machinery on straight line method at the rates prescribed as under: Electrical Installations: 10 years Bins/crates/trollies etc.: 3 years Tools and dies: Period over which expected to be available for use Others: 15 years - The intangible assets is amortized over a period of 4 years
Associates	
(a) Mindarika Pvt. Limited	- Furniture and Fixtures, computer hardware and office equipment are depreciated on WDV method as per Schedule II to Companies Act, 2013. - Tools and dies on WDV method over a period of five years. - Computer software is amortized over the estimated useful life of 3 years. - Expenses incurred on technical know-how are amortized over a period of six years from the date of commencement of commercial production of the products.
(b) Minda NexGenTech Limited	- Plant and machinery on straight line basis over the period of life as prescribed in Schedule II of the Companies Act, 2013. - The intangible assets is amortized over a period of 4 years
Subsidiaries	
(a) Minda Kyoraku Limited	- Technical knowhow is amortized over the period of 5/6 years.
(b) Minda Distribution & Services Limited	- All assets are depreciated on straight line basis over the period of life prescribed in Companies Act, 2013 except as under: Electrical fitting: 10 years Plant and equipment: 7 years - The intangible assets are amortized over a period of 4 years. - All assets costing ₹5,000 or below are depreciated fully by way of one time depreciation after retaining 5% residual value.
(c) Minda Auto Components Limited	- Tools and dies on straight line method over the useful life of 5 years.
(d) Global Mazinkert, S.L. (and its subsidiaries)	- Tangible assets are depreciated on straight line basis, distributing the cost of assets on the basis of their useful lives in years as mentioned below:- Machinery: 8 years 4 months Tooling: 2 years Other installations: 10 years Furniture: 10 years Computer equipments: 3 years Other property, plant, and equipment: 10 years Computer software: 3 years

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

E. Impairment of assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognized in the Consolidated Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognized.

F. Leases

(a) Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

(b) Finance lease

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Consolidated Statement of Profit and Loss.

G. Investments

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

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

Current investments are carried at the lower of cost and fair value.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Consolidated Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the balance sheet date. The parent company's share of profit or loss in a partnership firm is recognized in the Consolidated Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/current/any other account of the parent company in the books of the partnership firm.

H. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares; and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

In determining the cost, moving average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventory based on management's current best estimate.

I. Revenue recognition

a) Revenue from sale of goods in the course of ordinary activities is recognized when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is inclusive of excise duty and exclusive of sales tax, value added taxes (VAT) and is net of returns and trade discounts and quantity discount.

Below mentioned are the differences in revenue recognition of the group companies with the Parent

Name of the company	Difference in accounting policy
Minda Auto components limited	Revenue from sale of goods to overseas customers is recognized on the goods being shipped on board
Mindarika Private limited	Revenue from sale of goods to overseas customers is recognized on the goods being shipped on board

b) Management fees, Designing and service revenue is recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

c) Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.

d) Dividend income is recognized when the right to receive dividend is established.

e) Royalty income is recognized based on the terms of the underlying agreement.

f) Claims lodged with Insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

g) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognized on accrual basis and when the right to entitlement has been established.

h) Share of profit from partnership firms is recognized on accrual basis.

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

J. Government grants

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Grants from State Government towards revenue expenditure are recognized as income either till the period the benefit expires or the financial cap is reached, whichever occurs earlier.

Name of the subsidiary	Difference in accounting policy
Global Mazinkert, S.L. (and its subsidiaries)	Government grants for acquiring fixed assets are considered as Deferred income which is recognized in the Consolidated statement of Profit and Loss on a systematic and rational basis over the life of the asset.

K. Research and development

a) Revenue expenditure on research and development is charged off under the respective heads of account in the year in which it is incurred.

b) Capitalized development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Group's policy as stated above.

L. Foreign currency transactions

a) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. The resultant exchange differences are recognized in the Consolidated Statement of Profit and Loss except exchange differences pertaining to long term foreign currency monetary items that are related to acquisition of depreciable assets are adjusted in the carrying amount of the related fixed assets

b) In the cases of exchange difference on reporting long term monetary items, the Group has opted to avail the option provided under paragraph 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" inserted vide notification dated 29 December 2011. Consequently, the exchange differences arising on reporting of long term foreign currency monetary items on account of a depreciable asset is adjusted in the cost of depreciable asset and would be depreciated over the balance life of the asset.

In cases other than the depreciable assets exchange differences is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of such long term asset or liability.

c) The Group uses forward contracts to hedge its foreign currency risk relating to an existing asset/ liability, which are covered under AS 11 – Accounting for the effects of changes in foreign exchange rates'.

Exchange difference on a forward exchange contract is the difference between:

(i) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period; and

(ii) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date;

and is recognized in the Consolidated Statement of Profit and Loss.

The forward exchange contracts taken to hedge existing assets/ liabilities are translated at the closing exchange rates and the resultant exchange differences are recognized in the same manner as those on the underlying foreign currency asset or liability. Any profit or loss arising on cancellation/ renewal of such contracts is recognized in the Consolidated Statement of Profit and Loss for the year.

The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

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

e) 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.

f) Derivative Instruments

The Group has entered into cross currency cum interest swap to hedge foreign currency risk and interest risk. In respect of forward contracts, which are covered under Accounting Standard (AS) 11, 'Effects of Changes in Foreign Exchange Rates', the difference between the spot rate and forward rate on the date the forward exchange contract is entered into, is amortised over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Consolidated Statement of Profit and Loss. In respect of derivative contract, which are not covered by AS 11, pursuant to the announcement on "Accounting for Derivatives" made by the Institute of Chartered Accountants of India ('ICAI') on 29 March 2008, such contracts are marked to market and provision for loss, if any, is recognized in the Consolidated Statement of Profit and Loss and resultant gains, if any, on account of mark to market are ignored. The Group does not enter into derivative transactions for trading or speculative purposes.

g) Commodity hedging

In case of hedging contracts for metals used as raw materials entered into with commodity exchanges, the changes in the fair value of these contracts are recorded through the statement of profit and loss.

h) Increase or decrease in non-current liabilities on account of exchange rate fluctuations has been adjusted in the cost of tangible fixed assets.

M. Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the Consolidated Statement of Profit and Loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

Below mentioned are the differences in warranty provision of Group with Parent -:

Name of the Subsidiary	Difference in accounting policy
Minda Auto Components Limited	Recognized on lodgment of claim by customers.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

N. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

O. Employee benefits

(a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

b) Post employment benefits

Defined contribution plans

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

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

Defined benefit plan

The Group's gratuity benefit scheme isa defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recongnise the obligation on net basis. The calculation of the Group's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the Consolidated Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The parent company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC"). Actuarial gains and losses are recognized immediately in the Consolidated Statement of Profit and Loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognized in the Consolidated Statement of Profit and Loss.

Name of the Subsidiary	Difference in accounting policy
Minda Auto Components Limited	The company has made provision for retirement benefits during the year on an estimate basis.

NOTE 2 ▸ SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Name of the Subsidiary	Difference in accounting policy
Global Mazinkert, S.L. (and its subsidiaries)	Clarton Horn, S.A. (Sole Shareholder Company) has different commitments for pensions and other long term remuneration for some of its employees. As a general rule these commitments are externalized with various non-related insurance entities.

P. Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in consolidated statement of profit or loss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

Q. Earnings per share

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

R. Cash and cash equivalent

Cash and cash equivalent include cash in hand, cash balance at bank, demand deposits with banks with original maturities of three months or less and highly liquid investments.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015		As at 31-Mar-2014	
NOTE 3 ▸ SHARE CAPITAL				
(a) Authorised	Number	Amount	Number	Amount
Equity shares of ₹10 each with voting rights	63,500,000	6,350.00	63,500,000	6350.00
Preference share capital				
9% Cumulative redeemable preference shares of ₹10 each (Class 'A')	3,000,000	300.00	3,000,000	300.00
3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B')	183,500	4,013.14	183,500	4013.14
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	3,500,000	350.00	3,500,000	350.00
1% Non-cumulative fully convertible preference shares of ₹10 each (Class 'D')	10,000,000	1,000.00	10,000,000	1000.00
	80,183,500	**12,013.14**	**80,183,500**	**12,013.14**
(b) Issued, subscribed and fully paid up	Number	Amount	Number	Amount
Equity share capital				
Equity shares of ₹10 each with voting rights	15,865,356	1,586.54	15,865,356	1,586.54
Preference share capital				
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	3,500,000	350.00	3,500,000	350.00
	19,365,356	**1,936.54**	**19,365,356**	**1,936.54**
(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:	Number	Amount	Number	Amount
Equity shares of ₹10 each with voting rights				
Opening balance	15,865,356	1,586.54	15,865,356	1,586.54
Movement during the year	-	-	-	-
Closing balance	**15,865,356**	**1,586.54**	**15,865,356**	**1,586.54**
3% Cumulative Redeemable Preference Shares of ₹10 each (Class 'C')				
Opening balance	3,500,000	350.00	3,500,000	350.00
Movement during the year	-	-	-	-
Closing balance	**3,500,000**	**350.00**	**3,500,000**	**350.00**

(d) (i) Rights, preferences and restrictions attached to equity shares

The parent company has only one class of equity shares having par value of ₹10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the parent company after distribution of all preferential assets, in proportion to their shareholding.

(ii) Rights, preferences and restrictions attached to preference shares

The parent company has issued 3% cumulative redeemable preference shares of class 'C' having par value of ₹10 per share. Each Shareholders have right to receive fixed preferential dividend at a rate of 3% on the paid up capital of the Company. Preference shareholders also have right to receive all notices of general meetings of the Company but no right to vote at any meetings of the parent company save to the extent and in the manner provided in the Companies Act, 2013.

Preference shareholders neither have right to participate in any offer or invitation by way of right or otherwise to subscribe additional shares nor they have right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves.

3,500,000 3% Cummulative Redeemable Preference Shares of ₹10 each have been allotted on 17 February 2010, redeemable at par, after seven years from the date of allotement. However, same can be redeemed earlier in view of availability of profitability / surplus fund.

Notes Forming Part of the Consolidated Financial Statements

NOTE 3 ▸ SHARE CAPITAL (Contd...)

(e) Details of shares held by each shareholder holding more than 5% shares:

	As at 31-Mar-2015		As at 31-Mar-2014	
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Nirmal K. Minda	2,401,869	15.14%	2,401,869	15.14%
Nirmal K. Minda (HUF)	1,502,142	9.47%	1,502,142	9.47%
Mrs. Suman Minda	2,476,140	15.61%	2,476,140	15.61%
Minda Investments Limited	4,180,930	26.43%	4,180,930	26.43%
India Business Excellence Fund -I	1,346,228	8.49%	1,376,250	8.67%
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')				
Mr. Nirmal K. Minda	1,500,000	42.86%	1,500,000	42.86%
Mrs. Suman Minda	2,000,000	57.14%	2,000,000	57.14%

(f) **Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the Balance Sheet date:**

Equity shares with voting right includes

(i) 2,405,128 equity shares of ₹10 each fully paid up issued during the year 2010-11 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.

(ii) 1,120,164 Equity Shares of ₹10 each fully paid up issued during the year 2011-12 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.

(iii) 1,835,000 equity shares of ₹10 each fully paid up issued during the year 2011-12 on conversion of 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B')

(g) The parent company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 4 ▸ RESERVES AND SURPLUS		
Capital reserve		
Opening balance	339.28	324.90
Add: Capital Reserve on investment in Global Mazinkert S.L.	-	14.38
Closing balance	339.28	339.28
Capital redemption reserve		
At the commencement and at the end of the year	300.00	300.00
Securities premium account		
At the commencement and at the end of the year	4,472.78	4,472.78
General reserve		
Opening balance	5,803.31	5,503.31
Add: Transferred from surplus in Statement of Profit and Loss	300.00	300.00
Closing balance	6,103.31	5,803.31

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 4 ▸ RESERVES AND SURPLUS (Contd...)		
Foreign currency translation reserve		
Opening balance	201.91	-
Additions during the year	60.69	201.91
Closing balance	262.60	201.91
Surplus in Statement of Profit and Loss		
Opening balance brought forward	18,079.11	18,344.55
"Less: Additional depreciation net of deferred tax due to revision in depreciation rates. Refer note 12"	264.46	-
Adjustment on account of change in shareholding	0.30	-
Less: Adjustment for reclassification and rectification of previous year reserves	40.89	-
Less: Adjustment for preacquisition tax liability of subsidiary	-	113.98
Add: Net Profit for the year	6,796.83	717.67
Less:		
Interim dividend ₹2.5per share (previous year nil)	396.63	-
Final proposed dividend ₹3.50 per share (previous year ₹3 per share)	555.29	475.97
Dividend paid on 3% Cumulative redeemable preference shares	10.50	-
Proposed dividend on 3% Cumulative redeemable preference shares	-	10.50
Tax on equity dividend and preference dividend	194.44	82.66
Transfer to general reserve	300.00	300.00
Closing balance	23,113.42	18,079.11
Total reserves and surplus	**34,591.39**	**29,196.39**

NOTE 5 ▸ MINORITY INTEREST		
Opening balance	1,380.81	1,233.04
Additions during the year*	777.00	250.00
Share in loss for the year	(25.26)	(102.23)
	2,132.55	**1,380.81**

* Minority interest includes ₹ 1,027 (previous year ₹ 250) on account of issue of non- cumulative redeemable preference shares amounting to ₹ 2,204 of which Minda Industries Limited was allotted shares amounting to ₹ 75 and the balance being held by parties other than the J.V. partner.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 6 ▸ LONG-TERM BORROWINGS*		
Term loans		
Secured		
from banks	8,345.35	11,654.85
from other parties	19.85	27.72
	8,365.20	11,682.57
Unsecured		
from other parties	690.71	868.26
	9,055.91	12,550.83
Deferred payment liabilities		
For acquisition of fixed assets (Secured)	-	262.97
Deferred sales tax liability (Unsecured)	664.20	950.56
	664.20	1,213.53
	9,720.11	**13,764.36**

Nature of security (including current portion of term loan):	Terms of repayment and rate of interest
- from Axis Bank amounting to ₹Nil (previous year ₹208.33) is secured by first pari passu charge over fixed assets, including plant and machinery, furniture and fixtures, both present and future installed at factory premises and goods purchased under Letter of Credit.	"Total loan sanctioned amounting to ₹2,500 (previous year ₹2,500), repayable in 24 quarterly instalments of ₹104.17 each. Rate of interest- 12.50%
- from Axis Bank amounting to ₹75 (previous year ₹375) is secured by first pari passu charge over fixed assets and second pari passu charge over current assets and equitable mortgage of Company's immovable property at Gurgaon, Pune Sonepat and Pantnagar.	"Total loan sanctioned amounting to ₹1,200 (previous year ₹1,200), repayable in 16 quarterly instalments of ₹75 each. Rate of interest- 12.50%
- from HDFC Bank amounting to ₹600 (previous year ₹600) and is secured by Exclusive charge on current assets of the company arising out of the Chennai Plant. Exclusive charge on movable and immovable fixed assets of the company arising out of the Chennai Plant. Exclusive charge on land and building (Chennai) standing in the name of the Company.	"Total loan sanctioned amounting to ₹600 (previous year ₹600). Disbursed amount of ₹nil (previous year ₹600) repayable in 15 equal quarterly instalments of ₹40 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate +1.70%"

Nature of security:	Terms of repayment and rate of interest
- from HDFC Bank amounting to ₹1000 (previous year ₹500) and is secured by First Pari passu charge on all movable fixed assets of the company. First pari passu charge on all immovable fixed assets of the Company as below; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. v) Plot No ME-I and ME-II, Sector 2A, IMT Manesar, Gurgaon. Second Pari passu charge on all present and future current assets of the company	"Total loan sanctioned amounting to ₹1,500 (previous year ₹1,500). Disbursed amount of ₹500 (previous year ₹500) repayable in 15 equal quarterly instalments of ₹100 each. Repayment to start from October 2015. Rate of interest- HDFC Base rate +1.7%

Nature of security:	Terms of repayment and rate of interest
- from Axis Bank amounting to ₹2,360.54 (previous year ₹ 3,000.54), is primary secured by equitable mortgage over land and building situated at 323, phase-ii/iv, sector 3 Industrial Growth centre Bawal, Distt. Rewari, (Haryana) and a collateral charge on the entire current assets of the joint venture company- M J Casting Limited, both present and future. Out of which 50% amounting to ₹1,180.27 (previous year ₹ 1,500.27) is proportionately consolidated.	Total Loan sanctioned amounting to ₹ 3,554 (previous year ₹ 3,554). Disbursed amount of ₹ 3,540.54 (previous year ₹ 3,540.54) repayable in - 4 installments during 2013-14 of ₹ 135 each - 4 installments during 2014-15 of ₹ 160 each - 4 installments during 2015-16 of ₹ 185 each - 4 installments during 2016-17 of ₹ 190 each - 4 installments during 2017-18 of ₹ 215 each Rate of interest- Base rate +2.50%
- from Axis Bank amounting to ₹ 3,290 (previous year ₹ 4,200.00), is primary secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of the joint venture company M.J.Casting Limited. The loan is further secured by a letter of comfort by the parent company and M/S Neel Metal Product Limited duly backed by the board resolution and undated cheques for the term loan of ₹ 42,00. Out of which 50% amounting to ₹ 1,645 (previous year ₹ 2,100.00) is proportionately consolidated.	Total Loan sanctioned amounting to ₹ 4,200 (previous year ₹ 4,200). Disbursed amount of ₹ 4,200 (previous year ₹ 3304.30) repayable in - 3 installments during 2014-15 of ₹ 233.33 each - 4 installments during 2015-16 of ₹ 210 each - 4 installments during 2016-17 of ₹ 210 each - 4 installments during 2017-18 of ₹ 210 each - 4 installments during 2018-19 of ₹ 210 each - 4 installments during 2019-20 of ₹ 140 each Rate of interest- Base rate +2.50%
- from HDFC Bank amounting to ₹150 (previous year ₹225) and is secured by first pari passu charge on all the present and future immovable assets and movable plant and machinery consisting of furniture and fixtures, electrical fittings, vehicles, etc. Second pari passu charge on all the book debts and stock in trade both present and future.	Total loan sanctioned amounting to ₹2,000 (previous year ₹2,000). Disbursed amount of ₹375 (previous year ₹375) repayable in 20 quarterly instalments of ₹18.75 each. Rate of interest- HDFC Base rate + 1.50%
- from Kotak Bank Ltd. amounting to ₹ 212.34 (previous year ₹ Nil), is secured by first and exclusive equitable mortogage charge on immovable properties being land and building situated at village Naharpur Kasan, Tehsil & Distt. Gurgaon, haryana belonging to Minda Investment Ltd.. Also first and exclusive charge by way of hypothecation on the entire current assets and movable fixed assets of Minda Emer Technologies Ltd, both present and future for securing overall credit facilities of ₹650 . Out of which 49.10% amounting to ₹ 104.26 (previous year ₹ Nil) is proportionately consolidated.	Total loan sanctioned amounting to ₹ 450 (previous year ₹Nil). repayable in 48 equal monthly instalments starting from 13th month following the month of first disbursement of term loan.
- External Commercial Borrowings from Standard Chartered Bank amounting to ₹1,767.17 (previous year ₹2,392.43), is secured by first pari passu charge over all present and future movable fixed assets of the Company. Second pari passu charge over all present and future book debts, outstanding moneys receivables, claims and bills due and all present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise etc.	Total loan sanctioned amounting to USD 50 lac (previous year USD 50 lac), repayable in 16 quarterly instalments of USD 3.13 lac Rate of interest- LIBOR + 3%
-from Citi Bank amounting to ₹2,256.33 (previous year ₹ 4,412.08) (Euro 5.19million) secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L.	Total loan sanctioned amounting to ₹ 4,412.08 (previous year ₹ Nil) (Euro 5.19million) (previous year Euro Nil) repayable in 17 equal quarterly instalments. Rate of Interest 2.89%
Subsidised loan amounting to ₹373.43 (previous year ₹ 469.42) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹ 469.42 (previous year ₹ Nil) (Euro 5.52lac) (previous year Euro Nil) repayable in 7 equal annual instalments of Euro 78,857 from year 2016-17. Rate of Interest 3.95%
Subsidised loan amounting to ₹317.28 (previous year ₹ 398.84) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹ 398.84 (previous year ₹ Nil) (Euro 4.69 lac) (previous year Euro Nil) repayable in 10 equal annual instalments of Euro 46,900 from year 2017-18. Rate of Interest 0%

Nature of security:	Terms of repayment and rate of interest
Term loan from Yes Bank amounting to ₹1,352.04 (previous year ₹ 1,333.41 (inclusive of buyer's credit amounting to USD 4.22) (previous year USD 1.94) are secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company.	"The principal amount of ₹ 975.74 is repayable in quarterly instalments of ₹ 54.21 each. Loan maturity date is 16 November 2018 & ₹ 447 is repayable in quarterly instalments of ₹ 22.35 each. Loan repayment date 2 September 2019 (including buyer's credit amounting to USD 421,955 (previous year USD 194,200)) Rate of Interest on term loan ranges from 12% - 12.50% Rate of Interest on buyers credit 1.75% - 2.74%"
- Vehicle loans from banks amounting to ₹20.96 (previous year ₹76.38) are secured against hypothecation of respective vehicles financed by them.	
- Vehicle loans from Kotak Mahindra primary Limited amounting to ₹39.42 (previous year ₹ 44.17) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited	
- Vehicle loans from Kotak Mahindra primary Limited amounting to ₹39.42 (previous year ₹ 44.17) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited	
- from HSIIDC amounting to ₹261.42 (previous year ₹525.94) and is secured by charge on land at Bawal (Disclosed under deferred payment liabilities -Secured)	"Total loan sanctioned amounting to ₹1,051.88 (previous year ₹1,051.88). Disbursed amount of ₹1,051.88 (previous year ₹1,051.88) repayable in 8 half yearly instalments of ₹131.48 each. Rate of interest- 11% p.a."
- Sales tax incentive amounting to ₹949.65 (previous year ₹1,236.01) from the State Government of Maharashtra, received in 2003-04 (Disclosed under deferred payment liabilities -Unsecured)	Total loan sanctioned amounting to ₹1,427.25 (previous year ₹1,427.25), repayable in 8 annual instalments from 2013-14 Rate of interest- Interest free

* For current portion of long term borrowings refer note no.12 'other current liabilities'

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 7 ▸ OTHER LONG-TERM LIABILITIES		
Others		
Deferred revenue income	47.20	-
Trade / security deposits received	-	185.33
Others	255.41	9.50
	302.61	**194.83**
NOTE 8 ▸ LONG-TERM PROVISIONS		
Provision for employee benefits		
Gratuity	1,669.41	1,370.40
Compensated absences	837.27	664.83
Provision for labour case	13.19	280.01
	2,519.87	2,315.24
Others		
Provision for warranty	116.44	52.11
	2,636.31	**2,367.35**
NOTE 9 ▸ SHORT-TERM BORROWINGS		
Secured		
from banks*	8,669.56	11,452.97
Unsecured		
from related parties	150.00	119.23
from others	2,336.39	2,451.05
	11,155.95	**14,023.25**

Notes Forming Part of the Consolidated Financial Statements

* Nature of security: ₹ in Lac

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31-Mar-2015	Outstanding as on 31-Mar-2014
1	HDFC (Cash Credit) * First Pari Passu charge on all present and future current assets of the Company along with member banks * Second pari passu charge on all present and future movable and immovable assets of the Company along with member banks	Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time.	2,038.90	2,557.34
2	Axis Bank (Cash Credit) * Primary: First Pari Passu charge by way of hypothecation of entire current assets of the company, both present and future. * Collateral: Second pari passu charge on entire fixed assets of the company, both present and future including pari passu equitable mortgage over company's immovable property at Gurgaon, Pune, Sonepat and Pantnagar.		672.89	277.89
3	Citi Bank (Cash Credit) * First Pari Passu charge on present and future stocks and book debts of the Borrower. * Second pari passu charge on the Fixed Assets of the borrower		2.74	4.75
4	SBI (Cash Credit) -WCTL * Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village navada fatehpur, Manesar c) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. d) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. e) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.\ f) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.		1,009.00	-
5	SBI (Cash Credit) * Primary: Pari Passu first charge on all the current assets of the Company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and company's book debts/receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including equitable mortgage of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at Village Navada Fatehpur, P.O. Sikanderpur Badda, Distt. Gurgaon. c) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. d) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune. e) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. f) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal.		489.44	1,894.68

Notes Forming Part of the Consolidated Financial Statements

* Nature of security:

₹ in Lac

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31-Mar-2015	Outstanding as on 31-Mar-2014
6	Canara Bank (Cash Credit) * Primary: First charge on pari passu basis by way of hypothecation with WC lenders under MBA i.e. Stocks and Receivables (present and future) and other current assets of the company. * Collateral: Second charge on pari passu basis with WC lender under MBA by way of hypothecation/EMT. i.e. Fixed Assets of the company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes: i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonepat, Haryana. ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana. iii) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, Uttaranchal. iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune. v) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune.	Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time.	672.71	1,748.28
7	Canara Bank (Buyers Credit EUR1.98 Lac) * First charge on pari passu basis by way of hypothecation with WC lenders under Multiple Banking Arrangement i.e. Stocks and Receivables (present and future) and other current assets of the company.	-182 days -12 months Eurobor + 57 bps	142.45	169.19
8	Kotak Mahindra Bank * Subservient charge on all existing and future current assets and moveable fixed assets of the borrower (excluding assets which are specifically charged to other lenders)"	-after 90 days -12.90%	175.00	249.99
9	Axis Bank (Cash Credit) * Secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of the joint venture company- M J Casting Limited.	-Payable on demand -Rate of interest: Linked to bank base Rate applicable from time to time.	38.35	279.40
10	BBVA Bank Global Mazinkert, S.L.	within 1 year -4%	143.42	-
11	La Caixa Bank Global Mazinkert, S.L.	7/3/2014 -4%		207.44
12	La Caixa Bank Global Mazinkert, S.L.	within 1 year -4%	319.88	-
13	La Caixa Bank Global Mazinkert, S.L.	within 1 year -4%	1,014.53	762.77
14	Deutsche Bank Global Mazinkert, S.L.	5/3/2015 -2%	1,028.28	1,181.99
15	Citi Bank * Loan secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L.	within 1 year -3%	456.77	992.88
16	ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹87.88) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated.	1/7/2014 -Euribor+0.7%	-	42.97
17	ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 86.18) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated.	1/17/2014 -Euribor+0.7%	-	42.14

* Nature of security:

₹ in Lac

S. No.	Bank Name (facility) Details of security	Term of repayment	Outstanding as on 31-Mar-2015	Outstanding as on 31-Mar-2014
18	ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 82.67) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated.	1/28/2014 -Euribor+0.7%	-	40.43
19	ICICI Bank (Buyer's credit) * Buyer's credit loan amounting to ₹nil (previous year ₹ 86.18) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹nil has been consolidated.	2/21/2014 -Euribor+0.7%	-	42.14
20	ICICI Bank (Cash credit) * Cash credit and overdraft facility is repayable on demand and is secured by first charge on all current assets and second charge on all movable fixed assets of the joint venture company Minda Emer Technologies Ltd. Proportionate amount of ₹nil has been consolidated.	Payable on demand -ICICI Bank B.R.+1.90%	-	4.10
21	Yes Bank (Buyer's Credit) * Buyer's credit loan amounting to ₹nil (USD 4.78 lacs) (previous year ₹ 290.29) is secured by exclusive (both present and future) and second charge on all fixed assets (both present and future) of the subsidiary company M/s Minda Kyoraku Ltd. and corporate guarantee from the parent company.	Payable on demand -13%	-	290.29
22	Yes Bank * Secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company	Payable on demand -13%	-	207.33
23	Yes Bank (Cash Credit) * Term loan amounting to ₹ (inclusive of Buyer's credit amounting to USD 1.18 lacs) (previous year ₹ 456.97) are secured by exclusive charge on all the fixed assets of subsidiary company Minda Kyoraku limited second charge on all future), (both present and future) and a current assets (both present and future) of said subsidiary company Minda Kyoraku limited and corporate guarantee from the parent company.	Payable on demand -13%	465.20	456.97
	Unsecured			
24	Neel Metal Industries Limited Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year -13%	150.00	75.00
25	Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited	4/27/2014 -14%	-	50.03
26	Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited	4/27/2014 -14%	-	50.00
27	Pioneer Finset Ltd. Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year -13%	175.00	75.00
28	Bajaj Finance Limited Loan is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan respectively.	60-180 days -11%	1,741.79	2,251.05
29	Pioneer Finset Ltd. Bills discounting facility taken by joint venture company M/s. M.J.Casting Ltd.	within 90 days -13%	-	50.00
30	Aditya Birla Finance Ltd Unsecured loan taken by joint venture company M/s. M.J.Casting Ltd.	60-180 days -12%	419.60	-
31	Minda Investment Limited Unsecured loan taken by the subsidiary M/s Minda Kyoraku Limited	3/5/2015 -13%	-	19.20
	Total		11,155.95	14,023.25

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 10 ▸ TRADE PAYABLES		
Trade payables*	26,699.87	24,734.77
	26,699.87	**24,734.77**

* For dues to micro and small suppliers (refer to note 40)

NOTE 11 ▸ OTHER CURRENT LIABILITIES		
Current maturities of long-term debts*	1,824.95	2,084.50
Current maturities of deferred payment liabilities*	976.38	548.42
Interest accrued but not due on long term borrowings	28.58	60.18
Interest accrued and due on borrowings	-	42.79
Advance from customers	2,481.25	2,864.42
Capital Creditors	91.23	698.99
Unpaid dividend	23.65	21.40
Book overdraft	-	54.56
Statutory dues		
TDS payable/ Withholding tax	435.59	373.48
Service tax payable	29.74	39.18
Excise payable	80.86	76.34
Sales tax payable/ VAT payable	1,122.13	773.26
PF and ESI payable	166.56	157.53
Payable to employees	1,592.42	1,469.87
Other payables	73.51	88.04
	8,926.83	**9,352.96**

* Refer note 6 for security details

NOTE 12 ▸ SHORT-TERM PROVISIONS		
Provision for employee benefits		
Gratuity	100.99	51.97
Compensated absences	116.97	39.38
	217.96	91.35
Others		
Provision for wealth tax (net of advances ₹nil, previous year ₹3.57)	3.45	0.17
Provision for Income Tax (net of advance income tax ₹3,007.74, previous year ₹1,217.32)	368.21	196.88
Provision for warranty	300.54	247.74
Provision for dividend		
- Provision for proposed equity dividend	555.29	475.97
- Provision for proposed preference dividend	-	10.50
- Provision for tax on proposed dividends	113.04	82.66
	1,340.53	1013.92
	1,558.49	**1105.27**

Notes Forming Part of the Consolidated Financial Statements

NOTE 13 ▸ FIXED ASSETS As at 31 March 2015

₹ in Lac

Particulars	Gross block					Accumulated depreciation/ amortisation							Net block	
	Balance as at 1 April, 2014	Additions pursuant to acquisition	Additions/ Transfers *****	Disposals	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Additions pursuant to acquisition	Depreciation / amortisation expense for the year ****	Additional depreciation transferred to reserves and surplus****	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss***	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
Tangible														
Land														
Land- Freehold*	3,880.58	-	48.58	-	3,929.16	-	-	-	-	-	-	-	3,929.16	3,880.58
Land- Leasehold	1,453.51	-	-	-	1,453.51	160.44	-	14.68	-	-	75.37	99.75	1,353.76	1,293.07
Buildings	13,478.52	-	1,802.60	9.22	15,271.90	5,401.62	-	413.02	8.27	-	341.65	5,481.26	9,790.64	8,076.90
Plant and Machinery**	79,643.65	0.27	6,371.38	748.83	85,266.47	55,650.93	0.08	7,034.25	199.97	376.40	1,001.68	61,507.15	23,759.33	23,992.72
Furniture and Fixtures	1,243.94	-	56.48	14.61	1,285.81	836.21	-	82.86	16.34	3.04	7.81	924.56	361.25	407.73
Vehicles	1,187.62	0.01	83.51	109.33	1,161.81	506.00	-	208.75	1.81	41.92	5.44	669.20	492.61	681.62
Office Equipment	762.58	0.02	77.80	16.52	823.88	265.71	0.01	156.88	98.52	12.02	9.03	500.07	323.81	496.87
Computers	1,966.13	-	73.86	16.41	2,023.57	1,510.59	-	198.06	75.74	12.60	8.12	1,763.67	259.90	455.53
	103,616.52	**0.30**	**8,514.21**	**914.92**	**111,216.11**	**64,331.50**	**0.09**	**8,108.50**	**400.65**	**445.98**	**1,449.10**	**70,945.66**	**40,270.46**	**39,285.02**
Intangible														
Goodwill	124.38	-	-	-	124.38	79.15	-	-	-	-	-	79.15	45.23	45.23
Technical Knowhow	417.64	0.10	106.44	-	524.18	325.40	0.03	46.32	-	-	118.83	252.92	271.26	92.23
Computer Software	3,187.48	0.01	92.28	0.55	3,279.22	2,555.86	-	194.59	-	0.30	8.40	2,741.75	537.47	631.63
	3,729.50	**0.11**	**198.72**	**0.55**	**3,927.78**	**2,960.41**	**0.03**	**240.91**	**-**	**0.30**	**127.23**	**3,073.82**	**853.96**	**769.09**

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the parent company.

** includes borrowing cost capitalised during the year of ₹29.42 (previous year ₹26.63).

*** refer note 35 on 'Impairment Loss'

**** Pursuant to the requirement of the Companies Act, 2013 ("the Act") effective from 1st April, 2014, the group has revised depreciation rates on certain fixed assets as per the useful life specified in Part "C" of Schedule II of the Act or as per the respective management's estimate based on internal technical evaluation. As a result of this change, the depreciation charge for the year ended 31 March, 2015 is higher by ₹1,481.90. In respect of assets whose usefuyl life is already exhausted as on 1 April, 2014, depreciation of ₹264.46 (net of tax impact of ₹136.17) has been adjusted in Reserves and Surplus in case of parent company in accordance with the requirement of Schedule II of the Act.

***** addition to assets Includes ₹ 585.46 towards R&D capital assets (previous year ₹ 134.37)

Notes Forming Part of the Consolidated Financial Statements

NOTE 13 ▸ FIXED ASSETS As at 31 March 2014

₹ in Lac

Particulars	Gross block						Accumulated depreciation/ amortisation								Net block	
	Balance as at 1 April, 2014	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition	Additions/ Transfers ****	Disposals	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition	Depreciation / amortisation expense for the year	Additional depreciation transferred to reserves	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss***	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
Tangible																
Land																
Land- Freehold*	1,657.31	854.36	90.58	1,278.33	-	3,880.58	-	-	-	-	-	-	-	-	3,880.58	2,511.67
Land- Leasehold	2,527.08	-	-	(1,073.57)	-	1,453.51	140.72	-	-	19.72	-	-	-	160.44	1,293.07	2,386.36
Buildings	7,999.57	426.28	3,420.74	1,631.93	-	13,478.52	1,905.00	18.02	3,237.92	323.18	-	-	82.50	5,401.62	8,076.90	6,502.83
Plant and Machinery**	38,765.09	1,904.04	30,323.86	9,639.29	988.63	79,643.65	22,685.96	185.36	28,305.72	5,006.54	-	465.51	67.14	55,650.93	23,992.72	17,797.81
Furniture and Fixtures	600.17	9.51	585.29	49.31	0.34	1,243.94	274.32	1.21	505.36	55.38	-	0.06	-	836.21	407.73	334.15
Vehicles	964.39	16.17	218.53	73.53	85.00	1,187.62	226.74	1.85	214.62	91.57	-	28.78	-	506.00	681.62	751.97
Office Equipment	641.99	20.03	-	100.78	0.22	762.58	225.74	1.43	-	41.93	-	3.39	-	265.71	496.87	434.85
Computers	1,180.62	14.88	699.83	104.24	33.45	1,966.12	746.74	4.52	652.54	134.48	-	27.69	-	1,510.59	455.53	444.24
	54,336.22	**3,245.27**	**35,338.83**	**11,803.84**	**1,107.64**	**103,616.52**	**26,205.22**	**212.39**	**32,916.16**	**5,672.80**	**-**	**525.43**	**149.64**	**64,331.50**	**39,285.02**	**31,163.88**
Intangible																
Goodwill	21.94	-	-	-	-	21.94	21.94	-	-	-	-	-	-	21.94	-	-
Goodwill on account of consolidation	102.44	-	-	-	-	102.44	57.21	-	-	-	-	-	-	57.21	45.23	45.23
Technical Knowhow	347.40	15.81	-	54.42	-	417.63	287.03	1.32	-	37.05	-	-	-	325.40	92.23	74.86
Computer Software	2,530.55	18.82	430.47	217.89	10.24	3,187.49	1,965.93	4.45	389.17	197.90	-	1.59	-	2,555.86	631.63	578.99
	3,002.33	**34.63**	**430.47**	**272.31**	**10.24**	**3,729.50**	**2,332.11**	**5.77**	**389.17**	**234.95**	**-**	**1.59**	**-**	**2,960.41**	**769.09**	**699.08**

* includes land amounting to ₹1,402.85 (previous year ₹1,402.85), yet to be transferred in the name of the parent company.

** includes borrowing cost capitalised during the year of ₹26.63 (previous year ₹65.14).

*** refer note 35 on 'Impairment Loss'

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 14 ▸ NON-CURRENT INVESTMENTS		
(Unquoted investments at cost)		
Investment in equity instruments		
(i) Associates (Trade)		
Mindarika Private Limited - 2,707,600 equity shares (previous year 2,707,600 equity shares) of ₹10 each	1,652.82	1414.30
Minda NexGenTech Limited - 3,120,000 equity shares (previous year 2,470,000 equity shares) of ₹10 each	312.00	312.00
(ii) Others		
Investment in Government bonds by Clarton Horn, Spain - BBVA 2015 II 20 bonds @ Euro 5,000 each amounting to Euro -Nil (previous year Euro 100,000) (Non Trade)"	-	85.04
Minda Industria E Comerico De Autopecsa Ltd - 25,000 equity shares (previous year 25,000 equity shares) of Brazilian $ 1 each (Trade)	7.11	7.11
PT Minda Asean Automotive (Indonesia) - 20,250 equity shares (previous year 20,250 equity shares) of US$10 each (Trade)	88.85	88.85
Investments in partnership firms (Trade)**		
- Auto Component	686.85	670.31
- Yogendra Engineering	197.41	176.57
	2,945.04	2,754.18
Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited*	(312.00)	(312.00)
	2,633.04	**2,442.18**

* Aggregate provision for diminution of non current investment is ₹312 (previous year ₹312)
** Investment in Partnership Firms

Partnership Firm	Name of the Partners	Share in Profit (%)	Share in Profit (%)
Auto Component	Minda Industries Limited	48.90%	48.90%
	Nirmal K. Minda	25.55%	25.55%
	Palak Minda	25.55%	25.55%
Yogendra Engineering	Minda Industries Limited	48.90%	48.90%
	Sanjeev Garg	12.50%	12.50%
	Birender Garg	12.50%	12.50%
	Suman Minda	26.10%	26.10%
Total Capital of the firm		Amount	Amount
Auto Component		1,404.60	1,362.70
Yogendra Engineering		403.71	361.07

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 15 ▸ DEFERRED TAX ASSETS (NET)		
Deferred tax liabilities		
Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation / amortisation provided in accounts	2,258.24	879.91
	2,258.24	879.91
Deferred tax assets		
Provision for employee benefits	1,005.34	749.73
Unabsorbed depreciation/ carry forward business losses	1,027.46	-
Others	249.11	291.84
	2,281.92	1,041.57
Deferred tax liabilities/ (assets)	**23.68**	**161.66**

NOTE 16 ▸ LONG TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
To parties other than related parties		
Capital advances	172.42	429.87
Advance income tax (net of provision for tax ₹ 4,434.51, previous year ₹ 4,344.51)	944.32	921.25
Security deposits	749.57	694.26
Less: Provision for doubtful deposits	15.85	-
Advance to vendors	5.83	10.75
	1,856.29	**2,056.13**

NOTE 17 ▸ OTHER NON-CURRENT ASSETS		
Foreign currency receivable	201.58	303.77
Bank deposits (due to mature after 12 months from the reporting date) (refer note no 21)	332.30	322.60
Interest accrued on deposits (due to mature after 12 months from the reporting date)	5.19	-
Retention money with customers	648.38	228.95
	1,187.45	**855.32**

NOTE 18 ▸ CURRENT INVESTMENTS		
(Non trade, unquoted investments, at cost)		
Investment in Government bonds by Clarton Horn, Spain - Aragon Govt. bonds amounting to Euro-Nil (previous year Euro 2,700,000)	202.95	2,296.22
Investment in Government bonds by Clarton Horn, Spain - Mixto convertible bonds amounting to Euro-Nil (previous year Euro 10,000)	-	8.50
	202.95	**2,304.72**

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 19 ▸ INVENTORIES		
(At lower of cost and fair value, unless otherwise stated)		
Raw materials [Goods in transit ₹260.28 (previous year ₹258.39)]	7,013.97	5,920.65
Work-in-progress	1,816.72	1,349.28
Finished goods [Goods in transit ₹51.84 (previous year ₹136.29)]	1,516.70	1,602.40
Stock-in-trade	1,991.93	1,626.15
Stores and spares	1,283.74	1,453.69
Loose tools	436.29	514.54
	14,059.37	**12,466.71**

NOTE 20 ▸ TRADE RECEIVABLES*		
(Unsecured, considered good unless otherwise stated)		
Trade receivables outstanding for a period exceeding six months from due date		
Unsecured considered good	331.86	490.61
Doubtful	199.30	268.77
	531.16	759.38
Less: Provision for doubtful debts	(199.30)	(268.77)
	331.86	490.61
Other receivables		
Unsecured considered good	28,613.69	25,613.43
	28,945.55	**26,104.04**

* Trade receivables (unsecured, considered good) include ₹180.26 (previous year ₹270.37) due from private companies in which a director is a director and ₹ 48.29 (previous year ₹48.07) due from firms in which director is a partner.

NOTE 21 ▸ CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash in hand	33.28	46.33
Balances with banks		
- on current accounts*	1,764.36	1,818.63
- on deposit accounts (with original maturity of 3 months or less)**	310.71	455.32
Other bank balance		
Cash on imprest accounts	18.74	14.87
Bank deposits (due for realisation within 12 months of the reporting date)**	651.59	419.29
Unpaid dividend accounts	23.65	21.41
	2,802.33	**2,775.85**
* Includes Escrow account amounting to ₹344.89 (previous year ₹ 17.07)		
Detail of bank deposits		
- On deposit accounts with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	455.32
- On deposit accounts due to mature within 12 months of reporting date included under 'Other bank balances'	651.59	419.29
- On deposit accounts due to mature after 12 months of reporting date included under 'Other non-current assets' (refer note no 17)	343.15	322.60
Total	**994.74**	**1,197.21**

** Deposit accounts amounting to ₹864.06 (previous year ₹346.85) is lien under banks and other government authorities.

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
NOTE 22 ▸ SHORT-TERM LOANS AND ADVANCES		
(unsecured, considered good unless otherwise stated)		
Loans to related parties		-
To parties other than related parties		
Security deposits	160.42	44.93
Prepaid expenses	374.05	310.09
Advance to suppliers	2,286.48	2,631.72
Advances to employees	181.74	170.82
MAT credit entitlement	297.72	-
Balances with government authorities	2,124.66	2,827.98
Others	-	0.11
Doubtful advances	29.09	24.37
Provision for bad/doubtful loans and advances	(29.09)	(24.37)
	5,425.08	**5,985.65**

NOTE 23 ▸ OTHER CURRENT ASSETS		
(unsecured, considered good)		
Unbilled revenue	41.06	430.83
Interest income accrued on fixed deposits	52.67	53.21
Duty entitlement available	174.46	112.30
Forward currency receivable	173.76	146.23
Insurance claims receivable	21.70	1.66
Silver coins/items	4.41	4.06
	468.06	**748.29**

Particulars	Year Ended 31-Mar-2015	Year Ended 31-Mar-2014
NOTE 24 ▸ REVENUE FROM OPERATIONS		
Sale of products		
Finished goods	200,642.24	149,044.52
Traded goods	32,098.85	31,017.90
Sale of products (gross)	232,741.09	180,062.42
Less: Excise duty	14,796.17	12,803.05
Sale of products (net)	217,944.92	167,259.37
Sale of services	2,086.27	1,788.34
Other operating revenues	2,630.39	1,564.79
	222,661.58	**170,612.50**

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	Year Ended 31-Mar-2015	Year Ended 31-Mar-2014
NOTE 25 ▸ OTHER INCOME		
Interest income	200.74	241.93
Dividend income	80.67	40.61
Share of profit from partnership firms	592.23	550.21
Net gain on foreign currency transactions and translation (other than considered as finance cost) (net of loss on foreign currency transaction ₹256.59 (previous year ₹ 1,804.02)	7.24	168.94
Profit on sale of fixed assets (net of loss ₹42.03 (previous year ₹ 29.19))	481.33	198.60
Income under Package Scheme of Incentives	208.25	-
Other non-operating income		
Liabilities / provisions no longer required written back	327.46	279.88
Miscellaneous income	393.59	206.61
	2,291.51	**1,686.78**

NOTE 26 ▸ COST OF MATERIALS CONSUMED		
Raw materials (including purchased components and packing material consumed)		
Opening inventories	5,920.65	4,299.13
Purchases	124,666.21	93,257.10
Closing inventories	7,013.97	5,920.65
	123,572.89	**91,635.58**

NOTE 27 ▸ CHANGES IN INVENTORIES		
Inventories at the end of the year:		
Work-in-progress	1,816.72	1,349.28
Finished goods (other than those acquired for trading)	1,516.70	1,602.40
Stock-in-trade (acquired for trading)	1,991.93	1,626.15
	5,325.36	**4,577.83**
Inventories at the beginning of the year:		
Work-in-progress	1,349.28	966.61
Finished goods (other than those acquired for trading)	1,602.40	821.02
Stock-in-trade (acquired for trading)	1,626.15	1,425.54
	4,577.83	3,213.17
Stock Adjustment*	0.18	508.39
Net (increase) / decrease in stocks	**(747.35)**	**(856.27)**

* Includes stock adjustment relating to inventory acquired on acquisition of METL amounting to ₹ 0.18 Lac (Previous Year ₹ 760.59 in respect of acquisition of Clarton Horn, S.A Spain). Other inventory adjustment amounting to nil (Previous Year ₹ 252.20).

NOTE 28 ▸ EMPLOYEE BENEFITS		
Salaries, wages and bonus	22,878.49	18,025.54
Gratuity	491.41	220.40
Compensated absences	476.65	381.27
Contribution to provident and other funds (refer to note 41)	3,210.77	2,282.48
Staff welfare and other expenses	1,727.69	1,575.02
	28,785.00	**22,484.71**

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	Year Ended 31-Mar-2015	Year Ended 31-Mar-2014
NOTE 29 ▸ FINANCE COSTS		
Interest expense on borrowings	2,317.85	2,250.48
Other finance costs	183.05	167.31
	2,500.90	**2,417.79**

NOTE 30 ▸ DEPRECIATION AND AMORTISATION		
Depreciation on tangible assets	8,108.50	5,672.80
Amortisation on intangible assets	240.91	234.95
	8,349.41	**5,907.75**

NOTE 31 ▸ OTHER EXPENSES		
Consumption of stores and spare parts	3,891.73	2,417.32
Job work charges	4,765.34	2,680.25
Casual Labour	140.53	125.57
Power and fuel	4,810.92	4,329.59
Rent	1,286.51	1,272.55
Repairs and maintenance:		
Buildings	501.95	456.59
Machinery	1,060.76	878.17
Others	288.40	241.44
Insurance	168.38	149.04
Rates and taxes	254.37	304.92
Travelling and conveyance	2,307.79	2,341.57
Legal and professional	1,227.87	1,962.05
Payments to auditors*	126.74	99.89
Fixed assets scrapped/ written off	10.54	5.09
Provision for doubtful trade and other receivables, loans and advances (net)	48.45	74.62
Doubtful trade and other receivables, loans and advances written off	116.95	-
Royalty expenses	105.17	128.21
Freight and other distribution overheads	3,058.87	2,093.10
Warranty rejection	993.64	385.55
Printing and stationery	186.62	146.20
*** CSR Contribution & Donations	102.40	104.28
Miscellaneous expenses	5,213.33	3,034.61
	30,667.26	**23,230.61**

Notes Forming Part of the Consolidated Financial Statements

₹ in Lac

Particulars	Year Ended 31-Mar-2015	Year Ended 31-Mar-2014
NOTE 31 ▸ OTHER EXPENSES (Contd...)		
Note:		
* Payments to the auditors (excluding service tax)		
Statutory audit	92.66	59.03
Limited review of quarterly results	16.00	16.00
Consolidation fees	3.00	3.00
Certification Fee	5.00	
Reimbursement of expenses	9.96	8.48
Other services	2.12	13.38
	128.74	**99.89**

** Paid to other firms of Chartered accountants ₹50.85 (previous year ₹ 29.97)

*** As per section 135 of The Companies Act, 2013, CSR committee was formed by the parent company. The area for CSR activities is promoting education and self employment enhancement. A sum of ₹88 was contributed to Corpus Fund of S.L.Minda Charitable Trust and Moga Devi Charitable Trust, the same has been utilised on CSR activities.

Particulars	Year ended 31-Mar-2015	Year ended 31-Mar-2014
NOTE 32 ▸ EXCEPTIONAL ITEMS		
Impairment of fixed assets- Reversal/ (Loss) (refer to note 36)	1,576.33	149.64
Preliminary share issue expenses	(8.18)	-
Insurance claim received (Net gain) (refer to note 48)	27.52	-
	1595.67	**149.64**

NOTE 33 ▸ EARNINGS PER SHARE		
Net profit after tax as per Statement of Profit and loss	6,796.83	717.67
Adjustment to net profit after tax:		
Dividend on Preference Shares and Dividend Tax thereon.	12.28	12.28
Net profit attributable to equity shares	6,784.55	705.39
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	158.65	158.65
for Diluted EPS	158.65	158.65
Basic earnings per share in rupees (Face value ₹10 per share) (In rupees)	42.76	4.45
Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees)	42.76	4.45
Calculation of weighted average number of shares for basic/diluted earnings per share		
Opening and closing balance of Equity Shares	**158.65**	**158.65**

Notes Forming Part of the Consolidated Financial Statements

NOTE 34 ▸ CONTINGENT LIABILITIES

(a) Claims made against the Group not acknowledged as debts (including interest, wherever applicable):

Particulars	Nature of the dues	Amount 2014-15	Amount 2013-14	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	7.48	7.48	Assessment year 2002-2003	Referred back to AO by Delhi High Court
Income Tax Act, 1961	Transfer pricing – Against Section 143(3) and Section 144C	-	686.00	Assessment year 2006-2007	Referred back to Dispute Resolution Panel by Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	9.97	10.33	Assessment year 2007-2008	Income Tax Appellate Tribunal
Income Tax Act,1961	Income Tax	30.40	30.40	Assessment year 2009-2010	Commissioner (Appeals) of Income Tax
Income Tax Act, 1961	Income Tax	1.52	1.52	Assessment year 2010-2011	Commissioner (Appeals) of Income Tax

Contingent liabilities relating to other cases ₹11.30 (previous year ₹17.00). Under current legal provisions of Spain, the tax returns may not be considered as definitive until they have been inspected by the tax authorities or the statute-barred period of four years have elapsed, except for VAT for the year 2010, which has already been subject to a total inspection by the tax agency. On 14 November 2014, the tax agency commenced inspection of Clarton Horn for the years 2012 and 2013 in respect of Value Added Tax and Corporate Income Tax. There may, therefore, arise additional liabilities to those recorded by Clarton Horn, which, at the date of preparation of these annual accounts cannot be objectively be quantified as the inspection is in its initial phase.

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

(b) Corporate guarantee: Corporate guarantee given by the Group and outstanding as on 31 March 2015 amounting to ₹7,625 (previous year ₹8,450) in respect of loans borrowed by related parties. Further, the Group has also provided a 'letter of comfort' amounting to ₹4,477 (previous year ₹4,477) in respect of a loan taken by a related party from banks.

(c) As per an agreement executed with Maruti Suzuki India Ltd (MSIL) under the 'Maruti Car Scheme', a loan facility was granted to the Group's employees and other associates, whereby the parent company has guaranteed to repay the loan in case of any default. The amount outstanding at the 31 March 2015 amounting to ₹ Nil (previous year ₹3.49).

(d) The export obligations outstanding of the parent company as at 31 March 2015 amount to ₹950.80 (previous year ₹2,207.63).

(e) The parent company has availed salestax incentives for its unit at Gurgaon, Haryana, from the Government of Haryana as sales tax capital subsidy amounting to ₹225.65 (previous year ₹225.65). 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.

NOTE 35 ▸ IMPAIRMENT

(i) During the previous years, management of parent company had recorded an impairment charge amounting to ₹2,213.79 up to 31 March 2014, for the Battery division located at Pantnagar, which was incurring continuous losses. During the year, the binding sale agreement for transfer of business was concluded on 1 October 2014. Accordingly, based on the net selling price (lump sum consideration) and the fact that the Company has entered into a binding sale agreement, impairment charge to the extent of ₹1,576.33 (net of depreciation of ₹637.46) has been reversed as on 30 September 2014. The same has been disclosed as income under 'exceptional item' in the Statement of Profit and Loss.

Notes Forming Part of the Consolidated Financial Statements

NOTE 35 ▸ IMPAIRMENT (Contd...)

(ii) Relevant information for discontinuing operations for Battery division

₹ in Lac

S No.	Particulars	As on 31-Mar-2015	As on 31-Mar-2014
1	Total assets	3,981.90	2,160.56
2	Total liabilities	447.99	276.11
3	Total revenue	3,899.18	606.99
4	Total expenditure	3,887.24	784.79
5	Exceptional item	1,576.33	-
6	Profit/ (loss) before tax from ordinary activities	1,588.27	(177.75)
7	Tax expense	-	-
8	Profit/ (loss) after tax	1,588.27	(177.75)

(iii) The net cash flows attributable to the battery division are as follows

₹ in Lac

S No.	Particulars	As on 31-Mar-2015	As on 31-Mar-2014
1	Net cash inflow/(outflow) from operating activities	(71.33)	113.46
2	Net cash inflow/(outflow) from investing activities	(16.63)	(27.23)
3	Net cash inflow/(outflow) from financing activities	92.04	(84.94)
4	Net cash inflow/ (outflow) attributable to battery division	4.08	1.29

NOTE 36 ▸

During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the parent company amounting to ₹39.51 towards revised CLU (change of land use) charges for the land situated at village NawadaFatehpur, P.O. SikanderpurBadda, Gurgaon and Haryana. The parent company paid ₹1.58 and had also filed a Special Leave Petition (SLP) with the Honourable Supreme Court of India, basis which a leave had been granted. Further, the parent company had deposited ₹9.50 as under protest with the authorities. During the earlier years, the parent company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the parent company had withdrawn the petition and accordingly had agreed to pay the total liability of ₹39.51 and the interest thereon amounting to ₹37.51, towards revised CLU charges after adjusting the amount of ₹9.50 paid earlier.

During previous year, the Company has applied for grant of license under 'Affordable housing Policy- 2013' on the land measuring 9.9625 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurgaon and paid scrutiny fee (non-refundable) amounting to ₹15.35 in this respect.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable housing policy 2013', CLU charges would be payable as per terms and conditions of the scheme.

Notes Forming Part of the Consolidated Financial Statements

NOTE 37 ▸ SEGMENT INFORMATION

Segment information is prepared in confirmity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.

The Group has one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. The secondary segment is geographical, which is given as under:

₹ in Lac

Particulars		Current year	Previous year
Revenue	Within India	173,052	138,102
	Outside India	49,610	32,511
Assets	Within India	83,637	82,771
	Outside India	16,024	15,371
Cost incurred on acquisition of fixed assets	Within India	6,162	14,887
	Outside India	1,380	1,503

Assets used in the Company's business and liabilities contracted in respect of its business activities, are not identifiable in line with the above reportable segments as the assets and liabilities contracted are used interchangeably between the segments. Accordingly, except for trade receivables, no disclosure relating to other segment assets and liabilities have been made.

NOTE 38 ▸ RELATED PARTY DISCLOSURES

(i) **Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:**

Key management personnel	Mr. Nirmal K. Minda, Chairman and Managing Director('CMD')
Relatives of key management personnel	Mrs. Suman Minda (wife of CMD) Mrs. Paridhi Minda Jindal (daughter of CMD) Mrs. Palak Minda (daughter of CMD)
Other entities over which key management personnel is able to exercise significant influence	Minda Investments Limited Minda International Limited Minda Corporation Limited Nirmal K. Minda (HUF) Minda Industries (Firm) Minda Automotive Limited Minda Spectrum Advisory Limited Samaira Engineering (Firm) S.M.Auto Industries (Firm) Shankar Moulding Ltd. MindaStoneridge Instruments Ltd.
Associates	Auto Component (Firm) Yogendra Engineering (Firm) Mindarika Private Limited Minda NexGenTech Limited
Joint ventures(jointly controlled entities)	M JCasting Limited Minda Emer Techonologies Limited

NOTE 38 ▸ RELATED PARTY DISCLOSURES (Contd...)

(ii) Transactions with related parties

Transactions with related parties	Joint Venture Companies		Associates		Entities over which key personnel are able to exercise significant influence		Key management personnel and relatives	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Sale of goods	3	26	581	736	99	132	-	-
Purchase of goods	15	6	2,608	1611	5,647	3,929	-	-
Sale of Fixed Assets	-	-	11	7	1	-	-	-
Purchase of fixed assets	-	-	93	12	-	-	-	-
Expenses recovered	8	11	21	12	18	21	-	-
Reimbursements of expenses	1	2	7	12	169	259	-	-
Services rendered	25	40	481	528	52	-	-	-
Services Received	-	-	10	7	517	-	-	-
Remuneration	-	-	-	-	-	-	329	152
Rent paid	-	-	-	-	371	683	70	57
Rent received	-	-	-	2	-	-	-	-
Utility Services paid	-	-	-	-	539	603	-	-
Dividend received	-	-	41	41	-	-	-	-
Interest received	-	12	-	-	-	-	-	-
Share of profits	-	-	592	550	-	-	-	-
Royalty received	-	-	71	64	42	36	-	-
Dividend paid on equity share capital	-	-	-	-	244	155	286	156
Dividend paid on 3% cumulative redeemable preference share capital	-	-	-	-	-	-	11	11
Balance outstanding								
Receivable/(payable)	18	113	(672)	(84)	(283)	117	(129)	-
Guarantee/Letter of comfort end of the year	-	300	-	-	-	-	-	-

NOTE 38 ▸ RELATED PARTY DISCLOSURES (Contd...)

(iii) Related party transactions within the group

₹ in Lac

Parties involved		Nature of transaction	31-Mar-2015	31-Mar-2014
Yogendra Engineering	Auto Components	Sale of goods	1	1
Auto Components	Yogendra Engineering	Purchase of goods	1	1
Yogendra Engineering	Samaira Engineering	Sale of goods	54	55
Samaira Engineering	Yogendra Engineering	Purchase of goods	54	55
Yogendra Engineering	S.M.Auto Industries	Sale of goods	16	17
S.M.Auto Industries	Yogendra Engineering	Purchase of goods	16	17
Yogendra Engineering	S.M.Auto Industries	Purchase of goods	204	168
S.M.Auto Industries	Yogendra Engineering	Sale of goods	204	168
Yogendra Engineering	S.M.Auto Industries	Services received	4	10
S.M.Auto Industries	Yogendra Engineering	Services rendered	4	10
Auto Components	S.M.Auto Industries	Purchase of goods	34	1
S.M.Auto Industries	Auto Components	Sale of goods	34	1
Auto Components	Minda Distributions and Services Limited	Sale of goods	3,835	3,007
Minda Distributions and Services Limited	Auto Components	Purchase of goods	3,835	3,007
M J Casting Limited	Minda Investment Limited	Issue of non convertible 8% preference shares	-	250
Minda Investment Limited	M J Casting Limited	Investment in shares	-	250
M J Casting Limited	Minda Investment Limited	Unsecured loan taken/ bill discounting	-	25
Minda Investment Limited	M J Casting Limited	Unsecured loan given/ bill discounting	-	25
M J Casting Limited	Minda Investment Limited	Repayment of unsecured loan	-	25
Minda Investment Limited	M J Casting Limited	Recovery of unsecured loan	-	25
M J Casting Limited	Minda Investment Limited	Interest paid	-	1
Minda Investment Limited	M J Casting Limited	Interest received	-	1
M J Casting Limited	Minda Finance Limited	Issue of non convertible 8% preference shares	150	
Minda Finance Limited	M J Casting Limited	Investment in shares	150	
M J Casting Limited	Minda Finance Limited	Unsecured loan taken/ bill discounting	150	20
Minda Finance Limited	M J Casting Limited	Unsecured loan given/ bill discounting	150	20
M J Casting Limited	Minda Finance Limited	Interest paid	2	1
Minda Finance Limited	M J Casting Limited	Interest received	2	1
M J Casting Limited	Minda Finance Limited	Repayment of unsecured loan	350	
Minda Finance Limited	M J Casting Limited	Recovery of unsecured loan	350	
M J Casting Limited	Minda Finance Limited	Interest accrued and due	-	
Minda Finance Limited	M J Casting Limited	Interest accrued and due	-	
MindaEmer Technologies Limited	Minda Investment Limited	Rent paid	84	7

Notes Forming Part of the Consolidated Financial Statements

NOTE 38 ▸ RELATED PARTY DISCLOSURES (Contd...)

(iii) Related party transactions within the group

₹ in Lac

Parties involved		Nature of transaction	31-Mar-2015	31-Mar-2014
Minda Investment Limited	MindaEmer Technologies Limited	Rent received	84	77
MindaEmer Technologies Limited	Minda Investment Limited	Electricity and business support services	16	16
Minda Investment Limited	MindaEmer Technologies Limited	Electricity and business support services	16	16
MindaEmer Technologies Limited	Minda Investment Limited	Rent payable	3	1
Minda Investment Limited	MindaEmer Technologies Limited	Rent receivable	3	1
Mindarika Private Limited	Minda Kyoraku Limited	Services rendered	-	8
Minda Kyoraku Limited	Mindarika Private Limited	Services received	-	8
Mindarika Private Limited	Minda Distributions and Services Limited	Sale of goods	259	-
Minda Distributions and Services Limited	Mindarika Private Limited	Purchase of goods	259	-
Mindarika Private Limited	Minda Kyoraku Limited	Expenses recovered	-	5
Minda Kyoraku Limited	Mindarika Private Limited	Reimbursement of expenses	-	5
Mindarika Private Limited	MindaNexGentech Limited	Purchase of goods	-	1
MindaNexGentech Limited	Mindarika Private Limited	Sale of goods	-	1
Mindarika Private Limited	Minda Kyoraku Limited	Services received	2	-
Minda Kyoraku Limited	Mindarika Private Limited	Services rendered	2	-
Mindarika Private Limited	Minda Investment Limited	Dividend paid	5	5
Minda Investment Limited	Mindarika Private Limited	Dividend eceived	5	5
Balance Outstanding				
Mindarika Private Limited	Minda Distributions and Services Limited	Amount receivable	33	-
Minda Distributions and Services Limited	Mindarika Private Limited	Amount payable	33	-
Mindarika Private Limited	MindaEmer Technologies Limited	Amount payable	1	-
MindaEmer Technologies Limited	Mindarika Private Limited	Amount receivable	1	-
Mindarika Private Limited	Minda Kyoraku Limited	Amount payable	2	-
Minda Kyoraku Limited	Mindarika Private Limited	Amount receivable	2	-
M J Casting Limited	Minda Finance Limited	Unsecured loan	-	200
Minda Finance Limited	M J Casting Limited	Unsecured loan	-	200
Minda Kyoraku Limited	Minda Investments Limited	Unsecured loan	-	19
Minda Investments Limited	Minda Kyoraku Limited	Unsecured loan	-	19
Mindarika Private Limited	Minda Kyoraku Limited	Loans and advance receivable	-	6
Minda Kyoraku Limited	Mindarika Private Limited	Loans and advance payable	-	6

NOTE 38 ▸ RELATED PARTY DISCLOSURES (Contd...)

(iv) Details of related parties with whom transactions exceed 10% of the class of transaction:

₹ in Lac

Related party	Nature of transaction	For the year ended 31-Mar-2015 #	For the year ended 31-Mar-2014 *
Auto Component Firm	Sale of goods	96	-
MindaNexGenTech Limited	Sale of goods	199	-
Mindarika Private Limited	Sale of goods	285	-
Minda Stoneridge Instruments Limited	Sale of goods	83	-
MindaNexGenTech Limited	Purchase of goods	2,497	1,479
Minda Corporation Limited	Purchase of goods	4,529	3,929
Shankar Moulding Limited	Purchase of goods	1,115	-
Auto Component Firm	Sale of fixed assets	10	-
SM Auto Industries	Sale of fixed assets	1	-
MindaNexGenTech Limited	Purchase of fixed assets	90	-
MindaNexGenTech Limited	Amount due to	783	-
M J Casting Limited	Expenses recovered	8	-
Mindarika Private Limited	Expenses recovered	16	-
Minda International Limited	Expenses recovered	18	-
Minda International Limited	Re-imbursement of expenses	169	-
Mindarika Private Limited	Dividend received	41	41
Minda Investments Limited	Services received	517	-
Mindarika Private Limited	Services rendered	458	508
Mindarika Private Limited	Services received	-	7
Auto Component Firm	Share of profits	248	183
Yogendra Engineering Firm	Share of profits	344	367
Auto Component Firm	Royalty received	19	15
Yogendra Engineering Firm	Royalty received	52	50
Samaira Engineering	Royalty received	42	36
Mr. Nirmal K. Minda	Remuneration	281	131
Mr. Nirmal K. Minda (HUF)	Equity dividend	-	45
Minda Investment Limited	Equity dividend	230	102
Mr. Nirmal K. Minda	Equity dividend	132	72
Mrs. Suman Minda	Equity dividend	136	74
Mr. Nirmal K. Minda	Preference dividend	5	-
Mrs. Suman Minda	Preference dividend	6	-
Minda Investment Limited	Rent	343	683
Minda Investment Limited	Utility Services paid	539	603

Nil in previous year column represent transaction less than 10% of the class of transaction.

* Nil in current year column represent transaction less than 10% of the class of transaction.

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ▸ DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"

a) Defined contribution plan

For Indian entities

An amount of ₹881.37(Previous year:₹812.24) for the year, has been recognized as an expense in respect of the Group's contribution towards Provident Fund, deposited with the government authorities and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹36.67 (Previous year: ₹35.42) for the year, has been recognized as an expense in respect of the Group's contribution towards Superannuation Fund, and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹160.77 (previous year ₹121.88) for the year, has been recognized as an expense in respect of the Company's contribution towards ESI and other funds, and has been included under employee benefit expense in the Statement of profit and loss.

For overseas entities

The group's employee social security contribution are defined contributions plans. ₹2,131.98(previous year ₹1,312.94) has been recognized as expense for the year in the Consolidated Statement of Profit and Loss and shown under employee benefits expense in note no.28.

b) Defined benefit plans –for Indian entities

Gratuity is payable to all eligible employees of the Group on retirement/exit,death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

The obligation for compensated absences is recognized in the same manner as Gratuity.

(i) Changes in present value of obligation:

₹ in Lac

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-2014
Present value of obligation as at the beginning of the year	1,572.44	1,468.79	704.21	585.88
Present value of obligation at the beginning of the year on account of consolidation	-	-	-	-
Acquisition adjustment	-	3.49	-	(1.21)
Interest cost	142.26	121.72	63.56	48.76
Past service cost				
Current service cost	287.81	208.45	230.38	259.71
Curtailment cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Benefits paid	(155.85)	(139.56)	(223.58)	(271.90)
Actuarial (gain)/loss on obligation	258.97	(90.45)	179.64	78.46
Present value of obligation as at the end of year	2,105.62	**1,572.44**	954.22	**704.21**
-Long term	2,004.63*	1,520.47	837.25	658.32
-Short term	100.99	51.97	116.97	45.89
	2,105.62	**1,572.44**	954.18	**704.21**

The parent company is maintaining its gratuity trust with L.I.C. by the name Minda Industries Limited Gratuity Trust. Accumulated contribution by the company as on 31 March 2015 is ₹335.22 (previous year ₹150.07). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹27.38 (previous year ₹19.34). Contribution by the company during the current year is ₹nil (previous year ₹nil)

Notes Forming Part of the Consolidated Financial Statements

NOTE 39 ▸ DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS"(Contd...)

(ii) Changes in the fair value of plan assets:

₹ in Lac

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31-Mar-2015	31-Mar-2014	31-Mar-2015	31 March 2014
Fair value of plan assets at the beginning of the year	303.45	284.11	-	-
Acquisition adjustment			-	-
Expected return on plan assets	27.38	19.34	-	-
Employer contributions	9.16	-	-	-
Benefits paid	(4.26)	-	-	-
Excess of actual over estimated return on plan assets	(0.51)	-	-	-
Fair value of plan assets at the end of the year	335.22	303.45	-	-

(iii) Actuarial gain/ loss recognized is as follows:

₹ in Lac

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-2014
Actuarial gain/(loss) for the year – obligation	(258.46)	90.45	(179.64)	70.
Actuarial (gain)/loss for the year - plan assets	(0.51)	-	-	
Total (gain)/loss for the year	258.97	(90.45)	179.64	(70.9
Actuarial (gain)/ loss recognized in the year	258.97	(90.45)	179.64	(70.9
Unrecognized actuarial (gain)/losses at the end of year	-	-	-	

(iv) The amounts recognized in the consolidated balance sheet are as follows:

₹ in l

Particulars	Gratuity		Compensated absences	
	As at		As at	
	31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-20
Present value of obligation as at the end of the year	2105.62	1,572.44	954.22	704.
Fair value of plan assets as at the end of the year	346.82	303.45	-	
Funded status	(1,758.80)	(1,268.99)	(954.22)	(704.2
Excess of actual over estimated	-	-	-	
Unrecognized actuarial (gains)/losses	-	-	-	
Net asset/(liability)recognized in balance sheet	(1,758.80)	(1,268.99)	(954.22)	(704.2

NOTE 39 ▸ DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-15 ON "EMPLOYEE BENEFITS" (Contd...)

(v) Expenses recognized in the Consolidated Statement of Profit and Loss:

₹ in Lac

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-2014
Current service cost	287.81	208.45	230.37	254.09
Past service cost	-	-	-	-
Interest cost	142.26	121.72	63.55	48.76
Expected return on plan assets	(27.36)	(19.34)	-	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Net actuarial (gain)/ loss recognized in the year	262.48	(90.45)	180.22	78.46
Expenses recognized in the Consolidated Statement of Profit and Loss	665.19	220.37	474.14	381.31

*Net of fair value of plan assets of ₹175.37 considered in Profit and Loss Account.

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

₹ in Lac

	Gratuity			
Particulars	31-Mar-2015	31 March 2014	31 March 2013	31 March 2012
On Plan PBO	65.48	(81.95)	(55.98)	(115.79)
On Plan assets	6.21	(4.20)	-	(1.29)

(vii) Enterprise best estimate of contribution during next year is:

₹ in Lac

Particulars	Amount
Compensated absences	299.82
Gratuity	545.58

(viii) Principal actuarial assumptions at the Balance Sheet date are as follows:

a) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Assumptions used for the Group are as follows:

Assumptions for the parent company

Particulars	For the year ended 31-Mar-2015	For the year ended 31-Mar-2014
Discount rate per annum	7.80%	9.10%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	9.10%	6.75%

Assumptions for Minda Kyoraku Limited, M.J.Casting Limited

Particulars	For the year ended 31-Mar-2015	For the year ended 31-Mar-2014
Discount rate per annum	7.80%	9.10%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Distribution and Services Limited

Particulars	For the year ended 31-Mar-2015	For the year ended 31-Mar-2014
Discount rate per annum	7.75%	8.50%
Future Salary Increase	5.50%	5.50%
Expected rate of Return on Plan Assets	-	-

Assumptions for MindaEmer Technologies Limited

Particulars	For the year ended 31-Mar-2015	For the year ended 31-Mar-2014
Discount rate per annum	7.88%	9.30%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

b) Demographic assumptions:

Particulars		Assumptions as at 31-Mar-2015	Assumptions as a 31-Mar-201
i)	Retirement Age (Years)	58	5
ii)	Mortality Table	IALM (2006-08)	IALM (2006-0
iii)	Ages	Withdrawal Rate (%)	Withdrawal Rate (%
	Up to 30 years	3.00	3.0
	From 31 to 44 years	2.00	2.0
	Above 44 years	1.00	1.0

c) Transfer of employees

During the previous year certain employees of MindaEmer Technologies Limited (METL) were transferred to Mir Industries Limited (the Parent Company). As per the terms of the agreement, the liability on account of gratuity a compensated absences for employee uptill date of transfer will be borne by METL. The amount receivable from M towards gratuity is ₹7.25 lacs (previous year ₹7.25).

Notes Forming Part of the Consolidated Financial Statements

NOTE 40 ▸

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Group

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	354.21	818.01
- Interest	1.12	9.94
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	2,156.75	7341.35
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	16.34	80.64
The amount of interest accrued and remaining unpaid at the end of the year	17.46	90.58
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

NOTE 41 ▸

The following disclosures have been made in accordance with the provisions of Accounting Standard 29- 'Provisions, Contingent Liabilities and Contingent Assets'

(i) Provision for Warranty

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
Balance as at beginning of the year	299.85	316.32
Add: Provision made during the year	993.64	385.55
Less: Utilisation during the year	876.51	402.02
Balance as at the end of the year	416.98	299.85

The Group companies have made a warranty provision on account of sale of components. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Unutilized provision is reversed on expiry of the warranty period.

(ii) Provision for Labour case

₹ in Lac

Particulars	As at 31-Mar-2015	As at 31-Mar-2014
Balance as at the beginning of the year	280.01	-
Add:- Provision made during the year	-	280.01
Less: Written back during the year	266.82	-
Balance as at the end of the year	13.19	280.01

This provision has been made by the subsidiary company Global Mazinkert, S.L. (Clarton Horn, S.A.) on account of probable compensation for an injured worker during his working day attributable to the company pending resolution by the competent public administration.

Notes Forming Part of the Consolidated Financial Statements

NOTE 42 ▸ LEASES

The Group has taken offices on cancellable operating leases. The lease rentals recognised in the Consolidated Statement of Profit and Loss for the year 31 March 2015 are ₹1,286.51 (Previous Year ₹1,272.55).

NOTE 43

Capital Work in Progress includes borrowing cost capitalised during the year amounting to ₹ Nil (previous year ₹28.62)

NOTE 44 ▸ DERIVATIVE INSTRUMENTS

The Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates.

Nature of contracts	Currency Hedged	Outstanding as at 31-Mar-2015		Outstanding as at 31-Mar-2014	
		Number of contracts	Foreign currency amount	Number of contracts	Foreign currency amount
Forward exchange contracts	USD	5	175,000	5	125,000
Forward exchange contracts	EURO	-	-	2	50,000
Currency options (to hedge the ECB loan)	USD	1	26,87,000	1	39,37,500

The purpose of entering into a forward exchange contract is to hedge the foreign currency exposure on payment from trade receivables. During the current year, the Group has not entered into any derivative instrument for speculation purpose.

NOTE 45 ▸

The Group has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

NOTE 46 ▸

Previous year figures have been reclassified/ regrouped, wherever required, to confirm to current year classification.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 26 May 2015

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

Nirmal K. Minda
Chairman & Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corporate Business Head
and Group CFO

H.C. Dhamija
VP Group - Accounts, Legal, Secretarial,
Indirect Taxes & Co. Secretary

Place : Gurgaon
Date : 26 May 2015

Independent Auditor's Report

To the Members of Minda Industries Limited

Report on the Financial Statements

We have audited the accompanying statement of consolidated financial statements of Minda Industries Limited ('the Company') and its subsidiaries, joint ventures and associates (collectively referred to as 'the Group') for the year ended 31 March 2014, which comprises of consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement (collectively referred to as 'consolidated financial statements') for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;

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

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

Other matter

We did not audit the financial statements of certain subsidiaries, joint venture entities and associates (interests in which have been incorporated in these consolidated financial statements). These subsidiaries, joint venture entities and associates account for 17.28% (previous year 11%) of total net assets as at 31 March 2014 and 39.2% (previous year 26.58%) of total revenue [including other income and exceptional items (net)] of the Group as shown in these consolidated financial statements for the current year ended 31 March 2014. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

Of the above, the financial statements of entities which are incorporated in India have been audited by other auditors whose reports have been furnished to us by management. The financial statements of subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the country ('the local GAAP') have been audited by another auditor duly qualified to act as auditor in those countries. For the purpose of preparation of the consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the management of the said entities so that these conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The adjustments made in this behalf have been examined by the other auditor for compliance with the reporting package and reports of the other auditor on such compliance have been furnished to us. Our opinion on the consolidated financial statements, insofar as it relates to such entities, is based on the aforesaid audit report of the other auditor.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W

Vikram Advani
Partner
Membership No.: 091765

Place : Gurgaon
Date : 27 May 2014

Consolidated Balance Sheet as at 31 March 2014

₹ in Lacs

	Note	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,936.54	1,936.54
Reserves and surplus	4	29,196.39	28,945.54
Minority interest	5	1,380.81	1,233.04
Deferred revenue income		85.58	-
Non-current liabilities			
Long-term borrowings	6	13,764.36	8,869.67
Other long-term liabilities	8	194.83	742.11
Long-term provisions	9	2,367.35	1,767.47
Current liabilities			
Short-term borrowings	10	14,023.25	8,083.14
Trade payables	11	24,734.77	21,638.51
Other current liabilities	12	9,352.96	6,226.57
Short-term provisions	13	1,105.27	1,114.37
		98,142.11	80,556.96
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	14	39,285.02	31,163.88
Intangible assets	14	769.09	699.08
Capital work-in-progress	54	2,179.98	4,160.97
Intangible assets under development		7.47	61.94
Non-current investments	15	2,442.18	2,180.97
Deferred tax assets (net)	7	161.66	140.70
Long term loans and advances	16	2,056.13	2,237.49
Other non-current assets	17	855.32	445.09
Current assets			
Current investments	18	2,304.72	-
Inventories	19	12,466.71	8,949.03
Trade receivables	20	26,104.04	21,726.45
Cash and bank balances	21	2,775.85	3,852.74
Short-term loans and advances	22	5,985.65	4,658.19
Other current assets	23	748.29	280.43
		98,142.11	80,556.96
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 27 May 2014

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

Nirmal K. Minda
Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corp. Business Head
and Group CFO

H.C. Dhamija
Company Secretary

Place : Gurgaon
Date : 27 May 2014

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

₹ in Lacs

	Note	Year ended 31 March 2014	Year ended 31 March 2013
Revenue from operations			
Sale of Product (Gross)		180,062.42	143,365.89
Less: Excise duty		12,803.05	11,683.55
Sale of Product (Net)		167,259.37	131,682.34
Sale of Services		1,788.34	1,156.58
Other Operating Income		1,564.79	1,201.28
	24	170,612.50	134,040.20
Other income	25	1,686.78	1,098.21
Total revenue		172,299.28	135,138.41
Expenses:			
Cost of materials consumed	26	91,635.58	94,935.15
Purchase of stock in trade		26,336.25	253.48
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(856.27)	(1,122.10)
Employee benefits	28	22,484.71	14,392.72
Financial costs	29	2,417.79	1,906.43
Depreciation and amortization	30	5,907.75	4,627.31
Other expenses	31	23,230.61	16,235.33
Total expenses		171,156.42	131,228.32
Profit before exceptional items and tax		1,142.86	3,910.09
Exceptional items	32	149.64	19.83
Profit for the year before tax		1,292.50	3,929.92
Income tax expense:			
Current tax		779.93	1,232.55
Deferred tax - current year		61.20	63.38
relating to earlier years		(82.17)	(196.87)
Profit for the year after tax		533.54	2,830.86
Less: Minority Interest		102.23	57.92
Add: Share of profit/loss of associates		81.90	(66.96)
Profit for year		717.67	2,821.82
Earnings per equity share: nominal value of share ₹ 10 (Previous year ₹ 10)	33		
Basic		4.45	17.71
Diluted		4.45	17.71
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
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DIN No. 00007964

Sudhir Jain
Corp. Business Head
and Group CFO

H.C. Dhamija
Company Secretary

Place : Gurgaon
Date : 27 May 2014

Consolidated Cash Flow Statement for the year ended 31 March 2014

₹ in Lac

		Year ended 31 March 2014	Year ended 31 March 2013
A.	**Cash flow from operating activities :**		
	Profit before tax	1,292.50	3,929.92
	Adjustments for :		
	Depreciation and amortization	5,907.75	4,627.31
	Interest expense	2,250.48	1,752.48
	Interest income	(241.93)	(306.40)
	Foreign currency translation reserve	201.91	-
	Dividend income	(40.61)	(85.70)
	Share of profit from partnership firms	(550.21)	(527.63)
	Liabilities / provisions no longer required written back	(279.88)	(31.43)
	Unrealised gain on foreign exchange	210.76	(48.64)
	Fixed assets scrapped / written off	5.09	75.26
	Doubtful trade and other receivables provided for	74.62	141.99
	Provision for inventory	58.30	-
	Amounts written off	45.84	22.17
	Impairment of fixed assets	(149.64)	295.28
	Net gain on sale of long term investments	-	(99.72)
	Insurance claim received (Net gain)	-	(215.39)
	Profit on sale of fixed assets	(198.60)	(136.40)
	Provision for warranty	385.55	-
	Provision for labour case	280.01	-
	Property rental income	-	(1.15)
		7,959.44	5,462.03
	Operating profit before working capital changes	9,251.94	9,391.95
	Adjustments for working capital changes:		
	(Increase)/decrease in inventories	(3,575.98)	(867.73)
	(Increase)/decrease in trade and other receivables	(4,665.51)	(2,193.78)
	(Increase)/decrease in short-term loans and advances	(1,379.80)	(275.32)
	(Increase)/decrease in long term loans and advances	136.29	407.01
	(Increase)/decrease in other non-current assets	(181.26)	(292.28)
	(Increase)/decrease in other current assets	(510.40)	34.47
	Increase/(decrease) in trade payables	3,376.14	3,940.07
	Increase/(decrease) in other current liabilities	2,705.24	35.70
	Increase/(decrease) in short-term provisions	(510.24)	104.82
	Increase/(decrease) in other long-term liabilities	70.31	82.52
	Increase/(decrease) in long-term provisions	319.87	196.61
		(4,215.34)	1,172.08
	Cash generated from operations	5,036.60	10,564.03
	Income tax paid	(869.07)	(1,271.80)
	Wealth tax paid	(3.89)	-
	Wealth tax refund	-	0.50
	Net cash flow from operating activities	4,163.64	9,531.30
B.	**Cash flow from investing activities :**		
	Current investments	(2,304.72)	-
	Non-current investments	(174.05)	(65.00)
	Proceeds from sale of investment	-	193.76
	Purchase of fixed assets	(12,210.13)	(13,663.36)
	Sale of fixed assets	784.37	870.13

₹ in Lac

		Year ended 31 March 2014	Year ended 31 March 2013
	Interest received	284.47	271.26
	Property rental income	-	1.15
	Share of profit from partnership firms	550.21	516.42
	Dividend income	40.61	85.70
	Increase in bank deposites	(648.26)	-
	Net cash used in investing activities	(13,667.50)	(11,789.94)
C.	**Cash flow from financing activities**		
	Proceeds from issue of shares of Subsidiary related to minority shareholders	-	123.70
	Proceeds from grant in Global	85.58	
	Proceeds from issue of preference shares of JV (MJCL)	250.00	
	Securities premium received from subsidiary related to minority shareholders	-	30.92
	Proceeds/(repayment) from short term borrowings	5,940.11	(1,295.30)
	Proceeds from long term borrowings	7,374.69	4,971.18
	Repayment of long term borrowings	(2,734.66)	(2,126.68)
	Interest paid	(2,328.91)	(1,684.20)
	Dividend paid (including corporate dividend tax)	(569.13)	(565.38)
	Net cash used in financing activities	8,017.68	(545.77)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,496.18)	(2,804.41)
	Cash and cash equivalents as at opening	3,852.74	6,657.15
	Cash and cash equivalents as at closing	2,356.56	3,852.74
		(1,496.18)	(2,804.41)
	Cash and cash equivalents include cash / cheques in hand		
	Cash in hand	46.33	31.15
	With banks		
	Current accounts	1,818.63	2,008.34
	Deposit accounts	455.32	1,349.42
	Cheques, drafts in hand		-
	Unpaid dividend accounts	21.41	436.71
	Cash on imprest accounts	14.87	27.12
	Cash and cash equivalents at the end of the year	2,356.56	3,852.74

1. The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', notified by the Companies (Accouting Standard) Rules, 2006.
2. Cash and Cash equivalent consist of cash in hand and balances with scheduled banks. Refer note 21.
3. Balance with banks includes deposits amounting to ₹ Nil (previous year ₹388.07) which are under lien.
4. Balance with banks includes balance in Escrow account amounting to ₹17.07 (previous year ₹83.12)
5. Balance in unpaid doividend account is ₹21.40 (previous year ₹20.61)
6. The accompanying notes are integral part of the financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 27 May 2014

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

Nirmal K. Minda
Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corp. Business Head
and Group CFO

H.C. Dhamija
Company Secretary

Place : Gurgaon
Date : 27 May 2014

Notes forming part of the consolidated financial statements

(All amounts in ₹ Lacs, unless otherwise stated)

1. Principles of consolidation

The consolidated financial statements have been prepared in accordance with AS-21 on " Consolidated Financial Statements", AS-23 "Accounting for investments in Associates in Consolidated Financial Statements", AS-27 "Financial reporting of interest in Joint Ventures in Consolidated Financial Statements"as prescribed by the Companies (Accounting Standard) Rules, 2006.

As per the Accounting Standard Interpretation (ASI-15) on "Notes to the Consolidated Financial Statements", only the notes involving items which are material, need to be disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further,additional statutory information disclosed in separate financial statements of the subsidiaries or of the parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

The consolidated financial statements include the financial statements of Minda Industries Limited, ("the company" or "the parent company"), its subsidiaries, joint ventures and associates (collectively known as "the Group").

Name of subsidiaries / joint venture/ associates	Country of incorporation	% of interest	
		As at 31 March 2014	As at 31 March 2013
Subsidiaries			
Minda Auto Components Limited	India	100.00	100.00
Minda Kyoraku Limited	India	71.66	73.88
Minda Distribution and Services Limited	India	100.00	100.00
Global Mazinkert,S.L.	Spain	100.00	100.00
Downstream subsidiaries			
Clarton Horn	Spain	100.00	-
Clarton Horn, Asia	Switzerland	100.00	-
Clarton Horn, Morocco	Morocco	100.00	-
Clarton Horn Signalkoustic	Germany	100.00	-
Joint ventures			
MJ Casting Limited	India	50.00	50.00
Minda Emer Technologies Limited	India	48.90	48.90
Associates			
Mindarika Private Limited	India	27.08	27.08
Minda NexGenTech Limited	India	26.00	26.00
Yogendra Engineering (partnership firm)	India	48.90	48.90
Auto Components (partnership firm)	India	48.90	48.90

The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the parent company and its subsidiary companies are combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealized profits in full in accordance with Accounting Standard (AS-21)-"Consolidated Financial Statements". The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

(b) The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognized in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

(c) Entities acquired/ sold during the year have been consolidated from/ up to the respective date of their acquisition/ disposal.

(d) Minority interest's share of net profit / (loss) of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

(e) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Group's shareholders.

(f) Interest in joint ventures has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".

(g) An investment in an associate has been accounted for by the equity method of consolidation from the date on which it falls within the definition of associates in accordance with AS-23 "Accounting for investments in Associates in Consolidated Financial Statements".

(h) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be.

(i) 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 parent company's standalone financial statements.

(j) The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indianrupees as follows:-

i. Share capital and opening reserves and surplus are carried at historical cost.

ii. All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.

iii. Profit and loss items are translated at the respective weightedaverage rates or the exchange rate that approximates the actual exchange rate on date of specific transactions.

iv. Contingent liabilities are translated at the closing rate.

v. The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

(k) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company's i.e. year ended 31 March 2014, except for financial statements of Minda Emer Technologies Limited and consolidated financial statements of Global Mazinkert S.L. (Group) , which are drawn up to 31 December2013.

Global Mazinkert S.L. (Group) comprises of the following subsidiaries

Global Mazinkert, S.L.

Clarton Horn, S.A.

Clarton Horn Asia

Clarton Horn Morocco

Clarton Horn Signalkoustic

(l) Clarton Horn S.A. Spain and its subsidiaries (Clarton Horn, Asia, Clarton Horn, Morocco and Clarton Horn, Signalkoustic) were acquired on 15 April 2013 and accordingly the results of these companies have been incorporated from 15 April 2013 to 31 December 2013.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

A. Basis of preparation of financial statements

These consolidated financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, the relevant provisions of the Companies Act, 1956 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest lacs.

B. Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the consolidated financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Current–non-current classification

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

Assets

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

(a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

(a) it is expected to be settled in the group's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for

processing and their realisation in cash or cash equivalents.

C. Fixed assets and depreciation

(a) Tangible fixed assets and depreciation:

Tangible fixed assets except revalued assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets acquired wholly or partly with specific grant/subsidy from government, if any, are recorded at the net acquisition cost to the Group.

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Exchange differences (favourable as well as unfavourable) arising in respect of translation/ settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Depreciation is accordingly provided at the rates which are equal to or higher than the rates prescribed in Schedule XIV to the Companies Act, 1956 and are stated below:

- on plant and machinery: on written down value method as per rates specified in Schedule XIV.
- on tools and dies: 30/40% per annum on written down value method on all tools except those used in Acoustic (Horn) division of Minda Industries Limited (the parent company) which are depreciated at the rate of 30% per annum on straight line method basis
- on other fixed assets: on straight line method as per rates specified in Schedule XIV.

Leasehold land and leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter. Freehold land is not depreciated.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule XIV to the Companies Act, 1956) unless it is reasonably certain that the Group will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Group are applied.

Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.

Depreciation for the year is recognised in the Consolidated Statement of Profit and Loss.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Assets retired from active use and held for disposal, if any, are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

b) Intangible fixed assets and amortization:

(i) Goodwill

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life or five years whichever is shorter. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss and such goodwill arising on consolidation is tested for impairment annually.

(ii) Acquired intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in consolidated statement of profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Group follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortised over the best estimate of its useful life.

The amortization rates are as follows:

(i) Technical Knowhow: Amortised over the period of agreement

(ii) Computer Software : 16.21% straight line method (except in the case of Enterprise Resource Planning (ERP) system, which is depreciated over a period not exceeding four years)

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss.

(c) Capital work-in-progress

Fixed assets under construction and cost of assets not put to use before the year-end are disclosed as capital work-in-progress.

d) The differences in depreciation and amortization policies followed by the Group entities are mentioned below-

Name of subsidiaries / joint venture / associates	Difference in accounting policies
Joint ventures	
(a) Minda Emer Technologies Limited	- Tools and dies on written down value method at the rate of 30% per annum - All tangible fixed assets on written down value method at the rates prescribed in Schedule XIV to the Companies Act 1956. - Computer software on written down value method at the rate of 25% per annum. - Technical knowhow on written down value method at the rate of 25% per annum.
(b) M J Casting Limited	- Plant & Machinery and Tools & Dies on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
Associates	
(a) Mindarika Pvt. Limited	- Tools and dies on straight line methodat the rate of 20% p.a. - Building constructed on leasehold land is depreciated over the period of lease of five years. - Other fixed assets on written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. - Expenses incurred on technical know-how are amortized over a period of six years from the date of commencement of commercial production of the products.
(b) Minda NexGenTech Limited	- Tools and dies on written down value method at the rates prescribed in ScheduleXIV to the Companies Act, 1956.
Subsidiaries	
(a) Minda Kyoraku Limited	- ERP software on straight line method at the rate of 16.21% per annum. - Technical knowhow is amortized over the period of 5 years.
(b) Minda Distribution and Services Limited	- Tools and dies on written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. - Building is amortized over the period of lease of 10 years. - Computer software on straight line method at the rate of 25% per annum. - Assets transferred from Minda Automotive Solutions Limited have been amortized over a period of four years. - Other tangible assets on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
(c) Minda Auto Components Limited	- Plant and Machinery on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956. - Tools and dies on written down value method at the rate of 30% per annum

(d)	Global Mazinkert, S.L. (and its subsidiaries)	- Tangible assets are depreciated on a straight line basis, distributing the cost of assets on the basis of their useful lives in years as mentioned below:- Machinery 8 years 4 months Tooling 2 years Other installations 10 years Furniture 10 years Computer equipment 3years Other property, plant and equipment 10 years - Only computer software is recognized as intangible asset and the same is amortized over a period of 3 years on Straight Line Method.

D. Impairment of assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognised in the Consolidated Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

E. Leases

(a) Operating lease

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

(b) Finance lease

Assets acquired under finance leases are recognised as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Consolidated Statement of Profit and Loss.

F. Investments

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

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

Current investments are carried at the lower of cost and fair value.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Consolidated Statement of Profit and Loss.

Investment in the capital of a partnership firm is shown by reference to the capital of the firm on the balance sheet date. The parent company's share of profit or loss in a partnership firm is recognised in the Consolidated Statement of Profit and Loss as and when it accrues i.e. when it is computed and credited or debited to the capital/current/any other account of the parent company in the books of the partnership firm.

G. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares; and loose tools are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Finished goods inventory is inclusive of excise duty.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventory based on management's current best estimate.

Below mentioned are the differences in inventory valuation of Group with parent company:

Name of subsidiary	Difference in accounting policies
Minda Distribution and Services Limited	Cost is computed on the first in first out basis.

H. Revenue recognition

a) Revenue from sale of goods in the course of ordinary activities is recognised when the property in the goods or all significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognized as revenue is exclusive of sales tax, value added taxes (VAT) and is net of returns and trade discounts and quantity discount.

b) Designing and service revenue is recognised on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

c) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the interest rate applicable.

d) Dividend income is recognised when the right to receive dividend is established.

e) Royalty income is recognised based on the terms of the underlying agreement.

f) Claims lodged with Insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

g) Export entitlement under Duty Entitlement Pass Book Scheme ('DEPB') is recognised on accrual basis and when the right to entitlement has been established.

h) Share of profit from partnership firms is recognized on accrual basis.

I. Government grants

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Grants from State Government towards revenue expenditure are recognised as income either till the period of benefit expires or the financial cap is reached, whichever occurs earlier.

Name of subsidiary	Difference in accounting policies
Global Mazinkert, S.L. (and its subsidiaries)	Government grants for acquiring fixed assets are considered as Deferred income which is recognized in the Consolidated statement of Profit and Loss on a systematic and rational basis over the life of the asset.

J. Research and development

a) Revenue expenditure on research and development is charged off under the respective heads of account in the year in which it is incurred.

b) Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses, if any. Fixed assets used for research and development are depreciated in accordance with the Group's policy as stated above.

K. Foreign currency transactions

a) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. The resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss except exchange differences pertaining to long term foreign currency monetary items that are related to acquisition of depreciable assets are adjusted in the carrying amount of the related fixed assets

b) In the cases of exchange difference on reporting long term monetary items, the company has opted to avail the option provided under paragraph 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" inserted vide notification dated 29 December 2011. Consequently, the exchange differences arising on reporting of long term foreign currency monetary items on account of a depreciable asset is adjusted in the cost of depreciable asset and would be depreciated over the balance life of the asset.

In cases other than the depreciable assets exchange differences is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of such long term asset or liability.

c) The Group uses forward contracts to hedge its foreign currency risk relating to an existing asset/ liability, which are covered under AS 11 – Accounting for the effects of changes in foreign exchange rates'.

Exchange difference on a forward exchange contract is the difference between:

(a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period; and

(b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date;

and is recognised in the Consolidated Statement of Profit and Loss.

The forward exchange contracts taken to hedge existing assets/ liabilities are translated at the closing exchange rates and the resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability. Any profit or loss arising on cancellation/ renewal of such contracts is recognised in the Consolidated Statement of Profit and Loss for the year.

The premium or discount on all such contracts arising at the inception of each contract is amortized over the life of the contract.

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

e) Derivative Instruments

The Group has entered into cross currency cum interest swap to hedge foreign currency risk and interest risk. In respect of forward contracts, which are covered under Accounting Standard (AS) 11, 'Effects of Changes in Foreign Exchange Rates', the difference between the spot rate and forward rate on the date the forward exchange contract is entered into, is amortised over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Consolidated Statement of Profit and Loss. In respect of derivative contract, which are not covered by AS 11, pursuant to the announcement on "Accounting for Derivatives" made by the Institute of Chartered Accountants of India ('ICAI') on 29 March 2008, such contracts are marked to market and provision for loss, if any, is recognised in the Consolidated Statement of Profit and Loss and resultant gains, if any, on account of mark to market are ignored. The Group does not enter into derivative transactions for trading or speculative purposes.

L. Provisions

A provision is recognised if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the Consolidated Statement of Profit and Loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

Below mentioned are the differences in warranty provision of Group with Parent -:

Name of subsidiary	Difference in accounting policy
Minda Auto Components Limited	Recognized on lodgement of claim by customers.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

M. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

N. Employee benefits

(a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b) Post employment benefits

Defined contribution plans

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

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

Defined benefit plan

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recongnise the obligation on net basis. The calculation of the Group's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the Consolidated Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The parent company's gratuity fund is administered and managed by the Life Insurance Corporation of India ("LIC"). Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Name of subsidiary	Difference in accounting policy
Global Mazinkert, S.L. (and its subsidiaries)	Clarton Horn, S.A. (Sole Shareholder Company) has different commitments for pensions and other long term remuneration for some of its employees. As a general rule these commitments are externalized with various non-related insurance entities.

O. Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in consolidated statement of profit or loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

P. 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 month end rate.

Q. Earnings per share

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

R. Cash and cash equivalent

Cash and cash equivalent include cash in hand, demand deposits with banks with original maturities of three months or less.

Note 3 Share capital

(a) Authorised

₹ in Lacs

	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
Equity shares of ₹10 each with voting rights	63,500,000	6,350.00	63,500,000	6,350.00
Preference share capital				
9% Cumulative redeemable preference shares of ₹10 each (Class 'A')	3,000,000	300.00	3,000,000	300.00
3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B')	183,500	4,013.14	183,500	4,013.14
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	3,500,000	350.00	3,500,000	350.00
1% Non-cumulative fully convertible preference shares of ₹10 each (Class 'D')	10,000,000	1,000.00	10,000,000	1,000.00
	80,183,500	12,013.14	80,183,500	12,013.14

(b) Issued, subscribed and fully paid up

₹ in Lacs

	Number	Amount	Number	Amount
Equity share capital*				
Equity shares of ₹10 each with voting rights	15,865,356	1,586.54	15,865,356	1,586.54
Preference share capital				
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')	3,500,000	350.00	3,500,000	350.00
	19,365,356	1,936.54	19,365,356	1,936.54

Notes:

* Equity shares with voting rights includes:

i Re-issue of forfeited 31,800 equity shares of ₹10 each on 27 October 1998

ii. (a) 2,405,128 equity shares of ₹10 each fully paid up issued during the year ended 31 March 2011 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.

iii. (b) 1,120,164 Equity Shares of ₹10 each fully paid up issued during the year ended 31 March 2012 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

₹ in Lacs

	Number	Amount	Number	Amount
Equity shares of ₹10 each with voting rights				
Opening balance	15,865,356	1,586.54	15,865,356	1,586.54
Movement during the year	-	-	-	-
Closing balance	15,865,356	1,586.54	15,865,356	1,586.54
3% Cumulative Redeemable Preference Shares of ₹10 each (Class 'C')				
Opening balance	3,500,000	350.00	3,500,000	350.00
Movement during the year	-	-	-	-
Closing balance	3,500,000	350.00	3,500,000	350.00

(d) (i) Rights, preferences and restrictions attached to equity shares

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

(ii) Rights, preferences and restrictions attached to preference shares

The Company has issued 3% cumulative redeemable preference shares of class 'C' having par value of ₹ 10 per share. Each Shareholders have right to receive fixed preferential dividend at a rate of 3% on the paid up capital of the Company. Preference shareholders also have right to receive all notices of general meetings of the Company but no right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956. Preference shareholders neither have right to participate in any offer or invitation by way of right or otherwise to subscribe additional shares nor they have right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves.

(e) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2014		As at 31 March 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Nirmal K. Minda	2,401,869	15.1%	2,401,869	15.1%
Nirmal K. Minda (HUF)	1,502,142	9.5%	1,502,142	9.5%
Mrs. Suman Minda	2,476,140	15.6%	2,476,140	15.6%
Minda Investments Limited*	4,180,930	26.4%	3,399,385	21.4%
Pioneer Finest Limited	-	-	1,086,807	6.9%
India Business Excellence Fund -I	1,376,250	8.7%	1,376,250	8.7%
3% Cumulative redeemable preference shares of ₹10 each (Class 'C')				
Mr. Nirmal K. Minda	1,500,000	42.9%	1,500,000	42.9%
Mrs. Suman Minda	2,000,000	57.1%	2,000,000	57.1%

* includes 55,500 equity shares issued to M.G. Portfolio Limited and 22,143 equity shares to Shivamni Barter Private Limited, which are under lock-in. It is stated that both these companies have been amalgamated with Minda Investments Limited vide Delhi High Court Order dated 16 December 2013. The Company on receipt of the related documents from Minda Investments Limited had filed the Corporate Information Action Form on 20 March 2014 with NDSL and CDSIL for transfer of these lock-in shares in the name of Minda Investments Limited.

(f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the Balance Sheet date:

Equity shares with voting rights includes

(i) 2,405,128 equity shares of ₹10 each fully paid up issued during the year 2010-11 for consideration other than cash to the shareholders of Minda Autogas Limited, pursuant to the scheme of amalgamation.

(ii) 1,120,164 Equity Shares of ₹10 each fully paid up issued during the year 2011-12 for consideration other than cash to the shareholders of Minda Acoustic Limited, pursuant to the scheme of amalgamation.

(iii) 1,835,000 equity shares of ₹10 each fully paid up issued during the year 2011-12 on conversion of 3% Cumulative compulsorily convertible preference shares of ₹2,187 each (Class 'B').

(g) The parent company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

Note 4 Reserves and surplus

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Capital reserve		
Opening balance	324.90	242.63
Add: Capital Reserve on investment in Minda Kyoraku Ltd.	-	82.27
Add: Capital Reserve on investment in Global Mazinkert S.L.	14.38	-
Closing balance	339.28	324.90
Capital redemption reserve		
Opening balance	300.00	300.00
Add: Additions during the year	-	-
Closing balance	300.00	300.00
Securities premium account		
Opening balance	4,472.78	4,543.54
Securities premium on issue of 19,140,000 shares of ₹10 each at a premium of ₹2.5 per share	-	11.51
Less: Securities premium adjusted against goodwill on account of consolidation of Minda Kyoraku Limited	-	82.27
Closing balance	4,472.78	4,472.78

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
General reserve		
Opening balance	5,503.31	5,178.31
Add:		
Transferred from surplus in Statement of Profit and Loss	300.00	325.00
Closing balance	5,803.31	5,503.31
Foreign currency translation reserve		
Additions during the year	201.91	-
Closing balance	201.91	-
Surplus in Statement of Profit and Loss		
Opening balance brought forward	18,344.55	16,414.83
Less: Adjustment for preacquisition tax liability of subsidiary	(113.98)	-
	18,230.57	16,414.83
Add:		
Net Profit for the year	717.67	2,821.82
Less:		
Proposed equity dividend	475.97	475.97
Proposed dividend on 3% Cumulative redeemable preference shares	10.50	10.50
Tax on proposed equity and preference dividend	82.66	82.66
Goodwill on investment in Global Mazinkert S.L.	-	2.03
Transfer to general reserve	300.00	325.00
Closing balance	18,079.11	18,344.55
Total reserves and surplus	29,196.39	28,945.54

Note 5 Minority Interest

₹ in Lacs

Opening balance	1,233.04	1,147.85
Additions duting the year*	250.00	143.11
Share of loss for the year	(102.23)	(57.92)
	1,380.81	1,233.04

* minority interest includes ₹250 on account of issue of non-cumulative redeemable preference shares amounting to ₹650 of which Minda Industries Ltd. was allotted shares amounting to ₹75 and the balance being held by parties other than the JV partner.

Note 6 Long-term borrowings*

₹ in Lacs

Term loans		
Secured		
from banks	11,654.85	7,065.19
from other parties	27.72	557.96
	11,682.57	7,623.15
Unsecured		
from other parties	868.26	7.62
	12,550.83	7,630.77
Deferred payment liabilities		
Secured		
Against fixed assets	262.97	-
Unsecured		
Deferred sales tax liabilitiy	950.56	1,238.90
	1,213.53	1,238.90
	13,764.36	8,869.67

Nature of security:

- from Axis Bank amounting to ₹ 208.33 (previous year ₹ 625) is secured by first pari passu charge over fixed assets, including plant and machinery, furniture and fixtures, both present and future installed at factory premises and goods purchased under Letter of Credit of the parent company	Total loan sanctioned amounting to ₹ 2,500 (previous year ₹ 2,500), repayable in 24 quarterly instalments of ₹ 104.17 each. Rate of interest- 12.50%
- from Axis Bank amounting to ₹ 375 (previous year ₹ 750) is secured by first pari passu charge over fixed assets and second pari passu charge over current assets and equitable mortgage of parent company's immovable property at Gurgaon, Pune Sonepat and Pantnagar.	Total loan sanctioned amounting to ₹ 1,200 (previous year ₹ 1,200), repayable in 16 quarterly instalments of ₹ 75 each. Rate of interest- 12.50%"
- from HDFC Bank amounting to ₹ 600 (previous year ₹ nil) and is secured by Exclusive charge on current assets of the parent company arising out of the Chennai Plant. Exclusive charge on movable and immovable fixed assets of the parent company arising out of the Chennai Plant. Exclusive charge on land and building (Chennai) having market value of ₹ 2,155 standing in the name of the parent company."	Total loan sanctioned amounting to ₹ 600 (previous year ₹ nil). Disbursed amount of ₹600 (previous year ₹ nil) repayable in 15 equal quarterly instalments of ₹ 40 each. Repayment to start from October 2015. Rate of interest- Base rate +1.7%
- from HDFC Bank amounting to ₹ 500 (previous year ₹ nil) and is secured by First Pari passu charge on all movable fixed assets of the company. First pari passu charge on all immovable fixed assets of the parent company as below; i) Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon valued at ₹ 4,403. ii) 34-35 KM, GT Karnal Road, Village Rasoi, Distt. Sonepat, Haryana, valued at ₹ 2,263. iii) Plot no. -5, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, valued at ₹ 3,561. iv) Plot no. 5A, Sector - 10, Industrial Area, IIE Pant Nagar, Udham Singh Nagar, valued at ₹ 2,000 v) Plot No ME-I and ME-II, Sector 2A, IMT manesar having book value of ₹ 1,000. And market value of ₹ 1,500 (Approximately) Second Pari passu charge on all present and future current assets of the parent company"	Total loan sanctioned amounting to ₹ 1,500 (previous year ₹ nil). Disbursed amount of ₹ 500 (previous year ₹ nil) repayable in 15 equal quarterly instalments of ₹100 each. Repayment to start from October 2015. Rate of interest- Base rate +1.7%
- from Axis Bank amounting to ₹ 3,000.54 (previous year ₹ 3,540.54), is primary secured by equitable mortgage over land and building situated at 323, phase-ii/iv, sector 3 Industrial Growth centre Bawal, Distt. Rewari, (Haryana) and a collateral charge on the entire current assets of the joint venture company- M J Casting Limited, both present and future. Out of which 50% counting to ₹ 1,500.27 (previous year ₹ 1,770.27) is proportionately consolidated.	Total Loan sanctioned amounting to ₹ 3,554 (previous year ₹ 3,554). Disbursed amount of ₹ 3,540.54 (previous year ₹ 3,540.54) repayable in - 4 installments during 2013-14 of ₹ 135 each - 4 installments during 2014-15 of ₹ 160 each - 4 installments during 2015-16 of ₹ 185 each - 4 installments during 2016-17 of ₹ 190 each - 4 installments during 2017-18 of ₹ 215 each Rate of interest- Base rate +2.50%
- from Axis Bank amounting to ₹ 4,200 (previous year ₹ 3,304.30), is primary secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of the joint venture company M.J.Casting Limited. The loan is further secured by a letter of comfort by the parent company and M/S Neel Metal Product Limited duly backed by the board resolution and undated cheques for the term loan of ₹ 42,00. Out of which 50% amounting to ₹ 2,100 (previous year ₹ 1,652.15) is proportionately consolidated.	Total Loan sanctioned amounting to ₹ 4,200 (previous year ₹ 4,200). Disbursed amount of ₹ 4,200 (previous year ₹ 3304.30) repayable in - 3 installments during 2014-15 of ₹ 233.33 each - 4 installments during 2015-16 of ₹ 210 each - 4 installments during 2016-17 of ₹ 210 each - 4 installments during 2017-18 of ₹ 210 each - 4 installments during 2018-19 of ₹ 210 each - 4 installments during 2019-20 of ₹ 140 each Rate of interest- Base rate +2.50%

- from HDFC Bank amounting to ₹ 225 (previous year ₹ 300) and is secured by first pari passu charge on all the present and future immovable assets and movable plant and machinery consisting of furniture and fixtures, electrical fittings, vehicles, etc. Second pari passu charge on all the book debts and stock in trade both present and future of the parent company.	Total loan sanctioned amounting to ₹ 2,000 (previous year ₹ 2,000). Disbursed amount of ₹ 375 (previous year ₹ 375) repayable in 20 quarterly instalments of ₹ 18.75 each. Rate of interest- Base rate + 2%
- from State Bank of India amounting to ₹ Nil (previous year ₹ 734.28) and is secured by first pari passu charge on all present and future fixed assets and second charge on current assets of the parent company.	Total loan sanctioned amounting to ₹ 4,055 (previous year ₹4,055). Disbursed amount of ₹3,595 (previous year ₹ 3,595) repayable in - 3 instalments during 2009-10 of ₹ 22 each - 12 instalments during 2010-11 of ₹ 63.35 each - 12 instalments during 2011-12 of ₹ 80 each - 12 instalments during 2012-13 of ₹ 85 each - 7 instalments during 2013-14 of ₹ 100 each - 1 instalments during 2013-14 of ₹ 88.80 each Rate of interest- Base rate + 2.90%"
- External Commercial Borrowings from Standard Chartered Bank amounting to ₹ 2,392.43 (previous year ₹ 2,752.5), is secured by first pari passu charge over all present and future movable fixed assets of the parent company. Second pari passu charge over all present and future book debts, outstanding moneys receivables, claims and bills due and all present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise etc.	Total loan sanctioned amounting to USD 50 lac (previous year USD 50 lac), repayable in 16 quarterly instalments of USD 3.13 lac Rate of interest- 9.95%
- Sales tax incentive amounting to ₹1,236.01 (previous year ₹1,387.30) from the State Government of Maharashtra, received in 2003-04. (Unsecured)	Total loan sanctioned amounting to ₹1,427.25 (previous year ₹1,427.25), repayable in 8 annual instalments from 2013-14 Rate of interest- 0%
- from Citi Bank amounting to ₹ 4,412.08 (previous year ₹ Nil) (Euro 5.19million) secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L.	Total loan sanctioned amounting to ₹ 4,412.08 (previous year ₹ Nil) (Euro 5.19million) (previous year Euro Nil) repayable in 17 equal quarterly instalments. Rate of Interest 2.89%"
Subsidised loan amounting to ₹ 469.42 (previous year ₹ Nil) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹ 469.42 (previous year ₹ Nil) (Euro 5.52lac) (previous year Euro Nil) repayable in 7 equal annual instalments of Euro 78,857 from year 2016-17. Rate of Interest 3.95%
Subsidised loan amounting to ₹ 398.84 (previous year ₹ Nil) received from Ministry of Industry, Government of Spain by M/s Clarton Horn, S.A., downstream subsidiary of the Parent company (Unsecured)	Total loan sanctioned amounting to ₹ 398.84 (previous year ₹ Nil) (Euro 4.69 lac) (previous year Euro Nil) repayable in 10 equal annual instalments of Euro 46,900 from year 2017-18. Rate of Interest 0%
Term loan from Yes Bank amounting to ₹ 1,333.41 (previous year ₹ 786.91 (inclusive of buyer's credit amounting to USD 1.94) (previous year USD 1.94) are secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company.	The principal amount of ₹ 975.74 is repayable in quarterly instalments of ₹ 54.21 each. Loan maturity date is 31 December 2019 & ₹ 447 is repayable in quarterly instalments of ₹ 22.35 each. Loan repayment date 30 September 2020 (including buyer's credit amounting to USD 671,975 (previous year USD 194,200)) Rate of Interest on term loan ranges from 12% - 13.5% Rate of Interest on buyers credit 1.48% - 2.74%
- from HSIDC amounting to ₹ 525.94 (previous year ₹ 788.97) and is secured by charge on land at Bawal of the parent company.	Total loan sanctioned amounting to ₹ 1,051.88 (previous year ₹ 1,051.88). Disbursed amount of ₹ 1,051.88 (previous year ₹ 1,051.88) repayable in 8 half yearly instalments of ₹131.48 each. Rate of interest- 11% p.a.

- Vehicle loans from banks amounting to ₹ 76.38 (previous year ₹ 132.38) are secured against hypothecation of respective vehicles of the parent company financed by them
- Vehicle loans from Kotak Mahindra primary Limited amounting to ₹ 44.17 (previous year ₹ 44.99) secured by hypothecation of financed vehicles of subsidiary company M/S Minda Distribution and Services Limited

* For current portion of long term borrowings refer note no.12 'other current liabilities'

Note 7 Deferred tax liabilities (net)/ assets (net)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Deferred tax liabilities		
Excess of depreciation/amortisation on fixed assets under Income tax laws over depreciation/ amortisation provided in accounts	879.91	869.97
	879.91	869.97
Deferred tax assets		
Provision for employee benefits	749.73	725.64
Unabsorbed depreciation/ carry forward business losses	-	4.23
Others	291.84	280.80
	1,041.57	1,010.67
Deferred tax liabilities/ (assets)	(161.66)	(140.70)

Note 8 Other long-term liabilities

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Others		
Advances from customers	-	124.52
Capital creditors	-	617.59
Trade / security deposits received	185.33	-
Others	9.50	-
	194.83	742.11

Note 9 Long-term provisions

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits		
Gratuity	1,370.40	1,205.20
Compensated absences	664.83	528.31
Provision for labour case	280.01	-
	2,315.24	1,733.51
Others		
Provision for warranty	52.11	33.96
	2,367.35	1,767.47

Note 10 Short-term borrowings

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Secured		
from banks*	11,452.97	6,239.31
Unsecured		
from related parties	119.23	-
from others	2,451.05	1,843.83
	14,023.25	8,083.14

* Nature of security:

S. No.	Bank Name (facility) Details of security	Term of repayment	Max. rate	Min. rate	Outstanding as on 31 March 2014	Outstanding as on 31 March 2013
1	HDFC (Cash Credit) * First Pari Passu charge on all present and future current assets of the parent company along with member banks * Second pari passu charge on all present and future movable and immovable assets of the parent company along with member banks	within 1 year	B.R.+1.50%	B.R.+1.50%	2,557.34	923.17
2	Axis Bank (Cash Credit) * Primary: First Pari Passu charge by way of hypothecation of entire current assets of the parent company, both present and future. * Collateral: Second pari passu charge on entire fixed assets of the parent company, both present and future including pari passu EM over company's immovable property at Gurgaon, Pune, Sonepat and Pantnagar.	within 1 year	BR+2.25%	BR+2%	277.89	439.25
3	Citi Bank (Cash Credit) * First Pari Passu charge on present and future stocks and book debts of the parent company. * Second pari passu charge on the Fixed Assets of the parent company excluding land and building at B-73, wazirpur industrial area, New Delhi.	within 1 year	BR+4%	BR +2.50%	4.75	85.06
4	Citi Bank (Cash Credit/ WCDL) * First Pari Passu charge on present and future stocks and book debts of the parent company. * Second pari passu charge on the Fixed Assets of the parent company excluding land and building at B-73, wazirpur industrial area, New Delhi.	10 Feb 2014 (360 Days)	10.75%	10.75%	-	500.00
5	SBI (Cash Credit) * Primary: Pari Passu first charge on all the current assets of the parent company including all types of Stocks of raw material, stores, spares, stocks-in-process, finished goods etc., lying in their premises, godowns or elsewhere including goods in transit and parent company's book debts/receivables (present and future) * Collateral: pari passu second charge on entire fixed assets(present and future) including EM of properties detailed below: a) 34-35 K.M. G.T. Karnal Road, Rasoi, Sonipat b) Immovable property at village navada fatehpur, Manesar c) B-6, MIDC, Chakan, Pune (21270 Sq. Mtr) d) Plot No. 5, Pant Nagar e) plot No. 5A, Pant Nagar f) B-1/5, MIDC, Chakan, Pune (18022 Sq. Mtr)	03 May 2013 (90 Days)	BR+2.90%	BR+2.90%	1,894.68	1,816.05
6	Canara Bank (Cash Credit) * Primary: First charge on pari passu basis by way of hypothecation with WC lenders under MBA i.e. Stocks and Receivables (present and future) and other current assets of the parent company. * Collateral: Second charge on pari passu basis with WC lender under MBA by way of hypothecation/EMT. i.e. Fixed Assets of the parent company excluding vehicles as under: Plant and Machinery and other misc. assets and Capital WIP. Land and Building includes: i) Property at 34-35 KM, G T Karnal Road, Village Rasoi, Distt. Sonepat, Haryana measuring 31 Kanals and 16 marlas in the name of M/s Minda Industries Ltd. ii) Property Village Nawada, Fatehpur, PO Sikandarpur Badda, Manesar, Gurgaon Haryana measuring 87 Kanal 6 Marlas in the name of M/s Minda Industries Ltd	within 1 year	BR+3%	BR+2%	1,748.28	1,692.41

S. No.	Bank Name (facility) Details of security	Term of repayment	Max. rate	Min. rate	Outstanding as on 31 March 2014	Outstanding as on 31 March 2013
	iii) Property at Plot No. 5A, Sector -10, SIDCUL, Uttaranchal measuring 5950 Sq. Mtr (subsequent to merger of business of M/s Minda Acoustic Ltd) iv) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune measuring 11970 Sq. Mtr in the name of M/s Minda Industries Ltd v) Property at B-6, MIDC, Chakan Industrial Area, Village mahalunge, Taluka Khed, Distt. Pune measuring 9300 Sq. Mtr in the name of M/s Minda Industries Ltd vi) Property at B-1/5, MIDC Chakan Industrial Area, Village Nagoje, Taluka-Khed, Distt. Pune Maharashtra measuring 18022 sq. Mtr in the name of M/s Minda Industries Ltd					
7	Canara Bank (Buyer's credit EUR 1.98 Lac) * First charge on pari pasu basis by way of hypothecation with WC lenders under MBA i.e. Stocks and receivables (present and future) and other current assets of the parent company.	182 days	1.33%	1.33%	169.19	-
8	Kotak Mahindra Bank Subservient charge on all existing and future current assets and moveable fixed assets of the parent company (excluding assets which are specifically charged to other lenders)	after 90 days	12.90%	10.75%	249.99	430.00
9	Axis Bank (Cash Credit) Secured by equitable mortgage over land and building situated at Hosur and Bawal and collateral charge on the entire movable fixed assets and current assets of the joint venture company- M J Casting Limited.	within 1 year	BR+2.50%	BR+2.50%	279.40	101.55
10	La Caixa Bank Global Mazinkert, S.L.	3-Jul-14	4.00%	4.00%	207.44	-
11	La Caixa Bank Global Mazinkert, S.L.	within 1 year	4.00%	4.00%	762.77	-
12	Deutsche Bank Global Mazinkert, S.L.	3-May-14	2.37%	2.37%	1,181.99	-
13	Citi Bank Loan secured by SBLC given by the parent company to the subsidiary company Global Mazinkert, S.L.	within 1 year	2.89%	2.89%	992.88	-
14	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to ₹ 87.88 (previous year ₹Nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹42.97 has been consolidated.	7-Jan-14	Euribor + 0.7%	Euribor + 0.7%	42.97	-
15	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to ₹ 86.18 (previous year ₹Nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹42.14 has been consolidated.	17-Jan-14	Euribor + 0.7%	Euribor + 0.7%	42.14	-
16	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to ₹ 82.67 (previous year ₹Nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹40.43 has been consolidated.	28-Jan-14	Euribor + 0.7%	Euribor + 0.7%	40.43	-

S. No.	Bank Name (facility) Details of security	Term of repayment	Max. rate	Min. rate	Outstanding as on 31 March 2014	Outstanding as on 31 March 2013
17	ICICI Bank (Buyer's credit) Buyer's credit loan amounting to ₹ 86.18 (previous year ₹Nil) are secured by charge on fixed deposit of the joint venture company Minda Emer Technologies Ltd.. Proportionate loan amounting to ₹42.14 has been consolidated.	21-Feb-14	Euribor + 0.7%	Euribor + 0.7%	42.14	-
18	ICICI Bank (Cash credit) Cash credit and overdraft facility is repayable on demand and is secured by first charge on all current assets and second charge on all movable fixed assets of the joint venture company Minda Emer Technologies Ltd. Proportionate amount of ₹4.10 has been consolidated.	On demand	B.R.+1.90%	B.R.+1.90%	4.10	-
19	Yes Bank (Buyer's Credit) Buyer's credit loan amounting to ₹ 290.30 (USD 4.78 lacs)(previous year ₹ Nil) is secured by exclusive (both present and future) and second charge on all fixed assets (both present and future) of the subsidiary company M/s Minda Kyoraku Ltd. and corporate guarantee from the parent company.	within 1 year	13.00%	12.00%	290.29	-
20	Yes Bank Secured by exclusive charge on all the fixed assets of the subsidiary company M/s Minda Kyoraku Limited second charge on all Fixed assets) (both present and future) and corporate guarantee from the parent company	within 1 year	12.50%	12.00%	207.33	-
21	Yes Bank (Cash Credit) Term loan amounting to ₹ 456.97 (inclusive of Buyer's credit amounting to USD 1.18 lacs) (previous year ₹ 251.85) are secured by exclusive charge on all the fixed assets of subsidiary company Minda Kyoraku limited second charge on all future), (both present and future) and a current assets (both present and future) of said subsidiary company Minda Kyoraku limited and corporate guarantee from the parent company.	within 1 year	13.00%	12.00%	456.97	251.82
	Unsecured					
22	Neel Metal Industries Limited Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year	13.00%	13.00%	75.00	-
23	Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited	27-Apr-14	13.50%	13.50%	50.03	-
24	Minda Finance limited Loan taken by the joint venture company M/s M.J.Casting Limited	27-Apr-14	13.50%	13.50%	50.00	-
25	Pioneer Finset Loan taken by the joint venture company M/s M.J.Casting Limited	within 1 year	13.00%	13.00%	75.00	-
26	Bajaj Finance Limited Loan is repayable maximum within 60 days in case of purchase order discounting and 180 days in case of short term loan respectively.	60-180 days	10.65%	10.60%	2,251.05	1,843.83
27	Pioneer Finset Bills discounting facility taken by joint venture company M/s. M.J.Casting Ltd.	within 90 days	13.00%	13.00%	50.00	-
28	Minda Investment Limited Unsecured loan taken by the subsidiary M/s Minda Kyoraku Limited	5-Mar-15	13.00%	13.00%	19.20	-
	Total				14,023.25	8,083.14

Note 11 Trade payables

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Trade payables*	24,734.77	21,638.51
	24,734.77	21,638.51

* For dues to micro and small suppliers (refer to note 46)

Note 12 Other current liabilities

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Current maturities of long-term debts*#	2,084.50	2,739.18
Current maturities of deferred payment liabilities#	548.42	148.40
Interest accrued but not due on long term borrowings	60.18	76.02
Interest accrued and due on borrowings	42.79	35.45
Advance from customers	2,864.42	1,472.49
Capital Creditors	698.99	-
Unpaid dividend	21.40	20.61
Book overdraft	54.56	25.41
Statutory dues		
TDS payable	373.48	277.25
Service tax payable	39.18	72.51
Excise payable	76.34	116.95
Sales tax payable	773.26	623.65
PF and ESI payable	157.53	121.91
Professional Tax payable	-	0.11
Labour welfare and fund payable	-	0.03
Contractually reimbursable expenses	1,469.87	486.83
Mark to market loss on derivative contracts	-	9.77
Other payables	88.04	-
	9,352.96	6,226.57

* Includes current maturity of unsecured deposit amounting to ₹ Nil (previous year ₹24.89)
# Refer note 6 for security details

Note 13 Short-term provisions

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Provision for employee benefits		
Gratuity	51.97	119.35
Compensated absences	39.38	62.07
	91.35	181.42
Others		
Provision for wealth tax (net of advances ₹3.57, previous year ₹3.57)	0.17	4.06
Provision for Income Tax (net of advance income tax ₹1,217.32, previous year ₹1,261.56)	196.88	77.40
Provision for warranty	247.74	282.36
Provision for dividend		
-Provision for proposed equity dividend	475.97	475.96
-Provision for proposed preference dividend	10.50	10.50
-Provision for tax on proposed dividends	82.66	82.67
	1,013.94	932.95
	1,105.27	1,114.37

Note 14 Fixed assets

As at 31 March 2014

₹ in Lacs

Particulars	Gross block						Accumulated depreciation							Net block	
	Balance as at 1 April, 2013	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition	Additions/ Transfers	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition ****	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss***	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
Tangible															
Land															
Land- Freehold*	1,657.31	854.36	90.58	1,278.33	-	3,880.58	-	-	-	-	-	-	-	3,880.58	2,511.67
Land- Leasehold	2,527.08	-	-	(1,073.57)	-	1,453.51	140.72	-	-	19.72	-	-	160.44	1,293.07	2,386.36
Buildings	7,999.57	426.28	3,420.74	1,631.93	-	13,478.52	1,905.00	18.02	3,237.92	323.18	-	82.50	5,401.62	8,076.90	6,502.83
Plant and Machinery**	38,765.09	1,904.04	30,323.86	9,639.29	988.63	79,643.65	22,685.96	185.36	28,305.72	5,006.54	465.51	67.14	55,650.93	23,992.72	17,797.81
Furniture and Fixtures	600.17	9.51	585.29	49.31	0.34	1,243.94	274.32	1.21	505.36	55.38	0.06	-	836.21	407.73	334.15
Vehicles	964.39	16.17	218.53	73.53	85.00	1,187.62	226.74	1.85	214.62	91.57	28.78	-	506.00	681.62	751.97
Office Equipment	641.99	20.03	-	100.78	0.22	762.58	225.74	1.43	-	41.93	3.39	-	265.71	496.87	434.85
Computers	1,180.62	14.88	699.83	104.24	33.45	1,966.12	746.74	4.52	652.54	134.48	27.69	-	1,510.59	455.53	444.24
	54,336.22	3,245.27	35,338.83	11,803.84	1,107.64	103,616.52	26,205.22	212.39	32,916.16	5,672.80	525.43	149.64	64,331.50	39,285.02	31,163.88
Intangible															
Goodwill	21.94	-	-	-	-	21.94	21.94	-	-	-	-	-	21.94	-	-
Goodwill on account of consolidation	102.44	-	-	-	-	102.44	57.21	-	-	-	-	-	57.21	45.23	45.23
Technical Knowhow	347.40	15.81	-	54.42	-	417.63	287.03	1.32	-	37.05	-	-	325.40	92.23	74.86
Computer Software	2,530.55	18.82	430.47	217.89	10.24	3,187.49	1,965.93	4.45	389.17	197.90	1.59	-	2,555.86	631.63	578.99
	3,002.33	34.63	430.47	272.31	10.24	3,729.50	2,332.11	5.77	389.17	234.95	1.59	-	2,960.41	769.09	699.08

* includes land amounting to ₹1402.85 (previous year ₹1402.85), yet to be transferred in the name of the company.
** includes borrowing cost capitalised during the year of ₹26.63 (previous year ₹65.14).
*** refer note 36 on 'Impairment Loss'
****refer note 50 in respect of acquisition of Global Mazinkert

As at 31 March 2013

₹ in Lacs

Particulars	Gross block						Accumulated depreciation							Net block	
	Balance as at 1 April, 2013	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition	Additions/ Transfers	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Balance as at 1 April, 2013 Joint Venture Companies	Additions pursuant to acquisition	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Impairment losses reversed in statement of profit and loss	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
Tangible assets															
Land															
Land-Freehold*	1,328.04	851.62	-	332.01	-	2,511.67	-	-	-	-	-	-	-	2,511.67	2,179.66
Land-Leasehold	1,124.23	-	-	1,402.85	-	2,527.08	131.76	-	-	8.96	-	-	140.72	2,386.36	992.46
Buildings	6,809.68	412.85	-	1,203.32	-	8,425.85	1,590.21	4.07	-	243.50	0.11	85.35	1,923.02	6,502.83	5,628.25
Plant and machinery**	33,747.40	1,637.13	-	6,071.62	787.02	40,669.13	19,281.63	93.75	-	3,632.13	346.12	209.93	22,871.32	17,797.81	16,009.15
Furniture and fixtures	514.39	9.10	-	101.95	15.76	609.68	207.32	0.49	-	73.82	6.10	-	275.53	334.15	315.68
Vehicles	890.50	2.90	-	292.32	205.16	980.56	241.99	0.61	-	90.85	104.86	-	228.59	751.97	650.80
Office equipment	525.44	12.12	-	140.13	15.67	662.02	197.66	0.40	-	35.37	6.26	-	227.17	434.85	339.50
Computers	1,071.32	13.12	-	140.18	29.12	1,195.50	659.10	1.40	-	115.17	24.41		751.26	444.24	423.94
	46,011.00	2,938.84	-	9,684.38	1,052.73	57,581.49	22,309.67	100.72	-	4,199.80	487.86	295.28	26,417.61	31,163.88	26,539.44
Intangible assets															
Goodwill	21.94	-	-	-	-	21.94	21.94	-	-	-	-	-	21.94	-	-
Goodwill on account of consolidation	97.33	-	-	5.11	-	102.44	-	-	-	57.21	-	-	57.21	45.23	97.33
Technical knowhow	347.40	-	-	15.81	-	363.21	252.75	-	-	46.57	10.97	-	288.35	74.86	94.65
Computer software	2,359.16	16.96	-	179.25	6.00	2,549.37	1,648.94	0.30	-	323.73	2.59	-	1,970.38	578.99	726.88
	2,825.83	16.96	-	200.17	6.00	3,036.96	1,923.63	0.30	-	427.51	13.56	-	2,337.88	699.08	918.86

* includes land amounting to ₹1402.85 (previous year ₹nil), yet to be transferred in the name of the company.

** includes borrowing cost capitalised during the year of ₹65.14 (previous year ₹nil).

Note 15 Non-Current Investments

(Unquoted investments, at cost)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Investments in Equity Instruments		
(i) Associates (Trade)		
Mindarika Private Limited - 2,707,600 equity shares (previous year 2,707,600 equity shares) of ₹10 each	1,414.30	1,332.40
Minda NexGenTech Limited - 3,120,000 equity shares (previous year 2,470,000 equity shares) of ₹10 each	312.00	312.00
(ii) Others		
Investment in Government bonds by Clarton Horn, Spain - BBVA 2015 II 20 bonds @ Euro 5,000 each amounting to Euro 100,000 (previous year Euro Nil) (Non-trade)	85.04	-
Minda Industria E Comerico De Autopecsa Ltd - 25,000 equity shares (previous year Nil equity shares) of R$ 1 each (Trade)	7.11	
PT Minda Asean Automotive (Indonesia) - 20,250 equity shares (previous year 20,250 equity shares) of US$10 each (Trade)	88.85	88.85
Investments in partnership firms**		
- Auto Component	670.31	587.37
- Yogendra Engineering	176.57	172.35
	2,754.18	2,492.97
Less: Other than temporary diminution in value of investment in Minda NexGenTech Limited*	312.00	312.00
	2,442.18	2,180.97

* Aggregate provision for diminution of non current investment is ₹312 (previous year ₹312)

**Investment in Partnership Firms

Partnership Firm	Name of the Partners	As at 31 March 2014 Share of Profit	As at 31 March 2013 Share of Profit
Auto Component	Minda Industries Limited	48.90%	48.90%
	Nirmal K. Minda	25.55%	25.55%
	Palak Minda	25.55%	25.55%
Yogendra Engineering	Minda Industries Limited	48.90%	48.90%
	Sanjeev Garg	22.50%	22.50%
	Birender Garg	22.50%	22.50%
	Suman Minda	6.10%	6.10%
Total Capital of the firm		Amount	Amount
Auto Component		1,362.70	1,213.60
Yogendra Engineering		361.07	352.46

Note 16 Long term loans and advances

(Unsecured and considered good)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
To parties other than related parties		
Capital advances	429.87	692.61
	429.87	692.61
Advance income tax (net of provision for tax ₹4,344.51, previous year ₹3,973.48)	921.25	703.59
Security deposits	694.26	632.78
Advance to vendors	10.75	208.51
	2,056.13	2,237.49

Note 17 Other non-current assets

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Foreign currency receivable	303.77	220.22
Bank deposits (due to mature after 12 months from the reporting date) (refer note 21)	322.60	93.63
Retention money with customers	228.95	131.24
	855.32	445.09

Note 18 Current investments

(Non-trade, unquoted investments, at cost)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Investment in Government bonds by Clarton Horn, Spain - Aragon Govt. bonds amounting to Euro 27,00,000 (previous year Euro Nil)	2,296.22	-
Investment in Government bonds by Clarton Horn, Spain - Mixto convertible bonds amounting to Euro 10,000 (previous year Euro Nil)	8.50	-
	2,304.72	-

Note 19 Inventories

(At lower of cost and fair value, unless otherwise stated)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Raw materials [Goods in transit ₹258.39 (previous year ₹378.74)]	5,920.65	4,299.13
Work-in-progress	1,349.28	966.61
Finished goods [Goods in transit ₹136.29 (previous year ₹427.40)]	1,602.40	821.02
Stock-in-trade	1,626.15	1,432.74
Stores and spares	1,453.69	966.96
Loose tools	514.54	462.57
	12,466.71	8,949.03

Note 20 Trade receivables*

(Unsecured, considered good unless otherwise stated)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period exceeding six months from due date		
Unsecured considered good	490.61	280.85
Doubtful	268.77	177.14
	759.38	457.99
Less: Provision for doubtful debts	(268.77)	(177.14)
	490.61	280.85
Other receivables		
Unsecured considered good	25,613.43	21,445.60
	26,104.04	21,726.45

* Trade receivables (unsecured, considered good) include ₹319.70 (previous year ₹1,055.84) due from private companies in which a director is a director.

Note 21 Cash and bank balances

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Cash and cash equivalents		
Cash in hand	46.33	31.15
Balances with banks		
- on current accounts*	1,818.63	2,008.34
- on deposit accounts (with original maturity of 3 months or less)**	455.32	1,349.42
Other bank balances		
Cash on imprest accounts	14.87	5.28
Bank deposits (due for realisation within 12 months of the reporting date)**	419.29	436.71
Unpaid dividend accounts	21.41	21.84
	2,775.85	3,852.74

* includes Escrow account amounting to ₹17.07 (previous year ₹83.12)

**Deposit accounts amounting to ₹346.85 (previous year ₹388.07) is lien under banks and other government authorities.

Detail of bank deposits		
- On deposit accounts with original maturity of 3 months or less included under 'Cash and cash equivalents'	455.32	1,349.42
- On deposit accounts due to mature within 12 months of reporting date included under 'Other bank balances'	419.29	436.71
- On deposit accounts due to mature after 12 months of reporting date included under 'Other non-current assets' (refer note no. 17)	322.60	93.63

Note 22 Short-term loans and advances

(unsecured, considered good unless otherwise stated)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Loans to related parties	-	14.43
To parties other than related parties		
Security deposits	44.93	102.91
Prepaid expenses	310.09	315.44
Advance to suppliers	2,631.11	2,422.47
Advances to employees	170.82	165.42
Balances with government authorities	2,827.98	1,627.87
Income Tax Advances (net of provision for tax ₹nil (previous year ₹15.50)	0.61	9.65
Others	0.11	-
Doubtful advances	24.37	26.91
Provision for bad/doubtful loans and advances	(24.37)	(26.91)
	5,985.65	4,658.19

Note 23 Other current assets

(unsecured, considered good)

₹ in Lacs

	As at 31 March 2014	As at 31 March 2013
Unbilled revenue	430.83	-
Interest income accrued on fixed deposits	53.21	95.75
Duty entitlement available	112.30	114.61
Forward currency receivable	146.23	63.12
Insurance claims receivable	1.66	3.48
Silver coins/items	4.06	3.47
	748.29	280.43

Note 24 Revenue from operations

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Sale of products*		
Finished goods	149,044.52	125,593.37
Traded goods	31,017.90	17,772.52
Sale of products (gross)	180,062.42	143,365.89
Less: Excise duty	12,803.05	11,683.55
Sale of products (net)	167,259.37	131,682.34
Sale of services	1,788.34	1,156.58
Other operating revenues	1,564.79	1,201.28
	170,612.50	134,040.20

*Includes prior period income ₹nil (previous year ₹178.70)

Note 25 Other income

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Interest income	241.93	306.40
Dividend income	40.61	85.70
Share of profit from partnership firms	550.21	527.63
Net gain on foreign currency transactions and translation (other than considered as finance cost) (net of loss on foreign currency transaction ₹ 1,804.02 (previous year ₹ nil))	168.94	0.73
Profit on sale of fixed assets (net of loss ₹ 29.19 (previous year ₹ 73.66)	198.60	136.40
Other non-operating income		
Liabilities / provisions no longer required written back	279.88	31.43
Miscellaneous income	206.61	9.92
	1,686.78	1,098.21

Note 26 Cost of materials consumed*

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Raw materials (including purchased components and packing material consumed)		
Opening inventories	4,299.13	4,832.03
Purchases	93,257.10	94,402.25
Closing inventories	(5,920.65)	(4,299.13)
	91,635.58	94,935.15

*refer note no. 56

Note 27 Changes in inventories

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Inventories at the end of the year:		
Work-in-progress	1,349.28	966.61
Finished goods (other than those acquired for trading)	1,602.40	821.02
Stock-in-trade (acquired for trading)	1,626.15	1,425.54
	4,577.83	3,213.17
Inventories at the beginning of the year:		
Work-in-progress	966.61	1,151.81
Finished goods (other than those acquired for trading)	821.02	611.65
Stock-in-trade (acquired for trading)	1,425.54	19.41
	3,213.17	1,782.87
Stock Adjustment*	508.39	308.20
Net (increase) / decrease in stocks	(856.27)	(1,122.10)

*includes stock adjustment relating to inventory acquired on aquisition of Clarton Horn, S.A. amounting to ₹760.59 (previous year ₹281.85 in respect of Minda Distribution and Services Limited), other inventory adjustment amounting to ₹252.20 (previous year ₹26.35)

Note 28 Employee benefits

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Salaries, wages and bonus	18,025.54	11,495.51
Gratuity	220.40	396.13
Compensated absences	381.27	362.33
Contribution to provident and other funds (refer to note 44)	2,282.48	874.72
Staff welfare and other expenses	1,575.02	1,264.03
	22,484.71	14,392.72

Note 29 Finance costs*

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Interest expense on borrowings	2,250.48	1,752.48
Other finance costs	167.31	153.95
	2,417.79	1,906.43

*Includes prior period charges ₹nil (previous year ₹93.90)

Note 30 Depreciation and amortisation*

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Depreciation on tangible assets*	5,672.80	4,199.86
Amortisation on intangible assets**	234.95	427.45
	5,907.75	4,627.31

* includes prior period expenses of ₹nil (previous year ₹10.45)

**includes prior period income of ₹nil (previous year ₹55.28)

Note 31 Other expenses

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Consumption of stores and spare parts	2,417.32	2,025.16
Job work charges	2,680.25	1,296.96
Casual Labour	125.57	-
Power and fuel	4,329.59	2,901.58
Rent	1,272.55	1,046.29
Repairs and maintenance:		
Buildings	456.59	284.22
Machinery	878.17	769.20
Others	241.44	89.60
Insurance	149.04	118.96
Rates and taxes	304.92	215.62
Travelling and conveyance	2,341.57	1,895.51
Legal and professional	1,962.05	909.46
Payments to auditors*	99.89	76.92
Fixed assets scrapped/ written off	5.09	75.26
Provision for doubtful trade and other receivables, loans and advances (net)	74.62	141.99
Royalty expenses	128.21	131.26
Freight and other distribution overheads	2,093.10	1,327.02
Warranty rejection	385.55	227.79
Miscellaneous expenses	3,285.09	2,702.53
	23,230.61	16,235.33
**Note:		
*Payments to the auditors (excluding service tax)		
Statutory audit	59.03	42.69
Limited review of quarterly results	16.00	16.00
Consolidation fees	3.00	3.00
Reimbursement of expenses	8.48	6.72
Other services	13.38	8.51
	99.89	76.92

**Paid to other firms of Chartered Accountants ₹29.97 (previous year ₹13.57)

Note 32 Exceptional Items

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Net gain on sale of long-term investments (refer to note 41)	-	99.72
Impairment of fixed assets reversal (Loss) (refer to note 36)	149.64	(295.28)
Insurance claim received (Net gain) (refer to note 39)	-	215.39
	149.64	19.83

Note 33 Earnings per share

₹ in Lacs

	Year ended 31 March 2014	Year ended 31 March 2013
Net profit after tax as per Statement of Profit and loss	717.67	2,821.82
Adjustment to net profit after tax:		
Dividend on Preference Shares and Dividend Tax thereon.	(12.28)	(12.28)
Net profit attributable to equity shares	705.39	2,809.54
Weighted average number of Equity Shares (in Nos.):		
for Basic EPS	158.65	158.65
for Diluted EPS	158.65	158.65
Basic earnings per share in rupees (Face value ₹10 per share) (In rupees)	4.45	17.71
Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees)	4.45	17.71
Calculation of weighted average number of shares for basic/diluted earnings per share		
Opening and closing balance of Equity Shares	158.65	158.65

Note 34 Contingent liabilities

(a) Claims made against the Group not acknowledged as debts (including interest, wherever applicable):

Name of the statute	Nature of the Dues	Amount 2013-14	Amount 2012-13	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income tax	7.48	7.48	Assessment year 2002 - 2003	Referred back to AO by Delhi High Court
Income Tax Act,1961	Transfer pricing-against Section 143(3) and Section 144C	686.00	686.00	Assessment year 2006 - 2007	Referred back to Dispute Resolution Panel by Income Tax Appellate Tribunal
Income Tax Act,1961	Income tax	10.33	10.33	Assessment year 2007- 2008	Income Tax Appellate Tribunal
Income Tax Act,1961	Income tax	30.40	7.30	Assessment year 2009- 2010	Commissioner (Appeals) of Income Tax
Income Tax Act,1961	Income tax	1.52	-	Assessment year 2010- 2011	Commissioner (Appeals) of Income Tax

Contingent liabilities relating to other cases ₹17.00(previous year ₹23.20).

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forums / authorities.

(b) Corporate guarantee: Corporate guarantee given by the Group and outstanding as on 31 March 2014 amounting to ₹8,450 (previous year ₹3,200) in respect of loans borrowed by related parties. Further, the Group has also provided a 'letter of comfort' amounting to ₹4,477 (previous year ₹3,877) in respect of a loan taken by a related party from banks.

(c) As per an agreement executed with Maruti Suzuki India Ltd (MSIL) under the 'Maruti Car Scheme', a loan facility was granted to the Group's employees and other associates, whereby the parent company has guaranteed to repay the loan in case of any default. The amount outstanding at the 31 March 2014 amounting to ₹3.49(previous year ₹11.51).

(d) The export obligations outstanding as at 31 March 2014 amount to ₹2,207.63(previous year ₹4,035.38).

(e) The Company has availed sales tax incentives for its unit at Gurgaon, Haryana, from the Government of Haryana as sales tax capital subsidy amounting to ₹225.65 (previous year ₹225.65). 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.

Note 35 Capital and other commitments (net of advance)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances ₹482.10) aggregates to ₹1,059.80 as at 31 March 2014 (previous year net of capital advances ₹655.08 aggregates to ₹1,213.71)).

Note 36 Impairment

(i) Management created an impairment charge amounting to ₹2,392.38 up to 31 March 2013 based on the projected cash flows and valuation of independent valuer.Based on the performance of the division during current year and encouraging future outlook impairment charge to the extent of ₹149.64 (net of depreciation of ₹28.95) has been reversed in quarter ended 31 March 2014. The same has been disclosed as an exceptional item in the Statement of Profit & Loss.

(ii) During the previous year, the parent company had recorded an impairment charge of ₹108.92 being the excess of carrying value of fixed assets of Autogas division over its recoverable amount. The same was disclosed as an exceptional item in the Consolidated Statement of Profit and Loss. Based on the projections, no further charge has been created or reversed during the current year.

Note 37 Diminution in the value of investment

The company had recorded diminution other than temporary in the value of investment amounting to ₹312 in the previous year. The same was disclosed as an exceptional item in the Statement of Profit and Loss. Based on the current year's performance and future projections, there has been no addition or reversal to the amount of diminution in the current year.

Note 38 Purchase of Investment

The parent company acquired 100% shares of Global Mazinkert S.L., Spain (SPV) on 26 March 2013. The paid up capital of the company is Euro 153,600 (previous year Euro 3,600). This SPV has acquired 100% shareholding of Clarton Horn, Spain from PM An Domestic AG, Germany subsequent to the year end, on 15 April 2013 for Euro 6.8 million. The company Clarton Horns is a leading manufacturer of automotive electronic horns supplying all major OEMs in Europe.

Note 39 Fire at Light division of parent company, Pune

During the year ended 31 March 2012, one of the manufacturing facilities of the Light division at Pune had incurred loss of fixed assets and inventory on account of fire. The break-up of assets damaged (i.e. W D V) and expenses due to fire are as follows:

Particulars	Amount
Inventory	75.01
Fixed assets	
- Buildings	24.76
- Plant and machinery	674.58
- Office equipment	5.44
Expenses	184.21
Total	964.00

The parent company had filed a claim with its insurers and the claim is expected to settle at a total amount of ₹1,320 (basis of replacement cost of the assets). As at 31 March 2013, out of the above, the parent company hadreceived ₹215.39 (previous year ₹1,070) from the Insurance Company as an interim payment. The same had been disclosed as an 'Exceptional item' in the Consolidated Statement of Profit and Loss.

Note 40

During the year 2002-03, the Director, Town and Country Planning, Chandigarh issued a demand notice on the parent company amounting to ₹39.51 towards revised CLU (change of land use) charges for the land situated at village Nawada Fatehpur, P.O. Sikanderpur Badda, Gurgaon and Haryana. The parent company paid ₹1.58 and had also filed a Special Leave Petition (SLP) with the Honourable Supreme Court of India, basis which a leave had been granted. Further, the parent company had deposited ₹9.50 as under protest with the authorities. During the previous year, the parent company had filed a writ petition with the High Court of Punjab and Haryana in order to cancel the demand notice and obtain a stay on the balance demand. Further, the parent company had withdrawn the petition and accordingly had agreed to pay the total liability of ₹39.51 and the interest thereon amounting to ₹34.40, towards revised CLU charges after adjusting the amount of ₹9.50 paid earlier.

During current year, the Company has applied for grant of license under 'Affordable housing Policy- 2013' on the land measuring 9.9625 acres in revenue estate of Village Nawada, Fatehpur Sector-81, Gurgaon and paid scrutiny fee (non-refundable) amounting to ₹15.35 in this respect.

On issue of license either under 'Residential Group Housing Colony scheme' or under 'Affordable housing policy 2013',CLU charges would be payable as per terms and conditions of the scheme.

Note 41 Sale of investment

During the previous year, the parent company had disposed off its investment in the equity shares of Minda Automotive Solutions Limited (formerly known as Minda Autocare Limited) to Minda Corporation Limited. The carrying value of these investments was ₹73.17 as at 31 March 2012. Accordingly the profit on sale of investment amounting to ₹99.72 (net of taxes) was recognized in the Consolidated Statement of Profit and Loss for the year ended 31 March 2013. The same has been disclosed as an "Exceptional Item" in the Consolidated Statement of Profit and Loss.

Note 42 Segment information

The Group has one business segment 'Auto Components including auto Electrical Parts and its accessories' as primary segment. The secondary segment is geographical, which is given as under:

₹ in Lacs

Particulars		Current year	Previous year
Revenue	Within India	138,102	124,598
	Outside India	32,511	9,443
Assets	Within India	82,771	78,965
	Outside India	15,448	1,592
Cost incurred on acquisition of fixed assets	Within India	14,887	9,874
	Outside India	1,503	11

Note 43 Related party disclosures

(i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Key management personnel:	Mr. Nirmal K. Minda, Managing Director('MD')
Relatives of key management personnel:	Mrs. Suman Minda (wife of MD) Mrs. Paridhi Minda Jindal (daughter of MD) Mrs. Palak Minda (daughter of MD)
Other entities over which key management personnel is able to exercise significant influence:	Minda Finance Limited Minda Investments Limited Minda International Limited Minda Corporation Limited Nirmal K. Minda (HUF) Minda Industries (Firm) Minda Automotive Limited Minda Spectrum Advisory Limited Samaira Engineering (firm) S.M. Auto Industries (firm) Minda Stoneridge Instruments Ltd.
Associates	Auto Component (Firm) Yogendra Engineering (Firm) Mindarika Private Limited Minda NexGenTech Limited

(ii) Transactions with related parties:

Transactions with related parties	Associates		Entities over which key personnel are able to exercise significant influence		Key management personnel and Relatives	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Sale of goods	736	903	132	35	-	-
Purchase of goods	1611	710	3,929	3,550	-	-
Sale of Fixed Assets	7	7	-	-	-	-
Purchase of fixed assets	12	16	-	-	-	-
Expenses recovered	12	3	21	248	-	-
Reimbursements of expenses	12	13	259	65	-	-
Services rendered	528	461		84	-	-
Services Received	7	-		-	-	-
Remuneration	-	-	-	-	131	152
Rent paid	-	-	683	707	70	57
Rent received	2	-	-	-	-	-
Electricity paid		-	603	465	-	-
Dividend received	41	41	-	-	-	-
Interest paid	-	-	-	-	-	-
Share of profits	550	528	-	-	-	-
Royalty received	64	59	36	28	-	-
Dividend paid on equity share capital	-	-	155	155	156	156
Dividend paid on 3% cumulative redeemable preference share capital	-	-	-	-	11	11
Investment in shares	-	65	-	-	-	-
Sale of shares	-	-	-	194	-	-
Balance outstanding Receivable/(payable)	(84)	434	117	153	-	-

(iii) Related party transactions within the group

Parties Involved		Nature of Transaction	Amount
Yogendra Engineering	Auto Component	Sale of goods	1
Auto Component	Yogendra Engineering	Purchase of goods	1
Auto Component	Minda Distribution and Services Limited	Sale of goods	3,007
Minda Distribution and Services Limited	Auto Component	Purchase of goods	3,007
Mindarika Private Limited	Minda Kyoraku Limited	Services rendered	8
Minda Kyoraku Limited	Mindarika Private Limited	Services received	8
Mindarika Private Limited	Minda Kyoraku Limited	Expenses recovered	5
Minda Kyoraku Limited	Mindarika Private Limited	Reimbursement of expenses	5
Mindarika Private Limited	Minda NexGentech Limited	Purchase of goods	1
Minda NexGentech Limited	Mindarika Private Limited	Sale of goods	1
M J Casting Limited	Minda Investment Limited	Issue of 8% non-convertible preference shares issued	250
Minda Investment Limited	M J Casting Limited	Investment in shares	250
M J Casting Limited	Minda Investment Limited	Unsecured Loan taken/ Bill discounting	250
Minda Investment Limited	M J Casting Limited	Unsecured Loan given/ Bill discounting	250
M J Casting Limited	Minda Investment Limited	Repayment of unsecured loan	250
Minda Investment Limited	M J Casting Limited	Recovery of unsecured loan	250
M J Casting Limited	Minda Investment Limited	Interest paid/Bill discounting charges	13
Minda Investment Limited	M J Casting Limited	Interest received	13
M J Casting Limited	Minda Finance Limited	Unsecured Loan taken/ Bill discounting	200
Minda Finance Limited	M J Casting Limited	Unsecured Loan given/ Bill discounting	200
M J Casting Limited	Minda Finance Limited	Interest paid/Bill discounting charges	10
Minda Finance Limited	M J Casting Limited	Interest received	10
M J Casting Limited	Minda Finance Limited	Interest accrued and due	4
Minda Finance Limited	M J Casting Limited	Interest receivable	4
Minda Emer Technologies Limited	Minda Investment Limited	Rent paid	77
Minda Investment Limited	Minda Emer Technologies Limited	Rent received	77
Minda Emer Technologies Limited	Minda Investment Limited	Electricity charges and Business support services received	16
Minda Investment Limited	Minda Emer Technologies Limited	Electricity charges and Business support services rendered	16
Minda Emer Technologies Limited	Minda Investment Limited	Reimbursement of expenses	1
Minda Investment Limited	Minda Emer Technologies Limited	Expenses recovered	1
Minda Kyoraku Limited	Minda Investment Limited	Unsecured loan taken	19
Minda Investment Limited	Minda Kyoraku Limited	Unsecured loan given	19
Balance outstanding			
Minda Kyoraku Limited	Minda Investment Limited	Unsecured loan outstanding	19
Minda Investment Limited	Minda Kyoraku Limited	Unsecured loan receivable	19
Mindarika Private Limited	Minda Kyoraku Limited	Loans and advances receivable	6
Minda Kyoraku Limited	Mindarika Private Limited	Loans and advances payable	6
M J Casting Limited	Minda Finance Limited	Unsecured loan outstanding	200
Minda Finance Limited	M J Casting Limited	Unsecured Loan receivable	200

(iv) Details of related party with whom transactions exceed 10% of the class of transactions

Related party	Nature of transaction	For the year ended 31 March 2014	For the year ended 31 March 2013
Minda NexGenTech Limited	Purchases of goods	1479	586
Minda Corporation Limited	Purchases of goods	3,929	3,550
Mindarika Private Limited	Dividend paid	41	41
Mindarika Private Limited	Services rendered	508	460
Mindarika Private Limited	Services received	7	-
Auto Component Firm	Share of profits	183	143
Yogendra Engineering Firm	Share of profits	367	385
Auto Component Firm	Royalty received	15	13
Yogendra Engineering Firm	Royalty received	50	47
Samaira Engineering	Royalty received	36	28
Mr. Nirmal K. Minda	Remuneration	131	152
Nirmal K. Minda HUF	Equity dividend	45	41
Minda Investment Limited	Equity dividend	102	85
Mr. Nirmal Kumar Minda	Equity dividend	72	51
Mrs. Suman Minda	Equity dividend	74	62
Minda Investment Limited	Rent	683	655
Minda Investment Limited	Electricity charges	603	465

Note 44 Disclosure pursuant to Accounting Standard-15 on "Employee Benefits"

a) Pursuant to the adoption of Accounting Standard (AS) 15 (revised 2005) "Employee Benefits", the additional obligations of the parent company with respect of certain employee benefits upto 31 March 2007 amounted to ₹nil (previous year ₹Nil) has been adjusted from the general reserve.

b) Defined contribution plan

An amount of ₹812.24(Previous year: ₹716.28) for the year, has been recognized as an expense in respect of the Group's contribution towards Provident Fund, deposited with the government authorities and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss. Further an amount of ₹35.42 (Previous year: ₹40.60) for the year, has been recognized as an expense in respect of the Group's contribution towards Superannuation Fund, and has been included under employee benefit expense in the Consolidated Statement of Profit and Loss.

For overseas entities

The group's employee social security contribution are defined contributions plans. ₹1,312.94 (previous year ₹nil) has been recognized as expense for the year in the Consolidated Statement of Profit and Loss and shown under employee benefits expense in note no.28.

c) Defined benefit plans

Gratuity is payable to all eligible employees of the Group on retirement/exit,death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Group's Scheme, whichever is more beneficial.

The obligation for compensated absences is recognized in the same manner as Gratuity.

(i) Changes in present value of obligation:

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Present value of obligation as at the beginning of the year	1,468.79	1,200.87	585.88	403.51
Present value of obligation at the beginning of the year on account of consolidation	-	-	-	-
Acquisition adjustment	3.49	(3.21)	(1.21)	0.93
Interest cost	121.72	98.97	48.76	33.25
Past service cost		-		-
Current service cost	208.45	202.85	259.71	144.80
Curtailment cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Benefits paid	(139.56)	(115.07)	(271.90)	(162.44)
Actuarial (gain)/loss on obligation	(90.45)	90.21	78.46	170.33
Present value of obligation as at the end of year	1,572.44	1,474.62	704.21	590.38
-Long term	1,520.47*	1,355.27	658.32	528.31
-Short term	51.97	119.35	45.89	62.07
	1,572.44	1,474.62	704.21	590.38

* The company is maintaining its gratuity trust with L.I.C. by the name Minda Industries Limited Gratuity Trust. Accumulated contribution by the company as on 31 March 2014 is ₹150.07 (previous year ₹150.07). LIC is paying interest on this contribution annually which is considered as income of the Trust. During the current year interest accrued on this fund is ₹18.88 (previous year ₹21.32). Contribution by the company during the current year is ₹nil (previous year ₹nil)

(ii) Changes in the fair value of plan assets:

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Fair value of plan assets at the beginning of the year	284.11	258.37	-	-
Acquisition adjustment		-	-	-
Expected return on plan assets	19.34	21.32	-	-
Employer contributions	-	6.00	-	-
Benefits paid	-	(1.58)	-	-
Fair value of plan assets at the end of the year	303.45	284.11	-	-

(iii) Actuarial gain/ loss recognized is as follows:

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Actuarial gain/(loss) for the year – obligation	90.45	(90.21)	70.90	(170.33)
Actuarial (gain)/loss for the year - plan assets	-	-	-	-
Total (gain)/loss for the year	(90.45)	90.21	(70.90)	170.33
Actuarial (gain)/ loss recognized in the year	(90.45)	90.21	(70.90)	170.33
Unrecognized actuarial (gain)/losses at the end of year	-	-	-	-

(iv) The amounts recognized in the consolidated balance sheet are as follows:

Particulars	Gratuity		Compensated absences	
	As at		As at	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Present value of obligation as at the end of the year	1,572.44	1,474.62	704.21	590.38
Fair value of plan assets as at the end of the year	303.45	284.11	-	-
Funded status	(1,268.99)	(1,190.52)	(704.21)	(590.38)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/losses	-	-	-	-
Net asset/(liability)recognized in balance sheet	(1,268.99)	(1,190.52)	(704.21)	(590.38)

(v) Expenses recognized in the Consolidated Statement of Profit and Loss:

Particulars	Gratuity		Compensated absences	
	For the year ended		For the year ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Current service cost	208.45	202.86	254.09	144.79
Past service cost	-	-	-	-
Interest cost	121.72	98.97	48.76	33.25
Expected return on plan assets	(19.34)	(21.32)	-	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Net actuarial (gain)/ loss recognized in the year	(90.45)	90.21	78.46	170.33
Expenses recognized in the Consolidated Statement of Profit and Loss	220.37	370.72	381.31	348.37

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

Particulars	Gratuity			
	For the year ended			
	31 March 2014	31 March 2013	31 March 2012	31 March 2011
On Plan PBO	(81.95)	(55.98)	(115.79)	(46.50)
On Plan assets	(4.20)	-	(1.29)	-

(vii) Enterprise best estimate of contribution during next year is:

	Amount
Compensated absences	215.77
Gratuity	410.54

(viii) Principal actuarial assumptions at the balance sheet date are as follows:

a) Economic assumptions: The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Assumptions used for the Group are as follows:

Assumptions for the parent company

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	9.10%	8.50%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	6.75%	8.25%

Assumptions for Minda Kyoraku Limited, M.J.Casting Limited

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	9.10%	8.50%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Auto Component Limited

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	9.10%	8.00%
Future Salary Increase	8.00%	5.50%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Distribution and Services Limited

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	8.50%	8.00%
Future Salary Increase	5.50%	5.50%
Expected rate of Return on Plan Assets	-	-

Assumptions for Minda Emer Technologies Limited

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	9.30%	8.50%
Future Salary Increase	8.00%	8.00%
Expected rate of Return on Plan Assets	-	-

b) Demographic assumptions:

	Assumptions as at 31 March 2014	Assumptions as at 31 March 2013
i) Retirement age (years)	58	58
ii) Mortality table	IALM (2006-08)	LIC (1994-96)
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

c) Transfer of employees

During the current year certain employees of Minda Emer Technologies Limited (METL) were transferred to Minda Industries Limited (the Parent Company). As per the terms of the agreement, the liability on account of gratuity and compensated absences for employee uptill date of transfer will be borne by METL. The amount receivable from METL towards gratuity is ₹4.79 and towards compensated absences is ₹2.47.

Note 45 Particulars on unhedged foreign currency exposure:

Currency	As at 31 March 2014			As at 31 March 2013		
	Foreign currency Amount in lacs	Exchange rate(in ₹)	Rupees in lacs	Foreign currency Amount in lacs	Exchange rate (in ₹)	Rupees in lacs
Trade receivables						
USD	81.97	58.94	4,831.13	47.91	53.83	2,578.80
CHF	0.71	66.33	46.98	-	-	-
EUR	9.65	80.97	781.36	9.37	68.76	644.30
JPY	245.34	0.57	139.79	154.32	0.57	87.87
GBP	0.04	97.98	3.92	0.03	81.38	2.44
MAD	6.86	7.57	51.93	-	-	-
Trade payables						
USD	11.16	60.76	677.85	17.14	55.04	943.47
JPY	21.66	0.59	12.87	78.30	1.55	121.59
EUR	9.96	83.59	832.70	6.84	71.82	490.93
GBP	0.01	101.10	1.01	0.02	65.50	1.31
TWD	2.07	2.07	4.29	0.01	44.51	0.24
KRW	10.48	0.05	0.54	-	-	-
IDR	55.08	0.01	0.31	-	-	-
MAD	24.64	7.57	186.52	-	-	-
Short Term Borrowings						
USD	4.78	60.76	290.43	1.18	55.05	65.17
Euro	1.98	83.59	165.51	-	-	-
Long Term Borrowings						
USD	1.94	60.76	117.87	1.94	55.05	106.91

Note 46

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Group.

Particulars	As at 31 March 2014	As at 31 March 2013
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	818.01	331.84
- Interest	9.94	4.69
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)	-	-
The Amounts of the payments made to micro and small suppliers beyond the appointed day during the year	7341.35	1696.88
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	80.64	47.94
The amount of interest accrued and remaining unpaid at the end of the year	90.58	52.63
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

Note 47

The following disclosures have been made in accordance with the provisions of Accounting Standard 29- 'Provisions, Contingent Liabilities and Contingent Assets'

(i) Provision for Warranty

Particulars	As at 31 March 2014	As at 31 March 2013
Balance as at beginning of the year	316.32	546.74
Add:- Balance transferred pursuant to amalgamation of Minda Acoustic Limited		
Add: Provision made during the year	385.55	227.79
Less: Utilisation during the year	402.02	458.21
Balance as at the end of the year	299.85	316.32

The Group has made a warranty provision on account of sale of components. These provisions are based on management's best estimate and past trends. Actual expenses for warranty are charged directly against the provision. Unutilized provision is reversed on expiry of the warranty period.

(ii) Provision for Labour case

Particulars	As at 31 March 2014	As at 31 March 2013
Balance as at the beginning of the year	-	-
Add:- Provision made during the year	280.01	-
Less: Utilised during the year	-	-
Balance as at the end of the year	280.01	-

This provision has been made by the subsidiary company Global Mazinkert, S.L. (Clarton Horn, S.A.) on account of probable compensation for an injured worker during his working day attributable to the company pending resolution by the competent public administration.

Note 48 Leases

The Group has taken offices on cancellable operating leases. The lease rentals recognised in the Consolidated Statement of Profit and Loss for the year 31 March 2013 are ₹1,272.55 (Previous Year ₹1046.29)

Note 49 Joint ventures

(a) The parent company has the following investment in the jointly controlled entity:

Name of joint venture	Country of Incorporation	Proportion of Ownership Interest
Minda Emer Technologies Limited	India	48.90%
M J Casting Limited	India	50.00%

(b) In respect of jointly controlled entities, the parent company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

Particulars	As at 31 March 2014	As at 31 March 2013
Noncurrent assets	6,758.04	5,684.73
Current assets	2,266.81	1,993.32
Noncurrent liabilities	2,977.03	3,190.12
Current liabilities	3,292.68	2,231.60
Revenues (including other income)	6,915.64	3,718.56
Expenses(including income tax expense)	7,395.73	4,264.41
Capital commitment	14.70	112.88

Note 50

The parent company hasduring thecurrentyear acquired onesubsidiary. Thegoodwill on such acquisitioniscomputed as under:-

S.no.	Particulars	Total Euro'000	Total INR lakhs*
I	Cost of investment in the subsidiaries	6,814.00	5,794.63
	Total (A)	**6,814.00**	**5,794.63**
I	Share Capital	962.00	818.08
II	Surplus, i.e. Balance in Profit and Loss account as on the date of acquisition	5,731.43	4,876.97
	Total (B)	**6,693.43**	**5,695.05**
	Amount before Adjustment for pre-acquisition tax liability of subsidiary(A-B) {C}	**120.57**	**99.57**
	Adjustment for pre-acquisition tax liability of subsidiary (D)	134.00	113.95
	Capital Reserve (C-D)	**(13.43)**	**(14.38)**

Note 51

The parent company had during the previous acquired two subsidiaries. The goodwill on such acquisition was computed as under:-

S.no.	Particulars	Total*
I	Cost of investment in the subsidiaries	201.31
	Total (A)	**201.31**
I	Share Capital	201.31
II	Surplus i.e. balance in statement of Profit and Loss on date of acquisition	(5.11)
	Total (B)	**196.20**
	Goodwill (A-B)	**5.11**

Note 52

During the previous year, the Group recomputed goodwill and capital reserve that arose on consolidation of its subsidiaries and made necessary rectification entries to correct the deficiencies in the previous calculations. Consequently, following corrections were recorded in the previousyear consolidated financial statements:

(i) In respect of Minda Kyoraku Limited, a subsidiary, the Group had recognized goodwill on consolidation amounting to ₹52.58 in the consolidated financial statements instead of recognizing a capital reserve amounting to ₹82.27. This goodwill was adjusted with the share premium account. The same has been rectified in the current year by recognizing capital reserve amounting to ₹82.27 and adjusting share premium account.

(ii) In respect of MJ Casting Limited, a joint venture company, the Group had recognized excess goodwill amounting to ₹57.21 on account of consolidation of MJ Casting Limited with the parent company. The same has been rectified during the current year.

(iii) The above resulted in increase in capital reserve by ₹82.27, reduction in security premium account by ₹82.27 and decrease in goodwill on consolidation by ₹57.21.

Note 53 Derivative instruments

The Group has entered into the following derivative instruments, which are outstanding as at 31 March 2013:

Nature of contracts	Outstanding as at 31 March 2014		Outstanding as at 31 March 2013	
	Number of contracts	Foreign currency amount	Number of contracts	Foreign currency amount
Forward cover (Sell)	5	USD 125,000	1	USD 50,000
Forward cover (Sell)	2	Euro 50,000	2	Euro 75,000

The purpose of entering into a forward exchange contract is to hedge the foreign currency exposure on payment from trade receivables. During the current year, the Group has not entered into any derivative instrument for speculation purpose.

Note 54

Capital work in progress includes borrowing cost capitalized during the year amounting to ₹28.62 (previous year ₹200.57).

Note 55

The Group has established a comprehensive system of maintenance of information and documents are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 56

A grouping error was noted in the comparatives relating to year ended 31 March 2013. An amount of ₹14,854.76 relating to purchase of stock in trade was erroneously included under cost of material consumed with no impact on profit for the year ended 31 March 2013.The performa numbers are as mentioned below:

Particulars	Cost of Material consumed	Purchase of stock in trade
As per audited financials	94,935.15	253.48
Adjustment	(14,854.76)	14,854.76
After adjustment	80,080.39	15,108.24

Note 57

Previous year figures have been reclassified/ regrouped, wherever required, to confirm to current year classification.

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

Vikram Advani
Partner
Membership No. 091765

Place : Gurgaon
Date : 27 May 2014

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

Nirmal K. Minda
Managing Director
DIN No. 00014942

Anand Kumar Minda
Director
DIN No. 00007964

Sudhir Jain
Corp. Business Head
and Group CFO

H.C. Dhamija
Company Secretary

Place : Gurgaon
Date : 27 May 2014

B S R & Co. LLP
Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
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Telephone: + 91 124 719 1000
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Report of the Independent Auditors on the Summary Consolidated Financial Information (Reformatted)

The Board of Directors
Minda Industries Limited
B-64/1, Wazirpur Industrial Area,
Delhi - 110052

Dear Sir(s),

The accompanying Summary Consolidated Financial Information (Reformatted), which comprise the summary consolidated balance sheet as at 31 March 2016 and the summary consolidated statement of profit and loss for the year then ended; the summary consolidated balance sheet as at 30 September 2016 and the summary consolidated statement of profit and loss for the six months then ended; the summary consolidated statement of profit and loss for the nine months ended 31 December 2016, and related notes, is derived from the audited consolidated financial results of Minda Industries Limited ("the Company"), its subsidiaries, its associates and its jointly controlled entities (together referred to as 'the Group), for the year ended 31 March 2016; unaudited (subjected to limited review in accordance with Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India, hereinafter referred to as "SRE 2410") consolidated financial results of the Group for the six months ended 30 September 2016; and unaudited (subjected to limited review in accordance with SRE 2410) consolidated financial results of the Group for the nine months ended 30 December 2016 (together referred to as the "consolidated financial results"), respectively. We issued an unqualified report on those consolidated financial results in our audit report dated 21 May 2016 and limited review reports dated 10 November 2016 and 7 February 2017. Those consolidated financial results and the Summary Consolidated Financial Information (Reformatted), do not reflect the effects of events that occurred subsequent to the date of our respective reports on those consolidated financial results.

The Summary Consolidated Financial Information (Reformatted) have been prepared by the Company and approved by the Board of Directors of the Company for inclusion in the Preliminary Placement Document dated 23 March 2017 and the Placement Document to be filed (together referred to as the "Offering Circular") for the proposed offering of equity shares of the Company pursuant to a Qualified Institutions Placement ('QIP') and do not contain all the disclosures required by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applied in the preparation of the aforesaid consolidated financial results of the Group. Reading the Summary Consolidated Financial Information (Reformatted), therefore, is not a substitute for reading the consolidated financial results of the Group.

Management's Responsibility for the Summary Financial Information

Management is responsible for the preparation of a summary of the consolidated financial information (reformatted) on the basis described in note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on the Summary Consolidated Financial Information (Reformatted) taking into consideration:

a. the terms of our engagement agreed with you vide our engagement letter dated 23 March 2017, requesting us to carry out work on such financial information, proposed to be included in the Offering Circular of the Company in connection with its proposed QIP; and

b. Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the Summary Consolidated Financial Information (Reformatted) derived from the consolidated financial results of Minda Industries Limited, its subsidiaries, its associates and its jointly controlled entities for the year ended 31 March 16; six months ended 30 September 2016; and nine months ended 31 December 2016, are a fair summary of those consolidated financial results, on the basis described in note 1.

Limitation of use

This report is intended solely for your information and for inclusion in the Offering Circular in connection with the proposed QIP of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajiv Goyal
Partner
Membership No. 094549

New Delhi
Date : 23 March 2017

MINDA INDUSTRIES LIMITED
REGD. OFFICE : B-64/1, WAZIRPUR INDUSTRIAL AREA, DELHI-110052
PH: 011- 27374444, 0124- 2290427 Fax: 0124- 2290676
CIN: L74899DL1992PLC050333
Website: www.mindagroup.com
SUMMARY CONSOLIDATED FINANCIAL INFORMATION (REFORMATTED)

Summary Consolidated Statement of Profit and Loss

(Rs. In Lacs)

	PARTICULARS	For the nine months ended 31 Dec 2016	For the six months ended 30 Sep 2016	For the year ended 31 Mar 2016
		(Unaudited)	(Unaudited)	(Audited)
1	**Income from Operations**			
	(a) Net Sales/Income from operations (Net of Excise duty)	2,53,682.90	1,66,100.97	2,50,615.04
	(b) Other Operating Income	2,015.04	1,141.25	2,118.45
	Total Income from operations (net)	**2,55,697.94**	**1,67,242.22**	**2,52,733.49**
2	**Expenses**			
	(a) Cost of materials consumed	1,41,167.67	93,967.87	1,37,879.64
	(b) Purchases of stock-in trade	19,305.14	12,218.57	24,862.91
	(c) Changes in inventories of finished goods, work-in-progress and stock-in trade	(1,497.99)	(1,077.68)	(1,765.04)
	(d) Employees benefits expense	33,748.47	21,588.78	32,634.20
	(e) Depreciation and amortisation expense	9,964.75	6,208.84	9,261.76
	(f) Other expenses	35,694.32	23,980.40	35,338.92
	Total Expenses	**2,38,382.36**	**1,56,886.78**	**2,38,212.39**
3	**Profit/(Loss) from operations before other income, finance costs and exceptional items**	**17,315.58**	**10,355.44**	**14,521.10**
4	Other income	1,040.17	609.00	1,397.24
5	**Profit/(Loss) from ordinary activities before finance costs and exceptional items**	**18,355.75**	**10,964.44**	**15,918.34**
6	Finance Costs	3,233.66	2,309.05	2,567.57
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items**	**15,122.09**	**8,655.39**	**13,350.77**
8	Exceptional items	-	-	520.18
9	**Profit/ (Loss) from ordinary activities before Tax**	**15,122.09**	**8,655.39**	**13,870.95**
10	Tax Expense	3,574.08	2,247.36	2,774.92
11	**Net Profit/(Loss) from ordinary activities after tax**	**11,548.01**	**6,408.03**	**11,096.03**
12	Extra-ordinary items (net of tax expenses)	-	-	-
13	**Net Profit /(Loss) for the period**	**11,548.01**	**6,408.03**	**11,096.03**
14	Share of profit/(loss) of associates	835.91	686.01	1,166.60
15	Minority Interest	(1,353.85)	(537.58)	(1,149.23)
16	**Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates**	**11,030.07**	**6,556.46**	**11,113.40**
17	Paid up Equity Share Capital (Face Value Rs. 2 per share)	1,586.54	1,586.54	1,586.54
18	Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year			45,234.12
19	i) Earnings per share (before extra-ordinary items) (Face Value Rs. 2/-each) (not annualised)			
	a) Basic (in Rs.)	13.89	8.26	13.99
	b) Diluted (in Rs.)	13.89	8.26	13.99
	ii) Earnings per share (after extra-ordinary items) (Face Value Rs. 2/-each) (not annualised)			
	a) Basic (in Rs.)	13.89	8.26	13.99
	b) Diluted (in Rs.)	13.89	8.26	13.99

MINDA INDUSTRIES LIMITED DELHI

Summary Consolidated Balance Sheet

(Rs. In Lacs)

S No.	Particulars	As at 30 Sep 2016 (Unaudited)	As at 31 March 2016 (Audited)
A	EQUITY AND LIABILITIES		
1	**Shareholders' Funds**		
	a) Share capital	1,936.54	1,936.54
	b) Reserves and surplus	51,790.23	45,234.12
	c) Capital reserve on consolidation	10,990.05	-
	Sub-total - Shareholders' Funds	**64,716.82**	**47,170.66**
2	**Minority interest**	**12,654.94**	**10,960.79**
3	**Non-current liabilities**		
	a) Long-term borrowings	21,367.20	16,901.02
	b) Deferred tax Liabilities (net)	-	-
	c) Other long-term liabilities	746.94	909.21
	d) Long-term provisions	6,215.51	3,360.32
	Sub-total - Non-current liabilities	**28,329.65**	**21,170.55**
4	**Current liabilities**		
	a) Short-term borrowings	29,244.30	18,405.76
	b) Trade payables	48,133.21	32,144.62
	c) Other current liabilities	15,299.07	16,944.84
	d) Short-term provisions	1,780.76	1,887.38
	Sub-total - Current liabilities	**94,457.34**	**69,382.60**
	TOTAL - EQUITY AND LIABILITIES	**2,00,158.75**	**1,48,684.60**
B	ASSETS		
1	**Non-current assets**		
	a) Fixed assets	91,017.09	69,651.36
	b) Goodwill on consolidation	-	633.94
	b) Non-current investments	5,001.01	4,362.33
	c) Deferred tax asset	1,069.52	717.81
	d) Long-term loans and advances	4,041.45	2,513.60
	e) Other non current assets	652.05	799.61
	Sub-total - Non-current assets	**1,01,781.12**	**78,678.65**
2	**Current assets**		
	a) Inventories	23,405.57	18,384.22
	b) Trade receivables	51,153.52	36,391.30
	c) Cash and bank balances	13,899.26	5,666.06
	d) Short-term loans and advances	8,998.03	8,727.77
	e) Other current assets	921.25	836.60
	Sub-total - Current assets	**98,377.63**	**70,005.95**
	TOTAL - ASSETS	**2,00,158.75**	**1,48,684.60**

Notes on Summary Consolidated Financial Information (Reformatted)

1 The "Summary Consolidated Financial Information (Reformatted)" (hereinafter referred to as "the Statement") has been prepared by the Minda Industries Limited ("the Company") and approved by the Board of Directors of the Company for inclusion in the Preliminary Placement Document and the Placement Document (together referred to as the "Offering Circular") for the proposed offering of equity shares of the Company pursuant to a Qualified Institutions Placement ('QIP').

The Statement has been derived from the audited consolidated financial results of the Company, its subsidiaries, associates and jointly controlled entities (together referred to as 'the Group), for the year ended 31 March 2016; unaudited (subjected to limited review in accordance with SRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity) consolidated financial results of the Group for the six months ended 30 September 2016; and unaudited (subjected to limited review in accordance with SRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity) consolidated financial results of the Group for the nine months ended 30 December 2016 (together referred to as the "Consolidated Financial Results"), respectively.

The aforementioned Consolidated Financial Results were presented in Rs. crores for the purpose of its submission to the stock exchange in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. For the purposes of this Statement, the amounts have been translated in Rs. lacs. However, there has been no restatement or adjustment to any of the amounts included in the Statement as compared to the Consolidated Financial Results.

For and on behalf of the Board of
Minda Industries Limited

Place: Gurgaon
Date: March 23, 2017

(NIRMAL K. MINDA)
Chairman & Managing Director

(ANAND KUMAR MINDA)
Director

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII and Schedule XVIII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

_____

Nirmal K Minda
Chairman & Managing Director

Place: Gurugram
Date: March 23, 2017

DECLARATION

We, the Directors of the Company certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the offer shall be used only for the purposes and objects indicated in the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

_____

Nirmal K Minda
Chairman & Managing Director

We are severally authorised by the Fund Raising Committee of the Company, vide resolution dated March 23, 2017 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments, thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

_____

Nirmal K Minda
Chairman & Managing Director

_____

Anand Kumar Minda
Director

Place: Gurugram
Date: March 23, 2017

MINDA INDUSTRIES LIMITED

Registered Office

B-64/1, Wazirpur Industrial Area,
Delhi 110 052, India

Corporate Office

Village - Nawada, Fatehpur P.O. Sikanderpur Badda,
IMT Manesar, District-Gurugram 122 004, Haryana, India

Details of Compliance Officer

H. C. Dhamija

Company Secretary and Compliance Officer
Village - Nawada, Fatehpur P.O. Sikanderpur Badda,
IMT Manesar, District-Gurugram 122 004, Haryana, India
Tel: +91 1242291604; **Fax:** +91 124 2290676; **E-mail:** hcdhamija@mindagroup.com

LEAD MANAGER

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Mumbai 400 013

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INTERNATIONAL LEGAL COUNSEL FOR SELLING RESTRICTION

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10 Collyer Quay
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Singapore 049 315

STATUTORY AUDITORS TO OUR COMPANY

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Gurugram – 122 002, India