

**SMRC Automotive Holdings B.V.**

**Amsterdam**

**Annual report 2020/2021**

SMRC Automotive Holdings Netherlands B.V.  
Hoogoorddreef 15  
1101 BA Amsterdam  
The Netherlands

Registered with the Dutch trade register under file number 60418230

## Annual report 2020/2021

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## **1. FINANCIAL STATEMENTS**

**1.1 Balance sheet as at 31 March 2021**  
(Before result appropriation)

		31 March 2021		31 March 2020	
ASSETS		USD	USD	USD	USD
Fixed Assets					
Financial fixed assets	[1]				
Investment in participations		<u>504,386</u>	504,386	<u>504,386</u>	504,386
Current assets					
Trade and other receivables	[2]				
Trade debtors		-		10,142	
Loan to related parties		11,607,241		11,390,991	
Receivables from shareholders		<u>-</u>	11,607,241	<u>1,106</u>	11,402,239
Cash and cash equivalents	[3]		101,014		133,740
Total Assets			<u>12,212,642</u>		<u>12,040,365</u>

**1.1 Balance sheet as at 31 March 2021**  
 (Before result appropriation)

EQUITY AND LIABILITIES		31 March 2021		31 March 2020	
		USD	USD	USD	USD
<b>Shareholders' equity</b>	[4]				
Issued share capital		410		410	
Share premium		4,053,569		4,053,569	
Other reserves		7,292,844		9,213,165	
Undistributed result		<u>53,813</u>		<u>(1,920,321)</u>	
			11,400,637		11,346,823
<b>Current liabilities</b>	[5]				
Other Payables		643,731		643,731	
Trade creditors		17,113		-	
Debts to group companies		79,385		13,084	
Taxes		<u>71,776</u>		<u>36,727</u>	
			812,006		693,542
<b>Total equity and liabilities</b>			<u>12,212,642</u>		<u>12,040,365</u>

1.2 Profit and loss account 2020/2021

		2020/2021		2019/2020	
		USD	USD	USD	USD
Dividend income	[6]	-		-	
Other (expenses) income		(1,106)		(2,257,218)	
			(1,106)		(2,257,218)
<b>Gross operating result</b>			(1,106)		(2,257,218)
General expenses	[7]	48,081		33,991	
Total operating expenses			48,081		33,991
<b>Operating result</b>			(49,187)		(2,291,209)
<b>Financial income and expenses</b>					
Interest income and similar revenues	[8]	393,039		709,624	
Interest expense and similar charges	[9]	(195,380)		(338,292)	
<b>Financial result</b>			197,658		371,332
<b>Other income and expenses</b>					
Result on ordinary activities before taxation			148,471		(1,919,877)
Taxation	[10]		(94,658)		(444)
<b>Net result</b>			53,813		(1,920,321)

## **1.3 Notes to the financial statements**

### **General**

SMRC Automotive Holdings B.V. (the "Company") previously referred to as Reydel Automotive Holding B.V. is a private company with limited liability, incorporated in Amsterdam, the Netherlands under Dutch law on 4 April, 2014. The Company has its registered offices at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands and is registered with the Dutch Chamber of Commerce under file number 60418230.

### **Activities**

The principal business objective of the Company is to act as holding and finance company.

### **Staff members**

During the financial year 2020/2021 an average of nil employees have been in service on the basis of a fulltime employment. In the financial year 2019/2020 this average was nil.

### **Group structure**

The Company is part of the SMRC Automotive Group, a privately held portfolio company of Motherson Group. Motherson Sumi Systems Limited (MSSL) acquired the SMRC Automotive Group through Samvardhana Motherson Automotive System Group B.V. (SMRPBV) on 2 August 2018.

### **Comparison with previous year**

The principles of valuation and determination of the result remained unchanged in comparison with the previous year. The 2020/2021 financial year begins at 1 April 2020 and ends at 31 March 2021.

### **Consolidation**

Consolidated financial statements are not presented as the Company has availed itself of the exemption provisions of article 2:408 paragraph 1 of the Dutch Civil Code. Accordingly, the consolidated financial statements of Samvardhana Motherson Automotive System Group B.V. (SMRPBV) for the year 2020/2021, which include the financial data of the Company and its directly or indirectly controlled subsidiaries, will be filed with the Chamber of Commerce in Amsterdam.

### **Related-party transactions**

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party.

Also, entities which can control the Company are considered a related party. In addition, statutory directors, other key management of the Company [or the ultimate parent company] and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as these are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

### **Estimates**

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under article 2:362 of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

### 1.3 Notes to the financial statements

#### PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

##### General

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code. The functional currency of the Company is USD.

The Company qualifies as a small sized entity. Therefore, based on article 396 Book 2 of the Netherlands Civil Code, exemptions apply to the figures, presentation and disclosures in the Company's financial statements.

##### Translation of foreign currencies

Transactions in currencies other than the Company's reporting currency, are accounted for at the exchange rates prevailing at the date of the transactions. Assets and liabilities denominated in currencies other than the Company's reporting currency are translated at year-end exchange rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in other currencies, are recognized in the profit and loss account. Non-monetary balance sheet items, which are valued at cost and resulting from transactions in foreign currencies, are translated at the rate prevailing on the date of the transaction.

Year-end exchange rates equivalent of USD 1:

	March 31, 2021	March 31, 2020
EUR	0.85266	0.9067

##### Financial fixed assets

###### *Investment in participations*

The Company applies article 2:408 of the Dutch Civil Code and makes use of the option to value its investments at cost.

Subsidiaries or investments in associates are minimally stated at zero unless the Company is fully or partially liable for the debts of the subsidiary or associate, or has the firm intention to pay these debts. In that case a provision is formed.

If the value of an investment stated at cost is lower than its cost price, this valuation is adjusted accordingly, provided that the management considers this to be a permanent diminution in value.



## **1.3 Notes to the financial statements**

### **Impairment of financial assets**

A financial asset that is not stated at (1) fair value with value changes reflected in the profit and loss account, or at (2) amortized cost or lower market value, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, indications that a debtor or issuer is approaching bankruptcy, or the disappearance of an active market for a security.

The entity considers evidence of impairment for financial assets measured at amortized cost (loan and receivables and financial assets that are held to maturity) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those individually significant assets found not to be specifically impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

### **Receivables**

Receivables are recognized initially at fair value and subsequently measured at amortized cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognized using the effective interest method. Losses resulting from a receivable which is considered impaired or uncollectible, are recognized in the profit and loss account and reflected in an allowance account against loans and receivables.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

### **Shareholders' equity**

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

### *Share premium*

The share premium concerns the income from the issuing of shares insofar as this exceeds the nominal value of the shares (income above par).

### **1.3 Notes to the financial statements**

#### **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

##### **General**

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Profit or loss is determined as the difference between the realizable value of the goods delivered and services rendered, and the costs and other charges for the year. Revenues on transactions are recognized in the year in which they are realized. Costs are determined on a historical basis and are attributed to the reporting year to which they are related to.

##### **Net turnover**

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing involvement with the goods.

Rental income from investment property is recognized in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives granted to encourage lessees to enter into rental agreements are recognized as an integral part of total rental income, over the term of the lease.

##### **Financial income and expenses**

Interest paid and received is recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognizing interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

##### **Share in result of participating interests**

For participations valued at cost, the associated dividend income is accounted for in the profit and loss as dividend income.

##### **Taxation**

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

If the carrying values of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences. A provision for deferred tax liabilities is recognized for taxable temporary differences. For deductible temporary differences, unused loss carry forwards and unused tax credits, a deferred tax asset is recognized, but only in so far as it is probable that taxable profits will be available in the future for offset or compensation.

For taxable temporary differences related to group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is recognized when the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

## 1.4 Notes to the balance sheet

### ASSETS

#### FIXED ASSETS

##### Financial fixed assets [1]

##### Investment in participations

The participations in group companies for the financial year ending 31st of March 2021 have been divided as follows:

Name	Statutory place of business	Share in capital	Equity in accordance with last financial statements	Result in accordance with last financial statements
		%	USD	USD
SMRC Automotive Holdings Netherlands B.V.	Amsterdam	100.00	81,942,184	(3,139,772)

	31 March 2021	31 March 2020
	USD	USD
Investment in participations		
SMRC Automotive Holdings Netherlands B.V.	504,386	504,386

	2020/2021	2019/2020
	USD	USD
SMRC Automotive Holdings Netherlands B.V.		
Opening balance	504,386	504,386
Increase in participations	-	-
Closing balance	504,386	504,386

	31 March 2021	31 March 2020
	USD	USD

#### CURRENT ASSETS

##### Trade and other receivables [2]

##### Trade debtors

Trade debtors	-	10,142
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# 1.4 Notes to the balance sheet

	31 March 2021	31 March 2020
	USD	USD
<b>Loan to related parties</b>		
SMRC Automotive Holding South America B.V.	-	9,055,857
SMRC Automotive Holdings Netherlands B.V.	11,607,241	2,335,134
	<u>11,607,241</u>	<u>11,390,991</u>

	2020/2021	2019/2020
	USD	USD
<i>SMRC Automotive Holding South America B.V.</i>		
Opening balance	9,055,857	9,259,208
Repayment	(9,377,727)	(600,000)
	(321,871)	8,659,208
Interest	321,871	396,649
Closing balance	<u>-</u>	<u>9,055,857</u>

The loan to SMRC Automotive Holding South America B.V. has been fully settled in the year 2021.

	2020/2021	2019/2020
	USD	USD
<i>SMRC Automotive Holdings Netherlands B.V.</i>		
Opening balance	2,335,134	2,333,372
Additions	9,360,488	-
Exchange difference	(155,282)	-
	11,540,340	2,333,372
Interest	66,901	1,762
Closing balance	<u>11,607,241</u>	<u>2,335,134</u>

The loan has a maturity date of February 28th, 2023 and an interest rate of EURIBOR 1 month + 1.80%. Interest will be calculated on the basis of actual days elapsed and a 360 days year.

#### 1.4 Notes to the balance sheet

	31 March 2021	31 March 2020
	USD	USD
<b>Receivables from shareholders</b>		
Receivables from shareholders	-	1,106
	2020/2021	2019/2020
	USD	USD
<i>Receivables from shareholders</i>		
Opening balance	1,106	1,106
Repayment	(1,106)	-
Closing balance	-	1,106
	31 March 2021	31 March 2020
	USD	USD
<b>Cash and cash equivalents [3]</b>		
Current account bank	101,014	133,740

The balance of the cash and cash equivalents is available to the Company without any restrictions.

## 1.4 Notes to the balance sheet

### EQUITY AND LIABILITIES

#### SHAREHOLDERS' EQUITY [4]

	2020/2021	2019/2020
	USD	USD
<b>Issued share capital</b>		
Closing balance	410	410

The authorized, issued and paid up share capital amounts to USD 410.49, divided into 1,050 ordinary shares, 35,000 class A shares and 4,999 class B shares of USD 0.01 each.

	2020/2021	2019/2020
	USD	USD
<b>Share premium</b>		
Closing balance	4,053,569	4,053,569

<b>Other reserves</b>		
Opening balance	9,213,165	(52,831,877)
Result prior period	(1,920,321)	62,045,042
Dividend distribution	-	-
Closing balance	7,292,844	9,213,165

<b>Undistributed result</b>		
Opening balance	(1,920,321)	62,045,042
Result current period/year	53,813	(1,920,321)
Appropriation result prior year	1,920,321	(62,045,042)
Closing balance	53,813	(1,920,321)

#### Proposed appropriation of result for the financial year ending 31 March 2021

The result for the financial year 2020/2021 in the amount of USD 53,813 is proposed to be added to the reserves.

## 1.4 Notes to the balance sheet

	31 March 2021	31 March 2020
	USD	USD
<b>CURRENT LIABILITIES [5]</b>		
<b>Other payables</b>		
Debt to Visteon Corporation	643,731	643,731
	643,731	643,731
	31 March 2021	31 March 2020
	USD	USD
<b>Debts to group companies</b>		
SMRC Automotive Holdings Netherlands B.V.	79,385	13,084
	79,385	13,084
<i>SMRC Automotive Holdings Netherlands B.V.</i>		
Opening balance	13,084	13,306
Movement during year	66,301	(222)
Closing balance	79,385	13,084

This is a current account payable for local expenses on behalf of the company. This current account bears no interest.

	31 March 2021	31 March 2020
	USD	USD
<b>Taxes</b>		
CIT payable	79,006	43,950
Value added tax	(7,230)	(7,223)
	71,776	36,727

## Off balance sheet assets and liabilities

### Conditional obligations and important financial obligations

For the year ended 31 March 2021, the Company has no off balance sheet events.

## 1.5 Notes to the profit and loss account

	2020/2021 USD	2019/2020 USD
<b>Gross operating result [6]</b>		
Dividend income	-	-
	-	-
Other income (expense)	(1,106)	(2,257,218)
	(1,106)	(2,257,218)

Transactions in 2019/20 were due to reimbursements to Visteon Corporation.

	2020/2021 USD	2019/2020 USD
<b>General expenses [7]</b>		
Administrative charges	47,122	33,171
Bank charges	959	820
	48,081	33,991

### Financial income and expenses

#### Interest income and similar revenues [8]

Interest from SMRC Automotive Holding South America B.V.	325,191	396,649
Interest from Samvardhana Motherson Automotive Systems Group B.V.	-	293,030
Interest from Samvardhana Motherson Automotive Systems Group B.V.	-	11,317
Interest from SMRC Automotive Holding Netherlands B.V.	65,855	1,762
Other interest (expenses)/income	1,993	6,866
	393,039	709,624

#### Interest expenses and similar charges [9]

Interest to SMRC Modules France SAS	-	273,607
Tax interest	-	-
Exchange gains and losses	195,380	64,685
	195,380	338,292



## 1.5 Notes to the profit and loss account

	2020/2021 USD	2019/2020 USD
<b>Taxation [10]</b>		
Corporate income tax current year	23,949	444
Corporate income tax previous years	70,709	
	<u>94,658</u>	<u>444</u>

### Subsequent events

The financial impact of the Coronavirus (COVID-19) on the company has been assessed at the date of authorization of the financial statements. Given the size of the company, nature of activities and realization of assets and liabilities there is a limited (immaterial) expected impact on the financial statements and quantifying this is impracticable.

With the exception of these events and considerations, no other post balance sheet events affecting the financial statements or related disclosures have occurred to date.

Amsterdam, ..... May 2021  
The Board of Directors

  
A. Heuser

A. Bhakri

J.M. Buit

R.M.T. de Cuba

Amsterdam, ..... May 2021  
The Supervisory Board



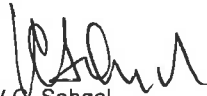
G.N. Gauba

K. Malani



B. Dhar

C. Zawadzinski



V.C. Sehgal

L.V. Sehgal