

Audit Report

Independent Auditor's Report

To: S. R. Batliboi & Co. LLP

Opinion

We have audited the accompanying purpose financial information of M/s Minda Corporation Ltd. Employee Stock Option Scheme Trust, which comprises the Balance Sheet as on 31st March 2022, 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, 2022 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 International Standards on Auditing (ISAs). 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.

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 ISAs 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 ISAs, 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

NIKHIL Digitally signed
 by NIKHIL
AGARWAL AGARWAL

Nikhil Agarwal

Partner

M No. 098637

UDIN: 22098637AIZUGC4776

Date: May 13, 2022

Place: Noida

Minda Corporation Ltd. Employees Stock Option Scheme
Statement of Profit and Loss for the period ended 31 March 22
D-6-11, Sector-59, Noida 201301

Particulars	Note	For the period ended	For the year ended
		31 March 2022	31 March 2021
		INR	INR
Revenue (Profit on sale of investment)	1.08	86,00,000	41,50,000
Dividend income	1.09	27,92,066	13,75,092.00
Total revenue		1,13,92,066	55,25,092
Expenses			
Employee benefits expense		-	-
Interest expense		-	-
Other expenses	1.10	797	295
Total expenses		797	295
Profit/ (Loss) before tax		1,13,91,269	55,24,797
Tax expense			
Current tax		7,89,656.00	1,40,120
Profit for the year		1,06,01,613	53,84,677

Significant accounting policies and note to accounts

Schedules referred to above and notes attached there to form an integral part of financial statements

As per our report of even date attached

For **Agarwal Nikhil & Co.**

Chartered Accountant

FRN: 017613N

NIKHIL Digitally signed
by NIKHIL
AGARWAL AGARWAL

Nikhil Agarwal

Partner

Membership No.: 098637

Place: Noida

Date: 13 May 2022

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



Pardeep Mann

Authorised Signatory



Jitendra Kumar Gupta

Authorised Signatory

Place: Gurgaon

Date: 13 May 2022

Place: Gurgaon

Date: 13 May 2022

Minda Corporation Ltd. Employees Stock Option Scheme
Balance Sheet as at 31 March 2022
D-6-11, Sector-59, Noida 201301

	Note	As at 31 March 22 INR	As at 31 Mar 2021 INR
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital		-	-
Reserves and surplus	1.01	(4,75,83,711)	(5,81,85,324)
		(4,75,83,711)	(5,81,85,324)
Non-current liabilities			
Other Long term liabilities	1.02	15,90,78,362	18,05,78,362
		15,90,78,362	18,05,78,362
Current liabilities			
Other Short term liabilities	1.03	7,50,520	9,00,000
Current Tax Liabilities(Net)	1.04	3,96,918	36,988
		11,47,438	9,36,988
		11,26,42,089	12,33,30,026
ASSETS			
Non-current assets			
Non Current Investments	1.05	10,50,91,000	11,36,91,000
		10,50,91,000	11,36,91,000
Current assets			
Cash and bank balances	1.06	64,09,626	96,39,026
Short-term loans and advances		11,41,463	-
Other Current Assets	1.07	75,51,089	96,39,026
		11,26,42,089	12,33,30,026
Significant accounting policies and note to accounts	1.11		

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

As per our report of even date attached

For **Agarwal Nikhil & Co.**

Chartered Accountant

FRN: 017613N

NIKHIL Digitally signed
AGARWAL by NIKHIL
 AGARWAL

Nikhil Agarwal
 Partner

Membership No.: 098637

Place: Noida
 Date: 13 May 2022

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



Pardeep Mann
 Authorised Signatory

Place: Gurgaon
 Date: 13 May 2022



Anendra Kumar Gupta
 Authorised Signatory

Place: Gurgaon
 Date: 13 May 2022

Schedule No 1.05: Non Current Investments

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
	42,03,640 equity shares of Rs 2 each fully paid up (Rs 23 premium) in Minda Corporation Limited as on 31.03.2022		
	45,47,640 equity shares of Rs 2 each fully paid up (Rs 23 premium) in Minda Corporation Limited as on 31.03.2021	10,50,91,000	11,36,91,000
	Total	10,50,91,000	11,36,91,000

Schedule No 1.06: Cash and Bank Balance

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
1	Cash	-	-
2	Bank balance	64,09,626	96,39,026
	Total	64,09,626	96,39,026

Schedule No 1.07: Other Current Assets

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
1	Other Current Assets	11,41,463	-
	Total	11,41,463	-

Schedule No 1.08: Revenue

S. No	Particulars	Period Ended 31 March 2022	Period Ended 31 Mar 2021
1	Profit on Sale of Investment(Shares)	86,00,000	41,50,000
	Total	86,00,000	41,50,000

Schedule No 1.09: Dividend Income

S. No	Particulars	Period Ended 31 March 2022	Period Ended 31 Mar 2021
1	Dividend income on shares	27,92,066	13,75,092
	Total	27,92,066	13,75,092

Schedule No 1.10: Other Expenses

S. No	Particulars	Period Ended 31 March 2022	Period Ended 31 Mar 2021
1	Bank Charges	797	295
	Total	797	295

Minda Corporation Ltd. Employees Stock Option Scheme
Schedules Forming Part of the Balance Sheet as at 31 March , 2022

Schedule No 1.01 : Reserve & Surplus

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
1	Surplus (Profit & Loss Account):		
	Opening Balance	(5,81,85,324)	(6,35,70,001)
	Add: Current Year Profit/ (Loss)	1,13,91,269	55,24,797
	Less: Income Taxes	7,89,656	1,40,120
	Total	(4,75,83,711)	(5,81,85,324)

Schedule No 1.02 : Other Long Term Liabilities

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
	Advances from Minda Corporation Ltd	10,19,55,000	10,19,55,000
	Interest on Advances payable	5,71,23,362	7,86,23,362
	Total	15,90,78,362	18,05,78,362

Schedule No 1.03: Other Short Term Liabilities

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
1	Advance Received against sale of shares	6,00,000	9,00,000
2	Amount payable to Minda Corporation Limited	1,50,520	
	Total	7,50,520	9,00,000

Schedule No 1.04: Current Tax Liabilities

S. No	Particulars	As at 31 March 22	As at 31 Mar 2021
	Provision for Income Tax (net of Advance Income Tax)	1,28,040	36,988

Minda Corporation Limited Employee Stock Option Trust

Notes to accounts for the period ended March 31, 2022

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. Total sale

price once trust has entitled to the income, it is the income received and the amount of income receivable can be measured reliably.

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 on 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

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by NIKHIL
AGARWAL
AGARWAL

CA Nikhil Agarwal

Partner

UDIN: 22098637AIZUGC4776

For and on behalf of the Board of Directors of

MCL Employee Stock Option Trust



Pardeep Mann

Authorised Signatory



Jitendra Kumar Gupta

Authorised Signatory

M. No. 098637

Place: Noida

Date: May 13, 2022