

# B S R & Associates LLP

Chartered Accountants

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## Independent Auditor's Report on the Statement of Consolidated Financial Results of Minda Corporation Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of  
Minda Corporation Limited

We have audited the Statement of Consolidated Financial Results ('the Consolidated Statement') of Minda Corporation Limited ('the Company') its subsidiaries, associate and jointly controlled entity (collectively referred to as 'the Group') for the year ended 31 March 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. Attention is drawn to the fact that the figures for the quarter ended 31 March 2016 and the corresponding quarter ended in the previous year as reported in the Consolidated Statement are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had neither been reviewed nor subjected to audit.

~~This Consolidated Statement has been prepared by the Company on the basis of the consolidated financial statements and unreviewed/unaudited quarterly consolidated financial results up to the end of the third quarter, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company. Our responsibility is to express an opinion on this Consolidated Statement based on our audit of the consolidated financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.~~

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

### Basis for Qualified Opinion

The financial statements/ information of one of the Company's subsidiary, Minda Furukawa Electric private limited, is pending audit by the subsidiary's auditor (other auditor). The Company has consolidated the unaudited financial statements/ information of this subsidiary which represents 18% of the consolidated revenue and 15% of the consolidated assets of the Company for the year ended and as at 31 March 2016 respectively. In view of the abovementioned matter we are unable to comment on, as to whether the financial statements of the said subsidiary give the information required by the Act in the manner so required and give a true and fair view of its state of affairs as at 31 March 2016, its loss and its cash flows for the year ended 31 March 2016 and its consequential impact on the goodwill arising out of the acquisition of the said subsidiary. Our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the unaudited information provided by the management of the subsidiary.



### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- (i) include the financial results of the following entities:
  - a. Minda SAI Limited;
  - b. Minda Automotive Solutions Limited;
  - c. Minda Management Services Limited;
  - d. Minda KTSN Plastic Solutions GmbH & Co. KG
  - e. Minda KTSN Plastic and Tooling Solutions Sp Z.O.O
  - f. KTSN Kunststofftechnik Sachsen Beteiligungs- GmbH
  - g. Minda KTSN Plastic Solutions Mexico, S. de R.L. de C.V
  - h. Minda Europe B.V.
  - i. Almighty International PTE Limited
  - j. PT Minda Automotive Indonesia
  - k. PT Minda Automotive Trading Indonesia
  - l. Minda Vietnam Automotive Company Limited
  - m. Minda Furukawa Electric Private Limited
  - n. Minda Stoneridge Instruments Limited
  - o. Minda VAST Access Systems Private Limited
- (ii) ~~except for the possible effects of the matter described in the Basis for Qualified opinion paragraph above are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in this regard; and~~
- (iii) except for the possible effects of the matter described in the Basis for Qualified opinion paragraph above, give a true and fair view of the net profit and other financial information for the year ended March 31, 2016.

### Other Matter

1. We did not audit the financial results of certain subsidiaries, a joint venture and an associate (interests in which have been incorporated in these consolidated financial statements), whose financial statements reflect total assets of Rs. 93,239 lacs as at 31 March 2016 and total revenues of Rs. 121,794 lacs for the year then ended on a stand-alone entity basis. Of the above:
  - (a) The financial statements/ reporting package and other financial information of the subsidiaries and the associate (not audited by us) have been audited by other auditors whose reports have been furnished to us by the management/ other auditor and our opinion 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. 39,818 lacs of the total assets and Rs. 52,126 lacs of the total revenue [including other income and exceptional items (net basis)] of the Group. For the purpose of preparation of the consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the management of the said entities so that these conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting



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and disclosure requirements applicable to consolidated financial statements under the generally accepted accounting principles in India. The reporting packages made for this purpose have been audited by the other auditors and reports of those other auditors have been furnished to us. Our opinion on the consolidated financial statements, insofar as it relates to these entities, is based on the aforesaid audit reports of those other auditors.

*For B S R & Associates LLP*

*Chartered Accountants*

ICAI Firm Registration Number: 116231W/W-100024



**Manish Gupta**

*Partner*

Membership number: 095037

Place: Gurgaon

Date: 27 May 2016

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MINDA CORPORATION LIMITED

CIN: L74899DL1985PLC020401

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**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH 2016**

PART I Particulars	Quarter ended		Year ended	
	31 March 2016	31 December 2015	31 March 2015	31 March 2015
	UNAUDITED*	UNAUDITED	UNAUDITED*	AUDITED
<b>1. Income From Operations</b>				
(a) Net Sales (Net of excise duty)/Income from operations	63,364	65,012	47,493	193,317
(b) Other Operating Income	1,108	638	1,688	3,747
<b>Total income from operations (net)</b>	<b>64,472</b>	<b>65,650</b>	<b>49,181</b>	<b>197,064</b>
<b>2. Expenses</b>				
a) Cost of materials consumed (including packing material)	39,232	38,133	30,208	146,970
b) Purchases of stock-in-trade	416	1,964	2,351	4,178
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(562)	(410)	(2,047)	(1,487)
d) Employee benefits expense	11,542	11,417	8,792	41,648
e) Depreciation and amortization expense	1,880	2,140	2,103	7,446
f) Other Expenditure	8,901	7,733	5,630	30,707
<b>Total expenses</b>	<b>61,409</b>	<b>60,977</b>	<b>47,037</b>	<b>184,535</b>
<b>3. Profit from operations before other income, interest and exceptional items (1-2)</b>	<b>3,063</b>	<b>4,673</b>	<b>2,144</b>	<b>12,529</b>
4. Other income	606	306	1,426	2,267
<b>5. Profit from ordinary activities before finance cost and exceptional items (3+4)</b>	<b>3,669</b>	<b>4,979</b>	<b>3,570</b>	<b>14,796</b>
6. Finance costs	416	962	558	3,338
<b>7. Profit from ordinary activities after finance cost but before exceptional items (5-6)</b>	<b>3,253</b>	<b>4,017</b>	<b>3,012</b>	<b>10,850</b>
8. Exceptional items (refer to note 8)	223	294	-	238
<b>9. Profit from ordinary activities before tax (7+8)</b>	<b>3,476</b>	<b>4,311</b>	<b>3,012</b>	<b>11,088</b>
10. Tax expenses	930	924	831	2,715
<b>11. Net profit from ordinary activities after tax (9-10)</b>	<b>2,546</b>	<b>3,387</b>	<b>2,181</b>	<b>8,373</b>
12. Extraordinary item (net of tax expenses)	-	-	-	-
<b>13. Net profit for the period (11-12)</b>	<b>2,546</b>	<b>3,387</b>	<b>2,181</b>	<b>8,373</b>
<b>14. Share of profit of associates</b>	-	-	16	443
15. Minority interest	95	(232)	444	137
<b>16. Net profit after taxes, minority interest and share of profit of associates (13 + 14 + 15)</b>	<b>2,641</b>	<b>3,155</b>	<b>2,641</b>	<b>8,953</b>
17. Paid-up equity share capital (Face value ₹ 2 per share)	4,186	4,186	4,186	4,186






18. Reserve excluding revaluation reserves as per balance sheet of previous accounting year.					50,599	40,532
19 i. Earning per share (before extraordinary items) (in ₹)- (not annualized)						
a) Basic	1.26	1.51	1.26	1.26	5.12	4.28
b) Diluted	1.26	1.51	1.26	1.26	5.12	4.28
19 ii. Earning per share (before extraordinary items) (in ₹)- (not annualized)						
a) Basic	1.26	1.51	1.26	1.26	5.12	4.28
b) Diluted	1.26	1.51	1.26	1.26	5.12	4.28

\*Figures for the three months ended 31 March 2016 and 31 March 2015 are balancing figures between audited figures in respect of respective full financial years and the published year to date figures upto the third quarter of the relevant years. Also the figures up to the end of the third quarter have not been subjected to audit/ review.

**Notes:**

- 1) The above results were reviewed by the Audit committee on 27 May 2016 and approved by the Board of Directors at their meeting held on the same date. The statutory auditors of the Company have carried out an audit of the consolidated financial results for the year ended 31 March 2016 and a modified report has been issued (in respect of the matter described in Note 7 below). The same has been filed with Stock Exchanges and is also available on the Company's website at [www.minda.co.in](http://www.minda.co.in).
- 2) The consolidated financial results of Minda Corporation Limited (the Company), its Subsidiaries, an Associate and Joint Venture (collectively known as "the Group") are prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements", Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS-27) "Financial Reporting of Interests in Joint Venture" as specified in the Companies (Accounts) Rules, 2014.
- 3) The Group's business activities fall within single primary business segment, viz, manufacturing of Automobile Component and Parts thereof. Accordingly, disclosure requirement of Accounting Standard 17, Segment Reporting, specified in the Companies (Accounts) Rules, 2014 are not required to be made.
- 4) During the current year, on 1 October 2016, one of the Company's wholly owned subsidiary, Minda SAI Limited has acquired 51% equity shares in Minda Stoneridge Instruments Limited (MSIL) at a consideration of ₹ 6,493 lacs. Pursuant to the acquisition, MSIL has become a step subsidiary of the Company.
- 5) One of the Company's subsidiary Minda Management Services Limited (MMSL) had acquired 50% interest in Minda Vast Access Systems Private Limited ("MVASPL") on 18 February 2014. During the year, MMSL and Vehicle Access Systems Technology LLC, USA has entered into a joint venture agreement, pursuant to which MVASPL has become a joint venture of the Company through its subsidiary with effect from 1 May 2015. The Financial statements of the Company and its joint venture companies are proportionately consolidated on a line by line basis by adding together the book values of items of assets, liabilities, income and expenses after fully eliminating the unrealised profit/losses on intra-group transactions in accordance with Accounting Standard (AS-27) - "Financial Reporting of Interests in Joint Ventures".
- 6) During the current year, on 5 February 2016, one of the Company's wholly owned subsidiary, Minda KTSN Plastic Solution GMBH & Co.KG, Germany has set up a subsidiary, Minda KTSN Plastic Solutions Mexico, S. de R.L. de C. V., Mexico with a capital of Euro 500,000. Accordingly, Minda KTSN Plastic Solutions Mexico, S. de R.L. de C. V, Mexico has become a step subsidiary of the Company w.e.f. 5 February 2016
- 7) The financial statements of one of the Company's subsidiary, Minda Furukawa Electric Private Limited (MFEPL) have not been finalised. Accordingly, pending audit of MFEPL, the unaudited financial statements / financial information of this subsidiary have been used to prepare these consolidated financial results, which represents 18% of the consolidated revenue and 14% of the consolidated assets of the Company.
- 8) Exceptional item in the current year represents gain of ₹ 1,373 lacs, arising due to disposal of investments by one of the Company's step subsidiary, Almighty International Pte Limited, in equity shares of the Company.
- 9) The Board of directors, in their meeting held on 9 February 2016 has declared an interim dividend of ₹ 0.20 per equity share (face value ₹ 2 per share) and has further in its meeting held on 27 May 2016 recommended a final dividend of ₹ 0.30 per equity share (face value of ₹ 2 per share) and ₹ 0.008 per share on 240,000 0.001% cumulative redeemable preference shares (face value of ₹ 800 each) subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company. The total dividend declared/ recommended on equity shares of the Company, for the year 2015 -16 is ₹ 0.50 per equity share of ₹ 2 each
- 10) Subsequent to the year end, on 4 April 2016, the Company has made an acquisition of 5,800,000 equity shares (representing 100% stake) of Panalfa Autoelektrik Limited at a consideration of ₹ 2,750 lacs
- 11) The figures of the previous periods have been regrouped and adjusted wherever necessary.



12) The Standalone results of the Company are available on Company's website www.minda.co.in. The key stand alone financial information of the Company is given below :-

Particulars	Quarter ended		Year ended	
	31 March 2016	31 December 2015	31 March 2015	31 March 2015
Net sales including other operating income	UNAUDITED*	UNAUDITED	UNAUDITED*	AUDITED
Profit from ordinary activities before tax	18,204	17,947	15,495	70,469
Net profit from ordinary activities after tax	1,466	1,542	1,211	6,508
	1,058	1,120	969	4,647

STATEMENT OF ASSETS AND LIABILITIES

Particular	Year ended		Year ended	
	31 March 2016	31 March 2015	31 March 2015	31 March 2015
	(Audited)	(Audited)	(Audited)	(Audited)
<b>A EQUITY AND LIABILITIES</b>				
1. Shareholders' funds				
a) Share Capital	6,080	6,066		
b) Reserves and Surplus	50,656	40,590		
Sub-total - Shareholders' funds	56,735	46,656		
2. Minority Interest	6,368	2,415		
3. Non-current liabilities				
a) Long-term borrowings	14,164	18,067		
b) Deferred tax liabilities (net)	1,127	570		
c) Other long term liabilities	645	389		
d) Long-term provisions	1,794	1,728		
Sub-total - Non-current liabilities	17,730	20,754		
4. Current liabilities				
a) Short-term borrowings	31,738	26,444		
b) Trade Payables	42,559	30,764		
c) Other current liabilities	17,671	12,682		
d) Short-term provisions	4,274	2,443		
Sub-total - Current liabilities	96,242	72,333		
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>177,075</b>	<b>142,158</b>		
<b>B ASSETS</b>				
1. Non-current Assets				
a) Fixed Assets	59,825	47,726		
b) Goodwill on consolidation	13,355	10,886		
c) Non-currents investments	521	2,891		
d) Long-term loans and advances	2,684	1,920		
e) Other non-current assets	34	97		
Sub-total - Non-current assets	76,420	63,520		
2. Current Assets				
a) Inventories	32,102	23,077		
b) Trade receivables	43,527	31,762		
c) Cash and cash equivalents	8,820	4,411		
d) Short-term loans and advances	16,009	17,520		
e) Other current assets	197	1,868		
Sub-total - Current assets	100,655	78,638		
<b>TOTAL - ASSETS</b>	<b>177,075</b>	<b>142,158</b>		

Place: Gurgaon  
Date: 27 May 2016

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



*Ashok Minda*  
Ashok Minda  
Chairman & Group CEO

M/s. Minda Corporation Limited is the flagship Company of Spark Minda, Ashok Minda Group and engaged in the business of Automotive Components.