

B S R & Co.

(Registered)
Chartered Accountants

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Review report to the Board of Directors of Minda Industries Limited

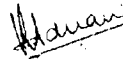
1. We have reviewed the accompanying statement of un-audited standalone financial results ("the Statement") of Minda Industries Limited ("the Company") for the quarter and nine months ended 31 December 2012, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding", which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on this Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. *Attention is invited to Note 4 of the Limited review results, wherein it is stated that management had recorded an impairment charge amounting to Rs 2,206 lacs on account of the fixed assets at its Battery Division until the period ended 30 September 2012.*

The Battery Division of the company has been making continued losses. The current quarter results together with projections till year end are below management projections as provided to us in the previous quarter. Despite continued underperformance vis a vis earlier projections, management has not re-assessed the recoverable value either through revision of future cash flows including key growth assumptions or through the net selling price method. In the absence of sufficient and appropriate evidence to substantiate the future cash flow projections including key assumption in light of continued underperformance and lack of information on net selling price, we are unable to comment on the adequacy of the impairment charge and need for any further provision / reversal to be recorded in the books as at 31 December 2012 with consequential impact if any, on the profits for the quarter and nine months ended 31 December 2012 and its related impact on the block of fixed assets of the Battery Division.

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4. Based on our review conducted as above and *subject to the impact, if any, on account of our comments in Para 3 above*, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited standalone financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For BSR & Co.
Chartered Accountants
Firm Registration Number: 101248W



Vikram Advani
Partner
Membership number: 091765

Place: Gurgaon
Date: 8 February 2013

Minda Industries Ltd.
Corporate Office



Z-IV/R-39/D-2/174

09.02.2013

BSE Ltd.
Regd. Office: Floor - 25,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI-400 001
Phones: 022-2272 1234 / 1233

Dear Sirs,

**Sub: Limited Review Report of the Statutory Auditors on the Un-audited
Financial Results for Q3 ending on 31 December, 2012**

In compliance with the provisions of the Listing Agreement, we sent through e-mail Yesterday, 8 February, 2013, the copy of the Limited Review Report of our Auditors in respect of the Unaudited Financial Results for the Quarter ended on 31 December, 2012.

The Board, while considering and taking on record the said Limited Review Report, took note of the observations of the Auditor and has replied to the same as follows:

Auditors Observations

3. Attention is invited to Note 4 of the Limited review results, wherein it is stated that management has recorded an impairment charge amounting to Rs. 2206 lacs on account of the fixed assets at its Battery Division until the period ended 30 September, 2012.

The Battery Division of the Company has been making continued losses. The Current quarter results together with projections till year and are below management projections as provided to us in the previous quarter. Despite continued underperformance viz a viz earlier projections, management has not reassessed the recoverable value either through revision of future cash flows including key growth assumptions or through the net selling price method. In the absence of sufficient and appropriate evidence to substantiate the future cash flow projections including key assumption in light of continued underperformance and lack of information on net selling price, we are unable to comment on the adequacy of the impairment charge and need for any further provision/ reversal to be recorded in the books as at 31 December, 2012 with consequential impact if any, on the profits for the quarter and nine months ended 31 December, 2012 and its related impact on the block of fixed assets of the Battery Division.

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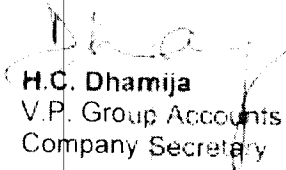
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Management Reply

The Company had recorded an impairment charge amounting to Rs 2,206 lacs based on its estimates and the report of an independent valuer in relation to the assets of the Battery Division in the financials for the year ended 31 March 2012. The methodology adopted was based on replacement cost method, which was not in line with the requirements of AS 28. Accordingly the issue was the subject matter of a qualification for the year ended 31 March 2012 and quarter ended 30 June 2012. During the previous quarter, the Company had provided projections and cash flows based on the value in use method and accordingly recomputed the impairment charge. Further, management believes that the net selling price of these assets is adequate to cover the carrying value of these assets and accordingly no additional impairment charge is required for the period ended 31 December 2012.

Thanking You

Yours faithfully
For **MINDA INDUSTRIES L.TD.**


H.C. Dhamija
V.P. Group Accounts &
Company Secretary