MSSL MAURITIUS HOLDINGS LTD

FINANCIAL STATEMENTS

FOR YEAR ENDED 31st MARCH 2021

CONTENTS

COMPANY INFORMATION

		Date of appointment	Date of resignation
DIRECTORS	Vivek Chaand Sehgal	20 August 2001	-
	Bimal Dhar	20 August 2001	-
	Venkatesen Saminada Chetty	23 October 2007	-
	Veronique Magny-Antoine (alternate to Venkatesen Saminada Chetty)	6 October 2008	30 June 2020
	Rishal Tanee	1 October 2016	-
	Laksh Vaaman Sehgal (alternate to Vivek Chaand Sehgal)	28 June 2019	-

ADMINISTRATOR AND SECRETARY

OCORIAN Corporate Services Mauritius Limited
6th Floor, Tower A
1, CyberCity, Ebène
MAURITIUS

REGISTERED OFFICE

C/o OCORIAN Corporate Services Mauritius Limited
6TH Floor, Tower A
1, CyberCity, Ebène
MAURITIUS

AUDITOR

Ernst & Young
9th Floor, NeXTeracom Tower 1
Cybercity, Ebene
Mauritius

BANKERS

SBI (Mauritius) Ltd.
7th Floor, SBI Tower Mindspace
45, Cybercity, Ebene
Mauritius

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the MSSL MAURITIUS HOLDINGS LTD (the "Company") for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments.

REVIEW OF BUSINESS

The Company's profit for the year is **EUR 8,251,950** (2020 EUR 8,105,582).

The directors do not recommend the payment of any dividend for the year under review.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the requirements of the Mauritian Companies Act 2001 applicable to a company holding a Category 1 Global Business Licence, as described in note 2 to the financial statements. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor, Ernst & Young, has indicated its willingness to continue in office and will be automatically re-appointed at the Annual Meeting.

By Order of the Board

KENNY PARAMASEEVEN CURPEN, TEP
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

Ocorian Corporate Services (Mauritius) Limited
SECRETARY

25 June 2021

SECRETARY'S CERTIFICATE

TO THE MEMBER OF MSSL MAURITIUS HOLDINGS LTD

SECRETARY'S CERTIFICATE UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT

In accordance with section 166 (d) of the Mauritius Companies Act, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Mauritius Companies Act 2001 for the Audited Financial Statements for the year ended 31 March 2021.

Dated 25 June 2021

KENNY PARAMASEEVEN GURPEN, TEP
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

Ocorian Corporate Services (Mauritius) Limited
Secretary

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Ernst & Young Mauritius
9th Floor, NeXTeracom Tower I
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

MSSL MAURITIUS HOLDINGS LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MSSL Mauritius Holdings Ltd (the "Company") set out on pages 8 to 30 which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of MSSL Mauritius Holdings Ltd as at 31 March 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "MSSL Mauritius Holdings Ltd Financial statements for the year ended 31 March 2021", which includes the Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001.

The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

MSSL MAURITIUS HOLDINGS LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001 applicable to a company holding a Category 1 Global Business Licence, as described in note 2 to the financial statements and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to 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 an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

MSSL MAURITIUS HOLDINGS LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

ERNST & YOUNG
Ebène, Mauritius

ANDRE LAI WAN LOONG, F.C.A
Licensed by FRC

Date: 25 June 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	31-Mar-21	31-Mar-20
	EUR	EUR
Revenue		
Dividend income	2,373,201	7,200,000
	2,373,201	7,200,000
Expenses		
General and administrative expenses (Note 5)	(58,947)	(143,863)
	(58,947)	(143,863)
Operating profit	2,314,254	7,056,137
Finance income (Note 6)	9,930,180	3,608,034
Finance costs (Note 6)	(3,992,484)	(2,198,589)
Finance income, net	5,937,696	1,409,445
Profit before income tax	8,251,950	8,465,582
Income tax expense (Note 8)	-	(360,000)
Profit for the year	8,251,950	8,105,582
Other comprehensive income	-	-
Total comprehensive income for the year	8,251,950	8,105,582

The notes on pages 12 to 30 are an integral part of these financial statements.

STATEMENT OF FINANICAL POSITION

	31-Mar-21	31-Mar-20
	EUR	EUR
ASSETS		
Non-current assets		
Investment in joint venture (Note 7)	16,426,385	16,426,385
Investments in subsidiaries (Note 9)	8,779,969	8,779,969
Other receivables (Note 10)	409,264,322	24,800,000
	434,470,676	**50,006,354**
Current assets		
Other receivables (Note 10)	12,215,117	15,752,400
Cash and cash equivalents (Note 11)	4,039,018	936,948
	16,254,135	**16,689,348**
Total assets	**450,724,811**	**66,695,702**
EQUITY		
Capital and reserves attributable to the equity holder		
Share capital (Note 12)	37,820,080	37,820,080
Compulsorily convertible Preference Shares (Note 13)	100,000,000	-
Retained earnings	37,021,899	28,769,949
Total equity	**174,841,979**	**66,590,029**
Non-current liabilities		
Borrowings (Note 14)	271,855,100	-
	271.855,100	**-**
Current liabilities		
Other payables (Note 15)	4,027,732	105,673
	4,027,732	**105,673**
Total Equity and Liabilities	**450,724,811**	**66,695,702**

Authorised for issue by the Board of directors on 25 June 2021 and signed on its behalf by

DocuSigned by:
BDAED2EF1893436...

} Rishal Tanee
}
} **DIRECTORS**
}
} Venkatesen Chetty

The notes on pages 12 to 30 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Compulsorily convertible Preference Shares	Retained earnings	Total Equity
	EUR	EUR	EUR	EUR
Balance as at 01 April 2019	37,820,080	-	20,664,367	58,484,447
Profit/total comprehensive income for the year	-	-	8,105,582	8,105,582
Balance as at 31 March 2020	37,820,080	-	28,769,949	66,590,029
Issued during the year	-	100,000,000	-	100,000,000
Profit/total comprehensive income for the year	-	-	8,251,950	8,251,950
Balance as at 31 March 2021	37,820,080	100,000,000	37,021,899	174,841,979

The notes on pages 12 to 30 are an integral part of these financial statements.

STATEMENT OF CASH FLOW

	31-Mar-21	31-Mar-20
	EUR	EUR
Cash flow from operating activities		
Profit before taxation	8,251,950	8,465,582
Adjustments for:		
Interest income	(8,514,987)	(2,698,812)
Interest expense	3,966,106	50,409
Dividend Income	(2,373,201)	(7,200,000)
Unrealised foreign exchange (gain)/loss	(1,368,027)	1,609,160
Cash flow before changes in working capital	(38,159)	226,339
Decrease in trade & other receivables and prepayments	200,048	75,200
Decrease in trade and other payables	(70,426)	(200,925)
Tax paid (Note 7)	-	(360,000)
Net cash from /(used in) operating activities	91,463	(259,386)
Cash flow from investing activities		
Dividend received	2,373,201	7,200,000
Interest received from others	129	1,513
Net cash from investing activities	2,373,330	7,201,513
Cash flow from financing activities		
Repayment of loan to bank	-	(22,198,544)
Loan received back from group companies	17,500,000	25,061,420
Interest received from related party	581,457	1,169,655
Loans to joint venture	(376,234,200)	(6,440,000)
Loans to other group company	(13,200,000)	(6,600,000)
Loan received from Parent	271,934,200	-
Contribution as Compulsorily convertible preference Shares by Parent	100,000,000	-
Interest paid to bank	-	(75,716)
Net cash flow used in financing activities	581,457	(9,083,185)
Net increase in cash and cash equivalents	3,046,250	(2,141,058)
Cash and cash equivalents at beginning of year	936,948	2,538,986
Effect of exchange difference on balance with Banks in foreign currency	55,820	539,020
Cash and cash equivalents at end of year	4,039,018	936,948

The notes on pages 12 to 30 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENT

1 INCORPORATION AND ACTIVITIES

Incorporation

MSSL MAURITIUS HOLDINGS LTD (the 'Company') is a private company with limited liability incorporated on 10 July 2001 and domiciled in Mauritius. The registered address of the Company is c/o Abax Corporate Services Ltd, 6th Floor, Tower A, 1, CyberCity, Ebène, Mauritius. The Company holds a Category 1 Global Business Licence under the Financial Services Act 2007 and is regulated by Financial Services Commission.

Activities

The principal activity of the Company is to hold investments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritian Companies Act 2001 for companies holding a Category 1 Global Business License ("IFRS as modified by the Mauritius Companies Act 2001"). These financial statements have been prepared under the historical cost convention. All values are rounded to the nearest Euro, except when otherwise indicated.

The preparation of the financial statements in conformity with IFRS as modified by the Mauritius Companies Act 2001 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

2.2 Consolidated financial statements

The Company holds investments in joint ventures and subsidiaries as disclosed in Notes 7 and 9 to the financial statements. The investments in joint ventures and subsidiaries are accounted for at cost and the Company has not consolidated the results of subsidiaries and joint ventures. The Company has taken advantage of the exemption provided by the Mauritian Companies Act 2001 allowing a wholly owned or virtually owned parent company holding a Category 1 Global Business License not to present consolidated financial statement.

2.3 Investment in Subsidiaries & Joint Ventures

Subsidiaries are those entities in which the entity has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Company controls another entity.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in subsidiaries & joint ventures in these financial statements are initially recognised at cost (which includes transaction costs).

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Investment in Subsidiaries & Joint Ventures (Continued)

Where an indication of impairments exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognized as an expense in the income Details of the Company's subsidiaries are given in Note 7 & 9

2.4 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of receivable from related party that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash at bank and loans to related parties, which are classified as financial assets at amortised cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets (Continued)

Financial assets at amortised cost (debt instruments) (Continued)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all trade receivables with third parties. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Company expects to receive.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company applies a simplified approach in calculating ECLs for all its receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on ECLs at each reporting period date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include accruals.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

<u>Loans and borrowings</u>

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Foreign currency translation

- Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash at bank.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Share capital

The Company has two classes of shares, being ordinary shares and redeemable preference shares. Par value of each class of share outstanding is EUR 1 and both are classified as equity. No redeemable preference shares have been issued to date.

2.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.9 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period in the countries where the Company's subsidiaries and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

2.10 Income recognition

Interest income is recognised using the effective interest method.

Dividend income is recognised when the shareholder's right to receive payment is established.

Dividend and interest income are shown gross of withholding taxes.

New and amended standards and interpretations

The Company applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The standards, amendments and interpretations that are issued and effective are disclosed below, except for those standards which, in the opinion of the directors, will not impact the financial statements of the Company.

Amendments	Effective for accounting period beginning on or after
Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform	1 January 2020
Amendments to IAS I and IAS 8 Definition of Material	1 January 2020
Conceptual Framework for Financial Reporting	1 January 2020

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New and amended standards and interpretations (Continued)

Amendments to IFRS 7, IFRS 9 and IAS 39: Interest rate benchmark reform

The amendments to IFRS 9 and IAS 39: Financial instruments: Recognition and measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8: Definition of material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments have and is not expected to have any impact on the financial statements of the Company.

Conceptual framework for financial reporting issued on 29 March 2018

The conceptual framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the conceptual framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the conceptual framework. The revised conceptual framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

These amendments have and are not expected to have any impact on the financial statements of the Company.

New or revised standards and interpretations issued but not effective

The new and amended standards and interpretations that are issued, but not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

	Effective for accounting period beginning on or after
Reference to the conceptual framework - Amendments to IFRS 3	1 January 2022
Onerous contracts - Costs of fulfilling a contract- Amendments to IAS 37	1 January 2022
IFRS 9: Financial instruments - Fees in the '10 per cent' test for derecognition of financial liabilities	1 January 2022
Amendments to IAS 1: Classification of liabilities as current or non-current	1 January 2023
IFRS 17 Insurance Contracts	1 January 2023

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New or revised standards and interpretations issued but not effective (Continued)

IFRS 17: Insurance contracts

In May 2017, the IASB issued IFRS 17: Insurance contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4: Insurance contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach) A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

The Company currently has no insurance contracts and hence the standard has no impact on the financial statements for the year under review. It will however apply the amendments to any insurance contracts entered in the future.

Amendments to IAS 1: Classification of liabilities as current or non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS I to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

The Company currently has no loan liability agreements and will apply these amendments to any future loan liability contracts.

Reference to the conceptual framework - Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3: Business combinations - Reference to the conceptual framework. The amendments are intended to replace a reference to the framework for the preparation and presentation of financial statements, issued in 1989, with a reference to the conceptual framework for financial reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 2] Levies, if incurred separately.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New or revised standards and interpretations issued but not effective (Continued)

Reference to the conceptual framework - Amendments to IFRS 3 (Continued)

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the framework for the preparation and presentation of financial statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and will be applied apply prospectively.

Onerous contracts - Costs of fulfilling a contract - Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

IFRS 9: Financial instruments - Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

3.1 Impairment of investments

The Company tests annually whether investments in joint ventures and subsidiaries have suffered any impairment. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. The Company follows the guidance of IAS 36 to determine when investment in joint ventures and subsidiaries are impaired. IAS 36 requires impairment of an asset when its carrying amount exceeds its recoverable amount. In making this judgement, the Company evaluates and determines the recoverable amount of the interests in joint ventures and subsidiaries in accordance with IAS 36. In determining value in use, the Company estimates future cash flows from the asset on the basis of continuing use of the asset and its ultimate disposal by the joint ventures and subsidiaries.

3.2 Going concern

The company's management has made an assessment on the company's going concern and it is satisfied that the company has resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the company's ability as a going concern. Further information is provided in note 18.

3.3 Determination of significant increase in credit risk on other receivables

Credit risk arises from cash and cash equivalents and other receivables only. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. The credit risk on the bank balance has no material impact on financial statement. Other receivables represents balances recoverable from group companies, accordingly no credit risk arises on these balance.

3.4 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The significant transactions of the Company are in Euros. Hence, the Board of directors considers the Euro ("EUR") as their functional currency. The financial statements are presented in EUR.

3.5 Impairment of other receivables (ECL)

The company has analysed the loans and advances. In addition, the application of the ECL mode under IFRS 9 has not significantly changed the carrying amounts of the Company's amortised cost financial instruments.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

The company has below financial assets & financial liabilities:-

Financial assets	31-Mar-21	31-Mar-20
	EUR	EUR
Other receivables (Note 10)	421,478,906	40,551,818
Cash and cash equivalents (Note 11)	4,039,018	936,948
	425,517,924	41,488,766

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

3.5 Impairment of other receivables (ECL) (continued)

	31-Mar-21	31-Mar-20
	EUR	EUR
Financial liabilities		
Borrowings (Note 13)	271,855,100	-
Other payables (Note 14)	4,027,732	105,673
	275,882,832	105,673

Other receivables exclude prepayments amounting to EUR 533 (2020: EUR 582).

4 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks; market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company's overall risk management program focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors.

(i) Market risk

Foreign exchange risk

The reporting currency of the Company is Euro and the Company has given loans denominated in ZAR and USD and has taken a loan denominated in USD for which it is exposed to foreign exchange risk.

Currency risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign companies. As a result, it is subject to foreign currency exchange risk arising from exchange rate movements.

There were no hedging transactions in place as at 31 March 2021.

Currency	Financial assets		Financial liabilities	
	2021	2020	2021	2020
	EUR	EUR	EUR	EUR
EUR	313,939,159	31,981,340	178,112,198	-
USD	100,686,536	610,867	97,770,634	103,639
ZAR	10,892,229	8,896,559	-	-
	425,517,924	41,488,766	275,882,832	103,639

Financial assets exclude prepayments amounting to EUR 533 (2020: EUR 582)

As at 31 March 2021, if the ZAR had strengthened / weakened by 15% against EUR with all other variables held constant, pre-tax profit for the year would have been higher/lower by EUR 1,494,336 (2020 – EUR 1,294,991)and if the USD had strengthened / weakened by 5% against EUR with all other variables held constant, pre-tax profit for the year would have been lower/higher by EUR 24,428 (2020 - EUR 19,562).

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Market risk (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk is limited to its bank balance, loan given and loan received. Interest thereon is based on market interest rates.

As at 31 March 2021, if the interest rates on ZAR denominated advances had been higher/lower by 100 basis points with all other variables held constant, pre-tax profit and equity for the year would have been higher/lower by EUR 125,211 (2020 - EUR 179,360), if the interest rates on USD denominated loans had been higher/lower by 100 basis points with all other variables held constant, pre-tax profit and equity for the year would be lower/higher by EUR 24,392 (2020 - EUR 29,608) and if the interest rates on EUR denominated advances had been higher/lower by 100 basis points with all other variables held constant, pre-tax profit and equity for the year would be higher/ lower by EUR 770,643 (2020- EUR 302,281).

(ii) Credit risk

Credit risk arises from cash and cash equivalents and other receivables only. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. The credit risk on the bank balance is not considered material. Other receivables represents balances recoverable from group companies, accordingly no credit risk arises on these balance.

The risk of financial loss due to counterparty`s failure to honour its obligations arise principally in relation to transactions where the Company provides funding to its subsidiaries.

The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the statement of financial position.

(iii) Liquidity risk

The Company is in a net current assets position as of 31 March 2021 and faces no liquidity risk.

All financial liabilities are repayable on demand.

(iv) Fair values

The fair value of the Company's financial assets and liabilities at 31 March 2021 approximated their net book amounts as reflected in the financial statements.

(v) Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

5. GENERAL AND ADMINISTRATIVE EXPENSES

	31 March 2021	31 March 2020
	EUR	EUR
Legal & professional fees	48,006	62,006
Audit fee	5,435	5,572
Rent expense	1,821	3,846
Miscellaneous expense	3,685	2,214
Corporate guarantee commission	-	70,225
	58,947	143,863

6. FINANCE INCOME/EXPENSE

	31 March 2021	31 March 2020
	EUR	EUR
Finance income:		
Exchange gain on bank balance	55,820	539,020
Bank interest	129	1,513
Exchange (loss)/ gain on Interest income	240,416	-
Exchange (loss)/ gain on Loan balance to related parties	1,038,323	-
Exchange (loss)/ gain on Loan balance from related parties	79,100	-
Exchange (loss)/ gain on other payables	1,535	-
Gain on Swap settlement	-	370,202
Interest on loan to related party (Note 16)	8,514,857	2,697,299
	9,930,180	3,608,034
Finance expense:		
Exchange loss on loan from related party	-	(1,548,280)
Interest on bank loan	-	(50,409)
Interest on loan from related party (Note 16)	(3,966,106)	-
Exchange loss on bank balances	-	-
Exchange (loss)/ gain on Interest expense from related parties	(26,378)	-
Exchange loss on interest income	-	(229,698)
Exchange loss on interest expense	-	(370,202)
	(3,992,484)	(2,198,589)

7. INVESTMENTS IN JOINT VENTURES

	Equity 31-Mar-21	Equity 31-Mar-20
	EUR	EUR
At beginning of year		
Gross Investment at Cost	16,426,385	16,426,385
Less: Impairment Provision	-	-
Balance as at year end	16,426,385	16,426,385

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

The investments in joint ventures consist of:

Name of the entity	Country of incorporation	Holding %	Investment value as on 31.03.2021 (at cost)	Investment value as on 31.03.2020 (at costs)
Samvardhana Motherson Global Holdings Ltd.	Cyprus	51%	16,426,380	16,426,380
Vacuform 2000 (Pty) Ltd	South Africa	51%	5	5
			16,426,385	16,426,385

(i) Samvardhana Motherson Global Holdings Limited (SMGHL)

The Company holds 51% (2020: 51%) in Samvardhana Motherson Global Holdings Limited (SMGHL) incorporated in Cyprus, a joint venture between the Company and Samvardhana Motherson Holding (M) Private Limited. The Company had invested EUR 14,605,380 in the joint venture and held 1,020,000 ordinary shares of EUR 1 each at a premium of EUR 13.319 each. The Company received 1,197 ordinary shares of EUR 1 each at a premium of EUR 1,499 each upon conversion of loan of EUR 1,795,500 into equity by the joint venture company during financial year 2015-16. During the year ended 31 March 2018, the Company invested Euro 25,500 in Samvardhana Motherson Global Holdings Limited (SMGHL) by way of 17 equity shares of Euro 1 each at a premium of EUR 1,499 per share. As at 31 March 2021 the Company held 1,021,214 (2020: 1,021,214) ordinary shares of Euro 1 and 5,100 (2020: 5,100) preference shares of Euro 1 each. The company has invested a total of Euro 16,426,380 (2020: Euro 16,426,380).

(ii) Vacuform 2000 (Pty) Ltd

The Company holds 51% (2020: 51%) in Vacuform 2000 (Pty) Ltd, incorporated in Republic of South Africa. The Company is engaged in the business of manufacturing vacuum-forming and blow moulding components majorly for the automotive industry and has its manufacturing location at Rosslyn, Pretoria, Republic of South Africa.

The Company has invested ZAR 51 equivalent to Euro 5 in the joint venture and holds 51 shares of ZAR 1 each.

The directors have reviewed the carrying amounts of the above investments and the financial position of the investee companies at 31 March 2021 and are of the opinion that no impairment is required, except for Global Environment Management (FZC) which has already been fully impaired in previous years.

8. INCOME TAX

The Company is subject to income tax in Mauritius on its net income, as adjusted for tax purposes at 15%. It is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritius tax payable on its foreign source income. There is no capital gains tax in Mauritius.

The foregoing is based on current interpretation and practice and is subject to any future changes in Mauritian laws:

	31-Mar-21	31-Mar-20
Income tax liability/(asset) :	EUR	EUR
At beginning of year	-	-
Tax refund received	-	-
Charge for the year	-	360,000
Amount paid during the year	-	(360,000)
At end of year	-	-

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

8. INCOME TAX (CONTINUED)

Reconciliation between the actual tax and the applicable income tax is as follows:

	31-Mar-21	31-Mar-20
	EUR	EUR
Profit before income tax	8,251,950	8,465,582
Tax calculated at 15%	1,237,792	1,269,837
Expenses not deductible for tax purposes	191,186	952,546
Income not subject to tax	(209,180)	(162,171)
Foreign tax credit	(1,219,798)	(2,060,212)
Withholding tax paid	-	360,000
Total income tax charge	-	360,000

9. INVESTMENTS IN SUBSIDIARIES

Company	31 March 2021	31 March 2020
Unquoted, at cost:	EUR	EUR
Balance as at year end	8,779,969	8,779,969

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Face value	Number of shares	Equity interest	Cost EUR 2021	Cost EUR 2020
MSSL Global RSA Module Engineering Limited	Republic of South Africa	1 ZAR	60,000,000	100%	6,822,336	6,822,336
MSSL Australia Pty Ltd (Preference Shares: 8,000 Equity Shares: 2,792,000)	Australia	1 AUD	2,800,000	80%	1,957,633	1,957,633
Global Environment Management (FZC)	UAE	1 AED	75,100	100%	-	-
		1 AUD	6,041,542	100%	-	-
					8,779,969	8,779,969

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(i) MSSL Global RSA Module Engineering Limited (Formerly Golden Dividend 629 Limited): Its principal activity is the manufacturing of automobile components.

(ii) MSSL Australia Pty Ltd – The Company is a holding company and act as a corporate office providing support to the Australian group entities.

In 2017, the Company purchased the 2,792,000 Equity shares of AUD 1 and 8,000 Preference shares of AUD 1 for a consideration of EUR 1,957,633.

(iii) Global Environment Management (FZC)-

The Company holds 100% (2020: 100%) of shares denominated in AED and 100% (2020: 100%) of shares denominated in AUD equivalent to amounts of AED 75,100 and AUD 6,041,542 (aggregating to EUR 1,968,731) in Global Environment Management (FZC).

Global Environment Management (FZC) is engaged in the trading of Aerobin home composting and on site household and garden waste containment systems. The Company, pursuant to the HOA has been assigned the Intellectual property i.e. the patents, trademark registrations and applications, designs and design applications and patents and patent applications relating to the above products by EC.

Further, Global Environment Management (FZC) owns 100% shares in Global Environment Management Australia Pty Ltd, registered as a proprietary company limited by shares under the Corporations Act, 2001 in Victoria, Australia on January 16, 2007. The Company is engaged in the marketing of Aerobin home composting and on site household and garden waste containment systems.

The investment held in Global Environment Management (FZC) has been fully impaired. Also the company has given advance against equity amounting Euro 1431,166 to Global Environment Management (FZC), which was also impaired in company's books in previous periods

The directors have reviewed the carrying amounts of the above investments and the financial position of the subsidiaries at 31 March 2021 and are of the opinion that the investments in subsidiaries should not be impaired.

10. OTHER RECEIVABLES

	31 March 2021	31 March 2020
	EUR	EUR
Loan to related parties (Note 16)	409,264,322	36,291,701
Interest from related parties (Note 16)	12,214,241	4,059,773
Other receivables from related parties (Note 16)	-	200,000
Security deposit	343	343
Prepaid expenses	533	583
	421,479,439	40,552,400
Non-current portion	409,264,322	24,800,000
Current portion	12,215,117	15,752,400
	421,479,439	40,552,400

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

10. OTHER RECEIVABLES (CONTINUED)

I. The Company has given loans totalling ZAR 120,750,000 (equivalent to EUR 6,967,275) ((2020: ZAR 120,750,000 (equivalent to EUR 6,037,500)) to MSSL Global RSA Module Engineering Limited, at an interest rate of 6 month JIBAR plus 250 basis points. Total interest income of ZAR 8,890,229 (equivalent to EUR 472,794 (2020: ZAR 15,207,129 (equivalent to EUR 882,514)) was booked during the year on the said loan.

II. The Company has given loans totalling ZAR 26,900,000 (equivalent to EUR 1,552,130) ((2020: ZAR 26,900,000 (equivalent to EUR 1,345,000)) to Vacuform 2000 Pty Limited, at an interest rate of Prime Lending Rate. Total interest income of ZAR 1,959,964 (equivalent to EUR 105,046) ((2020: ZAR 2,728,856 (equivalent to EUR 157,161)) was booked during the year on the said loan.

III. The Company has given loan of EUR 151,800,000 (2020: EUR 22,000,000) to Samvardhana Motherson Group Holdings Limited., at an interest rate of 6 month EURIBOR plus 250 basis points & 4.78 % as applicable. Total interest income of EUR 4,371,976 (2020: EUR 1,503,516) was booked during the year on the said loan.

IV. During the year the Company has also given loans totalling Euro 150,000,000 (2020: Nil) to Samvardhana Motherson Group Holdings Limited, at an interest rate of 2.19% p.a. Total interest income of Euro 1,742,875 (2020: Nil) was booked during the year on the said loan.

V. During the year the Company has given loans totalling USD 113,000,000 (equivalent to EUR 96,355,100) (2020: Nil) to Samvardhana Motherson Group Holdings Limited, at an interest rate of 2.92% p.a. Total interest income of USD 1,750,621 (equivalent to EUR 1,462,077) (2020: Nil) was booked during the year on the said loan.

VI. The Company has given loans totalling USD 340,000 (equivalent to EUR 289,918) ((2020: USD 340,000 (equivalent to EUR 309,400)) to Samvardhana Motherson Group Holdings Limited, at an interest rate of 6 month LIBOR plus 250 basis points. Total interest income of USD 11,130 (equivalent to EUR 9,530) ((2020: 162,684 (equivalent to EUR 146,221)) was booked during the year on the said loan.

VII. The Company has given loan of EUR 2,300,000 (2020: 6,600,000) to MSSL Mideast (FZE), at an interest rate of 4.78%. Total interest income of EUR 350,560 (2020: 7,887) was booked during the year on the said loan.

Expected Credit Loss assessment done by the company and as per management, no provision is required to be made for ECL.

11. CASH AND CASH EQUIVALENTS

	31 March 2021	31 March 2020
	EUR	EUR
Balances with bank	4,039,018	936,948

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

12. SHARE CAPITAL (Par Value of Euro 1 Each)

	31 March 2021		31 March 2020	
	Ordinary Share Capital		Ordinary Share Capital	
Issued and fully paid	Number	EUR	Number	EUR
At end of the year	37,820,080	37,820,080	37,820,080	37,820,080

13. Compulsorily Convertible Preference Shares

	31 March 2021		31 March 2020	
	Compulsorily convertible preference shares		Compulsorily convertible preference shares	
	Number	EUR	Number	EUR
Issued during the year	100	100,000,000	-	-
At end of the year	100	100,000,000	-	-

During the year the company received Euro 100,000,000 from its parent company Motherson Sumi Systems Limited as subscription to Compulsorily Convertible Preference Shares. Security subscription agreement was executed between the companies on 07th October 2020. According to the agreement the company issued to the subscriber 100 compulsorily convertible preference shares having face value of Euro 1,000,000 each. These preference shares will be converted into Equity shares at the end of 4 years and 9 months from the date of allotment of preference shares applying discount of 10% of fair value of equity shares on the date of conversion or such discount that ensures benefit of holding similar instruments with similar terms.

14. BORROWINGS

I. During the financial year 2020-21, the Company has taken loan from its parent company Motherson Sumi systems Limited as follows:-

I. The Company has received loan of Euro 25,500,000 (2020: Nil) from its parent company Motherson Sumi Systems Limited, at an interest rate of 4.25% p.a. Total interest expense of Euro 1,020,531 (2020: Nil) was booked during the year on the said loan. The loan is repayable by April 2022.

II. The Company has received loan of Euro 150,000,000 (2020: Nil) from its parent company Motherson Sumi Systems Limited, at an interest rate of 2% p.a. Total interest expense of Euro 1,591,667 (2020: Nil) was booked during the year on the said loan. The loan is repayable by September 2023.

III. The Company has received loan of USD 113,000,000 (equivalent to EUR 96,355,100)(2020: Nil) from its parent company Motherson Sumi Systems Limited, at an interest rate of 2.70% p.a. Total interest expense of USD 1,618,725 (equivalent to EUR 1,353,908) was booked during the year on the said loan. The loan is repayable by September 2023.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

15. OTHER PAYABLES

	31 March 2021	31 March 2020
	EUR	EUR
Accruals	34,610	105,036
TDS payable	637	637
Interest on loan from related parties (Note 16)	3,992,485	-
	4,027,732	105,673

16. RELATED PARTY TRANSACTIONS & BALANCES

The Company is wholly owned by Motherson Sumi Systems Limited, a company incorporated in India. During the year ended 31 March 2021, the Company transacted with related entities. The nature, volume of transactions and balances with the related parties are as follows:

March 2020	Parent	Joint Venture companies	Subsidiaries	Other related parties
	EUR	EUR	EUR	EUR
Interest income (Note 6)		1,806,897	882,515	7,887
Loan receivable (Note 10)		23,654,400	6,037,301	6,600,000
Interest income receivable (Note 10)		3,799,030	252,856	7,887
Interest received		145,536	1,024,119	-
Dividend income		-	7,200,000	-
Loan given during the year		6,440,000	-	6,600,000
Loan received back		22,670,000	2,391,420	
Other receivables		-	-	200,000

March 2021	Parent	Joint Venture	Subsidiaries	Other related parties
	EUR	EUR	EUR	EUR
Interest income (Note 6)		7,691,503	472,794	350,560
Loan receivable (Note 10)		399,997,147	6,967,275	2,300,000
Interest income receivable (Note 10)		11,677,872	178,022	358,447
Interest received		-	600,707	-
Dividend income		2,373,201	-	-
Loan given during the year		376,234,200	-	13,200,000
Loan received back				17,500,000
Compulsorily convertible Preference Shares	100,000,000			
Loan taken during the year	271,934,200			
Interest expenses	3,966,106			
Loan payable	271,855,100			
Interest payable	3,992,485			

The total remuneration of the directors for the year ended 31 March 2021 was EUR 1,981 (2020 - EUR 1,981).

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

17. PARENT AND ULTIMATE CONTROLLING PARTY

The directors consider Motherson Sumi Systems Limited, a company incorporated in India as the Company's parent and ultimate controlling party. Motherson Sumi Systems Limited is also listed on the Bombay, Delhi and Ahmedabad stock exchanges.

18. ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19 (COVID-19):

The company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil performance obligations under the loan arrangements with borrowers;(ii) disinvestment by the company in its subsidiaries or Joint Ventures; (iii) impairment of loans given.

The company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, investments, loans given etc. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

19. SUBSEQUENT EVENTS

There is no reportable subsequent event occurred after 31 March 2021.