



Grant Thornton

**Appendix C.05**

Minda Corporation Limited

Audit Report for Minda Vietnam Automotive Co., Ltd  
as of 31 March 2017

## **C.05 Audit Report**

### **Independent Auditor's Report**

To: B S R & Co. LLP, India

As requested in your instructions for Minda Corporation Limited dated 20 March 2017, we have audited, for purposes of your audit of the consolidated financial statements of Minda Corporation group, the accompanying special purpose financial information of Minda Vietnam Automotive Co., Ltd as of 31 March 2017 and for the year then ended of the accompanying financial reporting package of Minda Corporation group.

### **Management's Responsibility for the Special Purpose Financial Information**

Management is responsible for the preparation and presentation of this special purpose financial information in accordance with the Minda Group Accounting Policies/ Indian GAAP (as referred to in the Group Accounting Policies and to the extent required by group reporting package. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of special purpose financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Minda Corporation group to prepare its consolidated financial statements.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. As requested, our audit procedures also included the additional procedures identified in your instructions. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement. As requested by you, we planned and performed our audit using the materiality level specified in your instructions, which is different than the materiality level that we would have used had we been designing the audit to express an opinion on the financial information of the component alone.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the special purpose financial information 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 accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

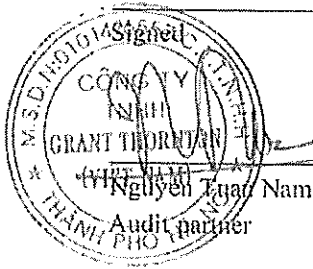
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.

**Opinion**

In our opinion, the accompanying special purpose financial information for Minda Vietnam Automotive Co., Ltd as of 31 March 2017 and for the year then ended has been prepared, in all material respects, in accordance with accounting instructions sent by the Group audit team.

**Restriction on Use and Distribution**

This report is intended solely for use by B S R & Co. LLP, India, in connection with its audit of Minda Corporation Limited consolidated financial statements as at and for the year ending 31 March 2017 and should not be used for any other purpose.



Signed

A handwritten signature in black ink, appearing to read 'Tran Hoang Trung'.

Tran Hoang Trung  
Audit Manager

Date: 12 May 2017

Date: 12 May 2017

Grant Thornton (Vietnam) Limited

Vietnam

Minda Vietnam Automotive Company Limited  
Statement of Profit and Loss for the year ended 31 Mar 2017

|   | (Amount in VND)                   |                                     |
|---|-----------------------------------|-------------------------------------|
|   | For the year ended<br>31 Mar 2017 | For the year ended<br>31 March 2016 |
| <b>A. Cash flow from operating activities</b>   |                                   |                                     |
| Net profit before taxation  | 11,587,301,589                    | 4,814,629,882                       |
| Adjustments for:  |                                   |                                     |
| Depreciation and amortisation expense   | 5,007,449,222                     | 4,300,784,190                       |
| Provision for doubtful trade receivables  |                                   |                                     |
| Interest expense  | 4,557,310                         | 120,034,882                         |
| Loss on sale / discard of fixed assets  |                                   |                                     |
| Bad debts   |                                   |                                     |
| Foreign exchange differences  | 98,610,169                        | (93,513,437)                        |
| Interest income   | (300,737,460)                     | (390,607,245)                       |
| Liabilities / provision no longer required written back   |                                   |                                     |
| <b>Operating profit before working capital changes</b>  | <b>16,397,160,631</b>             | <b>8,751,328,272</b>                |
| Adjustments for:  |                                   |                                     |
| Decrease / (increase) in trade receivables  | (5,639,431,856)                   | (32,918,300)                        |
| Decrease / (increase) in inventories  | (2,393,367,244)                   | (1,714,596,573)                     |
| (Increase) / decrease in long term / short term loans and advances  | 1,984,344,695                     | 358,323,071                         |
| (Increase) / decrease in other current / non current assets   | (1,132,559)                       | 1,277,686,407                       |
| (Decrease) / increase in other long term / other current liabilities  | 874,312,266                       | (2,984,345,058)                     |
| (Decrease) in trade payables  | (2,313,845,267)                   | 2,544,022,252                       |
| Increase in long term and short term provisions   |                                   |                                     |
| <b>Cash generated from operations</b>   | <b>8,908,060,865</b>              | <b>8,159,502,074</b>                |
| Income tax paid   | (1,216,252,208)                   | (627,946,266)                       |
| <b>Net cash generated from operating activities (A)</b>   | <b>7,691,808,657</b>              | <b>7,531,555,808</b>                |
| <b>B. Cash flows from investing activities</b>  |                                   |                                     |
| Purchase of fixed assets  | (7,301,472,909)                   | (2,345,162,236)                     |
| Sale of fixed assets  |                                   |                                     |
| Purchase of current / non current investments   |                                   |                                     |
|   | 1,791,874,999                     | (5,027,500,000)                     |
| Maturity of investment / investment made in bank deposits (held for initial maturity of more than 3 months or more) (net) |                                   |                                     |
| Interest received   | 226,162,897                       | 270,572,363                         |
| <b>Net cash generated / (used in) investing activities (B)</b>  | <b>(5,283,435,013)</b>            | <b>(7,102,089,873)</b>              |
| <b>C. Cash flows from financing activities</b>  |                                   |                                     |
| Proceeds from realisation incentive   |                                   |                                     |
| Payment of dividend (including dividend distribution tax)   |                                   |                                     |
| Addition in term loans  |                                   |                                     |
| Repayment of term loan  | (934,793,518)                     | (3,331,519,281)                     |
| Movement in working capital loan  |                                   |                                     |
| Repayment of Short term loans (Purchase order financing)  |                                   |                                     |
| Addition in Short term loans (Purchase order financing)   |                                   |                                     |
| Interest paid   | (4,557,310)                       |                                     |
| <b>Net cash (used in) financing activities (C)</b>  | <b>(939,350,828)</b>              | <b>(3,331,519,281)</b>              |
| <b>Net decrease in cash and cash equivalents (A + B + C)</b>  | <b>1,469,022,816</b>              | <b>(2,862,053,346)</b>              |
| <b>Cash and cash equivalents at the beginning of the year</b>   | <b>2,458,100,856</b>              | <b>5,320,154,202</b>                |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>3,927,123,672</b>              | <b>2,458,100,856</b>                |

Notes to Cash Flow Statement:

1 The above cash flow statement has been prepared under the indirect method set out in Accounting Standard 3 "Cash Flow Statement" specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Cash and cash equivalents consists of cash in hand and balances with scheduled banks Refer note 2.17

Chartered Accountants

Firm registration number: \_\_\_\_\_

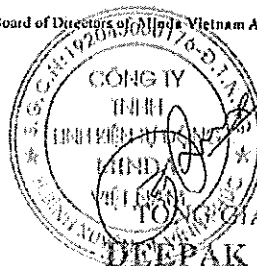
Partner

Membership No. \_\_\_\_\_

Place \_\_\_\_\_

Date \_\_\_\_\_

For and on behalf of the Board of Directors of Minda Vietnam Automotive Company Limited



TỔNG GIÁM ĐỐC  
DEEPAK KUMAR

**Minda Vietnam Automotive Company Limited**  
**Statement of Profit and Loss for the year ended 31 Mar 2017**

| Income  | Note      | For the year ended<br>31 Mar 2017 | (Amount in VND)<br>For the year ended<br>31 March 2016 |
|---|-----------|-----------------------------------|--|
|   |           | 107,541,285,648                   | 65,679,148,634   |
| Less: Excise duty   |           | -                                 | -  |
| Sale of Manufactured goods (net)  |           | 107,541,285,648                   | 65,679,148,634   |
| Sale of Traded goods  |           | 10,484,666,466                    | 7,501,673,136  |
| Revenue from Sale of goods  |           | 118,025,952,114                   | 73,180,821,770   |
| Other operating income  | 2.19      | 582,089,499                       | 1,555,501,483  |
| Revenue from operations (net)   |           | 118,608,041,613                   | 74,736,323,253   |
| Other income  | 2.20      | 1,046,016,670                     | 390,607,245  |
| <b>Total revenue</b>  |           | <b>119,654,058,283</b>            | <b>75,126,930,498</b>                                  |
| <b>Expenses</b>   |           |                                   |  |
| Cost of materials consumed  | 2.21      | 66,751,464,600                    | 36,639,336,890   |
| Purchases of stock-in-trade   | 2.21.a    | 9,147,287,478                     | 6,277,635,268  |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress                                 | 2.22      | ( 840,093,451)                    | 2,048,832,191  |
| Employee benefits expense   | 2.23      | 19,593,384,514                    | 15,028,736,846   |
| Finance costs   | 2.24      | 211,106,111                       | 270,488,680  |
| Depreciation and amortisation expense   | 2.11      | 5,007,449,222                     | 4,300,784,190  |
| Other expenses  | 2.25      | 8,196,158,220                     | 5,746,486,551  |
| <b>Total expenses</b>   |           | <b>108,066,756,694</b>            | <b>70,312,300,616</b>                                  |
| <b>Profit before tax and exceptional items</b>  |           | <b>11,587,301,589</b>             | <b>4,814,629,882</b>                                   |
| Exceptional items   | 2.27      |                                   |  |
| <b>Profit before tax</b>  |           | <b>11,587,301,589</b>             | <b>4,814,629,882</b>                                   |
| Tax expense   |           |                                   |  |
| Current tax   |           | 1,171,701,438                     | 627,946,266  |
| Add : Short provision of Income tax in earlier years  |           |                                   |  |
| Current tax (net)   |           | 1,171,701,438                     | 627,946,266  |
| Deferred tax  | 2.4       |                                   |  |
| <b>Profit for the year</b>  |           | <b>10,415,600,151</b>             | <b>4,186,683,616</b>                                   |
| Earnings per equity share [Par value of Rs. 2 (previous year Rs. 10) per equity share]<br>(Basic and diluted) | 2.2.2     |                                   |  |
| Significant accounting policies and notes to the financial statements   | 1 to 2.37 |                                   |  |

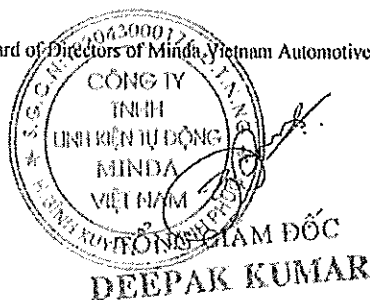
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

Chartered Accountants

Firm registration number: \_\_\_\_\_

For and on behalf of the Board of Directors of Minda Vietnam Automotive Company Limited



Partner

Membership No.: \_\_\_\_\_

Place: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

Date: \_\_\_\_\_

Minda Vietnam Automotive Company Limited  
Balance Sheet as at 31 March 2017

(Amount in VND)

|                                | Note | As at 31 Mar 2017     | As at 31 March 2016   |
|--------------------------------|------|-----------------------|-----------------------|
| <b>EQUITY AND LIABILITIES</b>  |      |                       |                       |
| <b>Shareholders' funds</b>     |      |                       |                       |
| Share capital                  | 2.1  | 10,082,362,500        | 10,082,362,500        |
| Reserves and surplus           | 2.2  | 62,873,288,464        | 52,457,688,313        |
|                                |      | <u>72,955,650,964</u> | <u>62,540,050,813</u> |
| <b>Non-current liabilities</b> |      |                       |                       |
| Long-term borrowings           | 2.3  | -                     | -                     |
| Deferred tax liabilities (Net) | 2.4  | -                     | -                     |
| Other long term liabilities    | 2.5  | -                     | -                     |
| Long-term provisions           | 2.6  | -                     | -                     |
|                                |      | <u>-</u>              | <u>-</u>              |
| <b>Current liabilities</b>     |      |                       |                       |
| Short-term borrowings          | 2.7  | -                     | -                     |
| Trade payables                 | 2.8  | 12,743,392,332        | 15,057,237,599        |
| Other current liabilities      | 2.9  | 1,684,568,754         | 1,789,600,776         |
| Short-term provisions          | 2.10 | -                     | -                     |
|                                |      | <u>14,427,961,086</u> | <u>16,846,838,375</u> |
|                                |      | <u>87,383,612,050</u> | <u>79,386,889,188</u> |
| <b>TOTAL</b>                   |      |                       |                       |
| <b>ASSETS</b>                  |      |                       |                       |
| <b>Non-current assets</b>      |      |                       |                       |
| <b>Fixed assets</b>            |      |                       |                       |
| -Tangible assets               | 2.11 | 37,567,952,674        | 35,067,462,770        |
| -Intangible assets             |      | 565,646,859           | 772,113,076           |
| -Capital work-in-progress      |      | -                     | -                     |
| Non-current investments        | 2.12 | -                     | -                     |
| Long-term loans and advances   | 2.13 | -                     | -                     |
| Other non current assets       | 2.14 | -                     | -                     |
|                                |      | <u>38,133,599,533</u> | <u>35,839,575,846</u> |
| <b>Current assets</b>          |      |                       |                       |
| Current investments            | 2.15 | -                     | -                     |
| Inventories                    | 2.15 | 16,266,451,890        | 13,873,084,646        |
| Trade receivables              | 2.16 | 22,050,188,304        | 16,509,366,617        |
| Cash and bank balances         | 2.17 | 7,162,748,673         | 7,485,600,856         |
| Short-term loans and advances  | 2.13 | 3,486,358,163         | 5,470,702,858         |
| Other current assets           | 2.18 | 284,265,487           | 208,558,365           |
|                                |      | <u>49,250,012,517</u> | <u>43,547,313,342</u> |
|                                |      | <u>87,383,612,050</u> | <u>79,386,889,188</u> |
| <b>TOTAL</b>                   |      |                       |                       |

Significant accounting policies and notes to the financial statements 1 to 2.37

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

Chartered Accountants  
Firm registration number: \_\_\_\_\_

Partner  
Membership No.: \_\_\_\_\_

Place: \_\_\_\_\_  
Date: \_\_\_\_\_

For and on behalf of the Board of Directors of Minda Vietnam Automotive Company Limited

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CÔNG TY  
HẠN  
LIÊN KIỆN HỮU ĐỒNG  
MINDA  
VIỆT NAM  
TỔNG GIÁM ĐỐC  
DEEPAK KUMAR

2.1 SHARE CAPITAL

| Particulars  | As at          |                |
|--|----------------|----------------|
|  | 31 March 2017  | 31 March 2016  |
|  | VND            |                |
| <b>2.1.1 Authorized</b>  |                |                |
| ___ equity shares of Rs ___ each (previous year _____ equity shares of Rs ___ each)  |                |                |
| _____ (previous year _____) _____ % cumulative redeemable preference shares of Rs ___ each   |                |                |
|  | -              | -              |
| <b>2.1.2 Issued, subscribed and fully paid-up shares</b>   |                |                |
| a) Equity shares of Rs ___ each (previous year Rs ___ each)  |                |                |
| _____ equity shares of Rs ___ each (previous year _____ equity shares of Rs ___ each) shares   | 10,082,362,500 | 10,082,362,500 |
| Less _____ equity shares of Rs ___ each (previous year _____ equity shares of Rs ___ each) shares issued to Minda Corporation Limited Employees' Stock Option Scheme Trust but not allotted to employees | 10,082,362,500 | 10,082,362,500 |
| b) _____ % cumulative redeemable preference shares of Rs ___ each  |                |                |
| _____ (previous year _____) shares   |                |                |
|  | 10,082,362,500 | 10,082,362,500 |

2.1.3 Reconciliation of share capital outstanding as at the beginning and at the end of the year

a) Equity shares of Rs \_\_\_ each (previous year Rs \_\_\_ each) fully paid up

|   | As at 31 March 2017 |              | As at 31 March 2016 |              |
|---|---------------------|--------------|---------------------|--------------|
|   | Number of shares    | Amount (VND) | Number of shares    | Amount (VND) |
| Balance as at the beginning of the year* (face value Rs ___ per share)                              | -                   | -            | -                   | -            |
| Add: Shares issued pursuant to sub-division of Face Value from Rs ___ to Rs ___ per share           | -                   | -            | -                   | -            |
| Add: Shares issued pursuant to Bonus in the ratio of 1:1  | -                   | -            | -                   | -            |
| Balance as at the end of the year (face value of Rs ___ per share (previous year Rs ___ per share)) | -                   | -            | -                   | -            |

b) \_\_\_\_\_ % cumulative redeemable preference shares of Rs \_\_\_ each fully paid up

|   | As at 31 March 2017 |              | As at 31 March 2016 |              |
|---|---------------------|--------------|---------------------|--------------|
|   | Number of shares    | Amount (VND) | Number of shares    | Amount (VND) |
| Balance as at the beginning of the year | -                   | -            | -                   | -            |
| Balance as at the end of the year       | -                   | -            | -                   | -            |

2.1.4 Rights, preferences and restrictions attached to each class of shares

a) Equity shares of Rs \_\_\_ each (previous year Rs \_\_\_ each) fully paid up

The Company has one class of equity shares having a par value of Rs \_\_\_ per share (previous year Rs \_\_\_). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Further, certain investors ("Investors") have "Anti dilution rights" i.e. right to further subscription and price protection, ensuring that, in the event of finalisation of the terms of issue of additional shares, the Company shall (as per the procedure set out in the Articles) offer the additional shares on the finalized terms and conditions to the investors and in the event that the Company issues any additional equity shares at a price less than the investor acquisition cost or have or permit an FPO, at such lower price, then either the Company or promoters shall transfer such number of equity shares (as per the procedures set out in the Articles) at either no additional consideration or at the lowest possible consideration permitted under applicable law that shall be necessary to ensure that in a revised investor acquisition cost per investor that shall be equal or lower than the price at which the additional shares are proposed to be issued. Such investors also have "pre-emptive rights" wherein any member of the promoter group shall, before selling, transferring or otherwise disposing of any of its shares to a bona fide independent third party purchaser, first give notice to the Investors and each investor shall have the right (but not the obligation) to serve on the transferor a pre-emption notice requiring the transferor to transfer to the purchaser (as per the procedures set out in the Articles), or to any person nominated by the purchaser, some or all of the sale shares at the sale price.

Each such investor shall also have the Tag-along right (subject to the other provisions of Articles and such rights as mentioned above) but not the obligation to require the transferor to cause the transferee in a transfer of equity shares to purchase from such investor, for the same consideration per equity share and upon the same terms and conditions as are to be paid and given to the transferor.

\_\_\_\_\_ and \_\_\_\_\_ (of Rs \_\_\_ each) equity shares allotted on preferential basis to the investors and Minda Corporation Limited Employees Stock Option Scheme Trust (MCL ESOS Trust) on 3 November 2011 and 1 November 2011 respectively were locked in for a period of one year from the date of allotment.

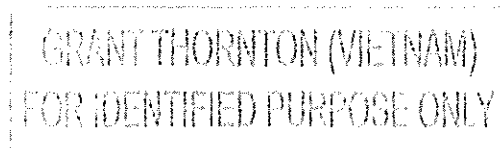
b) \_\_\_\_\_ % cumulative redeemable preference shares of Rs \_\_\_ each fully paid up

The Company has \_\_\_\_\_ cumulative redeemable preference shares of Rs \_\_\_ each. The shares carry right of fixed preferential dividend at a rate of \_\_\_\_%. The holders of these share do not have the right to vote and are compulsorily redeemable at par on or before the expiry of 20 years from the date of allotment. The dividend on the shares shall be cumulated and any unpaid dividend shall be added to the amount payable as dividend in the following year and no dividend can be paid on equity shares until the entire backlog of unpaid dividends on these shares is cleared. In the event of liquidation, these share holders are entitled to get their capital after satisfaction of dues for secured creditors, but they get preference over equity share capital.

2.1.5 Details of shareholders holding more than 5% shares as at year end

a) Equity shares of Rs \_\_\_ each (previous year Rs \_\_\_ each) fully paid up

| Name of shareholders | 31 March 2017 |                       | 31 March 2016 |                       |
|----------------------|---------------|-----------------------|---------------|-----------------------|
|                      | % of holdings | Number of shares held | % of holdings | Number of shares held |
| (i) Ashok Minda      |               |                       |               |                       |



Minda Vietnam Automotive Company Limited  
Notes to the financial statements

- (ii) Sarika Minda
- (iii) Ashok Minda IRPF
- (iv) Bhogvat Sewa Trust
- (v) Kotak Mahindra Trusteeship Services Limited A/c- Kotak Indian Growth Fund II
- (vi) Atkash Minda

|  |  |
|--|--|
|  |  |
|--|--|

b) \_\_\_\_\_% cumulative redeemable preference shares of Rs. \_\_\_\_\_ each fully paid up  
Name of shareholder

| As at 31 March 2017 |                       | As at 31 March 2016 |                       |
|---------------------|-----------------------|---------------------|-----------------------|
| % of holdings       | Number of shares held | % of holdings       | Number of shares held |

- (i) Ashok Minda
- (ii) Sarika Minda
- (iii) Minda Capital Limited

|  |  |
|--|--|
|  |  |
|--|--|

c) Shares are held by subsidiary  
Name of subsidiary

| As at 31 March 2017 |                  | As at 31 March 2016 |                  |
|---------------------|------------------|---------------------|------------------|
| % of holdings       | Number of shares | % of holdings       | Number of shares |

- (i) Abnighy International PTE Limited, Singapore

During the year the Company has allotted Bonus shares in the ratio of 1:1 and the nominal value of shares of the Company has been sub-divided from Rs. \_\_\_\_\_ per share to Rs. \_\_\_\_\_ per share. Consequent to the same, the number of the equity shares held by subsidiary of the Company has increased from \_\_\_\_\_ equity shares of Rs. \_\_\_\_\_ each in the previous year to \_\_\_\_\_ shares of Rs. \_\_\_\_\_ each in the current year.

**2.1.6 Shares allotted as fully paid up by way of bonus issue (during five years immediately preceding 31 December 2015)**

| Particulars                              | Years (number and aggregate number of shares) |         |         |         |         |         |
|--|---|---------|---------|---------|---------|---------|
|  | 2014-15                                       | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
| Fully paid up equity shares of Rs. _____ | -   | -       | -       | -       | -       | -       |
| Fully paid up equity shares of Rs. _____ | -   | -       | -       | -       | -       | -       |
| Cumulative number of shares of Rs. _____ | -   | -       | -       | -       | -       | -       |
| Cumulative number of shares of Rs. _____ | -   | -       | -       | -       | -       | -       |

**2.1.7 Issuance of shares to Minda Corporation Limited Employees' Stock Option Scheme**

Pursuant to the Board of Director's approval in Board meeting held on 29 September 2011, the Company has constituted a trust under the name 'Minda Corporation Limited Employee Stock Option Scheme Trust' (MCL ESOS Trust), with the objective of acquiring and holding of shares, warrants or other securities of the Company for the purpose of implementing the Company's ESOP Scheme. The Company has contributed a sum of Rs. \_\_\_\_\_ towards initial trust fund and later on advanced a sum of Rs. \_\_\_\_\_ to fund the purchase of Company's equity shares by MCL ESOS trust. During a prior year, the Company had issued and allotted, \_\_\_\_\_ equity shares of the face value Rs. \_\_\_\_\_ each at the premium of Rs. \_\_\_\_\_ per equity share to the MCL ESOS Trust, as approved in the Extra ordinary general meeting dated 24 October 2011. Further, the Company had issued bonus shares in proportion of one equity share for one share held on 29 March 2012, as decided in Extra ordinary general meeting held on 16 March 2012. In accordance with the guidance note on 'Guidance Note on Accounting for Employee Share-based Payments' issued by the ICAI, the Company has reduced the amount of share capital consideration (including share premium) received from MCL ESOS trust for presentation purposes, with a corresponding reduction in advance to MCL ESOS trust. However, in earlier years the Company had also inadvertently adjusted the corresponding amount of bonus shares against the share premium account, which has been corrected in the current year.

GRANT THORNTON (VIETNAM)  
FOR IDENTIFIED PURPOSE ONLY



2.2 RESERVES AND SURPLUS

| Particulars   | As at          | As at          |
|---|----------------|----------------|
|   | 31 March 2017  | 31 March 2016  |
|   | VND            | VND            |
| <b>2.2.1 Capital reserve</b>  |                |                |
| Opening balance   | -              | -              |
| Add: Amount arising on acquisitions   | -              | -              |
| Add: Amount pursuant to acquisition of business   | -              | -              |
| Less: Adjustment arising on account of sale of subsidiary   | -              | -              |
| Add: Capital subsidies recorded during the year   | -              | -              |
| Closing balance   | -              | -              |
| <b>2.2.2 Securities premium account</b>   |                |                |
| Opening balance   | -              | -              |
| Add: Premium on issue of shares   | -              | -              |
| Less: Amount utilised towards issue of fully paid up bonus shares   | -              | -              |
| Prior period adjustment   | -              | -              |
| Less: Amount utilised towards expenses for increase in authorised share capital                             | -              | -              |
| Closing balance   | -              | -              |
| <b>2.2.3 Revaluation reserve</b>  |                |                |
| Opening balance   | -              | -              |
| Less: Adjustment arising on account of sale of subsidiary   | -              | -              |
| Less: Amount utilized during the year   | -              | -              |
| Closing balance   | -              | -              |
| <b>2.2.4 General reserve</b>  |                |                |
| Opening balance   | -              | -              |
| Add: Amount transferred during the year   | -              | -              |
| Less: Amount written back during the year   | -              | -              |
| Closing balance   | -              | -              |
| <b>2.2.5 Foreign currency translation reserve</b>   |                |                |
| Opening balance   | -              | -              |
| Less: Adjustment arising on account of sale of subsidiary   | -              | -              |
| Add: Amount transferred during the year   | -              | -              |
| Add: Amount recorded in respect of acquisition during the previous year                                     | -              | -              |
| Add: Adjustment recorded in respect of reclassification of lease  | -              | -              |
| Add: Translation adjustment on revaluation reserve  | -              | -              |
| Less: Translation adjustments relating to previous years  | -              | -              |
| Closing balance   | -              | -              |
| <b>2.2.6 Surplus (Profit and loss balance)</b>  |                |                |
| Opening balance   | 52,457,688,313 | 48,271,004,697 |
| Depreciation charge (refer to note 2.11.2)  | -              | -              |
| Add: Net profit for the year  | 10,415,600,151 | 4,186,683,616  |
| Add: Amount transferred from reserves during the year   | -              | -              |
| Less: Interim dividend  | -              | -              |
| - equity shares at Rs. 0.20 per share (previous year nil per share)   | -              | -              |
| Dividend distribution tax   | -              | -              |
| Less: Proposed dividend or:   | -              | -              |
| - 0.001% cumulative redeemable preference shares at Rs. 0.008 per share (previous year Rs. 0.008 per share) | -              | -              |
| - equity shares at Rs. 0.20 per share (previous year Rs. 2 per share)                                       | -              | -              |
| Dividend distribution tax   | -              | -              |
| Less: Amount transferred to general reserves during the year  | -              | -              |
| Closing balance   | 62,873,288,464 | 52,457,688,313 |

2.2.7 Dividend remitted in foreign currencies

| Particulars            | For the year ended 31 March 2016    |                       |                       | For the year ended | For the year ended |
|------------------------|-------------------------------------|-----------------------|-----------------------|--------------------|--------------------|
|                        | Number of non-resident shareholders | Number of shares held | Dividend remitted Rs. | 31 Mar 2017        | 31 March 2016      |
|                        |                                     |                       |                       | VND                | VND                |
| Financial year 2012-13 |                                     |                       |                       |                    |                    |
| - Final Dividend       | -                                   | -                     | -                     | 10,415,600,151     | 4,186,683,616      |
| Financial year 2013-14 |                                     |                       |                       | -                  | -                  |
| - Final dividend       |                                     |                       |                       | 10,415,600,151     | 4,186,683,616      |
| Financial year 2014-15 |                                     |                       |                       |                    |                    |
| - Interim dividend     |                                     |                       |                       |                    |                    |

2.2.2 EARNING PER SHARE

| Particulars | For the year ended | For the year ended |
|-------------|--------------------|--------------------|
|             | 31 Mar 2017        | 31 March 2016      |

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VND

VND

Net profit attributable to equity shareholders

|  |   |   |
|--|---|---|
| Profit after tax   | - | - |
| Less: Dividend payable to 0.001% cumulative redeemable preference shares | - | - |
| Less: Dividend distribution tax on above dividend                        | - | - |
| Balance  | - | - |
| Number of weighted average equity shares                                 | - | - |
| Basic and diluted  | - | - |
| Nominal value of equity share (Rs.)                                      | - | - |
| Earnings per share (Rs.) (basic and diluted)                             | - | - |

\* Computed on the basis of Rs. 2 per share.

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2.3 LONG TERM BORROWINGS

| Particulars   | Footnote | Long term maturities |                     | Current maturities |                     |
|---|----------|----------------------|---------------------|--------------------|---------------------|
|   |          | As at 31 Mar 2017    | As at 31 March 2016 | As at 31 Mar 2017  | As at 31 March 2016 |
|   |          | VND                  | VND                 | VND                | VND                 |
| <b>2.3.1 Secured</b>  |          |                      |                     |                    |                     |
| Term loans  |          |                      |                     |                    |                     |
| from banks  | (1)      | -                    | -                   | -                  | -                   |
| Vehicle loans   | (2)      | -                    | -                   | -                  | -                   |
| <b>2.3.2 Unsecured</b>  |          |                      |                     |                    |                     |
| Finance lease obligations   |          |                      |                     |                    |                     |
| for land, building, plant and machinery   | (3)      | -                    | -                   | -                  | -                   |
| Term loans  |          |                      |                     |                    |                     |
| from banks  | (4)      | -                    | -                   | -                  | -                   |
| from others   | (5)      | -                    | -                   | -                  | -                   |
| Deferred sales tax liabilities  |          |                      |                     |                    |                     |
| from State Industrial and Investment Corporation of Maharashtra Limited (SICOM) | (6)      | -                    | -                   | -                  | -                   |
| Less: Amount shown under other current liabilities                              |          | -                    | -                   | -                  | -                   |
|   |          | -                    | -                   | -                  | -                   |

Footnotes:

| S. No. | Lender     | Terms of repayment  | Loan outstanding as at 30 June 2016 | Loan outstanding as at 31 March 2016 | Details of security / guarantee   |
|--------|------------|---|-------------------------------------|--------------------------------------|---|
| 1      | Indovabank | <ul style="list-style-type: none"> <li>• Repayment terms: 8 installments</li> <li>• Date of maturity: 21/02/2017</li> <li>• Number of installments: Total installments: 7, Balance installments: 1</li> <li>• Amount of installments: 12,189,828,950 VND</li> <li>• Rate of interest: 4.5% per annum</li> </ul> |                                     | 6,663,038,560                        | Hypothecation of land, Building, plant and machinery Minda Vietnam Automotive Company Limited |
| 2      |            | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Date of maturity:</li> <li>• Number of installments: Total installments, Balance installments:</li> <li>• Amount of installments:</li> <li>• Rate of interest:</li> </ul>  |                                     |                                      |   |
| 3      |            | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Date of maturity:</li> <li>• Number of installments: Total installments, Balance installments:</li> <li>• Amount of installments:</li> <li>• Rate of interest:</li> </ul>  |                                     |                                      |   |
| 4      |            | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Period / date of maturity:</li> <li>• Number of installments: Total installments, Balance installment</li> <li>• Amount of installments:</li> <li>• Rate of interest:</li> </ul>   |                                     |                                      |   |
| 5      |            | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Period / date of maturity:</li> <li>• Number of installments: Total installments, Balance installment</li> <li>• Amount of installments:</li> <li>• Rate of interest: Base rate plus 1.75% p.a.</li> </ul>                                 |                                     |                                      |   |

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| S. No. | Lender | Terms of repayment  | Loan outstanding as at 31 December 2015 | Loan outstanding as at 31 March 2016 | Details of security / guarantee |
|--------|--------|---|---|--------------------------------------|---------------------------------|
| 6      |        | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Period/date of maturity:</li> <li>• Number of instalments: Total instalments, Balance instalment</li> <li>• Amount of instalments:</li> <li>• Rate of interest:</li> </ul> |   |                                      |                                 |
| 7      |        | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Period/date of maturity:</li> <li>• Number of instalments: Total instalments, Balance instalment</li> <li>• Amount of instalments:</li> <li>• Rate of interest:</li> </ul> |   |                                      |                                 |
| 8      |        | <ul style="list-style-type: none"> <li>• Repayment terms:</li> <li>• Date of maturity:</li> <li>• Number of EMI: Total EMI, Balance EMI</li> <li>• Amount of EMI:</li> </ul>  |   |                                      |                                 |

**2.3.3 Finance Lease: As a lessee**

The Company has taken certain plant and equipment under the finance lease arrangement. The lease term of these assets are 5 years respectively. The lease term is renewable for a further period of 5 years, at the option of lessee

| Particulars                                       | Minimum lease payments     |                         | Present value of minimum lease payments |                         |
|---|----------------------------|-------------------------|---|-------------------------|
|   | As at 31 December 2015 VND | As at 31 March 2016 VND | As at 31 December 2015 VND              | As at 31 March 2016 VND |
| Finance Lease: for plant and equipment            |                            |                         |   |                         |
| Not later than one year                           |                            |                         |   |                         |
| Later than one year but not later than five years |                            |                         |   |                         |
| Total minimum lease payments                      |                            |                         |   |                         |
| Less: Finance charges                             |                            |                         |   |                         |
| Present value of minimum lease payments           |                            |                         |   |                         |
| Disclosed under                                   |                            |                         |   |                         |
| Long term borrowings                              |                            |                         |   |                         |
| Other current liabilities                         |                            |                         |   |                         |

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2.4 DEFERRED TAX LIABILITIES (Net)

| Particulars  | As at 31 Mar 2017 | As at                |
|--|-------------------|----------------------|
|  | VND               | 31 March 2016<br>VND |
| Deferred tax assets  |                   |                      |
| -Provision for employee benefits   |                   |                      |
| -Provision for doubtful recoverables   |                   |                      |
| -Expenses disallowable under section 43B   |                   |                      |
| -Others  |                   |                      |
| Deferred tax liabilities   |                   |                      |
| -Excess of tax depreciation over book depreciation   |                   |                      |
| -Excess of allowance for lease rentals under income tax law over depreciation and interest charged on the leased assets in the books |                   |                      |
| Deferred tax liabilities (net)   |                   |                      |

2.4.1 Movement in the balance of deferred tax (assets)/liabilities (net)

| Particulars   | As at 31 Mar 2017 | As at                |
|---|-------------------|----------------------|
|   | VND               | 31 March 2016<br>VND |
| Opening balance   | -                 | -                    |
| Less: Translation adjustment  | -                 | -                    |
| Less: Depreciation charge   | -                 | -                    |
| Add: Adjustment arising on account of sale of subsidiary                          | -                 | -                    |
| Less: Deferred tax (assets)/liabilities acquired pursuant to acquisitions         | -                 | -                    |
| Add/ ( Less): Amount of deferred tax (assets)/liabilities created during the year | -                 | -                    |
| Closing balance   | -                 | -                    |

2.5 OTHER LONG TERM LIABILITIES

| Particulars          | As at 31 Mar 2017 | As at                |
|----------------------|-------------------|----------------------|
|                      | VND               | 31 March 2016<br>VND |
| Lease equalisation   | -                 | -                    |
| Others               |                   |                      |
| -Security deposits * | -                 | -                    |
| -Retention money     | -                 | -                    |

2.6 LONG-TERM PROVISIONS

| Particulars                      | As at 31 Mar 2017 | As at                |
|----------------------------------|-------------------|----------------------|
|                                  | VND               | 31 March 2016<br>VND |
| Provision for employee benefits  |                   |                      |
| -Gratuity*                       | -                 | -                    |
| -Compensated absence*            | -                 | -                    |
| -Retirement and anniversary*     | -                 | -                    |
| Other provisions                 |                   |                      |
| -Provision for warranties        | -                 | -                    |
| -Lease rent equalisation reserve | -                 | -                    |
| -Contingencies                   | -                 | -                    |

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2.6.1 Movement in warranty cost provision

The Company warrants that its products will perform in all material respects in accordance with the Company's standard specifications for the warranty period. Accordingly based on specific warranties, claims history, the Company provides for warranty claims. The activity in the provision for warranty costs is as follows:

| Particulars                  | As at 31 Mar 2017 | As at                |
|------------------------------|-------------------|----------------------|
|                              | VND               | 31 March 2016<br>VND |
| At the beginning of the year | -                 | -                    |
| Provided during the year     | -                 | -                    |
| Utilised during the year     | -                 | -                    |
| At the end of the year       | -                 | -                    |
| Current portion              | -                 | -                    |
| Non-current portion          | -                 | -                    |

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**2.6.2 Employee benefits**

**a) Defined contribution plans**

The Company's employee provident fund and Employee's state insurance schemes are defined contribution plans. The following amounts have been recognised as expense for the year and shown under Employee benefits expense in note 2.23.

| Particulars               | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|---------------------------|--|--|
| Contribution towards      |  |  |
| -Provident fund           |  |  |
| -Employee state insurance |  |  |
|                           | -  | -  |

**b) Defined benefit plans Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested period of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India by whom the plan assets are maintained.

| Particulars | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|-------------|--|--|
|-------------|--|--|

**Changes in the present value of the defined benefit obligation is as follows:**

|  |  |  |
|--|--|--|
| Present value of defined benefit obligation at the beginning of the year |  |  |
| Interest cost  |  |  |
| Acquisition Adjustment   |  |  |
| Current service cost   |  |  |
| Past service cost  |  |  |
| Benefits paid  |  |  |
| Actuarial loss / (gain) on obligation                                    |  |  |
| Present value of defined benefit obligation at the end of the year       |  |  |

**Changes in the present value of the plan asset is as follows:**

|   |  |  |
|---|--|--|
| Fair value of plan asset at the beginning of the year |  |  |
| Return on plan asset                                  |  |  |
| Actuarial (gain) / loss on obligation                 |  |  |
| Fair value of plan asset at the end of the year       |  |  |

**Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

|  |  |  |
|--|--|--|
| Present value of defined benefit obligation at the end of the year |  |  |
| Fair value of plan asset at the end of the year                    |  |  |
| Net liability as at the close of the year                          |  |  |

**Expenses recognized in the statement of profit and loss:**

|                                |  |  |
|--------------------------------|--|--|
| Current service cost           |  |  |
| Interest cost                  |  |  |
| Expected return on plan assets |  |  |
| Net actuarial loss / (gain)    |  |  |

**Expenses recognized in the statement of profit and loss:**

|                                      |  |  |
|--------------------------------------|--|--|
| Experience Adjustment (loss) / gain: |  |  |
| On defined benefit obligation        |  |  |
| On plan assets                       |  |  |

**Actuarial assumptions:**

|  |       |       |
|--|-------|-------|
| Discount rate                          | 7.80% | 9.00% |
| Expected rate of return on plan assets | 8.50% | 8.50% |

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Expected salary increase rates

Year 1 to 3: 10%  
Year 4 & 5: 8%  
Thereafter: 6.5%

Year 1 to 3: 10%  
Year 4 & 5: 8%  
Thereafter: 6.5%

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|  |                      |                      |
|--|----------------------|----------------------|
| Mortality                                | 100% of IALM 1994-96 | 100% of IALM 1994-96 |
| Employee attrition rate                  |                      |                      |
| -Up to 30 years of age                   | 12.00%               | 12.00%               |
| -From 31 years of age to 44 years of age | 8.00%                | 8.00%                |
| -Above 44 years of age                   | 5.00%                | 5.00%                |

Note:

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

The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Experience gain / (loss) on PBO and Plan Assets

| Particulars (Rs.)                   | 31 March 2012 | 31 March 2013 | 31 March 2014 | 31 March 2015 | 30 September 2015 |
|-------------------------------------|---------------|---------------|---------------|---------------|-------------------|
| On Plan Present Value of Obligation |               |               |               |               |                   |
| On Plan Assets                      |               |               |               |               |                   |

e) Other long term benefit - Compensated absences

The Company operates compensated absences plan, where in every employee is entitled to the benefit as per the policy of the Company in this regard. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

An actuarial valuation of Compensated absence has been carried out by an independent actuary on the basis of the following assumptions:

| Assumptions                              | For the year ended   | For the year ended   |
|--|----------------------|----------------------|
|  | 31 Mar 2017          | 31 March 2016        |
|  | VND                  | VND                  |
| Discount rate                            | 7.80%                | 9.00%                |
| Expected salary increase rates           | Year 1 to 3: 10%     | Year 1 to 3: 10%     |
|  | Year 4 & 5: 8%       | Year 4 & 5: 8%       |
|  | Thereafter: 6.5%     | Thereafter: 6.5%     |
| Mortality                                | 100% of IALM 1994-96 | 100% of IALM 1994-96 |
| Employee attrition rate                  |                      |                      |
| -Up to 30 years of age                   | 12.00%               | 12.00%               |
| -From 31 years of age to 44 years of age | 8.00%                | 8.00%                |
| -Above 44 years of age                   | 5.00%                | 5.00%                |

The other long- term benefit of compensated absence in respect of employees of the Company as at 31 December 2015 amounts to Rs. xxx (previous year Rs.xxx) and the expense recognised in the statement of profit and loss during the year for the same amounts to Rs. xxx (previous year Rs. xxx) [Gross payment of Rs xxx (previous year xxx)]

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2.7 SHORT TERM BORROWINGS

| Particulars  | Footnote | As at 31 Mar 2017 | As at 31 March 2016 |
|--|----------|-------------------|---------------------|
|  |          | VND               | VND                 |
| <b>2.7.1 Secured</b>                                   |          |                   |                     |
| Cash credit and working capital demand loan from banks | [1]      | -                 | -                   |
| <b>2.7.2 Unsecured</b>                                 |          |                   |                     |
| Cash credit and working capital demand loan from banks | [2]      | -                 | -                   |
| Purchase order financing facility from others parties  | [3]      | -                 | -                   |
| Loans and advances from related parties                | [4]      | -                 | -                   |
| Bills payable  | [5]      | -                 | -                   |
|  |          | -                 | -                   |
|  |          | -                 | -                   |
|  |          | -                 | -                   |

Footnotes:

| S. No. | Lender | Terms of repayment   | Loan outstanding as at 30 June 2016 | Loan outstanding as at 31 March 2016 | Details of security |
|--------|--------|--|-------------------------------------|--------------------------------------|---------------------|
| 1      |        | <ul style="list-style-type: none"> <li>• Repayment term:</li> <li>• Rate of interest:</li> </ul> |                                     |                                      |                     |
| 2      |        | <ul style="list-style-type: none"> <li>• Repayment term:</li> <li>• Rate of interest:</li> </ul> |                                     |                                      |                     |
| 3      |        | <ul style="list-style-type: none"> <li>• Repayment term:</li> <li>• Rate of interest:</li> </ul> |                                     |                                      |                     |
| 4      |        | <ul style="list-style-type: none"> <li>• Repayment term:</li> <li>• Rate of interest:</li> </ul> |                                     |                                      |                     |
| 5      |        | <ul style="list-style-type: none"> <li>• Repayment term:</li> <li>• Rate of interest:</li> </ul> |                                     |                                      |                     |

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2.8 TRADE PAYABLES

| Particulars   | As at 31 Mar 2017     | As at                 |
|---|-----------------------|-----------------------|
|   | VND                   | 31 March 2016<br>VND  |
| Trade payables (refer to note 2.8.1 below for details of dues to micro and small enterprises included under trade payables) | 12,743,392,332        | 15,057,237,599        |
| Acceptances   |                       |                       |
|   | <u>12,743,392,332</u> | <u>15,057,237,599</u> |

2.8.1 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

| S.No. Particulars  | As at 31 Mar 2017 | As at                |
|--|-------------------|----------------------|
|  | VND               | 31 March 2016<br>VND |
| (i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year   |                   |                      |
| - Principal amount   |                   |                      |
| - Interest thereon   |                   |                      |
| (ii) the amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:   |                   |                      |
| - Principal amount   |                   |                      |
| - Interest thereon   |                   |                      |
| (iii) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act  |                   |                      |
| (iv) the amount of interest accrued and remaining unpaid.  |                   |                      |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act |                   |                      |

2.9 OTHER CURRENT LIABILITIES

| Particulars                                | As at 31 Mar 2017 | As at                |
|--|-------------------|----------------------|
|  | VND               | 31 March 2016<br>VND |
| Current maturities of:                     |                   |                      |
| -term loans                                |                   |                      |
| -vehicle loans                             |                   | 934,793,518          |
| -deferred payment liabilities              |                   |                      |
| -finance lease obligations                 |                   |                      |
| Interest accrued but not due on borrowings |                   |                      |
| Other payables                             |                   |                      |
| -Statutory dues payable                    | 262,668,171       | 252,589,320          |

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|   |                      |                      |
|---|----------------------|----------------------|
| -Advances from customers  |                      |                      |
| -Salaries, wages and bonus payable                                | 423,418,477          | 235,139,706          |
| -Unpaid dividend  |                      |                      |
| -Advance received for sale of fixed assets (refer to note 2.28)   |                      |                      |
| -Deferred premium on forward cover                                |                      |                      |
| -Forward cover payable (net receivable for previous year Rs. Nil) | 998,482,106          | 367,078,232          |
| -Advance received from vendors                                    |                      |                      |
| -Creditors for capital items                                      |                      |                      |
|   | <u>1,684,568,754</u> | <u>1,789,600,776</u> |

2.10 SHORT TERM PROVISIONS

| Particulars  | As at 31 Mar 2017 | As at                |
|--|-------------------|----------------------|
|  | VND               | 31 March 2016<br>VND |
| Provision for employee benefits                                      |                   |                      |
| -Gratuity*   |                   |                      |
| -Compensated absence*  |                   |                      |
| -Vacations   |                   |                      |
| -Retirement and anniversary  |                   |                      |
| Others   |                   |                      |
| -Provision for taxation [net of advance tax Rs. (previous year Rs.)] |                   |                      |
| -Provision for warranties  |                   |                      |
| -Dividend distribution tax   |                   |                      |
| Provision for material rejection                                     |                   |                      |
| Provision for contingency  |                   |                      |
| Provision for price decrease   |                   |                      |
| Provision for loss on onerous contract                               |                   |                      |
| Provision for executor   |                   |                      |
| Lease rent equalisation reserve                                      |                   |                      |
| Proposed dividend  |                   |                      |
| Provision for wealth tax   |                   |                      |
| Corporate dividend tax   |                   |                      |
|  | <u>-</u>          | <u>-</u>             |

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211. FIXED ASSETS  
Fixed assets include for the year 2016-17

|                               | Gross Block                |               |           |                           | Accumulated depreciation   |  |             |                           | Net Block                 |  |
|-------------------------------|----------------------------|---------------|-----------|---------------------------|----------------------------|--|-------------|---------------------------|---------------------------|--|
|                               | Balance as at 1 April 2016 | Additions     | Disposals | Balance as at 31 Mar 2017 | Balance as at 1 April 2016 | Depreciation / Amortisation for the year (refer to note 211.1) | On disposal | Balance as at 31 Mar 2017 | Balance as at 31 Mar 2017 |  |
|                               | (a)                        | (b)           | (c)       | (d) = (a)+(b)-(c)         | (e)                        | (f)  | (g)         | (h) = (e)+(f)-(g)         | (i) = (d)-(h)             |  |
| VND                           | VND                        | VND           | VND       | VND                       | VND                        | VND  | VND         | VND                       | VND                       |  |
| Intangible assets             |                            |               |           |                           |                            |  |             |                           |                           |  |
| Franchise                     | 7,503,335,926              | -             | -         | 7,503,335,926             | 1,305,590,334              | 110,582,204  | -           | 1,416,172,538             | 6,087,163,388             |  |
| Goodwill                      | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Buildings                     | 22,142,077,155             | 781,700,000   | -         | 22,923,777,155            | 2,913,501,171              | 505,302,212  | -           | 3,418,803,383             | 19,504,973,772            |  |
| Construction work in progress | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Plant and equipment           | 14,771,817,092             | 6,335,752,585 | -         | 21,107,569,677            | 6,212,166,622              | 3,270,325,322  | -           | 9,482,491,944             | 11,625,077,733            |  |
| Furniture and fixtures        | 511,777,231                | -             | -         | 511,777,231               | 561,487,354                | 37,630,326   | -           | 599,117,680               | 2,059,551                 |  |
| Motor vehicles                | 1,314,432,576              | -             | -         | 1,314,432,576             | 555,709,914                | 164,304,721  | -           | 720,014,635               | 594,417,941               |  |
| Other equipment               | 184,602,777                | 72,281,555    | -         | 256,884,332               | 174,119,769                | 22,612,700   | -           | 196,732,469               | 59,151,863                |  |
| Computer hardware             | 1,202,731,716              | 91,835,374    | -         | 1,294,567,090             | 1,602,455,857              | 208,228,445  | -           | 1,810,684,302             | 106,352,322               |  |
| Assets under finance lease    |                            |               |           |                           |                            |  |             |                           |                           |  |
| Franchise                     | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Plant and equipment           | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Buildings                     | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Other equipment               | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Subtotal (A)                  | 47,832,755,515             | 7,188,532,509 | -         | 55,021,278,024            | 12,770,344,745             | 4,285,603,603  | -           | 17,055,948,348            | 37,965,329,676            |  |
| Intangible assets             |                            |               |           |                           |                            |  |             |                           |                           |  |
| Patents                       | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Computer software             | 1,229,710,697              | 15,540,000    | -         | 1,245,250,697             | 437,597,531                | 222,479,217  | -           | 660,076,748               | 585,173,949               |  |
| Goodwill                      | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Franchise                     | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Other Goodwill                | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Patents                       | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Trade marks                   | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Assets under finance lease    | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Software                      | -                          | -             | -         | -                         | -                          | -  | -           | -                         | -                         |  |
| Subtotal (B)                  | 1,229,710,697              | 15,540,000    | -         | 1,245,250,697             | 437,597,531                | 222,479,217  | -           | 660,076,748               | 585,173,949               |  |
| Grand total (A+B)             | 49,062,466,212             | 7,204,072,509 | -         | 56,266,538,721            | 13,207,942,276             | 4,508,082,820  | -           | 17,716,025,096            | 38,549,513,625            |  |

2.11.1 Fixed assets under operating lease where the Company is the lessee (already included in the above mentioned fixed assets)

| Particulars            | Gross Block | Accumulated depreciation / amortisation | Net Book Value |
|------------------------|-------------|---|----------------|
|                        | Rs.         | Rs.                                     | Rs.            |
| Buildings*             | -           | -                                       | -              |
| Furniture and fixtures | -           | -                                       | -              |

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2.11. FIXED ASSETS  
Fixed Assets Schedule for the year 2015-16

|                            | Gross Book                 |                      |          |                             | Accumulated depreciation   |  |             |                             | Net Book                    |
|----------------------------|----------------------------|----------------------|----------|-----------------------------|----------------------------|--|-------------|-----------------------------|-----------------------------|
|                            | Balance as at 1 April 2015 | ADD: on              | Disposal | Balance as at 31 March 2016 | Balance as at 1 April 2015 | Depreciation / Amortisation for the year | On disposal | Balance as at 31 March 2016 | Balance as at 31 March 2016 |
|                            | (a)                        | (b)                  | (c)      | (d) = (a) + (b) - (c)       | (e)                        | (f)                                      | (g)         | (h) = (e) + (f) - (g)       | (i) = (d) - (h)             |
| VND                        | VND                        | VND                  | VND      | VND                         | VND                        | VND                                      | VND         | VND                         |                             |
| Intangible assets          |                            |                      |          |                             |                            |  |             |                             |                             |
| Franchise                  | 7,533,335,938              |                      |          | 7,533,335,938               | 1,125,581,134              | 176,552,251                              |             | 1,302,133,385               | 6,231,202,553               |
| Goodwill                   |                            |                      |          |                             |                            |  |             |                             |                             |
| Patents                    | 21,533,853,324             | 266,167,531          |          | 22,140,020,855              | 2,695,371,640              | 161,325,531                              |             | 2,856,697,171               | 19,283,323,684              |
| Research and development   |                            |                      |          |                             |                            |  |             |                             |                             |
| Fixed equipment            | 12,583,247,021             | 1,833,570,035        |          | 14,771,817,056              | 3,643,453,835              | 2,561,669,765                            |             | 6,205,123,600               | 8,566,693,456               |
| Inventories and fixtures   | 555,532,231                | 5,216,669            |          | 560,748,900                 | 451,500,415                | 47,824,985                               |             | 509,325,399                 | 60,423,501                  |
| Vehicles                   | 1,314,437,556              |                      |          | 1,314,437,556               | 331,435,870                | 164,394,741                              |             | 495,830,611                 | 818,606,945                 |
| Office equipment           | 181,669,777                |                      |          | 181,669,777                 | 169,458,709                | 13,661,662                               |             | 165,797,047                 | 15,872,730                  |
| Computer hardware          | 1,277,618,103              | 65,143,211           |          | 1,342,761,314               | 731,339,563                | 281,115,152                              |             | 1,012,454,411               | 330,306,903                 |
| Assets under finance lease |                            |                      |          |                             |                            |  |             |                             |                             |
| Franchise                  |                            |                      |          |                             |                            |  |             |                             |                             |
| Fixed equipment            |                            |                      |          |                             |                            |  |             |                             |                             |
| Patents                    |                            |                      |          |                             |                            |  |             |                             |                             |
| Subtotal (A)               | 45,677,643,833             | 2,169,116,112        | -        | 47,846,759,945              | 5,696,620,669              | 4,163,529,145                            | -           | 12,720,158,714              | 35,126,601,231              |
| Intangible assets          |                            |                      |          |                             |                            |  |             |                             |                             |
| Computer hardware          | 436,755,162                | 768,915,325          |          | 1,205,670,487               | 320,445,855                | 137,181,045                              |             | 457,626,900                 | 748,043,587                 |
| Goodwill on consolidation  |                            |                      |          |                             |                            |  |             |                             |                             |
| Technical know-how         |                            |                      |          |                             |                            |  |             |                             |                             |
| Other Goodwill             |                            |                      |          |                             |                            |  |             |                             |                             |
| Patents                    |                            |                      |          |                             |                            |  |             |                             |                             |
| Inventories and fixtures   |                            |                      |          |                             |                            |  |             |                             |                             |
| Assets under finance lease |                            |                      |          |                             |                            |  |             |                             |                             |
| Subtotal (B)               | 436,755,162                | 768,915,325          | -        | 1,205,670,487               | 320,445,855                | 137,181,045                              | -           | 457,626,900                 | 748,043,587                 |
| <b>Gross Total (A+B)</b>   | <b>46,114,398,995</b>      | <b>2,938,031,437</b> | <b>-</b> | <b>49,052,430,432</b>       | <b>6,017,066,524</b>       | <b>4,300,710,190</b>                     | <b>-</b>    | <b>13,177,785,614</b>       | <b>35,874,644,818</b>       |

2.11.1 Fixed assets under operating lease where the Company is the lessee (already included in the above mentioned fixed assets)

| Particulars            | Gross Book | Accumulated depreciation / amortisation | Net Book Value |
|------------------------|------------|---|----------------|
|                        | VND        | VND                                     | VND            |
| Buildings              |            |   |                |
| Leasehold improvements |            |   |                |

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2.12 NON CURRENT INVESTMENTS

| Particulars   | As at 31 Mar 2017 | As at 31 March 2016 |
|---|-------------------|---------------------|
|   | VND               | VND                 |
| Trade investments- Unquoted and long term, at cost                                      |                   |                     |
| Investment in subsidiaries  |                   |                     |
| _____ (previous year _____) equity shares of Rs. _____ each fully paid up in _____      |                   |                     |
|   | -                 | -                   |
| Reconciliation of investment outstanding as at the beginning and at the end of the year | -                 | -                   |

| Particulars | Amount as at 31 March 2016 | Investment made during the year | As at 31 Mar 2017 |
|-------------|----------------------------|---------------------------------|-------------------|
|             | VND                        | VND                             | VND               |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |
|             | -                          | -                               | -                 |

2.13 LOANS AND ADVANCES

| Particulars   | Long term         |                     | Short term        |                     |
|---|-------------------|---------------------|-------------------|---------------------|
|   | As at 31 Mar 2017 | As at 31 March 2016 | As at 31 Mar 2017 | As at 31 March 2016 |
|   | VND               | VND                 | VND               | VND                 |
| Unsecured, considered good unless otherwise stated        |                   |                     |                   |                     |
| Capital advances  |                   |                     |                   |                     |
| Security deposits to related parties                      |                   |                     |                   |                     |
| Security deposits   |                   |                     | 67,822,000        | 61,250,000          |
| Loans and advances to related parties                     |                   |                     |                   |                     |
| Other loans and advances                                  |                   |                     |                   |                     |
| - Advances to employees                                   |                   |                     |                   |                     |
| - Balances with excise, customs and sales tax authorities |                   |                     | 1,442,413,246     | 1,233,296,864       |
| - Prepaid expenses  |                   |                     | 797,904,777       | 368,873,606         |
| - Advances to suppliers                                   |                   |                     | 1,136,288,319     | 3,687,638,165       |
| - Rebate claim receivable                                 |                   |                     |                   |                     |
| - Export benefit received and receivable                  |                   |                     | 41,929,706        | 119,644,222         |
| - Forward cover receivable                                |                   |                     |                   |                     |
| - Minimum alternate tax credit entitlement                |                   |                     |                   |                     |
| - Income tax [net of provision]                           |                   |                     |                   |                     |
| - Advances to MCL ESOS trust for purchase of share        |                   |                     |                   |                     |
| Less: Amount utilised by trust for purchase of shares     |                   |                     |                   |                     |
|   | -                 | -                   | 3,486,358,048     | 5,470,702,857       |

# For both current year and previous year

2.13.1 Details of loans given to related parties

| Name of party | Rate of interest | Nature of relationship | Nature of loan / advance | As at 31 Mar 2017 | As at 31 March 2016 |
|---------------|------------------|------------------------|--------------------------|-------------------|---------------------|
|               |                  |                        |                          | VND               | VND                 |
|               |                  |                        |                          |                   |                     |

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**2.13.2 Movement of loans given to related parties**

| Name of party | Balance as at<br>31 March 2016 | Given during the<br>year | Repaid during<br>the year | Balance as at<br>31 March 2016 | Purpose of loan |
|---------------|--------------------------------|--------------------------|---------------------------|--------------------------------|-----------------|
|               | VND                            | VND                      | VND                       | VND                            |                 |
|               |                                |                          |                           |                                |                 |

**2.13.3 Loans and advances due by officers of the company**

| Particulars | As at 31 Mar 2017 | As at<br>31 March 2016 |
|-------------|-------------------|------------------------|
|             | VND               | VND                    |
|             | -                 | -                      |

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2.14 OTHER NON-CURRENT ASSETS

| Particulars  | As at 31 Mar 2017 | As at 31 March 2016 |
|--|-------------------|---------------------|
|  | VND               | VND                 |
| Balances with banks  |                   |                     |
| -Deposits due to mature after 12 months from the reporting date* |                   |                     |
|  | -                 | -                   |

2.15 CURRENT INVESTMENTS

| Particulars                                       | As at 31 Mar 2017 | As at 31 March 2016 |
|---|-------------------|---------------------|
|   | VND               | VND                 |
| Investments in mutual funds (Unquoted, Non trade) |                   |                     |
| Nil units (Previous year _____) of _____          |                   | -                   |
|   | -                 | -                   |

2.15.1 Aggregate of amount of unquoted investments

| Particulars                              | As at 31 Mar 2017 | As at 31 March 2016 |
|--|-------------------|---------------------|
|  | VND               | VND                 |
| Aggregate amount of unquoted investments |                   | -                   |

2.16 INVENTORIES

| Particulars                                 | As at 31 Mar 2017 |                       | As at 31 March 2016 |                       |
|---|-------------------|-----------------------|---------------------|-----------------------|
|   |                   | VND                   |                     | VND                   |
| Raw materials (including packing materials) | 12,428,237,075    |                       | 10,287,785,945      |                       |
| Add: Materials-in-transit                   | 1,703,894,105     | 14,132,131,180        | 2,291,071,442       | 12,578,857,387        |
| Work-in-progress                            |                   | 441,990,550           |                     | 19,674,305            |
| Finished goods                              | 1,409,359,620     |                       | 773,025,355         |                       |
| Add: Goods-in-transit                       |                   | 1,409,359,620         |                     | 773,025,355           |
| Stock in trade                              |                   | 282,970,540           |                     | 501,527,599           |
| Stores and spares                           |                   |                       |                     |                       |
|   |                   | <u>16,266,451,890</u> |                     | <u>13,873,084,646</u> |

2.17 TRADE RECEIVABLES

| Particulars   | As at 31 Mar 2017 |                       | As at 31 March 2016 |                       |
|---|-------------------|-----------------------|---------------------|-----------------------|
|   |                   | VND                   |                     | VND                   |
| Trade receivables outstanding for a period exceeding six months from the date they became due for payment |                   |                       |                     |                       |
| Unsecured, considered good  |                   |                       |                     |                       |
| Unsecured, considered doubtful  |                   |                       |                     |                       |
| Provision for doubtful receivables  |                   |                       |                     |                       |
| Other trade receivables   |                   |                       |                     |                       |
| Unsecured, considered good  |                   | 22,050,188,304        |                     | 16,509,366,617        |
| Unsecured, considered doubtful  |                   |                       |                     |                       |
| Provision for doubtful receivables  |                   |                       |                     |                       |
|   |                   | <u>22,050,188,304</u> |                     | <u>16,509,366,617</u> |

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2.18 CASH AND BANK BALANCES

| Particulars   | As at 31 Mar 2017    | As at                |
|---|----------------------|----------------------|
|   | VND                  | 31 March 2016<br>VND |
| Cash and cash equivalents                                       |                      |                      |
| Cash on hand  | 105,680,127          | 783,211,894          |
| Cheques, drafts on hand   |                      |                      |
| Balance with bank   |                      |                      |
| -Deposits with original maturity of 3 months or less*           |                      | 5,027,500,000        |
| -On current accounts  | 3,821,443,545        | 1,674,888,962        |
| -Other bank balances  |                      |                      |
|   | <u>3,927,123,672</u> | <u>7,485,600,856</u> |
| Other bank balances   |                      |                      |
| Balance with bank   |                      |                      |
| -Deposits due to mature within 12 month on the reporting date** | 3,235,625,001        |                      |
|   | <u>3,235,625,001</u> |                      |
|   | <u>7,162,748,673</u> | <u>7,485,600,856</u> |

\* Fixed deposit of 5,025,500,000 VND with Indovinabank (previous year VND: 3,724,426,659)  
No amount is pledged with bank for term loans

2.19 OTHER CURRENT ASSETS

| Particulars   | As at 31 Mar 2017  | As at 31 March 2016 |
|---|--------------------|---------------------|
|   | VND                | VND                 |
| Interest accrued on loans and advances to related party | -                  | -                   |
| Unsecured, considered good                              |                    |                     |
| To parties other than related parties                   |                    |                     |
| Unbilled revenue  |                    |                     |
| Insurance claims receivable                             |                    |                     |
| Interest accrued on fixed deposits                      | 230,065,512        | 208,558,365         |
| Dividend receivable                                     |                    |                     |
| Interest accrued on loan                                |                    |                     |
| Energy tax recoverable                                  |                    |                     |
| Others  | 54,199,975         |                     |
| To related parties                                      |                    |                     |
| Interest accrued on deposits and loans                  | 284,265,487        | 208,558,365         |
| Unsecured, considered doubtful                          |                    |                     |
| Insurance claims receivable                             |                    |                     |
| Less: Provision for doubtful advances                   |                    |                     |
|   | <u>284,265,487</u> | <u>208,558,365</u>  |

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2.20 REVENUE FROM OPERATIONS

| Particulars                            | For the year ended            | For the year ended           |
|--|-------------------------------|------------------------------|
|  | 31 Mar 2017                   | 31 March 2016                |
|  | VND                           | VND                          |
| Sale of products                       |                               |                              |
| -Manufactured goods                    | 107,541,285,648               | 65,679,148,634               |
| -Traded goods                          | 10,484,666,466                | 7,501,673,136                |
|  | <u>118,025,952,114</u>        | <u>73,180,821,770</u>        |
| Less: Excise duty                      |                               |                              |
| Sale of products (Net)                 | <u>118,025,952,114</u>        | <u>73,180,821,770</u>        |
| Other operating revenues               |                               |                              |
| -Royalty                               |                               |                              |
| -Technical know-how and service income |                               | 1,241,163,000                |
| -Job work income                       |                               |                              |
| -Scrap sales                           | 125,876,828                   | 57,655,534                   |
| - Exchange fluctuations (net)          |                               | 93,513,437                   |
| -Export incentives                     | 456,212,671                   | 163,169,512                  |
| Other operating revenues               | <u>582,089,499</u>            | <u>1,555,501,483</u>         |
| Revenue from operations (net)          | <u><u>118,608,041,613</u></u> | <u><u>74,736,323,253</u></u> |

2.20.1 Details of goods sold (net of excise duty)

| Particulars        | For the year ended     | For the year ended    |
|--------------------|------------------------|-----------------------|
|                    | 31 Mar 2017            | 31 March 2016         |
|                    | VND                    | VND                   |
| Lock Kits          | 86,823,439,214         | 69,463,961,483        |
| Locks and switches |                        |                       |
| Spares             |                        |                       |
| Wiring Harness     | 29,157,586,139         | 3,774,860,598         |
| Interior Plastic   |                        |                       |
| Others             | 2,627,016,260          | 1,497,501,172         |
|                    | <u>118,608,041,613</u> | <u>74,736,323,253</u> |

2.20.2 Earnings in foreign exchange

| Particulars              | For the year ended | For the year ended |
|--------------------------|--------------------|--------------------|
|                          | 31 Mar 2017        | 31 March 2016      |
|                          | VND                | VND                |
| FOB value of exports     | -                  | 286,582,632        |
| Royalty                  |                    |                    |
| Financial assistance fee |                    |                    |
| Interest                 |                    |                    |
|                          | <u>-</u>           | <u>286,582,632</u> |

2.21 OTHER INCOME

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| Particulars        | For the year ended<br>31 Mar 2017 | For the year ended<br>31 March 2016 |
|--------------------|-----------------------------------|-------------------------------------|
|                    | VND                               | VND                                 |
| Interest income*   |                                   |                                     |
| -on fixed deposits | 989,274,357                       | 390,607,245                         |
| -on loans          |                                   |                                     |

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|  |               |             |
|--|---------------|-------------|
| -on others   |               |             |
| -on income tax refund                                    |               |             |
| Subsidy received   |               |             |
| Gain on sale of fixed assets (net)                       |               |             |
| Financial assistance fee                                 |               |             |
| Liabilities / provisions no longer required written back |               |             |
| Profit on sale of investment                             |               |             |
| Rental income  |               |             |
| Miscellaneous income                                     | 56,742,313    |             |
| Dividend income on non-current investments               |               |             |
| Cash discount  |               |             |
| Provisions for doubtful debts written back (net)         |               |             |
| Bad debt recovered                                       |               |             |
| Amortisation of deferred gain on sale and lease back     |               |             |
| Indemnity Consideration                                  |               |             |
|  | 1,046,016,670 | 390,607,245 |

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**2.21.1 Operating Lease- As a lessor**

The Company has leased (cancellable) some of its premises and fixed assets under a fixed lease agreement that qualifies as an operating lease. Rental income for operating leases for the years ended 31 December 2015 aggregate to Rs. xxx (previous year Rs. xxx).

**2.22 COST OF MATERIALS CONSUMED**

| Particulars   | For the year ended | For the year ended |
|---|--------------------|--------------------|
|   | 31 Mar 2017        | 31 March 2016      |
|   | VND                | VND                |
| Raw materials consumed (includes packing material and components) |                    |                    |
| Opening stock   | 12,578,857,387     | 8,815,428,623      |
| Add: Translation adjustment                                       |                    |                    |
|   |                    |                    |
| Add: Purchases during the year                                    | 68,304,738,393     | 46,680,400,922     |
|   | 80,883,595,780     | 55,495,829,545     |
| Less: Closing stock   | 14,132,131,180     | 12,578,857,387     |
| Add: Translation adjustment                                       |                    |                    |
|   | 66,751,464,600     | 42,916,972,158     |

**2.22.a Purchases of stock-in-trade**

| Particulars | For the year ended | For the year ended |
|-------------|--------------------|--------------------|
|             | 31 Mar 2017        | 31 March 2016      |
|             | VND                | VND                |
| Components  | 9,147,287,478      | 6,277,635,268      |
|             |                    |                    |
|             |                    |                    |
|             |                    |                    |
|             | 9,147,287,478      | 6,277,635,268      |

**2.22.1 Consumption of raw materials (including packing material and components)**

| Particulars | For the year ended | For the year ended |
|-------------|--------------------|--------------------|
|             | 31 Mar 2017        | 31 March 2016      |
|             | VND                | VND                |
| Components  | 66,751,464,600     | 42,916,972,158     |
|             |                    |                    |
|             | 66,751,464,600     | 42,916,972,158     |

There are no other items of raw material that are equal to or more than 10% of the total value of raw material consumption.

**2.22.2 Details of closing stock of raw material (including packing material and components)**

| Particulars   | For the year ended | For the year ended |
|---------------|--------------------|--------------------|
|               | 31 Mar 2017        | 31 March 2016      |
|               | VND                | VND                |
| Raw Materials |                    |                    |
| Components    | 14,132,131,180     | 12,578,857,387     |
| Others        |                    |                    |
|               | 14,132,131,180     | 12,578,857,387     |

There are no other items of raw material that are equal to or more than 10% of the total value of closing stock of raw material.

**2.22.3 Details of imported and indigenous raw materials consumed**

| Particulars | For the year ended |   | For the year ended 31 March 2016 |   |
|-------------|--------------------|---|----------------------------------|---|
|             | 31 Mar 2017        |   |                                  |   |
|             | VND                | % | VND                              | % |
|             |                    |   |                                  |   |

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Imported  
Indigenous

66,751,464,600

42,916,972,158

66,751,464,600

42,916,972,158

2.22.4 Value of Imports calculated on C.I.F basis

|   | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|---|--|--|
| Raw materials, components and spare parts |  |  |
| Capital goods                             |  |  |

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2.23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

| Particulars   | For the year ended        | For the year ended            |
|---|---------------------------|-------------------------------|
|   | 31 Mar 2017               | 31 March 2016                 |
|   | VND                       | VND                           |
| <b>Finished goods and stock in trade</b>              |                           |                               |
| Closing stock   | 1,692,330,160             | 1,274,552,954                 |
| Add: Translation adjustment                           | -                         | -                             |
|   | -                         | -                             |
| Less: Opening stock                                   | 1,274,552,954             | 2,974,766,841                 |
| Add: Translation adjustment                           | -                         | -                             |
|   | <u>417,777,206</u>        | <u>-1,700,213,887</u>         |
| Impact of excise duty on (decrease) in finished goods | <u>417,777,206</u>        | <u>-1,700,213,887</u>         |
| <b>Work in progress</b>                               |                           |                               |
| Closing stock   | 441,990,550               | 19,674,305                    |
| Add: Translation adjustment                           | -                         | -                             |
|   | -                         | -                             |
|   | -                         | -                             |
| Less: Opening stock                                   | -19,674,305               | -368,292,609                  |
| Add: Translation adjustment                           | -                         | -                             |
|   | <u>422,316,245</u>        | <u>-348,618,304</u>           |
| (Decrease) / Increase in inventories                  | <u><u>840,093,451</u></u> | <u><u>(2,048,832,191)</u></u> |

2.23.1 Details of inventory of finished goods and work in progress

| Particulars | For the year ended | For the year ended   |
|-------------|--------------------|----------------------|
|             | 31 Mar 2017        | 31 March 2016        |
|             | VND                | VND                  |
| Locks       |                    | 825,824,475          |
| WH          |                    | 448,728,479          |
|             | <u>-</u>           | <u>1,274,552,954</u> |

There are no items of work in progress that are equal to or more than 10% of the total value of work in progress.

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2.2.4 EMPLOYEE BENEFITS EXPENSE

| Particulars                      | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|----------------------------------|--|--|
| Salaries and wages               | 16,668,969,350                           | 13,135,162,201                             |
| Contribution to                  |  |  |
| - Provident fund and other funds |  |  |
| - Gratuity fund                  |  |  |
| - Vacation                       |  |  |
| - Retirement                     |  |  |
| - Social security contribution   | 1,652,671,140                            | 1,056,623,096                              |
| Staff welfare                    | 1,271,744,024                            | 836,951,549                                |
|                                  | 19,593,384,514                           | 15,028,736,846                             |

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2.25 FINANCE COSTS

| Particulars  | For the year ended<br>31 Mar 2017 | For the year ended<br>31 March 2016 |
|--|-----------------------------------|-------------------------------------|
|  | VND                               | VND                                 |
| Interest expense   |                                   |                                     |
| on borrowings from banks   | 4,557,310                         | 120,034,882                         |
| on borrowings from others  |                                   |                                     |
| Exchange difference to the extent considered as an adjustment<br>to borrowing cost |                                   |                                     |
| Other borrowing costs  |                                   |                                     |
| Bank charges   | 206,548,801                       | 150,453,798                         |
|  | <u>211,106,111</u>                | <u>270,488,680</u>                  |

2.26 OTHER EXPENSES

| Particulars                                | For the year ended<br>31 Mar 2017 | For the year ended<br>31 March 2016 |
|--|-----------------------------------|-------------------------------------|
|  | VND                               | VND                                 |
| Jobwork charges                            |                                   |                                     |
| Consumption of stores and spare parts      | 764,171,698                       | 416,269,619                         |
| Power and fuel                             | 350,971,279                       | 321,283,156                         |
| Rent                                       | -                                 |                                     |
| Repairs- buildings                         | -                                 |                                     |
| Repairs- plant and machinery               | -                                 | 3,500,000                           |
| Repairs others                             | 42,877,711                        | 560,000                             |
| Travelling and conveyance                  | 1,612,060,521                     | 1,245,729,194                       |
| Auditor Remuneration                       | 107,996,182                       | 118,482,864                         |
| Legal and professional                     | 293,591,921                       | 388,318,156                         |
| Communication                              | 207,151,489                       | 205,212,868                         |
| Charity and donations                      | 37,300,000                        | 12,400,000                          |
| Bad debts                                  | -                                 |                                     |
| Provision for doubtful trade receivables   | -                                 |                                     |
| Management fees                            | -                                 |                                     |
| Insurance                                  | 147,668,917                       | 80,078,832                          |
| Rates and taxes, excluding taxes on income | 69,165,545                        | 83,768,175                          |
| Exchange fluctuations (net)                | 769,131,057                       |                                     |
| Warranty expenses                          | -                                 |                                     |
| Loss on sale/discard of fixed assets (net) | -                                 |                                     |
| Advertisement and business promotion       | 324,084,284                       | 206,745,803                         |
| Royalty                                    | 1,349,234,953                     | 724,739,124                         |
| Cash discount                              | -                                 |                                     |
| Freight and forwarding                     | 1,172,376,554                     | 702,071,612                         |
| Bank charges                               | -                                 |                                     |
| Corporate social responsibility            | -                                 |                                     |
| Miscellaneous                              | 948,376,109                       | 1,237,327,148                       |
|  | <u>8,196,158,220</u>              | <u>5,746,486,551</u>                |

2.26.1 Details of imported and indigenous stores and spares parts consumed

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| Particulars | For the year ended |   | For the year ended |   |
|-------------|--------------------|---|--------------------|---|
|             | 31 Mar 2017        |   | 31 March 2016      |   |
|             | VND                | % | VND                | % |
| Imported    |                    |   |                    |   |
| Indigenous  | 764,171,698        |   |                    |   |
|             | <u>764,171,698</u> |   | <u>-</u>           |   |

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Minda Vietnam Automotive Company Limited  
Notes to the financial statements

2.26.2 Accounting for leases

Operating leases- As a lessee

The Company has taken on lease, accommodation for factory, offices and cars, with an option of renewal at the end of the lease term and escalation clause in a case. The leases are in the nature of cancellable operating leases. Lease rentals amounting to Rs. xxx (previous year: Rs. xxx) in respect of such leases have been recognized in the statement of profit and loss for the year.

2.26.3 Expenditure in foreign currency

| Particulars                                  | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|--|--|--|
| Legal and professional expense               |  |  |
| Repair and maintenance (plant and machinery) |  |  |
| Travelling and conveyance                    |  |  |
| Royalty                                      |  |  |
| Insurance                                    |  |  |
| Miscellaneous                                |  |  |
|  | -  | -  |

2.26.4 Research and development expenses \*\*

The Company has incurred following expenditure on its inhouse R & D Center :

| Particulars                                    | For the year ended<br>31 Mar 2017<br>VND | For the year ended<br>31 March 2016<br>VND |
|--|--|--|
| Salaries and wages                             |  |  |
| Contribution to provident fund and other funds |  |  |
| Rent   |  |  |
| Repairs others                                 |  |  |
| Travelling and conveyance                      |  |  |
| Legal and professional                         |  |  |
| Communication                                  |  |  |
| Insurance                                      |  |  |
| Miscellaneous                                  |  |  |
|  | -  | -  |

\*\* Excluding finance costs, depreciation, amortisation and impairment  
Capital expenditure incurred on approved R & D center is Rs. xxx

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2.22 CAPITAL AND OTHER COMMITMENTS

| Particulars  | As at<br>31 March 2016<br>VND | As at<br>31 March 2016<br>VND |
|--|-------------------------------|-------------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) |                               |                               |
| a) In respect of J-Chat venture  | -                             | -                             |
| a) In respect of others  | -                             | -                             |

2.28 CONTINGENT LIABILITIES

| Particulars   | As at<br>31 March 2016<br>VND | As at<br>31 March 2016<br>VND |
|---|-------------------------------|-------------------------------|
| Claims against the Company not acknowledged as debts- Other than J-Chat venture |                               |                               |
| a) Custom duty  | -                             | -                             |
| b) Corporate guarantees given by the Company                                    | -                             | -                             |
| c) Income Tax   | -                             | -                             |
| d) Sales tax/ VAT   | -                             | -                             |
| e) Excise duty  | -                             | -                             |
| f) Service Tax  | -                             | -                             |
| Others  |                               |                               |
| a) Bills of exchange discounted under irrevocable letters of credit             | -                             | -                             |
| Others  |                               |                               |
| Corporate guarantee given by the Company  |                               |                               |
| a) Buhji Techno Private Limited   | -                             | -                             |

2.29 EXCEPTIONAL ITEM

| Particulars | As at<br>31 March 2016<br>VND | As at<br>31 March 2016<br>VND |
|-------------|-------------------------------|-------------------------------|
| Items       | -                             | -                             |

2.30 Segments have been identified in line with the Accounting Standard on Segment Reporting (AS 17), taking into account the nature of products and services, the risks and returns, the organizational structure and the internal financial reporting system.  
The Group's operations predominantly is manufacture of automotive parts and accessories. The Group is organized in term of various geographies in which it operates. As the operations of the Group are not distinguishable on the basis of risk and return, the methods of distribution and regulatory environment, the management views the entire business as one segment.  
Details of inter-year end assets and tangible fixed assets and intangible fixed assets are as follows:

| Location   | As at<br>31 March 2016<br>VND | As at<br>31 March 2016<br>VND |
|--|-------------------------------|-------------------------------|
| Revenue (sales, net of excise duty)                      |                               |                               |
| Domestic   | -                             | -                             |
| Overseas   |                               |                               |
| Europe   | -                             | -                             |
| Asia (excluding domestic)                                | -                             | -                             |
| America  | -                             | -                             |
| Africa   | -                             | -                             |
| Total  | -                             | -                             |
| Carrying amount of assets                                |                               |                               |
| Domestic   | -                             | -                             |
| Overseas   |                               |                               |
| Europe   | -                             | -                             |
| Asia (excluding domestic)                                | -                             | -                             |
| America  | -                             | -                             |
| Africa   | -                             | -                             |
| Additional of tangible fixed assets and intangible fixed |                               |                               |
| Domestic   |                               |                               |
| - Tangible fixed assets                                  | -                             | -                             |
| - Intangible fixed assets                                | -                             | -                             |
| Overseas   |                               |                               |
| Europe   | -                             | -                             |
| - Tangible fixed assets                                  | -                             | -                             |
| - Intangible fixed assets                                | -                             | -                             |
| Asia (excluding domestic)                                | -                             | -                             |
| - Tangible fixed assets                                  | -                             | -                             |
| - Intangible fixed assets                                | -                             | -                             |

Segment revenues in the geographical segments considered for disclosure is as follows -  
- Revenue within India (Domestic) include sale to customers located within India; and  
- Revenue outside India (Overseas) include sale of products manufactured in India and outside India to customers located outside India.  
Segment assets in the geographical segments considered for disclosure represents assets locate outside India and sundry debtor balances against export sales from India operations.  
Besides the normal accounting policies followed as described in Note 1, segment revenues and assets include the respective amounts directly identified to each of the segments and amounts / or allocated on a reasonable basis.



**2.31 UNHEDGED FOREIGN CURRENCY EXPOSURE**

a. Derivative outstanding as at balance sheet date  
Our forward contracts in respect of foreign currency outstanding As at March 2016 is US \$ 555 million to Rs 5556 (Previous year: Nil) has been entered to hedge the foreign currency exposure for amount received against the export order.

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

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise is as follows:

| Particulars   | As at           |                               | As at           |                               |
|---|-----------------|-------------------------------|-----------------|-------------------------------|
|   | Amount (in VND) | Amount (in original currency) | Amount (in VND) | Amount (in original currency) |
| <b>Fixed Assets in foreign currency</b>   |                 |                               |                 |                               |
| Export of goods   |                 |                               |                 |                               |
| - EURO  |                 |                               |                 |                               |
| - USD   |                 |                               |                 |                               |
| Royalty Income  |                 |                               |                 |                               |
| - USD   |                 |                               |                 |                               |
| Financial assistance services   |                 |                               |                 |                               |
| EURO  |                 |                               |                 |                               |
| Loan receivable   |                 |                               |                 |                               |
| EURO  |                 |                               |                 |                               |
| Recovery of expenses  |                 |                               |                 |                               |
| EURO  |                 |                               |                 |                               |
| <b>Payable in foreign currency</b>  |                 |                               |                 |                               |
| Import of goods   |                 |                               |                 |                               |
| - USD   |                 |                               |                 |                               |
| - EURO  |                 |                               |                 |                               |
| Royalty payable   |                 |                               |                 |                               |
| - EURO  |                 |                               |                 |                               |
| Prepaid credit (classified as a part of other credit and working capital demand loan) |                 |                               |                 |                               |
| - USD   |                 |                               |                 |                               |

The above does not include any foreign currency exposures from investment in body corporate outside India, which are treated as non- integral to nature

**2.32 RELATED PARTY DISCLOSURES AS REQUIRED UNDER ACCOUNTING STANDARD (AS) - 18 "RELATED PARTY DISCLOSURE":**

A) Related parties and nature of related party relationship with whom transactions have taken place during the year

a) Related parties and nature of related party relationships where control exists

| Description of relationship  | Name of the party   |
|--|---|
| Subsidiary (including step down subsidiaries)  | Minda SAI Limited, India<br>Minda Europe B.V., Netherlands<br>Minda Management Service Limited, India<br>Minda KTSN Plastic Solution GmbH & Co. KG, Germany<br>KTSN Kunststofftechnik Sachsen Beteiligung, Germany<br>Minda Automotive Solution Limited, India<br>P T Minda Automotive, Indonesia<br>Minda Vietnam Automotive Co. Ltd., Vietnam<br>P T Minda Automotive Trading, Indonesia<br>Alorplay International PTE Limited, Singapore<br>Minda Furukawa Electric Private Limited, India<br>Minda KTSN Plastic and Tooling Solutions Sp Z O O, Poland<br>Spark Minda Foundation<br>Minda KTSN Plastic Solutions S.R.O, Czech Republic<br>Minda Storage Instrument Limited<br>Minda VAST Access Systems Pvt. Ltd. w.e.f from 1st May 2015 |
| Joint Venture  |   |
| Key Managerial Personnel   | Please provide the detail   |
| Enterprise in which directors of the Company and their relatives are able to exercise significant influence: | Minda Capital Limited, India<br>Minda Industries Limited, India<br>Minda International Limited, India<br>Minda S.M. Techscent Limited, India<br>Minda Sika Engineering Limited, India<br>Minda Storage Instruments Limited, India<br>Desert Kaba Security Systems Private Limited, India<br>Mara Industries Limited, India<br>Minda Spectrum Advisory Limited, India<br>Minda Europe GmbH, Germany<br>Teff Engineering Private Limited, India<br>Whitfire Binter Limited, India<br>Uz-Minda LLC, Uzbekistan   |

Joint Venture

Key Managerial Personnel

Enterprise in which directors of the Company and their relatives are able to exercise significant influence:

Minda Capital Limited, India  
Minda Industries Limited, India  
Minda International Limited, India  
Minda S.M. Techscent Limited, India  
Minda Sika Engineering Limited, India  
Minda Storage Instruments Limited, India  
Desert Kaba Security Systems Private Limited, India  
Mara Industries Limited, India  
Minda Spectrum Advisory Limited, India  
Minda Europe GmbH, Germany  
Teff Engineering Private Limited, India  
Whitfire Binter Limited, India  
Uz-Minda LLC, Uzbekistan

Associates

Minda VAST Access Systems Pvt. Ltd. upto 30 April 2015

2.34 The Company had acquired 49% interest in Minda Furukawa Electric Private Limited on 1 February, 2011. Minda Furukawa Electric Private Limited is a joint venture between Minda Corporation Limited and Furukawa Electric Company Limited. Disclosures in respect of Joint ventures pursuant to Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Ventures"

| A Assets*                     | Particulars                  | As at         | As at         |
|-------------------------------|------------------------------|---------------|---------------|
|                               |                              | 31 March 2016 | 31 March 2016 |
| A Assets*                     | Non Current Assets           |               |               |
|                               | Fixed Assets                 |               |               |
|                               | - tangible assets            |               |               |
|                               | - intangible assets          |               |               |
|                               | - capital work-in-progress   |               |               |
|                               | Long-term loans and advances |               |               |
|                               | Other non-current assets     |               |               |
|                               | Current assets               |               |               |
|                               | Inventories                  |               |               |
|                               | Trade receivables            |               |               |
| Cash and bank balances        |                              |               |               |
| Short-term loans and advances |                              |               |               |
| Other current assets          |                              |               |               |
| B Liabilities*                | Non-current liabilities      |               |               |

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