

MAHINDRA HINODAY INDUSTRIES LIMITED
Balance Sheet As At September 30, 2013

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| Particulars | Note No. | Sept 30, 2013 | March 31, 2013 |
|--------------------------------|----------|------------------|------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 4,657.67 | 4,657.67 |
| Reserves & Surplus | 4 | 9,748.47 | 9,250.09 |
| | | 14,406.14 | 13,907.76 |
| Non Current Liabilities | | | |
| Long Term Borrowings | 5 | 7,096.80 | 9,101.66 |
| Other Long Term Liabilities | 6 | 70.38 | 70.38 |
| Long Term Provisions | 8 | 1,034.02 | 987.04 |
| | | 8,201.20 | 10,159.07 |
| Current Liabilities | | | |
| Short Term Borrowings | 9 | 2,737.38 | 589.38 |
| Trade Payables | 10 | 11,114.34 | 11,164.72 |
| Other Current Liabilities | 10 | 4,813.13 | 4,831.81 |
| Short Term Provisions | 11 | 208.10 | 215.08 |
| | | 18,872.95 | 16,800.99 |
| TOTAL | | 41,480.29 | 40,867.82 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 12 | 25,087.00 | 25,918.32 |
| Intangible Assets | 12 | 103.34 | 121.33 |
| Capital Work in Progress | | 761.67 | 366.05 |
| Non Current Investments | 13 | 377.82 | 385.84 |
| Deferred Tax Asset (Net) | 7 | - | - |
| Long Term Loans and Advances | 14 | 29.37 | 172.64 |
| Other Non Current Assets | 15 | 57.80 | 120.29 |
| | | 26,417.00 | 27,084.47 |
| Current Assets | | | |
| Inventories | 16 | 7,510.33 | 5,671.20 |
| Trade Receivables | 17 | 5,750.82 | 6,604.04 |
| Cash & Bank Balances | 18 | 545.31 | 579.75 |
| Short Term Loans & Advances | 19 | 1,101.08 | 756.92 |
| Other Current Assets | 20 | 155.75 | 171.44 |
| | | 15,063.29 | 13,783.35 |
| TOTAL | | 41,480.29 | 40,867.82 |

Summary of significant accounting policies

2

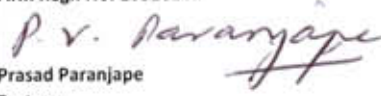
The accompanying notes are an integral part of the financial statements

As per our Report of even date

For B. K. KHARE & Co.

Chartered Accountants

Firm Regn No. 105102W


 Prasad Paranjape
 Partner
 Membership No.: 047296

For and on behalf of Board of Directors of Mahindra Hinoday Industries Limited

Mr. Hemant Luthra

Mr. Pedro Jesus Echegaray Larrea


 Mr. K. Ramaswami

Mr. Sanjay Arte


 K Jayaprakash
 CFO

Place : Mumbai

Date : February 10, 2014

Place : Mumbai

Date : February 10, 2014



MAHINDRA HINODAY INDUSTRIES LIMITED
Statement Of Profit and Loss For The Period Ended September 30, 2013

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| Particulars | Note No. | Current Period | Previous Period |
|---|----------|--|-----------------|
| INCOME | | | |
| Sale of Manufactured Goods | 21 | 27,483.24 | 25,452.99 |
| Less: Excise Duty | | 2,045.24 | 2,007.72 |
| | | 25,438.00 | 23,445.27 |
| Other Income | 22 | 92.97 | 106.26 |
| Total Revenue | | 25,530.97 | 23,551.53 |
| EXPENDITURE | | | |
| Cost of Material and components Consumed | 23 | 12,265.64 | 10,929.06 |
| (Increase)/Decrease in Inventories of Finished Goods and Work-in-progress | 23 | (662.99) | 481.71 |
| Employee Benefit Expenses | 24 | 2,672.16 | 2,695.88 |
| Manufacturing and Other Expenses | 25 | 8,838.53 | 8,554.72 |
| Interest Cost | 26 | 705.60 | 834.36 |
| Depreciation and Amortization | 11 | 1,213.65 | 1,175.44 |
| | | 25,032.59 | 24,671.17 |
| Profit/(Loss) Before Tax | | 498.38 | (1,119.64) |
| Tax Expenses | | | |
| - Current Tax | | - | - |
| - Deferred Tax Charge/(Credit) | | - | 272.59 |
| Profit/ (Loss) for the year | | 498.38 | (1,392.23) |
| Earning Per Share (EPS) | 32 | 1.07 | (2.99) |
| Basic and Diluted [Nominal Value of Rs. 10/- each (Sept 30,2012 Rs. 10/-)] | | | |
| Summary of significant accounting policies | 2 | | |
| The accompanying notes are an integral part of the financial statements | | | |
| As per our Report of even date For B. K. KHARE & Co. Chartered Accountants Firm Regn No. 105102W <i>P. V. Paranjape</i> Prasad Paranjape Partner Membership No.:047296 | | For and on behalf of Board of Directors of Mahindra Hino day Industries Limited <i>Mr. Hemant Luthra</i> <i>Mr. Pedro Jesus Echegaray Larrea</i> <i>Mr. K.Ramaswami</i> <i>Mr.Sanjay Arte</i> <i>K Jayaprakash</i> CFO | |
| Place : Mumbai Date : February 10, 2014 | | Place : Mumbai Date : February 10, 2014 | |



MAHINDRA HINODAY INDUSTRIES LIMITED
Cash Flow For The Year period ended September 30, 2013

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| Particulars | Sept 30, 2013 | Sept 30, 2012 |
|--|-----------------|-------------------|
| Cash flow from operating activities | | |
| Profit/(Loss) before tax from operations | 498.38 | (1,119.65) |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | |
| Depreciation/amortization | 1,213.65 | 1,175.44 |
| Loss/(profit) on sale or write off of fixed assets | 4.85 | (4.52) |
| Unrealized foreign exchange loss | 160.30 | 17.86 |
| Provision for doubtful debt | 40.10 | 23.35 |
| Interest expense | 705.60 | 834.36 |
| Interest income | (10.27) | (6.77) |
| Dividend income | - | - |
| Provisions written Back | - | (19.96) |
| Operating profit before working capital changes | 2,612.61 | 900.11 |
| Movements in working capital : | | |
| Increase/(decrease) in trade payables | (253.73) | (196.91) |
| Increase / (decrease) in long-term provisions | 46.97 | (14.00) |
| Increase / (decrease) in short-term provisions | (6.98) | (9.23) |
| Increase/(decrease) in other current liabilities | 92.74 | 126.66 |
| Increase/ (decrease) in other long-term liabilities | - | (41.42) |
| Decrease/(increase) in trade receivables | 856.16 | 963.48 |
| Decrease/(increase) in inventories | (1,839.13) | 427.22 |
| Decrease / (increase) in long-term loans and advances | 25.01 | 0.73 |
| Decrease / (increase) in short-term loans and advances | (342.00) | (190.74) |
| Decrease/(increase) in other current assets | 15.69 | 100.87 |
| Decrease / (increase) in other non-current assets | 62.49 | (2.92) |
| Cash generated from /(used in) operations | 1,269.83 | 2,063.86 |
| Direct taxes paid (net of refunds) | (2.16) | 21.44 |
| Net cash flow from/ (used in) operating activities (A) | 1,267.67 | 2,085.30 |
| Cash flows from investing activities | | |
| Purchase of fixed assets, including intangible assets, CWIP and capital advances | (646.51) | (1,008.56) |
| Proceeds from sale of fixed assets | - | 20.84 |
| Interest received | 10.27 | 6.77 |
| Dividends received | - | - |
| Amortisation of investment | 8.02 | 6.44 |
| Net cash flow from/(used in) investing activities (B) | (628.22) | (974.51) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of share capital including premium | - | - |
| Proceeds from long-term borrowings | - | 1,581.40 |
| Repayment of long-term borrowings including SICOM | (2,116.29) | (1,597.47) |
| Proceeds/(Repayment) from short-term borrowings | 2,148.00 | (291.79) |
| Interest paid | (705.60) | (834.36) |
| Net cash flow from/(used in) in financing activities (C) | (673.89) | (1,142.22) |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | (34.44) | (31.43) |
| Cash and cash equivalents at the beginning of the year | 579.75 | 117.97 |
| Cash and cash equivalents at the end of the year | 545.31 | 86.56 |
| Components of cash and cash equivalents | | |
| Cash on hand | 2.89 | 8.05 |
| With banks- on current account | 492.85 | 6.54 |
| -- on deposit account | 49.52 | 71.92 |
| -- unpaid dividend accounts* | 0.05 | 0.05 |
| Total cash and cash equivalents (note 18) | 545.31 | 86.56 |

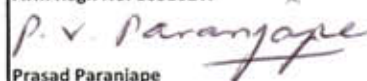
* The company can utilise these balances only towards settlement of the respective unpaid dividend

As per our Report of even date

For B. K. KHARE & Co.

Chartered Accountants

Firm Regn No. 105102W



Prasad Paranjape

Partner

Membership No.:047296

For and on behalf of Board of Directors of Mahindra Hinoday Industries Limited

Mr. Hemant Luthra



Mr. K. Ramaswami



 K Jayaprakash
CFO



Mr. Sanjay Arte

Place : Mumbai

Date : February 10, 2014

Place : Mumbai

Date : February 10, 2014



3 Share Capital

Sept 30, 2013 March 31, 2013

Authorized

| | | |
|---|----------|----------|
| 57,000,000 (March 2013: 57,000,000) Equity Shares of Rs. 10 each | 5,700.00 | 5,700.00 |
| 15,000,000 (March 2013: 15,000,000) 8% Cumulative Redeemable Preference Shares of Rs. 10 each | 1,500.00 | 1,500.00 |
| Total | 7,200.00 | 7,200.00 |

Issued, Subscribed & Fully Paid -Up

| | | |
|--|----------|----------|
| 46,576,717 (March 2013: 46,576,717) Equity Shares of Rs. 10/- each fully paid-up | 4,657.67 | 4,657.67 |
| Total | 4,657.67 | 4,657.67 |

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

| | Sept 30, 2013 | | March 31, 2013 | |
|--------------------------------------|---------------|----------|----------------|----------|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the period | 46,576,717 | 4,657.67 | 46,576,717 | 4,657.67 |
| Shares issued during the period | - | - | - | - |
| Outstanding at the end of the period | 46,576,717 | 4,657.67 | 46,576,717 | 4,657.67 |

b) Terms/ Rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of the equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding/ultimate holding company and/or their subsidiaries/associate:

| | Amount Rs. Sept 30, 2013 | Amount Rs. March 31, 2013 |
|---|-----------------------------|------------------------------|
| Mahindra & Mahindra Limited, holding company 3,02,54,052 (March 2013: 3,02,54,052) shares of Rs. 10 each fully paid up | 302,540,520 | 302,540,520 |

d) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

| | No. of shares Sept 30, 2013 | No. of shares March 31, 2013 |
|--|--------------------------------|---------------------------------|
| Equity shares allotted as fully paid up pursuant to contracts for consideration other than cash* | 16,469,627 | 16,469,627 |
| Equity shares bought back by the company# | 60,100 | 60,100 |

* The Company has issued 16,437,602 equity shares as fully paid-up to Mahindra & Mahindra Limited, holding company in the year 2008-09 and 32,025 equity shares to its then employees of the 'Mahindra Castings Private Limited' at par in the ratio of 3:4 in the year 2009-2010 pursuant to the scheme of Amalgamation approved by the High Court of Bombay on August 3, 2009.

The Company has bought back 60,100 fully paid-up equity shares held by DGP Employees Welfare Trust pursuant to Scheme of Amalgamation approved by the High Court of Bombay on August 3, 2009. These shares were cancelled against securities premium in that year.

e) Details of shareholders holding more than 5% shares in the company:

| Name of the Shareholder | Sept 30, 2013 | | March 31, 2013 | |
|-------------------------------------|---------------|------------|----------------|------------|
| | No. of Shares | Percentage | No. of Shares | Percentage |
| Mahindra & Mahindra Limited | 30,254,052 | 64.96 | 30,254,052 | 64.96 |
| IVF Trustee Company Private Limited | 16,290,640 | 34.98 | 16,290,640 | 34.98 |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 4 Reserves & Surplus | Sept 30, 2013 | March 31, 2013 |
|---|----------------------|-----------------------|
| Securities Premium | | |
| Balance as per last Financial | 17,848.14 | 17,848.14 |
| | 17,848.14 | 17,848.14 |
| Profit and Loss Account | | |
| Balance as per last financials | (8,598.05) | (6,776.71) |
| Add : Profit/(Loss) for the year as per statement of profit or loss | 498.38 | (1,821.34) |
| Net Deficit in the statement of profit and loss | (8,099.67) | (8,598.05) |
| Total | 9,748.47 | 9,250.09 |



5 Long Term Borrowings

Sept 30, 2013 March 31, 2013

| | | |
|--|----------|----------|
| Term loans from banks (Secured) | 6,189.66 | 7,784.96 |
| Sales Tax Deferral loan from SICOM under Package Scheme of Incentives 1993 (Unsecured) | 907.14 | 1,316.69 |
| Total | 7,096.80 | 9,101.66 |

| Sr. No | Particulars | Rate and Repayment Schedule | Security |
|--------|---|--|--|
| 1 | Term loan from IDBI Bank Limited outstanding as of Sept 30, 2013 Rs. 1935.43 Lacs (March 31, 2013 Rs. 2,419 Lacs) | Loan carries interest @ 12.25% p.a. The loan is repayable in 42 equal monthly installments of Rs. 80.64 Lacs from April 2012. | Secured by First Pari Passu charge of Mortgage in joint favour of lending banks over immovable Assets situated at Bhosari & Urse, Pune and First Pari Passu charge of hypothecation in favour of lending banks over movable Assets situated Bhosari & Urse, Pune (both mortgage & hypothecation are on Assets other than exclusively charged Assets) |
| 2 | Term loan from IDBI Bank Limited outstanding as of Sept 30, 2013 Rs. 1673.14 Lacs (March 31, 2013 Rs. 1,952 Lacs) | Loan carries interest @ 12.25% p.a. The loan is repayable in 42 equal monthly installments of Rs. 46.48 Lacs from April 2013 | |
| 3 | Term loan from IDBI Bank Limited outstanding as of Sept 30, 2013 Rs. 844.29 Lacs (March 31, 2013 Rs. 985 Lacs) | Loan carries interest @ 12.25% p.a. The loan is repayable in 42 equal monthly installments of Rs. 23.45 Lacs from April 2013. | |
| 4 | Term loan from IDBI Bank Limited outstanding as of Sept 30, 2013 Rs. 266.43 Lacs (March 31, 2013 Rs. 320 Lacs) | Loan carries interest @ 12.25% p.a. The loan is repayable in 42 equal monthly installments of Rs. 8.88 Lacs from October 2012. | |
| 5 | Term loan from IDBI Bank Limited outstanding as of Sept 30, 2013 Rs. 216.43 (March 31, 2013 Rs. 260 Lacs) | Loan carries interest @ 12.25% p.a. The loan is repayable in 42 equal monthly installments of Rs. 7.21 Lacs from October 2012. | |
| 6 | Term loan from ING Vysya Bank Limited outstanding as of Sept 30, 2013 Rs. 1750 Lacs (March 31, 2013 Rs. 2,188 Lacs) | Loan carries interest @ 11.50% p.a. The loan is repayable in 16 equal quarterly installments of Rs. 218.75 Lacs from December 2011. | |
| 7 | Term loan from Saraswat Co-Operative Bank outstanding as of Sept 30, 2013 Rs. 679.55 Lacs (March 31, 2013 Rs. 822 Lacs) | Loan carries interest @ 11.75% p.a. The loan is repayable in 42 monthly installments of Rs. 23.80 Lacs from September 2012 | |
| 8 | Term loan from State Bank of India outstanding as of Sept 30, 2013 Rs. 306.70 Lacs (March 31, 2013 Rs. 525 Lacs) | Loan carries interest @ 12.80% p.a. The loan is repayable in 56 monthly installments of Rs. 62.5 Lacs from May 2009 | Secured by exclusive first charge of mortgage of immovable properties being portion of land and factory building/structures of Urse properties together with plant and machinery attached thereto and by way of hypothecation of movable plant and machinery acquired and purchased for expansion of Automotive Casting Division. |
| 9 | Term loan from State Bank of India outstanding as of Sept 30, 2013 Rs. 2,000 Lacs (March 31, 2013 Rs. 2,000 Lacs) | Loan carries interest @ 11.60% p.a. The loan is repayable in monthly installments as follows: In 2014-2015 Rs. 2.50 Lacs In 2015-2016 Rs. 10.00 Lacs In 2016-2017 Rs. 20.00 Lacs In 2017-2018 Rs. 31.67 Lacs In 2018-2019 Rs. 42.50 Lacs In 2019-2020 Rs. 60.00 Lacs | Secured by First Pari passu hypothecation charge on all current assets, present and future. Collateral charge: on assets situated at Gat No 310, 311 & 312 measuring 34440 sq meter Village Urse Taluka Maval Dist. Pune which are acquired out of the above bank finance. |
| 10 | Deferred sales tax loan | Interest free and payable in 10 yearly installments of various amounts starting from April 2010. | Unsecured |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 6 Other Long Term Liabilities | | Sept 30,2013 | March 31, 2013 |
|--|-------|---------------------|-----------------------|
| Trade Payables* | | 70.38 | 70.38 |
| Total | | 70.38 | 70.38 |
| * Represents retention money held by the company payable after completion of warranty period on account of various capital projects under execution/executed . | | | |
| 7 Deferred Tax | | Sept 30,2013 | March 31, 2013 |
| Deferred tax liability | | | |
| Difference between tax depreciation and depreciation/amortization as per financial reporting | | 2,737.62 | 2,737.62 |
| | | 2,737.62 | 2,737.62 |
| Deferred tax asset | | | |
| Carry Forward Depreciation Losses | | (2,146.36) | (2,146.36) |
| Employee Benefits | | (259.61) | (259.61) |
| Others | | (331.64) | (331.64) |
| | | (2,737.62) | (2,737.62) |
| Deferred Tax Asset (Net) | Total | - | - |
| 8 Long Term Provisions | | Sept 30,2013 | March 31, 2013 |
| Provision for employee benefits | | | |
| Early Separation Scheme | | 325.68 | 330.62 |
| Gratuity [Refer Note no 27] | | 189.36 | 138.97 |
| Leave Encashment | | 518.98 | 517.45 |
| Total | | 1,034.02 | 987.04 |
| 9 Short Term Borrowings | | Sept 30,2013 | March 31, 2013 |
| Cash credit loans from banks (Secured)* | | 2,737.38 | 114.38 |
| Loans repayable on demand (Secured) | | | |
| - Rupee Loans * | | - | 475.00 |
| - Foreign Currency Loans * | | - | - |
| Total | | 2,737.38 | 589.38 |
| * Cash credit and demand loans are secured by first charge of hypothecation on all current assets, both present & future and second charge(ranking after charges created and/or to be created in favour of term lenders) of hypothecation on all movable plant and Machinery and other movable assets, both present and future and also second pari passu charge (except exclusive charge on certain immovable properties created in favour of State Bank of India)by way of mortgage over immovable properties of the borrower situated at MIDC Bhosari, Pune and also at village Urse Tal. Maval Dist. Pune. | | | |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 10 Trade payables and other current liabilities | | Sept 30, 2013 | March 31, 2013 |
|--|--|----------------------|-----------------------|
| i) <u>Trade Payables:</u> | | | |
| Sundry Creditors | | 11,114.34 | 11,164.72 |
| ii) <u>Other current liabilities:</u> | | | |
| Current maturities of long term borrowings | | 3,482.30 | 3,685.80 |
| Current maturities of SICOM | | 409.55 | 317.49 |
| Interest accrued and due on borrowings | | - | 41.36 |
| Unclaimed dividend | | 0.05 | 0.05 |
| Other liabilities- | | | |
| Other Statutory Dues | | 2.94 | - |
| Excise Liabilities | | 326.12 | 17.14 |
| Vat Liabilities | | 15.05 | 61.51 |
| TDS Liabilities | | 29.74 | 47.34 |
| Deposits | | 36.14 | 31.14 |
| Tooling Advance | | 445.14 | 528.20 |
| Advances from customers | | 61.12 | 98.76 |
| Other Payables | | 4.98 | 3.02 |
| | | <u>4,813.13</u> | <u>4,831.81</u> |
| Total | | 15,927.47 | 15,996.54 |
| 11 Short Term Provisions | | Sept 30, 2013 | March 31, 2013 |
| <u>Provisions for Short Term Benefits</u> | | | |
| Gratuity (Refer Note No. 27) | | 24.17 | 28.75 |
| Early Separation Scheme | | 126.24 | 128.16 |
| Leave Encashment | | 57.69 | 58.17 |
| Total | | 208.10 | 215.08 |



Mahindra HINODAY Industries Limited

Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

12. Tangible Assets

| DESCRIPTION | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|----------------|-----------------------------|----------------------------|-----------------------------|------------------------------|
| | Balance as at April 1, 2013 | Additions During the Period | Deduction During the Period | Gross Block Sept 30, 2013 | Balance as at April 1, 2013 | For the Period | Deduction During the Period | Depreciation Sept 30, 2013 | Balance as at Sept 30, 2013 | Balance as at March 31, 2013 |
| Leasehold Land | 3,263.64 | - | - | 3,263.64 | 276.77 | 27.68 | - | 304.45 | 2,959.19 | 2,986.87 |
| Free hold Land | 2,818.53 | - | - | 2,818.53 | - | - | - | - | 2,818.53 | 2,818.53 |
| Building | 6,088.39 | 188.39 | - | 6,276.77 | 793.69 | 112.91 | - | 906.60 | 5,370.17 | 5,294.69 |
| Plant & Machinery | 18,383.75 | 173.72 | 3.37 | 18,554.10 | 6,534.20 | 928.01 | 1.76 | 7,460.45 | 11,093.65 | 11,849.56 |
| Electrical Equipment | 3,162.17 | - | - | 3,162.17 | 533.14 | 87.85 | - | 620.99 | 2,541.18 | 2,629.02 |
| Furniture & Fixture | 263.75 | - | 26.58 | 237.18 | 117.43 | 8.11 | 25.25 | 100.29 | 136.89 | 146.32 |
| Office Equipment | 190.24 | 0.16 | 29.56 | 160.84 | 87.14 | 9.74 | 28.09 | 68.79 | 92.05 | 103.09 |
| Computers | 142.74 | 0.50 | - | 143.24 | 86.66 | 7.24 | - | 93.90 | 49.34 | 56.09 |
| Vehicles | 91.56 | - | 4.11 | 87.45 | 57.40 | 7.74 | 3.68 | 61.46 | 25.99 | 34.15 |
| Total | 34,404.77 | 362.77 | 63.62 | 34,703.92 | 8,486.43 | 1,189.28 | 58.78 | 9,616.93 | 25,087.00 | 25,918.32 |
| Previous Year's Figure | 32,446.93 | 2,125.82 | 167.98 | 34,404.77 | 6,240.01 | 2,331.04 | 84.60 | 8,486.46 | | |

12. Intangible Assets

| DESCRIPTION | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------|--------------------------------|-------------------|--------------------------------|-------------------------------|--------------------------------|---------------------------------|
| | Balance as at April 1, 2013 | Additions During the Period | Deduction During the Period | Gross Block Sept 30, 2013 | Balance as at April 1, 2013 | For the Period | Deduction During the Period | Depreciation Sept 30, 2013 | Balance as at Sept 30, 2013 | Balance as at March 31, 2013 |
| Computer Software | 275.14 | - | - | 275.14 | 187.87 | 21.26 | - | 209.13 | 66.01 | 87.27 |
| Others | 47.30 | 6.38 | - | 53.68 | 13.23 | 3.11 | - | 16.34 | 37.33 | 34.07 |
| Total | 322.44 | 6.38 | - | 328.82 | 201.10 | 24.37 | - | 225.47 | 103.34 | 121.33 |
| Previous Year's Figure | 260.12 | 62.32 | - | 322.44 | 156.14 | 44.97 | - | 201.11 | | |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

13 Non Current Investments

Sept 30, 2013 March 31, 2013

Investments
Trade Investment (Valued at cost unless otherwise stated)
Unquoted Equity Investment

In The Saraswat Co-Op Bank Limited

2,500 (March 2013: 2,500)Equity shares of Rs. 10/- each

0.25

0.25

In Wardha Power Co. Limited.

1,768,970 (March 2013:1,768,970) 'A' Class Equity shares of Rs.10 /- each

176.90

176.90

(Also understood as Power Equity Shares, entitled to energy from Group Captive Power Plant. These shares will receive restrictive dividend not more than 0.01% of the face value)

Less: Amortisation

(10.00)

(6.37)

166.90

170.53

Unquoted Preference Shares Investment

In Wardha Power Co. Limited*

2,231,030(March 2013:2,231,030) 'A' Class Redeemable Preference Shares of Rs. 10 /- each

223.10

223.10

(Above preference shares carry coupon rate of 0.01% per annum and redeemable on expiry of 25 years and to be reissued for the balance tenor of Power Delivery Agreement on fresh terms)

Less: Amorisation

(12.43)

(8.04)

210.67

215.06

* In the event the Power Delivery Agreement expires at the end of term, the Wardha Power Company will buy back the Class 'A' Equity Shares and Class 'A' Preference Shares for a total consideration of Rs.1/-

Less: Amorisation

Total

377.82

385.84



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 14 Long Term Loans & Advances | Sept 30, 2013 | March 31, 2013 |
|--|----------------------|-----------------------|
| Loans And Advances (Unsecured, considered good) | | |
| Capital Advances | 29.37 | 147.63 |
| Security Deposit | - | 25.01 |
| Total | 29.37 | 172.64 |
| 15 Other Non Current Assets | Sept 30, 2013 | March 31, 2013 |
| Margin money deposits with banks(Refer Note No. 18) | 57.80 | 120.29 |
| Total | 57.80 | 120.29 |
| 16 Inventories | Sept 30, 2013 | March 31, 2013 |
| [valued at lower of cost and net realizable value] | | |
| Raw Materials & Components | 2,278.60 | 1,114.46 |
| [Includes goods in transit Rs. 713.15 Lacs (March:2013 Rs.96.39 Lacs)] | | |
| Semi finished goods | 1,345.68 | 1,325.36 |
| Finished goods | 2,972.37 | 2,329.70 |
| Stores, Spares, Consumable etc. | 826.67 | 822.58 |
| Loose Tools | 87.01 | 79.10 |
| Total | 7,510.33 | 5,671.20 |
| 17 Trade Receivables | Sept 30, 2013 | March 31, 2013 |
| (Unsecured considered good unless otherwise stated) | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| Considered Doubtful | 450.73 | 410.63 |
| Less : Provision for doubtful debt | (450.73) | (410.63) |
| | - | - |
| Other debts - Considered Good | 5,750.82 | 6,604.04 |
| Total | 5,750.82 | 6,604.04 |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 18 Cash and Bank Balances | Sept 30,2013 | March 31, 2013 |
|---|------------------------|-----------------------|
| Cash and Cash Equivalent | | |
| Cash on Hand | 2.89 | 3.60 |
| Balances with Bank | | |
| - Current Accounts | 492.85 | 499.32 |
| - Unpaid Dividend Account | 0.05 | 0.07 |
| | <u>495.79</u> | <u>502.99</u> |
| Other Bank Balances | | |
| - Margin money deposits with maturity for less than 12 months | 49.52 | 76.76 |
| - Margin money deposits with maturity more than 12 months | 57.80 | 120.29 |
| | <u>107.32</u> | <u>197.05</u> |
| Amount disclosed under non current assets(Refer Note No. 15) | 57.80 | 120.29 |
| | <u>49.52</u> | <u>76.76</u> |
| Total | <u>545.31</u> | <u>579.75</u> |
| 19 Short Term Loans and Advances | Sept 30,2013 | March 31, 2013 |
| (Unsecured considered good unless otherwise stated) | | |
| Advances recoverable in cash or in kind or for value to be received | 320.73 | 309.32 |
| Prepaid Expenses | 176.89 | 63.12 |
| Advance Income Tax [Net of provision Rs. 347.46 (March 2013: Rs. 347.46)] | 152.98 | 150.82 |
| Balance with Central Excise & Customs etc. | 450.48 | 233.66 |
| Total | <u>1,101.08</u> | <u>756.92</u> |
| 20 Other Current Assets | Sept 30,2013 | March 31, 2013 |
| (Unsecured considered good unless otherwise stated) | | |
| Export benefits receivable | 155.75 | 171.44 |
| Total | <u>155.75</u> | <u>171.44</u> |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 21 Revenue From Operations | Current Period | Previous Period |
|---|-------------------|--------------------|
| Revenue From Operations | | |
| Sale of manufactured goods | 27,098.86 | 24,901.78 |
| Other Operating Revenue | | |
| Sale of Scrap | 131.32 | 182.99 |
| Sale of Toolings | 47.14 | 290.57 |
| Export Incentives | 205.92 | 77.65 |
| Revenue from operations (Gross) | <u>27,483.24</u> | <u>25,452.99</u> |
| Less: Excise Duty | <u>2,045.24</u> | <u>2,007.72</u> |
| Total | <u>25,438.00</u> | <u>23,445.27</u> |
| Details of products sold | | |
| Finished goods sold | | |
| Magnetic Product Division | | |
| Ferrites | 5,487.17 | 10,495.59 |
| Electrod Less Lamp | 814.00 | 900.84 |
| Wound Coil | 159.00 | 100.57 |
| Foundry Division | | |
| Casting | <u>20,638.69</u> | <u>39,425.87</u> |
| Total | <u>27,098.86</u> | <u>50,922.87</u> |
| 22 Other Income | | |
| Interest | | |
| - From Banks | | |
| [Tax deducted at Source Rs. 0.82 Lacs] | 10.27 | 6.77 |
| - Others | | |
| Commission Income | 13.55 | - |
| Discount received | 23.27 | 18.46 |
| Provisions written back | - | 19.96 |
| Profit on Sale of Asset | - | 8.36 |
| Others | 45.88 | 41.42 |
| Exchange Fluctuation Gain | - | 11.28 |
| Total | <u>92.97</u> | <u>106.26</u> |



| 23 Cost of Raw Materials and Components Consumed | Current Period | Previous Period |
|--|------------------|------------------|
| Cost of Raw Materials and Components Consumed | | |
| Inventory at the beginning of the year | 1,114.46 | 1,000.53 |
| Add: Purchases | 13,429.78 | 11,051.83 |
| Less: Raw material sold out of material purchased | - | 26.93 |
| Less: inventory at the end of the year | 2,278.60 | 1,096.37 |
| Cost of raw material and components consumed | 12,265.64 | 10,929.06 |
| (Increase)/decrease in inventories | | |
| Inventories at the end of the year | | |
| Work-in-progress | 1,345.68 | 1,403.78 |
| Finished goods | 2,972.37 | 2,527.50 |
| Inventories at the beginning of the year | 4,318.05 | 3,931.28 |
| Work-in-progress | 1,325.36 | 1,530.51 |
| Finished goods | 2,329.70 | 2,882.49 |
| | 3,655.06 | 4,413.00 |
| Net (Increase)/Decrease in inventories | (662.99) | 481.71 |
| Total | 11,602.65 | 11,410.77 |
| Details of raw material and components consumed | | |
| <u>Magnetic Product Division</u> | | |
| Iron Oxide | 319.53 | 306.21 |
| Zinc Salts | 77.23 | 71.51 |
| Carbonates | 167.95 | 155.09 |
| Others | 1,857.66 | 1,166.62 |
| <u>Foundry Division</u> | | |
| CRCA Scrap | 5,240.08 | 5,241.17 |
| Graphite Fine / Charcoal | 258.13 | 279.31 |
| FSM Alloy | 437.99 | 438.02 |
| Silicon Carbide | 205.93 | 169.19 |
| Others | 3,701.13 | 3,101.94 |
| Total | 12,265.64 | 10,929.06 |
| Details of inventory - Raw Material | | |
| <u>Magnetic Product Division</u> | | |
| Iron Oxide | 120.7 | 80.38 |
| Zinc Salts | 10.1 | 4.21 |
| Carbonates | 42.3 | 11.91 |
| Others | 737.4 | 490.23 |
| <u>Foundry Division</u> | | |
| CRCA Scrap | 681.27 | 47.02 |
| Graphite Fine / Charcoal | 31.32 | 15.30 |
| FSM Alloy | 89.23 | 51.20 |
| Silicon Carbide | 8.92 | 10.05 |
| Others | 557.39 | 386.07 |
| Total | 2,278.60 | 1,096.37 |
| Details of inventory - Work in Progress | | |
| <u>Magnetic Product Division</u> | | |
| Ferrites | 307.77 | 264.29 |
| Coil | 25.66 | 4.50 |
| ELL | 1.58 | - |
| <u>Foundry Division</u> | | |
| Casting | 1,010.67 | 1,134.99 |
| Total | 1,345.68 | 1,403.78 |
| Details of inventory - Finished Goods | | |
| <u>Magnetic Product Division</u> | | |
| Ferrites | 477.94 | 486.58 |
| ELL | 18.00 | 53.78 |
| Coil | 11.92 | 11.34 |
| <u>Foundry Division</u> | | |
| Castings | 2,464.51 | 1,975.80 |
| Total | 2,972.37 | 2,527.50 |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

| 24 Employee Benefit Expenses | Current Period | Previous Period |
|--|---------------------------|----------------------------|
| Employee Benefits | | |
| Salaries, Wages & Bonus | 2,178.86 | 2,238.95 |
| Contribution to Provident and Other Funds | 136.50 | 133.29 |
| Staff Welfare Expenses | 271.94 | 264.12 |
| Gratuity Expense (Net) | 84.86 | 59.52 |
| Total | 2,672.16 | 2,695.88 |
| 25 Manufacturing and Other Expenses | Current Period | Previous Year |
| Stores, Spares and Components | 318.38 | 685.31 |
| Labour Charge | 447.13 | 353.01 |
| Power & Fuel | 3,562.97 | 3,723.28 |
| Processing Charges | 2,551.50 | 2,051.81 |
| <u>Repairs & Maintenance</u> | | |
| Building | 17.87 | 16.29 |
| Machinery | 489.08 | 179.75 |
| Others | 169.26 | 273.91 |
| Equipment Lease Rentals | - | - |
| Rent | 21.19 | 10.50 |
| Rates & Taxes | 25.77 | 22.24 |
| Printing and Stationery | 18.86 | 20.63 |
| Insurance | 52.28 | 47.40 |
| Travelling & Conveyance | 57.96 | 62.51 |
| Legal & Professional charges | 171.02 | 155.80 |
| Office & Other Expenses | 74.60 | 85.04 |
| <u>Auditors Remuneration</u> | | |
| Audit fee | 8.03 | 3.61 |
| Tax audit fee | - | 2.50 |
| Limited review | - | 3.00 |
| Communication Expenses | 18.80 | 22.66 |
| Bank charges | 44.47 | 44.77 |
| Sales Commission & Discounts | 44.82 | 59.20 |
| Selling Expenses | 0.78 | 2.35 |
| Carriage Outwards | 574.48 | 695.47 |
| Provision for Doubtful Debts (Net) | 40.10 | 23.35 |
| Bad Debts Written off | - | - |
| Donations | - | 0.01 |
| Amortisation in value of investment | 8.02 | 6.44 |
| Loss on Sale of Assets/Write off of asset | 4.85 | 3.85 |
| Exchange Fluctuation Loss | 116.31 | - |
| Total | 8,838.53 | 8,554.72 |
| 26 Interest Cost | Current Period | Previous Year |
| Interest on Loans | 705.60 | 834.36 |
| Exchange Gain/Loss on restatement of loans | - | - |
| Total | 705.60 | 834.36 |



27 Employee Benefits

Sept 30, 2013

| | |
|---|----------|
| Discount Rate | 7.80% |
| Expected rate of return on assets | 9% |
| Basic Salary increases allowing for price inflation | 6% |
| Employee withdrawal | 2% |
| Normal Retirement Age | 60 years |

Composition of Plan assets

| Particulars | Sept 30, 2013 (%) |
|-----------------------|-------------------|
| Insured Managed Funds | 100 |
| Total | 100 |

Notes :

(i) The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

28 Contingent Liabilities

Sept 30, 2013

March 31, 2013

| | | |
|---|--------|--------|
| Income tax demands disputed in appellate proceedings | 259.57 | 215.78 |
| Disputed demands in respect of Excise duty (Net of protest money) | 30.40 | 28.52 |
| Cess | 105.35 | 105.35 |
| Bank Guarantees | 852.65 | 770.11 |
| Claims against the company not acknowledged as debt:- Stamp duty | 290.07 | 290.07 |
| Sales Bill Discounting | 540.80 | 426.45 |

29 Segment Information

Business (Primary) Segment information for the year ended 30th Sept 2013

| | Sept 30, 2013 | | | Sept 30, 2012 | | |
|---|-----------------|------------------|------------------|------------------|------------------|-------------------|
| | MPD | FD | Total | MPD | FD | Total |
| Revenue | | | | | | |
| External sales (Excluding sale of scrap) | 6,544.21 | 20,807.71 | 27,351.92 | 5,462.31 | 19,807.68 | 25,270.00 |
| Inter segment sales | - | - | - | - | - | - |
| Interest and other income (including scrap sales) | 121.14 | 103.14 | 224.29 | 97.89 | 180.07 | 277.97 |
| Total revenue | 6,665.35 | 20,910.85 | 27,576.20 | 5,560.21 | 19,987.75 | 25,547.96 |
| Results | | | | | | |
| Segment results | 161.62 | 1,042.36 | 1,203.98 | 32.93 | (318.20) | (285.28) |
| Operating profit | - | - | 1,203.98 | - | - | (285.28) |
| Finance costs | - | - | (705.60) | - | - | (834.36) |
| Profit/(Loss) before tax | - | - | 498.38 | - | - | (1,119.64) |
| Income taxes/Deferred Taxes | - | - | - | - | - | - |
| Net profit/(Loss) | - | - | 498.38 | - | - | (1,119.64) |
| Segment assets | 8,690.22 | 32,637.10 | 41,327.31 | 11,524.50 | 29,187.79 | 40,712.29 |
| Unallocated assets | - | - | 152.95 | - | - | 144.30 |
| Total assets | 8,690.22 | 32,637.10 | 41,480.27 | 11,524.50 | 29,187.79 | 40,856.59 |
| Segment liabilities | 3,652.88 | 9,695.22 | 13,348.10 | 3,261.51 | 9,034.24 | 12,295.75 |
| Unallocated liabilities | - | - | 13,726.00 | - | - | 14,224.06 |
| Total liabilities | 3,652.88 | 9,695.22 | 27,074.11 | 3,261.51 | 9,034.24 | 26,519.81 |
| Other segment information | | | | | | |
| <u>Capital expenditure:</u> | | | | | | |
| Tangible assets | 13.77 | 629.12 | 642.89 | 108.48 | 865.05 | 973.54 |
| Intangible assets | 3.62 | - | 3.62 | 15.04 | 20.02 | 35.05 |
| Depreciation | 281.36 | 880.23 | 1,161.59 | 289.30 | 837.15 | 1,126.44 |
| Amortization | 32.02 | 20.02 | 52.05 | 29.93 | 19.07 | 48.99 |

Geographical (Secondary) Segment information for the year ended 30th Sept 2013

| | Sept 30, 2013 | | Sept 30, 2012 | |
|----------------------------|---------------|---------------|---------------|---------------|
| | In India | Outside India | In India | Outside India |
| Revenue | 18,384.32 | 8,967.60 | 18,221.66 | 18,221.66 |
| Segment Assets | 41,327.31 | - | 40,712.29 | - |
| <u>Capital Expenditure</u> | - | - | - | - |
| Tangible Assets | 642.89 | - | 973.54 | - |
| Intangible Assets | 3.62 | - | 35.05 | - |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statements

(All amounts are in Indian Rupees Lacs unless otherwise stated)

30 Related Party Disclosures

Related parties with whom transactions have taken place during the year

Holding company :

Fellow subsidiaries :

 Mahindra & Mahindra Limited - Auto Division
 Mahindra & Mahindra Limited - Head Office
 Mahindra & Mahindra Limited - Swaraj Division
 Mahindra & Mahindra Limited - Tractor Division
 Mahindra Defence Systems Limited
 Mahindra First Choice Services Limited
 Mahindra Forgings Limited
 Mahindra Gears & Transmissions Pvt Limited
 Mahindra Gujarat Tractor Limited.
 Mahindra Life Space Developers Limited
 Mahindra Logistics Limited
 Mahindra Navistar Automotives Limited.

 Mahindra Navistar Engines Private Limited
 Mahindra Residential Developers Limited
 Mahindra Steel Service Centre Limited.
 Mahindra Ugin Steel Company Limited
 Mahindra Vehicle Manufacturers Limited
 Mahindra Two Wheelers Limited

Key management personnel

Mr. K Ramaswami (Executive Director)

a. Sale/purchase of goods and services

| Name of Company | Period ended | Sale of goods/Services | Purchase of Goods/Services | Purchase of Assets | Amount Receivable at the end of the period | Amount Payable at the end of the period |
|--|---------------|------------------------|----------------------------|--------------------|--|---|
| Mahindra & Mahindra Limited- Auto Division | Sept 30 2013 | 3,675.58 | 0.01 | - | 405.61 | 0.02 |
| | Sept 30 2012 | 3,618.28 | - | - | - | - |
| | March 31,2013 | - | - | - | 301.16 | - |
| Mahindra & Mahindra Limited- FES Division | Sept 30 2013 | 1,993.30 | - | - | 228.42 | - |
| | Sept 30 2012 | 1,489.79 | - | - | - | - |
| | March 31,2013 | - | - | - | 226.99 | - |
| Mahindra Navistar Automotives Limited | Sept 30 2013 | 72.86 | - | - | - | 0.33 |
| | Sept 30 2012 | 94.95 | - | - | - | - |
| | March 31,2013 | - | - | - | 9.79 | - |
| Mahindra Navistar Engines Private Limited | Sept 30 2013 | 19.50 | - | - | - | - |
| | Sept 30 2012 | 73.86 | - | - | - | - |
| | March 31,2013 | - | - | - | 30.02 | - |
| Mahindra Vehicle Manufacturers Limited | Sept 30 2013 | 346.90 | 377.30 | - | 61.23 | 240.81 |
| | Sept 30 2012 | 457.75 | - | - | - | - |
| | March 31,2013 | - | - | - | 120.08 | - |
| Mahindra Forgings Limited | Sept 30 2013 | - | 9.40 | - | 5.20 | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Ugin Steel Company Limited | Sept 30 2013 | - | 1,163.62 | - | - | 611.08 |
| | Sept 30 2012 | 0.63 | 212.00 | - | - | - |
| | March 31,2013 | - | - | - | 0.75 | 240.01 |
| Mahindra Steel Service Centre Limited | Sept 30 2013 | 5.28 | - | - | - | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Aerostructures Private Limited | Sept 30 2013 | - | - | - | 1.12 | - |
| | Sept 30 2012 | 52.45 | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra First Choice Services Limited | Sept 30 2013 | 3.99 | - | - | 0.40 | - |
| | Sept 30 2012 | 1.65 | - | - | - | - |
| | March 31,2013 | - | - | - | 1.06 | - |
| Mahindra Gujarat Tractor Limited. | Sept 30 2013 | 0.57 | - | - | - | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Gears & Transmissions Pvt Limited | Sept 30 2013 | 18.17 | - | - | 9.49 | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | 5.95 | 11.37 |
| Mahindra & Mahindra Limited - Swaraj Division | Sept 30 2013 | 3.17 | - | - | 2.78 | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | 2.84 | - |
| Mahindra Two Wheelers Limited | Sept 30 2013 | - | - | - | - | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | 5.20 | - |
| Navyug Special Steel Private Limited | Sept 30 2013 | - | - | - | - | - |
| | Sept 30 2012 | 1.04 | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Logistics Limited | Sept 30 2013 | 208.85 | - | - | - | 139.81 |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | 0.08 |
| Bristlecone India Limited. | Sept 30 2013 | - | - | - | - | - |
| | Sept 30 2012 | - | - | 10.97 | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Defence Systems Limited | Sept 30 2013 | - | 6.80 | - | - | 3.44 |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Life Space Developers Limited | Sept 30 2013 | 0.76 | - | - | - | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra Residential Developers Limited | Sept 30 2013 | 5.52 | - | - | - | - |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra & Mahindra Limited - SBU - AD Division | Sept 30 2013 | - | - | - | - | - |
| | Sept 30 2012 | 11.56 | - | - | - | - |
| | March 31,2013 | - | - | - | - | - |
| Mahindra & Mahindra Limited Reimbursement Expenses | Sept 30 2013 | - | - | - | 0.50 | 192.58 |
| | Sept 30 2012 | - | - | - | - | - |
| | March 31,2013 | - | - | - | 0.51 | 232.90 |
| Training & Development Expenses - MIQ | Sept 30 2013 | - | - | - | - | - |
| | Sept 30 2012 | - | 5.87 | - | - | - |
| | March 31,2013 | - | - | - | - | 3.39 |



MAHINDRA HINODAY INDUSTRIES LIMITED
Notes to Financial Statement for the year ended Sept 30, 2013

(All amounts are in Indian Rupees Lacs unless otherwise stated)

31 Derivative Instruments and unhedged foreign currency exposure
a. Derivatives outstanding as at the reporting date

| | |
|----------------------------------|---|
| Forward contracts - Sell(Euro) | -16.3 Lacs (March 2013: Rs. 15.35 Lacs) |
| Forward contracts - Sell(Dollar) | -5.4 Lacs (March 2013: Rs.5.18 Lacs) |

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

| | |
|-----------|---|
| Creditors | -700.74 Lacs (March 2013: Rs.406.68 Lacs) |
|-----------|---|

32 As required by section 383A of the Companies Act, 1956 the company is required to appoint company secretary for the year 2013-2014. However, the company secretary has not appointed during the year and the company is in process of appointing the Company Secretary.

33 Earning Per Share

| | Sept 30,2013 | Sept 30,2012 |
|--|--------------|--------------|
| Profit/(Loss) After Tax | 498.40 | (1,392.23) |
| Weighted average number of equity shares | 46,576,717 | 46,576,717 |
| Basic/Diluted earning per share | 1.07 | (2.99) |

34 Previous year figures

The Company has reclassified previous years figures to conform this years classification.

As per our Report of even date
For B. K. KHARE & Co.
Chartered Accountants
Firm Regn No. 105102W

Prasad Paranjape
Partner
Membership No.:047296

For and on behalf of Board of Directors of Mahindra Hinoday
Industries Limited

Mr. Hemant Luthra

Mr. Pedro Jesus Echegaray Larrea

Mr. K.Ramaswami

Mr.Sanjay Arte

K Jayaprakash
CFO

Place : Mumbai
Date : February 10, 2014

Place : Mumbai
Date : February 10, 2014

