

MSSL MAURITIUS HOLDINGS LTD
FINANCIAL STATEMENTS
FOR YEAR ENDED 31st MARCH 2019

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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	-
	Rishal Tanee	1 October 2016	-
	Thierry Gilles Marie Adolphe (Alternate to Rishal Tanee and Venkatesen S Chetty)	1 October 2016	-
ADMINISTRATOR AND SECRETARY	:		
	OCORIAN Corporate Services Mauritius Limited 6 th Floor, Tower A 1, CyberCity, Ebène MAURITIUS		
REGISTERED OFFICE	:		
	c/o OCORIAN Corporate Services Mauritius Limited 6 TH Floor, Tower A 1, CyberCity, Ebène MAURITIUS		
AUDITOR	:		
	Ernst & Young 9 th Floor, NexTeracom Tower 1 Cybercity, Ebene Mauritius		
BANKERS	:		
	SBI (Mauritius) Ltd. 7 th 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 2019.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments.

REVIEW OF BUSINESS

The Company's profit for the year is **EUR 7,464,852** (2018 – EUR 5,787,008).

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

 **VÉRONIQUE MAGNY-ANTOINE, ACIS**
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

COMPANY SECRETARY

Ocorian Corporate Services (Mauritius) Limited
Dated 18 July 2019

SECRETARY'S CERTIFICATE

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 2019.

Dated 18 July 2019



VÉRONIQUE MAGNY-ANTOINE, ACIS
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

Ocorian Corporate Services (Mauritius) Limited
Secretary

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 29 which comprise the statement of financial position as at 31 March 2019, 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 of the Company are prepared in all material respects, in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Companies Act 2001 applicable to a company holding a Category 1 Global Business Licence.

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' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. 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 directors' report and the secretary's report as required by the Companies Act 2001, but 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 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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MSSL MAURITIUS HOLDINGS LTD (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 director's 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MSSL MAURITIUS HOLDINGS LTD (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Use of our report

This report is made solely for 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: **18 JUL 2019**

MSSL MAURITIUS HOLDINGS LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

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	31-Mar-19	31-Mar-18
	EUR	EUR
Revenue		
Dividend income	8,573,900	5,250,000
	8,573,900	5,250,000
Expenses		
Impairment loss on loan to Joint Venture (Note 9)	-	(124,633)
General and administrative expenses (Note 4)	(107,229)	(39,886)
	(107,229)	(164,519)
Operating profit	8,466,671	5,085,481
Finance income (Note 5)	1,703,079	1,790,215
Finance costs (Note 5)	(2,344,898)	(820,528)
Finance income, net	(641,819)	969,687
Profit before income tax	7,824,852	6,055,168
Income tax expense (Note 7)	(360,000)	(268,160)
Profit for the year	7,464,852	5,787,008
Other comprehensive income	-	-
Total comprehensive income for the year	7,464,852	5,787,008


The notes on pages 12 to 29 are an integral part of these financial statements.

MSSL MAURITIUS HOLDINGS LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

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	31-Mar-19	31-Mar-18
	EUR	EUR
ASSETS		
Non-current assets		
Investment in joint venture (Note 6)	16,426,385	16,426,385
Investments in subsidiaries (Note 8)	8,779,969	8,779,969
Other receivables (Note 9)	45,759,000	4,075,952
	70,965,354	29,282,306
Current assets		
Other receivables (Note 9)	6,864,230	15,083,152
Cash and cash equivalents (Note 10)	2,538,986	6,663,415
	9,403,216	21,746,567
Total assets	80,368,570	51,028,873
EQUITY		
Capital and reserves attributable to the equity holder		
Share capital (Note 11)	37,820,080	37,820,080
Retained earnings	20,664,367	13,199,515
Total equity	58,484,447	51,019,595
Current liabilities		
Borrowings (Note 12)	21,828,342	-
Other payables (Note 13)	55,781	9,278
	21,884,123	9,278
Total Equity and Liabilities	80,368,570	51,028,873

Authorised for issue by the Board of directors on 18 July 2019
and signed on its behalf by




} Rishal Tanee
}
} **DIRECTORS**
}
} Thierry Adolphe

The notes on pages 12 to 29 are an integral part of these financial statements.

MSSL MAURITIUS HOLDINGS LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

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	Share capital	Retained earnings	Total Equity
	EUR	EUR	EUR
Balance as at 01 April 2017	37,820,080	7,412,507	45,232,587
Profit/total comprehensive income for the year	-	5,787,008	5,787,008
Balance as at 31 March 2018	37,820,080	13,199,515	51,019,595
Profit/total comprehensive income for the year	-	7,464,852	7,464,852
Balance as at 31 March 2019	37,820,080	20,664,367	58,484,447

The notes on pages 12 to 29 are an integral part of these financial statements.

MSSL MAURITIUS HOLDINGS LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

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	31-Mar-19	31-Mar-18
	EUR	EUR
<i>Cash flow from operating activities</i>		
Profit before taxation	7,824,852	6,055,168
Adjustments for:		
Interest income	(1,703,079)	(1,388,216)
Interest expense	25,308	50,754
Dividend income	(8,573,900)	(5,250,000)
Impairment loss on loan to Joint Venture	-	124,633
Unrealised foreign exchange loss	2,535,904	367,775
Cash flow before changes in working capital	109,085	(39,886)
Increase/(decrease) in trade and other payables	21,195	(9,172)
Acquisition of investments	-	(25,500)
Interest received from related party	1,023,783	1,156,204
Dividend received	8,573,900	5,250,000
Loans to joint venture	(34,500,000)	-
Tax paid (Note 7)	(360,000)	(241,602)
Net cash generated from operating activities	(25,132,037)	6,090,044
<i>Cash flow from investing activities</i>		
Interest received from others	61	26
Net cash from generated from investing activities	61	26
<i>Cash flow from financing activities</i>		
Loan received from bank	21,828,342	-
Interest paid to related party	-	(150,357)
Repayment of loan to related party	-	(3,780,598)
Net cash flow used in financing activities	21,828,342	(3,930,955)
Net increase in cash and cash equivalents	(3,303,634)	2,159,115
Cash and cash equivalents at beginning of year	6,663,415	4,954,286
Effect of exchange difference on balance with banks in foreign currency	(820,795)	(449,986)
Cash and cash equivalents at end of year	2,538,986	6,663,415

The notes on pages 12 to 29 are an integral part of these financial statements.

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 Ocorian Corporate Services Mauritius 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.

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.

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.

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.

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical accounting estimates and judgements in applying accounting policies (continued)

Consolidated financial statements

The Company holds investments in joint ventures and subsidiaries as disclosed in Notes 6 and 8 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 Licence not to present consolidated financial statements.

Going concern

The company's management has made an assessment on the Company's going concern and is satisfied that the Company has the 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 under note 16.

Financial instruments under IAS 39 – Policy effective before 01 April 2018

(i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The Company's financial assets include cash at bank and related party receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. 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 and the losses arising from impairment are recognised in profit or loss.

Impairment of financial assets

The Company assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments under IAS 39 – Policy effective before 01 April 2018 (continued)

(i) Financial assets (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired.
- 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 asset is recognised to the extent of the Company's continuing involvement in the asset. 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.

(i) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

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

The Company's financial liabilities include loan from related party and accruals.

Subsequent measurement

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

Loans and borrowings

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 in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments under IAS 39 – Policy effective before 01 April 2018 (continued)

(i) Financial liabilities (continued)

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 profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if:

- there is a currently enforceable legal right to offset the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial instruments under IFRS 9- Policy effective from 01 April 2018

(i) 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments under IFRS 9- Policy effective from 01 April 2018 (continued)

(i) Financial assets (continued)

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.

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments under IFRS 9- Policy effective from 01 April 2018 (continued)

(i) Financial assets (continued)

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.

(ii) 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 loan payable to related party and accruals.

Subsequent measurement

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

Loans and borrowings

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments under IFRS 9- Policy effective from 01 April 2018 (continued)

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

- ***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.

- ***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.

Cash and cash equivalents

Cash and cash equivalents include cash at bank.

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.

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.

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current and deferred income tax (continued)

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.

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.

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments adopted in the year commencing 01 April 2018. Although these amendments applied for the first time in 2018, they did not have a material impact on the financial statements of the Company except for the below:

IFRS 9 – Financial Instruments

The Company applied IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below. Several other amendments and interpretations apply for the first time in 2018, but did not have an impact on the financial statements of the Company. The Company has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company applied IFRS 9 prospectively, with an initial application date of 01 April 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. There have been no differences arising from the adoption of IFRS 9 and same would have been recognised directly in retained earnings should the requirement arise.

Classification and measurement

The Company has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- Financial assets previously classified as loans and receivables are held to collect contractual cash flows. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policy and disclosures (changes)

IFRS 9 – Financial Instruments (continued)

Classification and measurement (continued)

- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Company has not designated any financial liabilities at FVPL. Therefore, this requirement has not had an impact on the Company.

Impairment

IFRS 9 requires the Company to record Expected Credit Losses (ECL) on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis.

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.

Hedge accounting

The Company has not applied hedge accounting under IAS 39 nor will it apply hedge accounting under IFRS 9.

Impact of adoption of IFRS 9

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 01 April 2018, however, the Company has chosen to take advantage of the option not to restate comparatives. Therefore, the 2017 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company's financial assets and financial liabilities as at 01 April 2018.

Financial assets

01 April 2018	IAS 39 classification	IAS 39 measurement (EUR)	IFRS 9 classification	IFRS 9 measurement (EUR)
Under non-current assets Other receivable	Loans and receivables at amortised cost	4,075,952	Financial assets at amortised cost	No impact
Under current assets Other receivable	Loans and receivables at amortised cost	15,083,152	Financial assets at amortised cost	No impact

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policy and disclosures (changes)

IFRS 9 – Financial Instruments (continued)

Impact of adoption of IFRS 9 (continued)

In line with the characteristics of the Company's financial instruments as well as its approach to their management, the Company neither revoked nor made any new designations on the date of initial application. IFRS 9 has not resulted in changes in the carrying amount of the Company's financial instruments due to changes in measurement categories. All financial assets that were classified as loans and receivables and measured at amortised cost continue to be.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The management has conducted detailed analysis on the implications of implementation of new standard on the revenue. The principal activity of the Company is to hold investments. Hence IFRS 15 is not applicable to the company. The adoption of IFRS 15 did not result in any impact on the financial results of the Company.

3 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.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Market risk (continued)

Foreign exchange risk (continued)

There were no hedging transactions in place as at 31 March 2019.

Currency	Financial assets		Financial liabilities	
	2019	2018	2019	2018
	EUR	EUR	EUR	EUR
EUR	39,890,423	4,583,713	21,853,649	-
USD	1,722,297	321,812	30,473	9,278
ZAR	13,549,496	20,917,193	-	-
	55,162,216	25,822,718	21,884,122	9,278

As at 31 March 2019, 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 2,032,424** (2018 - EUR 3,137,564) 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 84,591** (2018 - EUR 16,091).

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 2019, 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 229,267** (2018 - EUR 266,738), 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 3,085** (2018 - EUR 2,215) 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 137,272** (2018 - EUR 17,282).

(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.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(iii) Liquidity risk

The loan taken from the bank is secured by a financial guarantee provided by the holding company. The company has no other 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 2018 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.

4 GENERAL AND ADMINISTRATIVE EXPENSES

	31 March 2019	31 March 2018
	EUR	EUR
Legal & professional fees	89,796	28,374
Audit fee	7,015	6,000
Rent expense	4,134	3,814
Miscellaneous expense	2,797	1,698
Corporate guarantee commission	3,487	
	107,229	39,886

5 FINANCE INCOME/EXPENSE

	31 March 2019	31 March 2018
	EUR	EUR
Finance income:		
Exchange gain on interest expense	-	401,999
Bank interest	61	26
Loan to related party (Note 14)	1,703,018	1,388,190
	1,703,079	1,790,215
Finance expense:		
Loan from related party (Note 14)	-	(50,754)
Interest on bank loan	(25,308)	-
Exchange loss on bank balances	(551,595)	(450,185)
Exchange loss on loan	(1,587,393)	-
Exchange loss on interest income	(180,602)	(318,866)
Exchange loss on interest expense	-	(723)
	(2,344,898)	(820,528)

6 INVESTMENTS IN JOINT VENTURES

	31-Mar-19			31-Mar-18		
	Equity	Advance against equity	Total	Equity	Advance against equity	Total
	EUR	EUR	EUR	EUR	EUR	EUR
At beginning of year						
Gross Investment at Cost	18,395,116	1,431,166	19,826,282	18,369,616	1,431,166	19,800,782
Less : Impairment Provision	(1,968,731)	(1,431,166)	(3,399,897)	(1,968,731)	(1,431,166)	(3,399,897)
Net Investment	16,426,385	-	16,426,385	16,400,885	-	16,400,885
During The year						
Additions	-	-	-	25,500	-	25,500
At Closing of year						
Gross Investment at Cost	18,395,116	1,431,166	19,826,282	18,395,116	1,431,166	19,826,282
Less : Impairment Provision	(1,968,731)	(1,431,166)	(3,399,897)	(1,968,731)	(1,431,166)	(3,399,897)
Net Investment	16,426,385	-	16,426,385	16,426,385	-	16,426,385

The investments in joint ventures consist of:

Name of the entity	Country of incorporation	Holding %	Investment value as on 31.03.2019	Investment value as on 31.03.2018
Global Environment Mangement FZC	UAE	100%	-	-
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) The Company holds 50.07% (2018: 50.07%) of shares denominated in AED and 100% (2018: 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.

6 INVESTMENTS IN JOINT VENTURES (CONTINUED)

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.

- (ii) The Company holds 51% (2018: 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 2019 the Company held 1,021,214 (2018: 1,021,214) ordinary shares of Euro 1 and 5,100 (2018: 5,100) preference shares of Euro 1 each.
- (iii) The Company holds 51% (2018: 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 2019 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.

7 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-19	31-Mar-18
	EUR	EUR
<i>Income tax liability/(asset) :</i>		
At beginning of year	-	(26,558)
Tax refund received	-	20,898
Charge for the year	360,000	268,160
Amount paid during the year	(360,000)	(262,500)
At end of year	-	-

7 INCOME TAX (CONTINUED)

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

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
	EUR	EUR
Profit before income tax	<u>7,824,852</u>	<u>6,055,168</u>
Tax calculated at 15%	<u>1,173,728</u>	908,275
Expenses not deductible for tax purposes	<u>734,925</u>	448,290
Income not subject to tax	-	-
Foreign tax credit	<u>(1,908,653)</u>	(1,356,520)
Withholding tax credit	<u>360,000</u>	268,160
Total income tax charge	<u><u>360,000</u></u>	<u><u>268,160</u></u>

8 INVESTMENTS IN SUBSIDIARIES

Company	31 March 2019	31 March 2018
<i>Unquoted, at cost:</i>	<u>EUR</u>	<u>EUR</u>
At beginning of the year	<u>8,779,969</u>	<u>8,779,969</u>
At end of the year	<u>8,779,969</u>	<u>8,779,969</u>

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Face value	Number of Shares	Equity interest	Cost EUR 2019	Cost EUR 2018
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
					<u>8,779,969</u>	<u>8,779,969</u>

- (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.

During the year ended 31 March 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.

The directors have reviewed the carrying amounts of the above investments and the financial position of the subsidiaries at 31 March 2019 and are of the opinion that the investments in subsidiaries should not be impaired.

9 OTHER RECEIVABLES

	31 March 2019	31 March 2018
	EUR	31 March 2019
		EUR
Loan to related parties (Note 14)	49,861,600	16,948,894
Interest from related parties (Note 14)	2,761,728	2,210,210
	52,623,328	19,159,104
Non-current portion	45,759,000	4,075,952
Current portion	6,864,328	15,083,152
	52,623,328	19,159,104

- I. The Company has given loans totalling ZAR 160,750,000 (equivalent to EUR 9,645,000) ((2018: ZAR 160,750,000 (equivalent to EUR 11,027,665)) to MSSL Global RSA Module Engineering Limited, at an interest rate of 6 month JIBAR plus 250 basis points. Total interest income of ZAR 16,310,057 (equivalent to EUR 978,603) (2018: ZAR 16,624,668 (equivalent to EUR 1,103,301)) was booked during the year on the said loan.
- II. The Company has given loans totalling ZAR 26,900,000 (equivalent to EUR 1,614,000) ((2018: ZAR 26,900,000 (equivalent to EUR 1,845,376)) to Vacuform 2000 Pty Limited, at an interest rate of Prime Lending Rate. Total interest income of ZAR 2,795,545 (equivalent to EUR 167,733) ((2018: ZAR 2,816,281 (equivalent to EUR 186,995)) was booked during the year on the said loan.
- III. The Company has given loan of EUR 38,300,000 (2018: EUR 3,800,000) to Samvardhana Motherson Group Holdings Limited., at an interest rate of 6 month EURIBOR plus 250 basis points. Total interest income of EUR 541,601 (2018: EUR 86,412) was booked during the year on the said loan.
- IV. The Company has given loans totalling USD 340,000 (equivalent to EUR 302,600) ((2018: USD 340,000 (equivalent to EUR 275,952)) to Samvardhana Motherson Group Holdings Limited, at an interest rate of 6 month LIBOR plus 250 basis points. Total interest income of USD 17,332 (equivalent to EUR 15,080) ((2018: USD 13,643 (equivalent to EUR 11,482)) was booked during the year on the said loan.
- V. The Company had given interest free loan of AUD 200,000 (equivalent to EUR 124,633) to Global Environment Management (FZC), which was impaired during the financial year 2017-18.
- VI. Expected Credit Loss assessment done by the company and as per management, no provision is required to be made for ECL.

10 CASH AND CASH EQUIVALENTS

	31 March 2019	31 March 2018
	EUR	EUR
Balances with bank	2,538,986	6,663,415

11 SHARE CAPITAL (Par Value of Euro 1 Each)

<i>Issued and fully paid</i>	31 March 2019		31 March 2018	
	Ordinary Share Capital		Ordinary Share Capital	
	Number	EUR	Number	EUR
At beginning of the year	37,820,080	37,820,080	37,820,080	37,820,080
At end of the year	37,820,080	37,820,080	37,820,080	37,820,080

12 BORROWINGS

During the year, the Company has taken loan from MUFG BANK, LTD., London branch amounting USD 25,000,000. The same loan has been swapped into Euro 21,828,342. The loan is repayable in January 2020. The loan is secured against corporate guarantee given by Motherson Sumi Systems Limited. The USD loan carries interest rate is LIBOR + .7 basis points and same has been swapped into Euribor + 0.745 basis points.

13 OTHER PAYABLES

	31 March 2019	31 March 2018
	EUR	EUR
Accruals	29,836	8,641
TDS payable	637	637
Interest on loan	25,308	-
	55,781	9,278

14 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 2019, the Company transacted with related entities. The nature, volume of transactions and balances with the related parties are as follows:

March 2018	Joint Venture Companies	Subsidiary	Other related parties
	EUR	EUR	EUR
Interest expense	-	-	50,754
Interest income	284,889	1,103,301	-
Loan repaid during the year	-	-	4,332,231
Loan receivable	5,921,229	11,027,665	-
Interest income receivable	1,722,585	487,725	-
Interest received	-	1,156,204	-
Dividend income	-	5,250,000	-

14 RELATED PARTY TRANSACTIONS & BALANCES (CONTINUED)

March 2019	Joint Venture companies EUR	Subsidiaries EUR	Other related parties EUR
Interest income	724,414	978,603	-
Loan receivable	40,216,600	9,645,000	-
Interest income receivable	2,327,536	434,292	-
Interest received	-	970,897	-
Dividend income	-	8,213,900	-

The total remuneration of the directors for the year ended 31 March 2019 was EUR 1,981 (2018 - EUR 1,981).

15 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.

16 GOING CONCERN

The company's total current liabilities exceeded its total current assets by EUR 12,631,965. It is noted that the net current liability position is due to the loan from MUFG BANK, LTD. The loan is secured against corporate guarantee given by the holding company.

17 SUBSEQUENT EVENTS

There is no reportable subsequent event occurred after 31st March 2019.