

AGARWAL NIKHIL & CO.

Chartered Accountants

ANCO

Audit Report

Independent Auditor's Report

To: S. R. Batliboi & Co. LLP

Opinion

We have audited the accompanying financial information of M/s Minda Corporation Ltd. Employee Stock Option Scheme Trust, which comprises the Balance Sheet as on 31st March 2023, and the Statement of Profit and Loss for the year then ended and notes to the financial statements, including the summary of significant accounting policies, for purposes of your audit of the consolidated financial statements/results of Minda Corporation group.

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial information presents a true and fair view of the state of affairs of the entity as at 31st March, 2023 in accordance with those requirements of the Minda Group Accounting Policies/ Indian GAAP (as referred to in the Group Accounting Policies).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Purpose Financial Information

Management is responsible for the preparation and presentation of this purpose financial information in accordance with the Minda Group Accounting Policies/ Indian GAAP (as referred to in the Group Accounting Policies). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of 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 financial information has been prepared solely to enable Minda Corporation group to prepare its consolidated financial statements.

The management is responsible for overseeing the entity's financial reporting process.

AGARWAL NIKHIL & CO.

Chartered Accountants

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Auditor's Responsibility

Our objective is to obtain reasonable assurance about whether the financial information as a whole is free from material misstatement, whether due to error or fraud, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the identification and assessment of the risks of material misstatement of the financial information, whether due to fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the 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 financial information.

For Agarwal Nikhil & Co.

Chartered Accountants

FRN: 017613N

Digitally signed by
NIKHIL AGARWAL

Nikhil Agarwal

Partner

M No. 098637

UDIN: 23098637BGQJHA1446

Date: April 25, 2023

Place: Noida

Minda Corporation Ltd. Employees Stock Option Scheme Trust
D-6-11, Sector-59, Noida 201301
Balance Sheet as at 31 March 2023

| Particulars | Note | As at 31 March 2023 | As at 31 March 2022 |
|--|------|----------------------------|----------------------------|
| ASSETS | | | |
| Noncurrent assets | | | |
| Property, plant and equipment | | - | - |
| Capital workinprogress | | - | - |
| Intangible assets | | - | - |
| Right of use asset | | - | - |
| Financial assets | | | |
| i Investments | 1 | 10,06,91,000 | 10,50,91,000 |
| ii Loans | | - | - |
| iii Other financial assets | | - | - |
| Income tax assets (net) | | - | - |
| Deferred tax assets (net) | | - | - |
| Other non-current assets | | - | - |
| | | <u>10,06,91,000</u> | <u>10,50,91,000</u> |
| Current assets | | | |
| Inventories | | | |
| Financial assets | | | |
| i Trade receivables | | - | - |
| ii Cash and cash equivalents | 2 | 8,19,528 | 64,09,626 |
| iii Loans | | - | - |
| iv Other financial assets | | - | - |
| Other current assets | 3 | - | 11,41,463 |
| | | <u>8,19,528</u> | <u>75,51,089</u> |
| TOTAL | | <u><u>10,15,10,528</u></u> | <u><u>11,26,42,089</u></u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | | - | - |
| Other equity | 4 | (4,10,71,976) | (4,75,83,711) |
| Total equity | | <u>(4,10,71,976)</u> | <u>(4,75,83,711)</u> |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i Borrowings | 5 | 10,19,55,000 | 10,19,55,000 |
| ii Other financial liabilities | 6 | 4,01,94,420 | 5,71,23,362 |
| Provisions | | | |
| Other non-current liabilities | | - | - |
| Lease Liability | | - | - |
| | | <u>14,21,49,420</u> | <u>15,90,78,362</u> |
| Current liabilities | | | |
| Financial liabilities | | | |
| i Borrowings | | - | - |
| ii Trade payables | | - | - |
| - Total dues of micro and small enterprises | | - | - |
| - Total dues of creditors other than micro and small enterprises | | - | - |
| iii Other financial liabilities | | - | - |
| Lease Liability | | - | - |
| Other current liabilities | 7 | - | 7,50,520 |
| Provisions | | - | - |
| Current tax liabilities (net) | 8 | 4,33,084 | 3,96,918 |
| | | <u>4,33,084</u> | <u>11,47,438</u> |
| TOTAL | | <u><u>10,15,10,528</u></u> | <u><u>11,26,42,089</u></u> |

Significant accounting policies
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

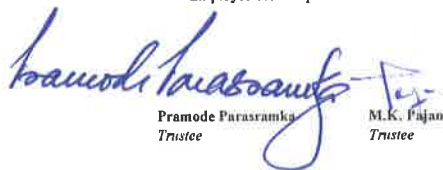
For Agarwal Nikhil & Co.
Chartered Accountant
FRN: 017613N

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NIKHIL AGARWAL
Date: 2023.04.25
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Nikhil Agarwal
Partner
Membership No : 098637

Place: Noida
Date: 25.04.2023

For and on behalf of the Board of Directors of Minda Corporation Ltd.
Employee Stock Option Scheme Trust



Pramode Parasramka
Trustee

M.K. Pajjan
Trustee

Place: Noida
Date: 25.04.2023

Place: Noida
Date: 25.04.2023

Minda Corporation Ltd. Employees Stock Option Scheme Trust
D-6-11, Sector-59, Noida 201301
Statement of Standalone Profit and Loss for the period ended 31 March 2023

| Particulars | Note | As at 31 March 2023 | For the year ended 31 March 2022 |
|---|------|------------------------|-------------------------------------|
| Income | | | |
| Revenue from operations | 9 | 44,00,000 | 86,00,000 |
| Other Income | 10 | 28,54,348 | 27,92,066 |
| Total Income | | 72,54,348 | 1,13,92,066 |
| Expenses | | | |
| Other expenses | 11 | 472 | 797 |
| Total expenses | | 472 | 797 |
| Profit before tax | | 72,53,876 | 1,13,91,269 |
| Tax expense | | | |
| - Current tax | | 7,18,519 | - |
| - Taxes for earlier years | | 23,622 | - |
| - Deferred tax credit | | - | 7,89,656 |
| Profit for the year | | 65,11,735 | 1,06,01,613 |
| Other comprehensive income | | | |
| Item that will not be reclassified subsequent to profit & loss | | | |
| Remeasurement Gain /(loss) of defined benefit obligation. | | - | - |
| Income tax relating to items that will not be reclassified to profit and loss | | - | - |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | 65,11,735 | 1,06,01,613 |

Earnings per share (Rs.) (Basic)
Earnings per share (Rs.) (Diluted)

Significant accounting policies 2
The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Agarwal Nikhil & Co.
Chartered Accountant
FRN: 017613N

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NIKHIL AGARWAL
Date: 2023.04.25
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Nikhil Agarwal
Partner
Membership No.: 098637

Date: 25.04.2023

For and on behalf of the Board of Directors of Minda Corporation Ltd.
Employee Stock Option Scheme Trust


Pramode Paraspamka
Trustee


M.K. Pajan
Trustee

Place: Noida
Date: 25.04.2023

Place: Noida
Date: 25.04.2023



Minda Corporation Ltd. Employees Stock Option Scheme Trust
Statement of Changes in Equity for the year ended 31 March 2023

A. Equity share capital

| Particulars | Amount |
|--|--------|
| Balance as at 1st April 22 | - |
| Change in equity share capital during the year | - |
| Balance as at 31 March 2023 | - |

B. Other equity

| Particulars | Other equity | | Items of Other Comprehensive Income | Total |
|---|-----------------|-------------------|-------------------------------------|---------------|
| | Capital reserve | Retained earnings | | |
| As at 1st April 22 | - | (4,75,83,711) | - | (4,75,83,711) |
| Profit for the year | - | 65,11,735 | - | 65,11,735 |
| IndAs Adjustments | - | - | - | - |
| Other comprehensive income (net of tax) | - | - | - | - |
| Total comprehensive income for the year | - | 65,11,735 | - | 65,11,735 |
| Employee stock compensation expense | - | - | - | - |
| Dividend and dividend distribution tax paid | - | - | - | - |
| Balance as at 31 March 2023 | - | (4,10,71,976) | - | (4,10,71,976) |

(1) Refer note for nature and purpose of other equity.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For Agarwal Nikhil & Co.

Chartered Accountant
FRN: 017613N

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NIKHIL AGARWAL
Date: 2023.04.23
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NIKHIL AGARWAL
Partner
Membership No.: 098637

Date: 25 04 2023

For and on behalf of the Board of Directors of Minda Corporation Ltd.
Employee Stock Option Scheme Trust

Pranode Parasramka
Pranode Parasramka
Trustee

M.K. Pijon
M.K. Pijon
Trustee

Place: Noida
Date: 25 04 2023

Place: Noida
Date: 25 04 2023

Minda Corporation Limited Employee Stock Option Trust

Notes to accounts for the period ended March 31, 2023

1. Background

Minda Corporation Limited Employee Stock Option Scheme Trust (hereinafter referred to as "Trust") was incorporated pursuant to the approval of Board of Director Minda Corporation Limited in a board meeting held on 29th September, 2011. The trust was incorporated with the objective of acquiring and holding of shares, warrants or other securities of the Minda Corporation Limited (MCL) for the purpose of implementing the MCL's ESOP Scheme. The trust received an initial contribution of Rs 1,00,000 and later on a sum of Rs 13,35,46,000 to purchase the equity shares of MCL.

2. Significant Accounting Policies

I. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with accounting principles generally accepted in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

II. Uses of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

III. Investments

Long –term investments are stated at cost of acquisition. Provision for diminution is made if such diminution is considered as being other than temporary in nature.

IV. Revenues recognition

Income is recognized on the basis of the profit on issue of securities to its beneficiary holders. It is determined on the basis of difference of amount realized from the holders to its cost of acquisition, in the year in which the amount is received from the beneficiary holders.



V. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is present obligation as a result of past events and when a reliable estimate of the amounts of obligation can be made. Contingent liability is disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Trust or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never realized.

VI. Audit Fees

As per clauses of the trust deed the audit fees shall be borne by the company (Minda Corporation Limited). Thus, no provision was made in the books of trust for the audit fees.

VII. Other Notes to Accounts

1. In the opinion of the Trustees, the current assets, loans & advances will realize a value not less than the amounts stated on the Balance Sheet, if realized in the ordinary course of business.
2. The balance with the banks in current accounts was confirmed by the respective banks.
3. Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

For Agarwal Nikhil & Co.
Chartered Accountants
FRN. : 017613N
Digitally signed by
NIKHIL AGARWAL
CA Nikhil Agarwal
Partner
UDIN: 23098637BGQJHA1446

For and on behalf of the Board of Directors of
MCL Employee Stock Option Trust


Pramode Parasramka
Trustee


M.K. Pajan
Trustee



M. No. 098637

Place: Noida

Date: April 25, 2023

Minda Corporation Ltd. Employees Stock Option Scheme Trust
Notes to the financial statements for the year ended 31 March 2023

1 Investments

| Particulars | As at 31 March 2023 | As at 31st March 2022 |
|--|------------------------|--------------------------|
| Non-current | | |
| 40,27,640 equity shares of Rs 2 each fully paid up (Rs 23 premium) in Minda Corporation Limited as on 30.09.2022 | 10,06,91,000 | 10,50,91,000 |
| 42,03,640 equity shares of Rs 2 each fully paid up (Rs 23 premium) in Minda Corporation Limited as on 30.09.2022 | <u>10,06,91,000</u> | <u>10,50,91,000</u> |

2 Cash and cash equivalents

| Particulars | As at 31 March 2023 | As at 31st March 2022 |
|---|------------------------|--------------------------|
| Balances with bank | | |
| -On current account | 8,19,528 | 64,09,626 |
| - Deposits with original maturity of less than three months | - | - |
| Other bank balances(Fixed Deposits) | <u>8,19,528</u> | <u>64,09,626</u> |



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Minda Corporation Ltd. Employees Stock Option Scheme Trust
Notes to the financial statements for the year ended 31 March 2023

4 Other equity

| Particulars | As at 31 March 2023 | As at 31 Mar 2022 |
|---|------------------------|----------------------|
| Retained Earnings | | |
| Opening balance | (4,75,83,711.08) | (5,81,85,324) |
| Add: Net profit for the year | 65,11,735 | 1,06,01,613 |
| Less: Dividend and tax thereon paid during the year | - | - |
| Less: IND AS Adjustment | - | - |
| Balance at the end of the year | (4,10,71,976) | (4,75,83,711) |
| Securities premium account * | | |
| Balance as at the beginning of the year | - | - |
| Balance as at the end of the year | - | - |
| Retained Earnings | | |
| Balance as at the beginning of the year | - | - |
| Add: Net profit for the year | - | - |
| Balance as at the end of the year | - | - |
| Other comprehensive income - Remeasurement of net defined benefit plans, net | | |
| Opening balance | - | - |
| Add : Remeasurement of define benefit obligation | - | - |
| Closing balance | - | - |
| Total | (4,10,71,976) | (4,75,83,711) |
| Nature and purpose of other equity | | |

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| 3 Other Current assets | |
|-------------------------------|--------------------------|
| Particulars | As at 31st March 2022 |
| Current Assets | |
| Other Current assets | 11,41,463 |
| | 11,41,463 |

| 5 Borrowings | |
|---------------------|--------------------------|
| Particulars | As at 31st March 2022 |
| <u>Unsecured</u> | |
| Term | |
| from banks | |
| from others | |
| from related party | 10,19,55,000 |
| | 10,19,55,000 |

| 6 Other financial liability | |
|---|--------------------------|
| Particulars | As at 31st March 2022 |
| Non-current | |
| Deferred consideration payable | 5,71,23,362 |
| Interest accrued on loans and advances to related party | 4,01,94,420 |
| | 5,71,23,362 |

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7 Other current liabilities

| Particulars | As at 31 March 2023 | As at 31st March 2022 |
|---|------------------------|--------------------------|
| Advance received against sale of shares | - | 6,00,000 |
| Other current liability | - | 1,50,520 |
| | - | 7,50,520 |

8 Current tax liabilities

| Particulars | As at 31 March 2023 | As at 31st March 2022 |
|----------------------------|------------------------|--------------------------|
| - Provision for income tax | 4,33,084 | 3,96,918 |
| | 4,33,084 | 3,96,918 |

9 Revenue from operations

| Particulars | For the year ended 31 March 2023 | For the year ended 31st March 2022 |
|--------------------------|-------------------------------------|---------------------------------------|
| Sales Domestic | | |
| Sales Export | 44,00,000 | 86,00,000 |
| Other operating revenues | 44,00,000 | 86,00,000 |

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10 Other Income

| Particular | For the year ended 31 March 2023 | For the year ended 31st March 2022 |
|-----------------|-------------------------------------|---------------------------------------|
| Dividend Income | 28,54,348 | 27,92,066 |
| | 28,54,348 | 27,92,066 |

11 Other expenses

| Particulars | For the year ended 31 March 2023 | For the year ended 31st March 2022 |
|--------------|-------------------------------------|---------------------------------------|
| Bank charges | 472 | 797 |
| | 472 | 797 |

11 Tax expenses

| Particulars | For the year ended 31 March 2023 | For the year ended 31st March 2022 |
|-------------------------|-------------------------------------|---------------------------------------|
| Current tax | 7,18,519 | 7,79,256 |
| Taxes for earlier years | 23,622 | - |
| | 7,42,141 | 7,79,256 |

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