

TOYODA GOSEI MINDA INDIA PRIVATE LIMITED

STATEMENT OF ACCOUNTS FOR THE YEAR ENDED
MARCH 31, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of Toyoda Gosei Minda India Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Toyoda Gosei Minda India Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements 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 financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



INDEPENDENT AUDITORS' REPORT

To the Members of Toyoda Gosei Minda India Private Limited

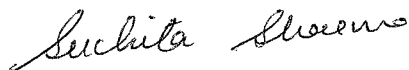
Report on the Financial Statements

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Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)



Suchita Sharma
Partner
Membership Number: 073897

Place: Gurgaon
Date: September 5, 2014

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Toyoda Gosei Minda India Private Limited on the financial statements as of and for the year ended March 31, 2014

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory (excluding stocks with third party and goods in transit) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the sale of goods and services and purchase of fixed assets and inventory *other than the internal controls relating to timely recording of purchase of inventory and fixed assets which needs to be strengthened further*. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act. Accordingly, the question of commenting on transactions made in pursuant of such contract or arrangement does not arise.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Toyoda Gosei Minda India Private Limited on the financial statements for the year ended March 31, 2014

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- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of service tax and income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, customs duty, excise duty, work contract tax, entry tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. The particulars of dues of entry tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
The Rajasthan Tax of Entry of Goods into Local Areas Act, 1999	Entry tax	Rs. 165,936 (net of Rs. 165,937 deposited under protest)	Financial Year 2009-2010 Financial Year 2011-2012	High Court of Rajasthan

- x. The accumulated losses of the Company has exceeded fifty percent of its net worth as at March 31, 2014 and the Company has incurred cash losses in the financial year ended on that date and in the immediately preceding year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.



Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Toyoda Gosei Minda India Private Limited on the financial statements for the year ended March 31, 2014

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- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the Company has used funds raised on short-term basis for long-term investment. The Company has obtained working capital loans amounting to Rs. 42,686,618 on a short term basis, which has been used for long-term investment in fixed assets.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)

Suchita Sharma

Suchita Sharma
Partner
Membership Number: 073897

Place: *Gurgaon*
Date: *September 5, 2014*

	Note	As at March 31, 2014	As at March 31, 2013
Equity and liabilities			
Shareholders' funds			
Share capital	3	2,490,000,000	2,490,000,000
Reserves and Surplus	4	(1,766,239,738)	(1,453,073,712)
		<u>723,760,262</u>	<u>1,036,926,288</u>
Non-current liabilities			
Long-term borrowings	5	935,368,869	425,329,169
Deferred tax liabilities (Net)	6	46,284,446	15,625,658
Long-term provisions	7	5,677,081	3,037,103
		<u>987,330,396</u>	<u>443,991,930</u>
Current liabilities			
Short-term borrowings	8	470,000,000	130,000,000
Trade payables	9	330,291,590	602,126,263
Other current liabilities	10	342,626,459	288,144,187
Short-term provisions	11	36,622,893	16,639,732
		<u>1,179,540,942</u>	<u>1,036,910,182</u>
TOTAL		<u><u>2,890,631,600</u></u>	<u><u>2,517,828,400</u></u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	12	1,522,034,574	1,360,051,641
Intangible assets	13	-	-
Capital work-in-progress		361,634,088	114,366,663
Non-current investment	14	60,000	60,000
Long-term loans and advances	15	85,683,555	106,334,886
Other non-current assets	16	-	266,000
		<u>1,969,412,217</u>	<u>1,581,079,190</u>
Current assets			
Inventories	17	215,432,605	308,515,767
Trade receivables	18	159,527,277	199,107,839
Cash and bank balances	19	224,583,736	51,699,237
Short-term loans and advances	20	319,657,181	260,542,524
Other current assets	21	2,018,584	116,883,843
		<u>921,219,383</u>	<u>936,749,210</u>
TOTAL		<u><u>2,890,631,600</u></u>	<u><u>2,517,828,400</u></u>

The Notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)

Suchita Sharma

Suchita Sharma
Partner
Membership Number - 073897

Place: Gurgaon
Date: September 5, 2014

For and on behalf of the Board of Directors of
Toyota Gosei Minda India Private Limited

江田 英典

Hidenori Ueda
Director

Place: Neemrana
Date: September 5, 2014

Bharat Khaniwal
Bharat Khaniwal
Company Secretary

Place: Neemrana
Date: September 5, 2014

J. K. Menon
J. K. Menon
Director

Place: Neemrana
Date: September 5, 2014

	Note	Year Ended March 31, 2014	Year Ended March 31, 2013
Income			
Revenue from operations (gross)	24	2,327,555,534	1,886,610,592
Less: Excise duty		283,656,926	197,241,825
Revenue from operations (net)		2,043,898,608	1,689,368,767
Other income	25	29,345,917	34,758,169
Total revenue		2,073,244,525	1,724,126,936
Expenses			
Cost of materials consumed	26	1,453,863,388	1,823,220,309
Changes in inventory of finished goods and work in progress	27	39,013,335	(53,028,619)
Employee benefits expense	28	169,897,419	169,796,577
Finance costs	29	86,231,939	38,574,312
Depreciation and amortization expense	30	222,993,415	175,660,371
Other expenses	31	383,752,267	368,402,744
Total expenses		2,355,751,763	2,522,625,695
Loss before tax		(282,507,238)	(798,498,758)
Tax expense			
Deferred tax expense	6	30,658,788	6,608,262
Loss for the year		(313,166,026)	(805,107,020)
Loss per equity share [nominal value of share Rs. 10/- (March 31, 2013 Rs. 10/-)]			
Basic and diluted	32	(1.26)	(4.26)

The Notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)

Suchita Sharma

Suchita Sharma
Partner
Membership Number - 073897

Place: Gurgaon
Date: September 5, 2014

For and on behalf of the Board of Directors of
Toyota Gosei Minda India Private Limited

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Hidenori Ueda
Director

Place: Neemrana
Date: September 5, 2014

Bhaskar
Bharat Khaniwal
Company Secretary

Place: Neemrana
Date: September 5, 2014

J. K. Menon

J. K. Menon
Director

Place: Neemrana
Date: September 5, 2014

Cash Flow Statement

(Amount in Rs.)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Cash flow from operating activities		
Loss before tax	(282,507,238)	(798,498,758)
Adjustment for :-		
Depreciation and amortization expenses	222,993,415	175,660,371
Loss/(Profit) on sale of fixed assets	(15,441,989)	1,999,558
Provision no longer required written back	(4,914,133)	(2,818,839)
Provision for market to market losses on derivatives	25,034,105	(5,853,821)
Unrealised foreign currency loss/(gain)	12,911,663	1,512,451
Interest expense	86,231,939	38,574,312
Interest (income)	(7,609,795)	(2,354,131)
Operating loss before working capital changes	36,697,967	(591,778,857)
Changes in working capital :		
Increase / (decrease) in trade payables	(257,822,563)	298,472,766
Increase / (decrease) in long-term provisions	2,639,978	178,889
Increase / (decrease) in short-term provisions	(5,050,944)	3,100,862
Increase / (decrease) in other current liabilities	(7,483,000)	(496,125)
(Increase) / decrease in trade receivables	39,580,562	(155,174,669)
(Increase) / decrease in inventories	93,083,162	(27,670,392)
(Increase) / decrease in long-term loans and advances	13,743,217	(86,294,359)
(Increase) / decrease in short-term loans and advances	(57,246,880)	(111,545,030)
(Increase) / decrease in other current assets	116,148,106	(20,054,180)
Cash used in operations	(25,710,395)	(691,261,095)
Taxes (paid) / refund during the year	(1,867,776)	778,804
Net cash used in operating activities (A)	(27,578,171)	(690,482,291)
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress and capital advances	(691,216,244)	(510,990,219)
Proceeds from sale of fixed assets	29,057,580	51,020,952
(Increase) / decrease in bank deposits (having original maturity of more than three months)	(10,215,000)	25,834,000
Interest received	5,811,385	2,947,524
Net cash flow from/ (used in) investing activities (B)	(666,562,279)	(431,187,743)
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	900,000,000
Proceeds from long-term borrowings	703,665,000	261,600,000
Repayment of long-term borrowings	(101,665,252)	(17,241,313)
Proceeds/(Repayment) of short-term borrowings	340,000,000	(101,000,000)
Interest paid	(85,455,799)	(38,143,440)
Net cash flow from / (used in) in financing activities (C)	856,543,949	1,005,215,247
Net increase / (decrease) in cash and cash equivalents (A + B + C)	162,403,499	(116,454,787)
Cash and cash equivalents at the beginning of the year	51,699,237	168,154,024
Cash and cash equivalents at the end of the year	214,102,736	51,699,237
Components of cash and cash equivalents		
Cash in hand	305,189	113,249
With banks		
- in current account	13,697,547	29,085,988
- in deposit account	200,100,000	22,500,000
Total cash and cash equivalents	214,102,736	51,699,237

Note:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard 3 notified under section 211(3C) of the Companies Act, 1956.
- Figures in brackets indicate cash outflow.
- The notes are integral part of these financial statements.

This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)

Suchita Sharma

Suchita Sharma
Partner
Membership Number - 073897

Place: *Gurgaon*
Date: *September 5, 2014*

For and on behalf of the Board of Directors of
Toyota Gosei Minda India Private Limited

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Director

Place: *Neemrana*
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Date: *September 5, 2014*

Toyoda Gosei Minda India Private Limited

Notes to financial statements for the year ended March 31, 2014

1. General information

Toyoda Gosei Minda India Private Limited is a subsidiary of Toyoda Gosei Company Limited (Japan). The Company is engaged inter alia in the manufacture of automobile safety systems, body-sealing, steering parts and fuel cap.

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of services and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

2.2 Use of estimates

The preparation of the financial statements in conformity with applicable accounting standards requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operation during the reporting period. Examples of such estimates include estimates of income taxes, employment retirement benefit plans, provision for doubtful debts and estimated useful life of tangible and intangible assets. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Tangible Assets

Tangible Assets are stated at cost of acquisition, net of accumulated depreciation and impairment (if any). Cost includes applicable freight, taxes, duties and other incidental expenses related to acquisition and installation of the assets concerned but excluding those taxes for which credit is taken. Subsequent expenditures related to an item of 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.

Profit or losses arising from disposal/retirement of fixed assets, which are carried at cost, are recognised in the Statement of Profit and Loss.

Moulds including Dies and Jigs included under Plant and Machinery are amortised over a period of four years from the date put to use.

Cost of leasehold land is amortized on a straight line basis over the lease term i.e. 99 years.

Tangible assets costing less than Rs. 5,000 are fully depreciated in year of purchase.

Depreciation on remaining Plant and Machinery related to manufacturing of 'Body Sealing' products is provided on a prorata basis on the straight line method (SLM) as prescribed under Schedule XIV of the Companies Act, 1956. (Also refer Note 2.17)

Depreciation on other assets is provided on a prorata basis on the written down value method (WDV) as prescribed under Schedule XIV of the Companies Act, 1956, as follows:

Particulars	Rates - SLM (Plant and Machinery - Body Sealing)	Rates - WDV (Other Assets)
Building	-	10.00%
Plant and Machinery		
Single shift	4.75%	13.91%
Double shift	7.42%	20.87%
Triple shift	10.34%	27.82%
Office Equipments	-	13.91%
Furniture and Fittings	-	18.10%
Computers	-	40.00%
Vehicle	-	25.89%



2.4 Intangible Assets

Intangible assets are recognized if they are separately identifiable and the Company controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the Statement of Profit and Loss. Intangible assets are stated at cost less accumulated amortization and impairment losses (if any). These are amortized over their life as per the legal entitlement or estimate of management of their useful life in business. The amortization period is generally upto 3 years.

2.5 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.6 Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

2.7 Investments

Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments. Such reduction is determined and made for each investment individually.

2.8 Inventories

Inventories are valued as follows:

Raw materials and Stores and spares: Lower of cost and net realizable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be used, are expected to be sold at or above cost. Cost is determined on 'First in First Out' basis.

Work in progress: Lower of cost and net realizable value. Cost includes direct materials, cost of conversion and other costs and duties incurred in bringing the inventories to their present location and condition.

Finished Goods: Lower of cost and net realizable value. Cost of finished goods includes excise duty and is determined on 'First in First Out' basis.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and cost incurred to make the sale.

2.9 Revenue recognition and other income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a) Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed on to the buyer.

b) Supervisory Income

Revenue for services is recognized in accordance with the terms of the agreement as and when the services are rendered by the Company.

c) Interest Income

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.10 Foreign currency translation

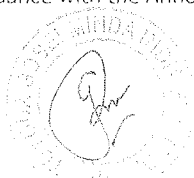
Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Derivate Currency Swap Contracts outstanding as at the year end are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March 2008.



2.11 Employee benefits

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.12 Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax asset in case of carried forward tax losses and unabsorbed depreciation is recognized only when there is a virtual certainty of earning taxable profits to offset the tax losses and unabsorbed depreciation.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.13 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

2.14 Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of outstanding equity shares during the year.

2.15 Provisions and contingent liability

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.16 Cash and Cash Equivalents

In the cash flow statement cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



3. Share capital	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Authorized		
249,000,000 (March 31, 2013 249,000,000) Equity Shares of Rs.10/- each	2,490,000,000	2,490,000,000
Issued, Subscribed and Paid-up (Refer Note 34)		
249,000,000 (March 31, 2013 249,000,000) Equity Shares of Rs. 10/- each (fully paid up)	2,490,000,000	2,490,000,000
Total	2,490,000,000	2,490,000,000

(a) Reconciliation of number of shares

Equity shares	(Amounts in Rs.)			
	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	249,000,000	2,490,000,000	159,000,000	1,590,000,000
Add: Shares issued during the year	-	-	90,000,000	900,000,000
Balance as at the end of the year	249,000,000	2,490,000,000	249,000,000	2,490,000,000

(b) Rights, Preferences and Restrictions attached to Equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The members agree not to sell, transfer, assign or otherwise dispose off any share in the Company without the prior written consent of the other shareholders. The profit of the Company shall, subject to Articles and any special rights relating thereto created or authorised to be created by Articles be divisible among the members in proportion to the amount of capital paid up or credited as paid up with respect to the shares held by them. In case of winding up, if the assets available for distribution among the members are insufficient to repay the whole of the paid up capital, such assets shall be distributed in such a way that the losses may be born as nearly as possible by the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. If in a winding up, the assets available or distribution among the members are more than sufficient to repay the whole of paid up capital at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively.

(c) Shares held by holding Company and subsidiary of holding Company

	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
216,050,000 (March 31, 2013 216,050,000) Equity Shares held by Toyoda Gosei Company Limited (Japan), the Holding Company	2,160,500,000	2,160,500,000

(d) Details of shares held by shareholders holding more than 5% shares of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10/- each fully paid				
Toyoda Gosei Company Limited (Japan)	216,050,000	86.77%	216,050,000	86.77%
Minda Investment Limited	20,500,000	8.23%	20,500,000	8.23%

4. Reserves and Surplus

	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	(1,453,073,712)	(647,966,692)
Loss for the year	(313,166,026)	(805,107,020)
Balance as at the end of the year	(1,766,239,738)	(1,453,073,712)
Total	(1,766,239,738)	(1,453,073,712)



5. Long-term borrowings

(Amounts in Rs.)

	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.10, 10 and 40)		
Unsecured:		
Term loans		
Foreign currency loan from banks (Refer Note below)	935,368,869	425,329,169
Total	935,368,869	425,329,169

Note:

Terms of repayment for unsecured borrowings:

Borrowings	Terms of Repayment	Interest rate
External Commercial Borrowings of Japanese Yen 95,000,000 from The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16 Equal Quarterly installments starting from March 2013 to September 2016	8.25%
External Commercial Borrowings of USD 4,000,000 from The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16 Equal Quarterly installments starting from February 2013 to August 2016	6.90%
External Commercial Borrowings of USD 5,000,000 from Mizuho Corporate Bank Ltd.	8 Equal Half Yearly installments starting from March 2014 to September 2017	8.20%
External Commercial Borrowings of USD 5,000,000 from The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16 Equal Quarterly installments starting from September 2014 to June 2018	9.33%
External Commercial Borrowings of USD 6,500,000 from The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16 Equal Quarterly installments starting from March 2015 to December 2018	9.95%

6. Deferred tax liabilities (Net)

(Amounts in Rs.)

	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.12)		
The key components of deferred tax assets/ liabilities are as follows:		
Deferred tax liabilities		
Depreciation	48,180,082	16,621,375
	48,180,082	16,621,375
Deferred tax assets		
Employee benefits expenses	1,895,636	995,717
	1,895,636	995,717
Deferred tax liability (Net)	46,284,446	15,625,658

Deferred tax assets and Deferred tax liabilities have been offset as they relate to the same governing taxation laws.

7. Long-Term provisions

(Amounts in Rs.)

	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.11, 2.15, 11 and 28)		
Provision for employee benefits		
Provision for gratuity	3,546,211	2,067,697
Provision for compensated absences	2,130,870	969,406
Total	5,677,081	3,037,103



8. Short-term borrowings	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Unsecured:		
Loans from Bank		
-Working capital loans from banks repayable on demand	470,000,000	130,000,000
Total	470,000,000	130,000,000

9. Trade payables	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.10, 34, 35 and 40)		
Trade payables	330,291,590	602,126,263
Total	330,291,590	602,126,263

10. Other current liabilities	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.10, 34, 35 and 40)		
Current maturities of long term debt (Refer Note 5)	215,634,941	101,665,252
Employee benefits payable	5,264,641	5,266,644
Statutory dues payable	21,055,622	28,536,619
Security deposit	200,000	200,000
Capital creditors	97,579,707	150,360,264
Interest accrued but not due on borrowings	2,891,548	2,115,408
Total	342,626,459	288,144,187

11. Short-term provisions	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.11, 2.15, 28 and 40)		
Provision for employee benefits		
Provision for gratuity	40,192	22,572
Provision for compensated absences	417,472	162,708
Other Provisions		
Provision for mark to market losses on derivatives	34,800,767	9,766,662
Provision for excise duty on finished goods	1,364,462	6,687,790
Total	36,622,893	16,639,732



Toyoda Gosei Minda India Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2014

12. Tangible assets
(Refer Note 2.2, 2.3, 2.5, 2.6, 2.10, 2.17 and 34)

Description	Gross Block			Depreciation			Net Block	
	As at April 1, 2013	Additions	Disposals	As at March 31, 2014	For the year	Disposals	As at March 31, 2014	As at March 31, 2013
Leasehold Land	70,282,260	-	-	70,282,260	710,952	-	4,163,770	66,118,490
Buildings	467,379,328	15,624,995	-	483,004,323	39,770,837	-	124,321,681	358,682,642
Plant and machinery	1,143,307,692	374,521,612	15,508,973	1,502,320,331	1,76,048,103	3,592,887	429,757,868	886,005,040
Office equipment	7,944,465	1,824,186	712,424	9,056,227	1,035,217	113,959	2,369,170	6,687,057
Furniture and fixtures	9,538,746	316,618	664,223	9,191,141	1,082,075	406,866	4,258,564	5,955,391
Computers	10,653,637	996,109	747,036	10,902,710	2,004,603	719,167	7,440,268	4,498,805
Vehicles	13,674,030	4,792,856	554,818	17,912,068	2,341,628	254,567	8,323,165	9,588,903
Total	1,722,780,158	398,076,376	18,187,474	2,102,669,060	222,993,415	5,087,446	580,634,486	1,522,034,574
March 31, 2013	779,456,898	946,169,748	2,846,488	1,722,780,158	175,660,371	615,614	362,728,517	1,360,051,641

Note:
During the current year, borrowing cost of Rs. 5,828,416 (March 31, 2013 Rs. 11,306,311) has been capitalised.

13. Intangible assets
(Refer Note 2.2 and 2.4)

Description	Gross Block			Amortisation			Net Block	
	As at April 1, 2013	Additions	Disposals	As at March 31, 2014	For the year	Disposals	As at March 31, 2014	As at March 31, 2013
Software	1,974,387	-	-	1,974,387	-	-	1,974,387	-
Total	1,974,387	-	-	1,974,387	-	-	1,974,387	-
March 31, 2013	1,974,387	-	-	1,974,387	-	-	1,974,387	-



14. Non-current Investments	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.7)		
Unquoted, Long Term, Non Traded at Cost		
National Saving Certificate	60,000	60,000
(Pledged with Rajasthan Value Added Tax authorities)		
	60,000	60,000

15. Long-term loans and advances	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good, unless otherwise stated		
Capital advances	5,988,753	12,896,867
Due from Government authorities	71,701,253	85,549,470
Security deposits	7,993,549	7,888,549
Total	85,683,555	106,334,886

16. Other non-current assets	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Long term bank deposits with maturity period for more than 12 months		266,000
[Rs. Nil (March 31, 2013 Rs. 266,000) held as lien by bank against bank guarantee for Entry Tax & Haryana VAT registration]		
		266,000

17. Inventories	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.8 and 27)		
Stores and spares	10,624,296	3,103,699
Raw material [including goods in transit of Rs. 13,213,809 (March 31, 2013 Rs. 23,209,871)]	157,663,954	216,623,261
Work in progress	10,266,705	27,992,685
Finished goods	36,877,650	60,796,122
Total	215,432,605	308,515,767

Details of finished goods	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Safety system	18,655,836	23,874,746
Body sealing	12,597,844	25,652,189
Fuel cap	5,623,970	11,269,187
Total	36,877,650	60,796,122

Details of work in progress	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Safety system	466,025	5,502,070
Body sealing	9,685,444	22,443,586
Fuel cap	115,236	47,029
Total	10,266,705	27,992,685

18. Trade receivables	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.2)		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	413,474	-
Others	159,113,803	199,107,839
Total	159,527,277	199,107,839



19. Cash and bank balances	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.16)		
Cash and cash equivalents		
Cash on hand	305,189	113,249
Bank balances		
In current accounts	13,697,547	29,085,988
Demand deposits * (less than 3 months maturity)	200,100,000	22,500,000
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months #	10,481,000	-
* [Rs. 100,000 (March 31, 2013 Rs. Nil) held as lien by bank against bank guarantee for Entry Tax & Haryana VAT registration]		
# [Rs. 166,000 (March 31, 2013 Rs. Nil) held as lien by bank against bank guarantee for Entry Tax & Haryana VAT registration]		
Total	224,583,736	51,699,237

20. Short-term loans and advances	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
Security deposits	1,140,000	420,000
Tax deducted at source	3,324,736	1,456,960
Prepaid expenses	3,237,321	2,048,326
Due from government authorities	308,764,665	254,003,183
Other advances	3,190,459	2,614,055
Total	319,657,181	260,542,524

21. Other current assets	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
Interest accrued on deposits with banks	1,872,943	74,533
Interest accrued on security deposits	137,463	137,463
Unbilled revenue	-	115,151,736
Dues from customer for technical assistance	-	1,000,000
Dues from sale of fixed assets	-	515,563
Others	8,178	4,548
Total	2,018,584	116,883,843

22. Contingent liabilities	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
(Refer Note 2.15)		
Bank Guarantees	28,260,200	-
Total	28,260,200	-

The amount shown represent guarantees given in the normal course of the Company's operations and are not expected to result in any loss to the Company on the basis of the beneficiaries fulfilling their ordinary commercial obligations.

23. Capital commitments

Capital commitments

Particulars	(Amounts in Rs.)	
	Year Ended March 31, 2014	March 31, 2013
Estimated amount of contracts remaining to be executed	96,770,352	109,458,338
	96,770,352	109,458,338



24. Revenue from operations (Amount in Rs.)

	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.9)		
Sale of Products		
Finished goods	2,321,623,730	1,881,494,408
Other operating revenue		
Scrap sales	5,931,804	5,116,184
	2,327,555,534	1,886,610,592
Less: Excise duty	283,656,926	197,241,825
Total	2,043,898,608	1,689,368,767

Details of Sales (Including excise duty)	Year Ended	
	March 31, 2014	March 31, 2013
Body Sealing	1,478,112,058	1,225,063,200
Fuel Cap	273,210,401	134,027,004
Safety System	570,301,271	522,404,204
Total	2,321,623,730	1,881,494,408

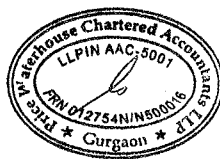
25. Other income (Amount in Rs.)

	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.9)		
Interest income		
Bank deposits	7,326,472	2,270,711
Others	283,323	83,420
Profit on sale of fixed assets (net)	15,441,989	-
Provision no longer required written back	4,914,133	2,818,839
Supervisory service income	1,380,000	1,290,276
Foreign exchange gain (net)	-	21,829,331
Excess provision for market to market losses on derivatives	-	5,853,821
Miscellaneous income	-	611,771
Total	29,345,917	34,758,169

26. Cost of materials consumed (Amount in Rs.)

	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 34, 36 and 37)		
Raw material consumed		
Opening inventory	219,726,960	248,179,629
Add: Purchases (net of returns)	1,402,424,678	1,794,767,640
Less: Inventory at the end of year	168,288,250	219,726,960
Raw material consumed during the year	1,453,863,388	1,823,220,309

Consumption as shown above is disclosed on the basis of derived figures rather than actual records of issue.



27. Changes in inventory of finished goods and work in progress

(Amount in Rs.)

	Year Ended	
	March 31, 2014	March 31, 2013
Closing Stock		
Finished Goods	36,877,650	60,796,122
Work in progress	10,266,705	27,992,685
Excise duty on Finished Goods	4,056,673	6,687,790
Opening Stock		
Finished Goods	60,796,122	32,665,746
Work in progress	27,992,685	-
Excise duty on Finished Goods	6,687,790	3,593,348
Increase/ (Decrease) in Stocks	(39,013,335)	53,028,619

28. Employee benefits expense

(Amount in Rs.)

	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.2, 2.11, 34 and 39)		
Salaries, wages, bonus and other benefits [Refer B and C below]	139,529,983	137,771,705
Contribution to provident and other funds [Refer A below]	8,467,020	8,296,189
Staff welfare	21,900,416	23,728,683
Total	169,897,419	169,796,577

Employees benefit plans

The company follows Accounting Standard-15 (revised 2005) 'Employee Benefits' for calculating its liability at the year end.

Defined benefit plans are unfunded. Consequently, reconciliation of opening and closing balances of the fair value of plan assets; major category of plan assets; amounts included in the fair value of plan assets; rate of return on assets; employers best estimate of expected contribution to the plans, being not relevant, have not been disclosed.

A. Defined contribution plans

(Amount in Rs.)

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
Provident fund	7,338,754	6,938,639
Employee state insurance	1,128,266	1,357,550
Total	8,467,020	8,296,189

B. Defined benefit plan

Gratuity

C. Other Benefit

Compensated absences

i) Present value of defined benefit obligation

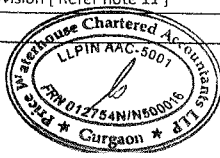
Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Present value of defined benefit obligation as at the beginning of the year	2,090,269	1,873,043	1,132,114	1,164,031
Interest cost	167,222	161,082	90,569	100,107
Current service cost	1,614,589	1,362,694	1,656,619	709,868
Benefits paid	(253,929)	-	(349,234)	(663,308)
Actuarial (Gain)/ Loss	(31,748)	(1,306,550)	18,274	(178,584)
Present value of defined benefit obligation as at the end of the year	3,586,403	2,090,269	2,548,342	1,132,114

ii) Assets and liabilities recognised in the balance sheet

Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Present value of defined benefit obligation	3,586,403	2,090,269	2,548,342	1,132,114
Amounts recognised as liability	3,586,403	2,090,269	2,548,342	1,132,114

Recognised under:

Long term provision [Refer note 7]	3,546,211	2,067,697	2,130,870	969,406
Short term provision [Refer note 11]	40,192	22,572	417,472	162,708
Total	3,586,403	2,090,269	2,548,342	1,132,114



iii) Expense recognised in the Statement of Profit and Loss

Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Current service cost	1,614,589	1,362,694	1,656,619	709,868
Interest cost	167,222	161,082	90,569	100,107
Past service cost	-	-	-	-
Actuarial (gain)/ loss	(31,748)	(1,306,550)	18,274	(178,584)
Total Expense	1,750,063	217,226	1,765,462	631,391

iv) Actuarial assumptions

Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Discount rate (per annum)	9.10%	8.00%	9.10%	8.00%
Rate of increase in compensation levels*	12.00%	12.00%	12.00%	12.00%
Attrition rate	15.00%	15.00%	15.00%	15.00%

Mortality rate Indian Assured Lives Mortality (1994-1996) (modified) ultimate table are used of calculation as on March 31, 2014 and March 31, 2013

* The estimates of future salary increases, considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

v) Amount recognised in the current year and previous four years

Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Present value of defined benefit obligation	3,586,403	2,090,269	2,548,342	1,132,114
Plan assets	-	-	-	-
Surplus/(Deficit)	(3,586,403)	(2,090,269)	(2,548,342)	(1,132,114)
Experience adjustments in plan liabilities (loss)/gain	(318,183)	1,415,822	(176,983)	215,393
Experience adjustments in plan assets (loss)/gain	-	-	-	-

Particulars	Gratuity		Compensated absences	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
iii) Expense recognised in the Statement of Profit and Loss	1,873,043	896,638	1,164,031	706,410
Plan assets	-	-	-	-
Surplus/(Deficit)	(1,873,043)	(896,638)	(1,164,031)	(706,410)
Experience adjustments in plan liabilities (loss)/gain	(643,988)	651,893	(44,478)	462,496
Experience adjustments in plan assets (loss)/gain	-	-	-	-

Particulars	Gratuity		Compensated absences	
	March 31, 2010		March 31, 2010	
Total Expense	446,339		336,334	
Plan assets	-		-	
Surplus/(Deficit)	(446,339)		(336,334)	
Experience adjustments in plan liabilities (loss)/gain	110,649		223,040	
Experience adjustments in plan assets (loss)/gain	-		-	

vi) Expected contribution to the funds in the next year

Particulars	Gratuity		Compensated absences	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Expected contribution to the funds in the next year	2,117,538	1,209,163	2,041,794	819,752

29. Finance costs

(Amount in Rs.)

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.5)		
(Excluding interest capitalised)		
Interest on short term borrowings	32,237,505	22,202,694
Interest on long term borrowings	53,983,415	14,501,224
Interest paid to creditors	11,019	1,870,394
Total	86,231,939	38,574,312



30. Depreciation and amortization expense (Amount in Rs.)

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.2, 2.3 and 2.4)		
Depreciation of tangible assets	222,993,415	175,660,371
Amortization of intangible assets	-	-
Total	222,993,415	175,660,371

31. Other expenses (Amount in Rs.)

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.2, 2.10, 2.13, 33, 34 and 39)		
Power and fuel	86,638,432	37,083,501
Rent	14,116,268	22,197,717
Repair and maintenance		
- Plant and machinery	6,552,193	8,810,596
- Others	8,268,578	6,964,058
Insurance	3,498,571	2,586,363
Security expenses	3,546,917	5,043,490
Rates and taxes	900,882	9,317,904
Legal and professional expenses	5,672,613	6,702,995
Technical assistance and supervisory fees	34,459,944	107,830,765
Auditors remuneration (excluding service tax)		
Audit fee	2,600,000	2,240,000
Other services	130,000	780,000
Reimbursement of out of pocket expenses	333,362	277,885
Communication	3,126,616	3,540,070
Travelling and conveyance	14,734,565	27,351,782
Foreign exchange loss (net)	42,886,524	-
Loss on sale of fixed assets (net)	-	1,999,558
Freight outward	21,258,853	14,990,300
Royalty	33,288,393	5,039,158
Provision for market to market losses on derivatives	25,034,105	-
Management fees	-	36,472,000
Contract salary	62,283,785	38,600,138
Logistics cost	2,253,978	13,778,743
Miscellaneous expenses	12,167,688	16,795,721
Total	383,752,267	368,402,744

32. Earnings per share

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Refer Note 2.14)		
Loss attributable to equity shareholders [Amount in Rs.]	(313,166,026)	(805,107,020)
Weighted average number of equity shares outstanding [Nos.]	249,000,000	188,836,612
Basic and diluted loss per share [Amount in Rs.]	(1.26)	(4.26)
Face value per share [Amount in Rs.]	10	10

33. Leases

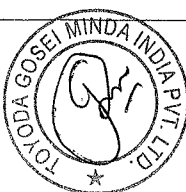
(Refer Note 2.13)

The Company has taken various operating lease for premises /residential purposes. These lease arrangements range for a period between 11 months and 2 years, which include both cancellable and non-cancellable leases, which are renewable for further periods on mutually agreeable terms and also include escalation clauses.

Lease payments recognised in the Statement of Profit and Loss during the year Rs. 14,116,268 (March 31,2013 Rs. 22,197,717).

With respect to non-cancellable operating leases, the future minimum lease payments are as follows:

Particulars	(Amounts in Rs.)	
	As at March 31, 2014	As at March 31, 2013
Not later than one year	2,166,000	280,720
Later than one year and not later than five year	-	-
Later than five years	-	-



34. Related party disclosures

(ii) in accordance with the requirements of Accounting Standard -18 "Related Party Disclosures" the details of related parties where control exists/ability to exercise significant influence in ordinary course of business on an arm's length basis is as follows:

1. List of Related Parties

Related Parties where control exists

Holding Company/Ultimate Holding Company
Toyoda Gosei Co. Ltd, Japan

Fellow subsidiaries with whom transactions have taken place during the year

Toyoda Gosei Rubber (Thailand) Co. Ltd
T.G. Automotive Sealing Kentucky
Toyoda Gosei Czech, S.R.O
Toyoda Gosei (Foshan) Rubber Parts Co. Ltd.
Toyoda Gosei Australia Pty. Ltd.
T. S. Kei (Thailand) Co. Ltd.
Toyoda Gosei Asia Co. Ltd.

Key Management Personnel

Atsushi Sumida Managing Director (w.e.f December 1, 2012 upto April 1, 2014)
Hidenori Ueda Director (w.e.f. December 21, 2012)
Shigeyasu Kurashima Director (w.e.f. March 24, 2014)
Hidetaka Fukamachi Managing Director (upto December 1, 2012)

2. Transaction with related parties

(Amount in Rs.)

Nature of Transactions	Holding Company#		Fellow Subsidiaries		Key Management Personnel	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
(A) Issue of equity shares						
Toyoda Gosei Co. Ltd, Japan	-	854,000,000	-	-	-	-
(B) Purchases of fixed assets						
Toyoda Gosei Co. Ltd, Japan	70,722,173	125,446,753	-	-	-	-
T. S. Kei (Thailand) Co. Ltd.	-	-	89,617,404	17,499,170	-	-
Toyoda Gosei Australia Pty. Ltd.	-	-	4,930,141	689,149	-	-
(C) Purchase of raw materials						
Toyoda Gosei Co. Ltd, Japan	134,276,172	163,088,746	-	-	-	-
T. S. Kei (Thailand) Co. Ltd.	-	-	2,880,288	26,816	-	-
Toyoda Gosei Rubber (Thailand) Co. Ltd.	-	-	703,350	321,674	-	-
Toyoda Gosei (Foshan) Rubber Parts Co. Ltd.	-	-	9,220,104	5,185,161	-	-
Toyoda Gosei Czech, S.R.O	-	-	-	160,889	-	-
Toyoda Gosei Asia Co. Ltd.	-	-	207,620	-	-	-
(D) Reimbursement of expenses						
Toyoda Gosei Co. Ltd, Japan	301,321	33,085,317	-	-	-	-
Toyoda Gosei Rubber (Thailand) Co. Ltd.	-	-	-	127,721	-	-
T. S. Kei (Thailand) Co. Ltd.	-	-	1,287,349	-	-	-
(E) Recovery of expenses						
Toyoda Gosei Co. Ltd, Japan	6,825,468	3,374,640	-	-	-	-
(F) Training and Technical Assistance						
Toyoda Gosei Co. Ltd, Japan	-	-	-	-	-	-
- Training Expenses	-	-	-	-	-	-
- Technical Assistance & Supervisory Expenses*	34,459,944	136,103,263	-	-	-	-
(G) Royalty						
Toyoda Gosei Co. Ltd, Japan	33,288,393	5,039,158	-	-	-	-
(H) Managerial remuneration						
Atsushi Sumida	-	-	-	-	11,203,773	4,123,491
Hidetaka Fukamachi	-	-	-	-	-	12,207,989
Hidenori Ueda	-	-	-	-	7,068,004	2,343,091

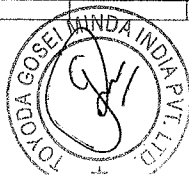
* Includes Rs. Nil capitalized during the year (March 31, 2013: Rs. 28,272,498)

The Company has received letter of support from its Holding Company.

3. Outstanding balances (payables)/receivables

(Amount in Rs.)

Balances as at year end	Holding Company		Fellow Subsidiaries		Key Management Personnel	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
(A) Trade payables						
Toyoda Gosei Co. Ltd, Japan	(111,092,430)	(337,051,467)	-	-	-	-
Toyoda Gosei Australia Pty. Ltd.	-	-	-	(689,149)	-	-
Toyoda Gosei Rubber (Thailand) Co. Ltd.	-	-	(4,358,938)	(4,153,998)	-	-
Toyoda Gosei (Foshan) Rubber Parts Co. Ltd.	-	-	(2,577,658)	(1,867,601)	-	-
Toyoda Gosei Asia Co. Ltd.	-	-	(207,620)	-	-	-
(B) Capital advance						
T. S. Kei (Thailand) Co. Ltd.	-	-	-	11,979,201	-	-
(C) Other current liabilities						
Toyoda Gosei Co. Ltd, Japan	(5,323,867)	(22,885,301)	-	-	-	-
T. S. Kei (Thailand) Co. Ltd.	-	-	(4,856,663)	-	-	-
T.G. Automotive Sealing Kentucky	-	-	-	(12,123,454)	-	-
Atsushi Sumida	-	-	-	-	-	(573,545)
Hidetaka Fukamachi	-	-	-	-	-	(444,444)
Hidenori Ueda	-	-	-	-	(210,215)	(487,845)



35. Details of dues to micro and small enterprises as defined under the MSME Act, 2006 (As Applicable)

The Ministry of Micro Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008, which recommends that the Micro and Small Enterprises should mention in their correspondence with its customer the Entrepreneurs' Memorandum Numbers as allocated after filing the Memorandum. Based on the information received and available with the Company there are no amount payable to micro and small enterprises as at March 31, 2014 and March 31, 2013.

36. Raw material consumed

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Amount in Rs.)		
Steering Wheel Sub Assembly Steering		
AI Armature	62,492,704	80,810,458
Release Agent FY 90	13,277,234	12,338,308
Others*	51,623,110	76,856,179
Housing Assembly Air Bag		
Passenger Air Bag Inflator	76,155,781	94,556,268
Passenger Air Bag Bag SA	53,889,184	51,206,479
Others*	22,366,302	12,212,786
Module Assembly Air Bag		
Driver Air Bag SA	37,607,694	94,343,677
Driver Air Inflator	77,194,436	36,720,089
Others*	49,265,169	58,192,762
Body Sealing Rubber Parts		
Profile	182,262,734	1,092,051,155
Compounded Rubber	49,243,597	71,751,642
Others*	623,876,028	37,516,631
Functional Parts		
Fuel Cap	134,838,375	93,802,343
Tether	19,771,040	10,861,532
Total	1,453,863,388	1,823,220,309

* None of the items individually account for more than 10% of the total consumption.

37. Value of imported and indigenous raw material

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
	%	(Rs.)	%	(Rs.)
Raw Material				
Imported	14.52%	211,144,516	11.88%	216,617,132
Indigenous	85.48%	1,242,718,872	88.12%	1,606,603,177
Total	100.00%	1,453,863,388	100.00%	1,823,220,309

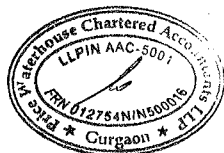
38. Value of imports calculated on CIF basis

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Amount in Rs.)		
Capital goods	459,900,936	259,371,758
Raw material	252,448,747	242,782,433
Total	712,349,683	502,154,191

39. Expenditure in foreign currency

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
(Amount in Rs.)		
Technical assistance and Supervisory fees*	34,459,944	136,103,263
Salary, wages and bonus	-	31,578,597
Royalty	33,288,393	5,039,158
Others	3,082,303	1,506,720
Total	70,830,640	174,227,738

* Rs. Nil (March 31, 2013 Rs. 28,272,498) was capitalised during the year and is included under Plant and Machinery and Building.



40. Derivative instruments and unhedged foreign currency exposure

a. Derivatives outstanding as at the reporting date

Particulars	Purpose	As at March 31, 2014		As at March 31, 2013	
		USD	INR	USD	INR
Cross Currency Swaps	External Commercial	18,625,000		8,750,000	
	Borrowings for capital		1,113,005,000		475,606,250
	expenditure	65,312,500		89,062,500	
Total			1,151,003,810		526,994,421

b. Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	As at March 31, 2014		As at March 31, 2013	
	Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.
Trade payables				
USD	807,287	48,241,870	1,797,777	97,779,858
JPY	143,958,708	83,665,922	292,542,595	168,972,603
THB	283,489	520,197	191,544	352,750
Other current liabilities				
USD	210,020	12,550,403	1,481,673	80,587,151
JPY	94,399,190	54,862,921	4,820,800	2,784,494
Total		199,841,313		350,476,856

c. Mark-to-Market losses

(Amount in Rs.)

Particulars	Year Ended	
	March 31, 2014	March 31, 2013
Mark-to-Market losses/(gains) recognised in the Statement of Profit and Loss	25,034,105	(5,853,821)

41. Transfer Pricing

The Company has carried out international and domestic transactions with associated enterprises. The Company has appointed independent consultants to conduct a Transfer Pricing Study to determine whether the transactions with associated enterprises undertaken during the period are on an "arms length basis". Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed for the current year. However, the Management is confident and confirms that its international and domestic transactions with associated enterprises are at arm's length so that the aforesaid legislation/transactions will not have any material impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for the current year.

42. Previous year figures

Previous year figures have been reclassified to conform to this year's classification.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No - FRN 012754N/N500016
(formerly Price Waterhouse)

Suchita Sharma

Suchita Sharma
Partner
Membership Number - 073897

Place: Gurgaon
Date: September 5, 2014

For and on behalf of the Board of Directors of
Toyoda Gosei Minda India Private Limited

仁田英典

Hidenori Ueda
Director

Place: Neemrana
Date: September 5, 2014

BLAKK
Bharat Khaniwal
Company Secretary

Place: Neemrana
Date: September 5, 2014

J. K. Menon

J. K. Menon
Director

Place: Neemrana
Date: September 5, 2014