

SMRC Smart Interior Systems Germany GmbH
Financial Statements
2020-21

SMRC Smart Interior Systems Germany GmbH
Balance sheet

		(All amounts in EUR)	
	Notes	As At March 31, 2021	As At March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	40 725	53 275
Capital work-in-progress		-	-
Investment property	5	-	-
Goodwill	4	-	-
Other intangible assets	4	-	-
Intangible assets under development		-	-
Financial assets			
i. Investments	6	-	-
ii. Loans	7	5 611 100	-
iii. Trade receivables	10	-	-
iv. Other financial assets	12	-	-
Deferred tax assets (net)	8	156 813	181 502
Non-current tax assets (net)		-	-
Total non-current assets		5 808 638	234 777
Current assets			
Inventories	9	-	-
Financial assets			
i. Investments	6	-	-
ii. Trade receivables	10	1 315 430	1 817 253
iii. Cash and cash equivalents	11	419 813	1 386 621
iv. Bank balances other than (iii) above		-	-
v. Loans	7	-	6 009 000
vi. Other financial assets	12	-	-
Other current assets	13	122 431	51 886
Total current assets		1 857 674	9 264 760
Total assets		7 666 311	9 499 538
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	-	-
Share application money pending for allotments		-	-
Other equity			
Reserves and surplus	15	2 495 944	2 381 148
Other reserves	16	-	-
Total equity		2 495 944	2 381 148
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	17	-	-
ii. Other financial liabilities	19	-	-
Provisions	20	-	-
Employee benefit obligations	21	-	-
Deferred tax liabilities (net)	8	-	-
Other non-current liabilities	22	1 279 772	390 321
Total non-current liabilities		1 279 772	390 321
Current liabilities			
Financial Liabilities			
i. Borrowings	17	-	-
ii. Trade payables	18	1 454 306	3 917 854
iii. Other financial liabilities	19	-	-
Provisions	20	2 084 921	2 459 862
Employee benefit obligations	21	306 082	285 189
Other current liabilities	22	45 287	65 164
Non-Current tax liabilities (net)		-	-
Total current liabilities		3 890 595	6 728 069
Total liabilities		5 170 367	7 118 391
Total equity and liabilities		7 666 311	9 499 538

Summary of significant accounting policies

2

This is the Balance Sheet referred to in our report of even date

The above balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

SMRC Smart Interior Systems Germany GmbH
Statement of profit and loss

		(All amounts in EUR)	
	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue			
Revenue from contract with customers	23	6 102 614	13 949 015
Other operating revenue	24	169 431	184 429
Total revenue from operations		6 272 044	14 133 444
Other income	25	-	-
Total income		6 272 044	14 133 444
Expenses			
Cost of materials consumed	26	1 833 848	8 401 900
Change in inventories of finished goods, work-in-progress and stock in trade	27	-	-
Employee benefit expense	28	3 586 123	4 534 489
Depreciation and amortisation expense		20 180	241 646
Finance costs	29	(81 143)	(29 876)
Other expenses	30	728 202	989 505
Total expenses		6 087 210	14 137 664
Profit before tax		184 835	(4 220)
Tax expenses			
Current tax	31	45 349	44 454
Deferred tax expense/ (credit)	31	24 690	(55 502)
Total tax expense		70 039	(11 048)
Profit for the year		114 796	6 828
Other comprehensive income			
Items to be reclassified to profit or loss			
Deferred gain / (losses) on cash flow hedges (net of tax)		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		114 796	6 828
Summary of significant accounting policies	2		

This is the statement of Profit and Loss referred to in our report of even date

The above statement of profit and loss should be read in conjunction with the accompanying notes

For and on behalf of the Board

SMRC Smart Interior Systems Germany GmbH
Statement of changes in equity

		(All amounts in EUR)	
		Notes	Amount
A. Share application money pending allotment			
As at April 01, 2019			-
As at March 31, 2020			-
Less: Amount refunded to share holder of the company			-
As at March 31, 2021			-
<hr/>			
B. Other equity		Notes	Reserves and Surplus
			Retained Earnings
			OCI
			Cash flow hedging reserve
			Total attributable to Owners
Balance as at April 01, 2020			349 319
Profit for the year			-
Other comprehensive income			6 828
Total comprehensive income for the year			-
Balance at March 31, 2020			6 828
			-
			356 148
Profit for the year			-
Other comprehensive income			114 796
Total comprehensive income for the year			-
Balance at March 31, 2021			114 796
			470 944
			-

Summary of significant accounting policies

This is the statement of changes in equity referred to in our report of even date

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The above statement of changes in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board

SMRC Smart Interior Systems Germany GmbH
Consolidated Cash Flow Statement

	(All amounts in EUR)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities:		
Profit before tax	184 835	(4 220)
Adjustments for:		
Depreciation and amortisation expense	20 180	241 646
Finance cost	(81 143)	(29 876)
Provision for warranty	607 218	1 124 441
Provision for doubtful debt / advances	-	-
Income on reversal of provision	-	-
Unrealised foreign currency loss/(gain)	-	-
Operating profit before working capital changes	731 090	1 331 991
Changes in working capital:		
Increase/(decrease) in trade and other payables	(2 463 548)	3 305 864
Increase/(decrease) in other financial liabilities	869 573	525 460
(Increase)/decrease in trade receivables	(501 823)	(782 714)
(Increase)/decrease in inventories	-	-
(Increase)/decrease in other receivables	-	-
(Increase)/decrease in other financial assets	397 900	(6 009 000)
Cash generated from operations	(966 808)	(1 628 398)
Taxes (paid) / received	-	-
Net cash generated from operating activities	(966 808)	(1 628 398)
B. Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment (including capital work-in-progress)	-	-
Net cash (used) in investing activities	-	-
C. Cash flow from financing activities:		
Interest paid	-	-
Repayment of short term borrowings	-	-
Return of share application money	-	-
Net cash (used) in financing activities	-	-

SMRC Smart Interior Systems Germany GmbH
Consolidated Cash Flow Statement

	(All amounts in EUR)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Increase/(Decrease) in Cash & Cash Equivalents	(966 808)	(1 628 398)
Net Cash and Cash equivalents at the beginning of the year	1 386 621	3 015 019
Cash and cash equivalents as at year end	419 813	1 386 621
Cash and cash equivalents comprise		
Cash on hand	-	-
Cheques / drafts on hand	-	-
Balance with Banks	419 813	1 386 621
Cash and cash equivalents as per Balance Sheet (restated)	419 813	1 386 621
Net foreign exchange difference on balance with banks in foreign currency	-	-
Total	419 813	1 386 621
Summary of significant accounting policies (Note 2)		

(0)

(0)

i) The above Cash flow statement has been prepared under the "Indirect Method"

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board



1 Corporate information

SMRC Germany is a technical center, part of SMRC Group, with 2 locations in Germany (Teltow and Isenbüttel).

This structure of 30 employees (8 SG&A and 22 R&D at end of fiscal year 2020-2021) is composed of :

- a Sales Department (3 employees) in contact with customer
- a Product Development Department (21 employees) in charge of developing design of product and of preparing the serial production
- other functions (Management, HR, Purchase, Quality)

SMRC Germany is working for projects developped for German customers and produced in Europe (Kaluga in Russia, Nitra in Slovakia, Medina in Spain).
As part of the SMRC Cost-Sharing process, SMRC Germany is invoicing 100% of its costs to SMRC B.V.

2 Significant accounting policies

(a) Basic of prepration

Compliance with IFRS

The financial statements of the Company have been prepared for the financial year beginning April 01, 2020 and ended on March 31, 2021.

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) in force at March 31, 2021 as adopted by the European Union.

The financial statements have been prepared on a historical cost basis unless otherwise indicated.

The financial statements are presented in Euro, except when otherwise indicated.

(b) Accounting policies for the financial statements

The general accounting policies of the financial statements are described in this section. Detailed accounting policies and descriptions of decisions based on management's judgement and management's use of estimates are presented later at each item of the financial statements.

(i)

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

3 Property, plant and equipment												
Particulars	Own Assets					Assets Taken on Finance Lease					Total	
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles	Leasedhold land	Plant & Machinery	Furniture & fixtures	Computers	Vehicles
Year ended March 31, 2020												
Gross carrying amount	-	-	-	-	45 305	116 539	-	-	-	-	-	-
As at April 01, 2019	-	-	-	-	-	2 273	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / other adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	45 305	118 812	-	-	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-	-	-	-	-	-	-	-	-
As at April 01, 2019	-	-	-	-	16 055	77 091	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	4 424	13 272	-	-	-	-	-	-
Closing accumulated depreciation	-	-	-	-	20 479	90 363	-	-	-	-	-	-
Net carrying amount	-	-	-	-	24 826	28 449	-	-	-	-	-	-
Year ended March 31, 2021												
Gross carrying amount	-	-	-	-	45 305	118 812	-	-	-	-	-	-
As at April 01, 2020	-	-	-	-	-	7 630	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	45 305	126 442	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-
As at April 01, 2020	-	-	-	-	20 479	90 363	-	-	-	-	-	-
Depreciation charge during the year	-	-	-	-	4 290	15 890	-	-	-	-	-	-
Closing accumulated depreciation	-	-	-	-	24 769	106 253	-	-	-	-	-	-
Net carrying amount	-	-	-	-	20 536	20 189	-	-	-	-	-	-

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

4 Intangible assets							
Particulars	Technical Knowhow Fees	Customer Relationships	Business and commercial rights	Intellectual Property Rights	Software	Total	Goodwill
Year ended March 31, 2020							
Gross carrying amount	-	-	-	-	-	-	1 096 454
As at April 01, 2019	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals / other adjustment	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-	1 096 454
Accumulated amortisation and impairment							
As at April 01, 2019	-	-	-	-	-	-	872 504
Depreciation charge during the year	-	-	-	-	-	-	223 950
Closing accumulated amortisation and impairment	-	-	-	-	-	-	1 096 454
Net carrying amount							
Year ended March 31, 2021	-	-	-	-	-	-	-
Gross carrying amount	-	-	-	-	-	-	1 096 454
As at April 01, 2020	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-	1 096 454
Accumulated amortisation and impairment							
As at April 01, 2020	-	-	-	-	-	-	1 096 454
Depreciation charge during the year	-	-	-	-	-	-	-
Closing accumulated amortisation and impairment	-	-	-	-	-	-	1 096 454
Net carrying amount	-	-	-	-	-	-	-

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

(All amounts in EUR)

5 Investment property	March 31, 2021	March 31, 2020	
Opening gross carrying amount	-	-	
Add: Transfers / Additions during the year			
Less: (Deletions) during the year			
Gross Block	-	-	
Accumulated depreciation:			
Opening balance	-	-	
Add: Depreciation for the year			
Less: Deletions during the year			
Closing accumulated depreciation	-	-	
Net Investment Properties	-	-	
6 Investments	March 31, 2021	March 31, 2020	
(a) Non-current investments	-	-	
(b) Current investments	-	-	
7 Loans	March 31, 2021	March 31, 2020	
(a) Non-current investments			
Unsecured, considered good	5 611 100		
Loans to related parties			
Loans to employees			
	5 611 100	-	
(b) Current investments			
Unsecured, considered good		6 009 000	
Loans to related parties			
Loans to employees	-	6 009 000	
8 Deferred tax			
(a) Deferred tax assets (net)	Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2020			
Unabsorbed depreciation and Tax losses	-	-	-
Property, plant and equipments	-	-	-
Provision for Doubtful debts/Advances/Inventory	-	-	-
Others	124 531	56 971	181 502
	124 531	56 971	181 502
Year ended March 31, 2021			
Unabsorbed depreciation and Tax losses	-	-	-
Property, plant and equipments	-	-	-
Provision for Doubtful debts/Advances/Inventory	-	-	-
Others	181 502	(24 690)	156 813
	181 502	(24 690)	156 813
(b) Deferred tax liabilities (net)	Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2020			
Others	-	-	-
Year ended March 31, 2021			
Others	-	-	-
	-	-	-

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

9 Inventories	March 31, 2021	March 31, 2020
Raw materials	-	-
Work-in-progress	-	-
Finished goods	-	-
	<u>-</u>	<u>-</u>
Inventory include inventory in transit of:		
Raw materials	-	0
	<u>-</u>	<u>0</u>
10 Trade Receivable	March 31, 2021	March 31, 2020
(a) Non-current:		
Unsecured, considered good		
Trade receivables from related parties		
Doubt full	-	-
Less: Allowances for credit loss	-	-
	<u>-</u>	<u>-</u>
(b) Current:		
Unsecured, considered good		
Trade receivables from related parties	1 315 430	1 817 253
Doubt full	-	-
Less: Allowances for credit loss	-	-
	<u>1 315 430</u>	<u>1 817 253</u>
	<u>1 315 430</u>	<u>1 817 253</u>
11 Cash and cash equivalents	March 31, 2021	March 31, 2020
Balances with banks:		
- in current accounts	419 813	1 386 621
Cash on hand	-	-
	<u>419 813</u>	<u>1 386 621</u>
12 Other financial assets	March 31, 2021	March 31, 2020
(a) Non-current:		
Security deposits, unsecured considered good		
Other advances receivable in cash and cash equivalent		
Derivatives designated as hedge	-	-
	<u>-</u>	<u>-</u>
(b) Current:		
Security deposits, unsecured considered good	-	-
Other advances receivable in cash and cash equivalent	-	-
Derivatives designated as hedge	-	-
	<u>-</u>	<u>-</u>
13 Other current Assets	March 31, 2021	March 31, 2020
Advances recoverable	-	-
Prepaid expenses	122 431	51 886
	<u>122 431</u>	<u>51 886</u>
14 Share Capital	March 31, 2021	March 31, 2020
Authorised:		
Number of equity share capital and face value		
Issued, subscribed and paid up:		
Number of equity share capital and face value for each category of share capital	-	-
	<u>-</u>	<u>-</u>

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

15 Reserves and surplus

	March 31, 2021	March 31, 2020
(a) Retained earnings		
Opening balance	356 148	349 319
Additions during the year	114 796	6 628
Closing balance	470 944	356 148
(b) General reserve		
Opening balance		
Additions during the year		
Closing balance	-	-
(c) Capital reserve		
Opening balance	2 025 000	2 025 000
Additions during the year		
Closing balance	2 025 000	2 025 000
Total reserve and surplus	2 495 944	2 381 148

16 Other reserves

	March 31, 2021	March 31, 2020
(a) Cash flow hedging reserve		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast payments. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

17 Borrowings

	March 31, 2021	March 31, 2020
(a) Non-current		
	-	-
(b) Current		
Secured repayable on demand from banks ¹	-	-
	-	-

¹Secured by charge on the inventory and receivables of the Company

18 Trade Payables

	March 31, 2021	March 31, 2020
Total outstanding dues of creditors other than related parties	-	-
Trade payable to related parties	1 454 306	3 917 854
	1 454 306	3 917 854

19 Other current financial liabilities

	March 31, 2021	March 31, 2020
(a) Non-current		
Security deposits		
Other liabilities payable in cash and cash equivalent		
	-	-
(b) Current		
Interest accrued but not due on borrowings	-	-
Employee benefits payable	-	-
Accrued expenses	-	-
Total	-	-

20 Provisions

	March 31, 2021	March 31, 2020
(a) Non-current		
For Warranties		
For Litigations / disputes		
	-	-
(b) Current		
For other liabilities	2 084 921	2 459 862
For Litigations / disputes	-	-
Total	2 084 921	2 459 862

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

SMRC Smart Interior Systems Germany GmbH
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

21 Employee benefit obligations		March 31, 2021	March 31, 2020
(a) Non-current			
Pension			
Compensated absences			
		-	-
(b) Current			
Pension			
Compensated absences		306 082	285 189
	Total	306 082	285 189
22 Other liabilities			
(a) Other non-current liabilities			
Statutory dues payable			
Other payables		1 279 772	390 321
		1 279 772	390 321
(b) Other current liabilities			
Other current liabilities		45 287	65 164
Statutory dues payable & other payables		-	-
		45 287	65 164

Bracket denotes appropriations / deductions.

SMRC Smart Interior Systems Germany GmbH

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

23	Revenue from contract with customers	For the year ended	
		March 31, 2021	March 31, 2020
	Sales of products	24 501	4 544 356
	Sales of services	6 078 112	9 404 659
	Total revenue from contract with customers	6 102 614	13 949 015
IFRS 15 Revenue from contracts with customers			
Effective April 1, 2018, the Company has adopted IFRS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant.			
24	Other operating revenue:		
	Scrap sales	-	-
	Miscellaneous income	169 431	184 429
	Total revenue from operation	169 431	184 429
6 272 044 14 133 444			
25	Other income		
		March 31, 2021	March 31, 2020
	Foreign exchange gain (net)	-	-
	Provision for Doubtful Debts written back	-	-
	Total	-	-
26	Cost of materials consumed		
		March 31, 2021	March 31, 2020
	Opening stock of raw materials	-	-
	Add : Purchases of raw materials	1 833 848	8 401 900
	Less: Closing stock of raw materials	-	-
	Total	1 833 848	8 401 900

SMRC Smart Interior Systems Germany GmbH

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in EUR)

		For the year ended	
		March 31, 2021	March 31, 2020
27	Changes in inventory of finished goods, work in progress and stock in trade		
	(Increase)/ decrease in stocks		
	Stock at the opening of the year:		
	Finished goods	-	-
	Work-in-progress	-	-
	Total A	-	-
	Stock at the end of the year:		
	Finished goods	-	-
	Work-in-progress	-	-
	Total C	-	-
	(Increase)/ decrease in stocks (A+B-C+D)	-	-
28	Employee benefit expense		
	Salary, wages & bonus	3 044 616	3 620 612
	Contribution to employee welfare funds, payroll tax and other taxes	421 756	895 836
	Staff welfare expenses	119 751	18 042
	Others	-	-
	Total	3 586 123	4 534 489
29	Finance costs		
	Interest on borrowings	(81 143)	(29 876)
	Others	-	-
	Total	(81 143)	(29 876)
30	Other expenses		
	Electricity, water and fuel	11 398	18 487
	Repairs and Maintenance:		
	Machinery	-	-
	Building	8 021	11 375
	Others	-	-
	Consumption of stores and spare parts	-	-
	Rent	113 837	136 770
	Rates & taxes	15 266	-
	Insurance	-	-
	Donation	-	-
	Travelling	87 374	378 849
	Freight & forwarding	10 471	24 336
	Provision for doubtful debts/advances	-	-
	Auditors fees and expenses	-	-
	Legal & professional expenses	-	-
	Computer expenses and software charges	-	-
	Fees and subscriptions	-	-
	Business promotion expenses	-	-
	Communication expenses	-	-
	Miscellaneous expenses	481 835	419 688
	Total	728 202	989 505
31	Income tax		
	Current tax	45 349	44 454
	Deferred tax charged / (reversed)	24 690	(55 502)
		70 039	(11 048)
32	Comparative information presented		

Relates to a comparative period of 12 months and has been reclassified wherever required for presentation purposes.