

**SMRC Automotive Holdings Netherlands
B.V.
Financial Statements
2019-20**

SMRC Automotive Holdings Netherlands B.V.
Statement of profit and loss

(All amounts in EUR'000, unless otherwise stated)

	Notes	For the year ended March 31, 2020 (12 months)	For the year ended March 31, 2019 (8 months)
Revenue			
Revenue from contract with customers	23	-	(783)
Other operating revenue	24	8 405	36 220
Total revenue from operations		8 405	35 436
Other income	25	84	527
Total income		8 489	35 963
Expenses			
Cost of materials consumed	26	-	-
Change in inventories of finished goods, work-in-progress and stock in trade	27	-	592
Employee benefit expense	28	-	-
Depreciation and amortisation expense		9 857	6 582
Finance costs	29	392	(70)
Other expenses	30	10 709	9 736
Total expenses		20 958	16 840
Profit before tax		(12 469)	19 123
Tax expenses			
Current tax	31	(1 242)	558
Deferred tax expense/ (credit)	31	(2 225)	(963)
Total tax expense		(3 467)	(405)
Profit for the year		(9 002)	19 528
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		(9 002)	19 528
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 Automotive Holdings Netherlands B.V.
Balance sheet

(All amounts in EUR'000, unless otherwise stated)

	Notes	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	9 778	19 274
Capital work-in-progress		-	-
Investment property	5	-	-
Goodwill	4	-	-
Other intangible assets	4	10 608	12 924
Intangible assets under development		-	-
Financial assets			
i. Investments	6	100 923	99 427
ii. Loans	7	5 198	4 945
iii. Trade receivables	10	3 308	16 410
iv. Other financial assets	12	-	-
Deferred tax assets (net)	8	(3 166)	-
Non-current tax assets (net)		1 418	811
Total non-current assets		128 067	153 791
Current assets			
Inventories	9	-	-
Financial assets			
i. Investments	6	-	-
ii. Trade receivables	10	16 462	13 386
iii. Cash and cash equivalents	11	1 837	1 550
iv. Bank balances other than (iii) above		-	-
v. Loans	7	48 403	57
vi. Other financial assets	12	-	942
Other current assets	13	23 735	15 931
Total current assets		90 436	31 867
Total assets		218 503	185 657
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	3	3
Share application money pending for allotments		57 853	57 853
Other equity			
Reserves and surplus	15	55 822	66 471
Other reserves	16	-	-
Total equity		113 678	124 326
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	8 958	15 236
Other non-current liabilities	22	2 769	4 459
Total non-current liabilities		11 727	19 695
Current liabilities			
Financial Liabilities			
i. Borrowings	17	82 529	25 000
ii. Trade payables	18	10 101	7 205
iii. Other financial liabilities	19	281	16
Provisions	20	-	-
Employee benefit obligations	21	-	-
Other current liabilities	22	187	9 415
Non-Current tax liabilities (net)		-	-
Total current liabilities		93 098	41 636
Total liabilities		104 825	61 330
Total equity and liabilities		218 503	185 657

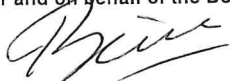
Summary of significant accounting policies

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 Automotive Holdings Netherlands B.V.
Statement of changes in equity

(All amounts in EUR'000, unless otherwise stated)

A. Share application money pending allotment	Notes	Amount
As at April 01, 2018		-
As at March 31, 2019		-
Less: Amount refunded to share holder of the company		-
As at March 31, 2020		-

B. Other equity	Notes	Reserves and Surplus	Items of OCI	Total attributable to Owners
		Retained Earnings	Cash flow hedging reserve	
Balance as at April 01, 2018		-	-	-
Profit for the year		19 528	-	19 528
Other comprehensive income		-	-	-
Total comprehensive income for the year		19 528	-	19 528
Balance at March 31, 2019		19 528	-	19 528
Profit for the year		(9 002)	-	(9 002)
Other comprehensive income		-	-	-
Total comprehensive income for the year		(9 002)	-	(9 002)
Balance at March 31, 2020		10 526	-	10 526

Summary of significant accounting policies

2

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

The above statement of changes in equity should be

read in conjunction with the accompanying notes

For and on behalf of the Board




SMRC Automotive Holdings Netherlands B.V.
Consolidated Cash Flow Statement

(All amounts in EUR'000, unless otherwise stated)

	For the year ended March 31, 2020 (12 months)	For the year ended March 31, 2019 (8 months)
A. Cash flow from operating activities:		
Profit before tax	(12 469)	19 123
Adjustments for:		
Depreciation and amortisation expense	9 857	6 582
Finance cost	392	(70)
Provision for warranty	-	-
Provision for doubtful debt / advances	-	-
Income on reversal of provision	-	-
Unrealised foreign currency loss/(gain)	(84)	527
Operating profit before working capital changes	(2 304)	26 162
Changes in working capital:		
Increase/(decrease) in trade and other payables	(6 122)	2 931
Increase/(decrease) in other financial liabilities	57 794	15 181
(Increase)/decrease in trade receivables	2 878	(4 377)
(Increase)/decrease in inventories	-	592
(Increase)/decrease in other receivables	(1 034)	87
(Increase)/decrease in other financial assets	(49 461)	557
Cash generated from operations	1 751	41 133
Taxes (paid) / received	(887)	(209)
Net cash generated from operating activities	865	40 924
B. Cash flow from Investing activities:		
Payments for purchase of property, plant & equipment (including capital work-in-progress)	(579)	(407)
Net cash (used) in investing activities	(579)	(407)
C. Cash flow from financing activities:		
Interest paid	-	-
Repayment of short term borrowings	-	-
Return of share application money	-	(55 861)
Net cash (used) in financing activities	-	(55 861)

SMRC Automotive Holdings Netherlands B.V.
Consolidated Cash Flow Statement

(All amounts in EUR'000, unless otherwise stated)

	For the year ended March 31, 2020 (12 months)	For the year ended March 31, 2019 (8 months)
Net Increase/(Decrease) in Cash & Cash Equivalents	286	(15 344)
Net Cash and Cash equivalents at the beginning of the year	1 550	16 896
Cash and cash equivalents acquired consequent to acquisition of SMRC (Refer Note 50)	-	-
Cash and cash equivalents as at year end	1 836	1 552
Cash and cash equivalents comprise		
Cash on hand	1 837	1 550
Cheques / drafts on hand		
Balance with Banks	-	-
Cash and cash equivalents as per Balance Sheet (restated)	1 837	1 550
Net foreign exchange difference on balance with banks in foreign currency		
Total	1 837	1 550
Summary of significant accounting policies (Note 2)		

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

Holding company for SMRC entities (other than South America) shares (majority holding)

Pivot company for SMRC Group transfer pricing policy (administrative costs / engineering & development costs)

Houses most of Group-wide IT contracts

2 Significant accounting policies

(a) Basic of preparation

Compliance with IFRS

The financial statements of the Company have been prepared for the financial year beginning April 01, 2019 and ended on March 31, 2020.

The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) in force at March 31, 2020 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 and all values are rounded to the nearest thousand (€000), 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)

(All amounts in EUR'000, unless otherwise stated)												
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
Year ended March 31, 2019												
Gross carrying amount	-	-	-	-	(12)	(48)	-	-	-	-	-	-
As at August 01, 2018	1 981	-	-	-	(797)	(2 552)	(167)	-	-	-	-	(60)
Additions	-	-	(6 235)	(20 242)	(809)	(2 600)	(167)	-	-	-	-	1 981
Disposals / other adjustment	-	-	(6 235)	(20 242)	(809)	(2 600)	(167)	-	-	-	-	(29 993)
Closing gross carrying amount	1 981	-	-	-	-	-	-	-	-	-	-	(28 072)
Accumulated Depreciation and Impairment												
As at April 01, 2018	-	-	(8 245)	(35 358)	(797)	(2 551)	(167)	-	-	-	-	-
Depreciation charge during the year	(228)	-	(8 245)	(35 358)	(797)	(2 551)	(167)	-	-	-	-	(47 346)
Closing accumulated depreciation	(228)	-	(8 245)	(35 358)	(797)	(2 551)	(167)	-	-	-	-	(47 346)
Net carrying amount	2 209	-	2 010	15 115	(12)	(48)	-	-	-	-	-	19 274
Year ended March 31, 2020												
Gross carrying amount	1 981	-	(6 235)	(20 242)	(809)	(2 600)	(167)	-	-	-	-	(28 072)
As at April 01, 2019	(2 752)	-	-	-	-	-	-	-	-	-	-	(2 752)
Additions	-	-	(98)	155	-	-	-	-	-	-	-	57
Disposals	(771)	-	(6 333)	(20 087)	(809)	(2 600)	(167)	-	-	-	-	(30 767)
Closing gross carrying amount	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation												
As at April 01, 2019	(228)	-	(8 245)	(35 358)	(797)	(2 551)	(167)	-	-	-	-	(47 346)
Depreciation charge during the year	-	-	(344)	7 145	-	-	-	-	-	-	-	6 801
Closing accumulated depreciation	(228)	-	(8 589)	(28 213)	(797)	(2 551)	(167)	-	-	-	-	(40 545)
Net carrying amount	(543)	-	2 255	8 126	(12)	(48)	-	-	-	-	-	9 778

(All amounts in EUR'000, unless otherwise stated)

5 Investment property	March 31, 2020	March 31, 2019
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

(a) Non-current Investments	March 31, 2020	March 31, 2019
Investment in subsidiaries:		
SMRC - China	141	141
SMRC - Germany	190	190
SMRC - Central France	20 219	20 219
SMRC - Croatia	42	42
SMRC - Indonesia	1 564	1 564
SMRC - Pune	13 676	13 676
SMRC - Japan	801	801
SMRC - Korea	11 958	11 958
SMRC - Morocco	0	0
SMRC Automotives Techno Minority Holdings B.V.	13 573	13 573
SMRC Automotive Holding South America B.V.	6 577	5 081
SMRC Automotive Modules South America Minority Holdings B.V.	378	378
SMRC - Philippines	885	885
SMRC - Poland	1 238	1 238
SMRC - Russia	4 916	4 916
SMRC - Slovakia	8 786	8 786
SMRC - Holding Spain	6 825	6 825
SMRC - Thailand	9 152	9 152
	100 923	99 427

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- (b) Current investments
(provide details if applicable)

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7 Loans

(a) Non-current investments	March 31, 2020	March 31, 2019
Unsecured, considered good		
Loans to related parties	5 198	4945
Loans to employees		
	5 198	4 945
(b) Current investments		
Unsecured, considered good		
Loans to related parties	48 403	57
Loans to employees	48 403	57

8 Deferred tax

- (a) Deferred tax assets (net)

	Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2019			
Unabsorbed depreciation and Tax losses	(234)	234	-
Property, plant and equipments	-	-	-
Provision for Doubtful debts/Advances/Inventory	-	-	-
Others	100	(100)	-
	(134)	134	-
Year ended March 31, 2020			
Unabsorbed depreciation and Tax losses	-	(2 689)	(2 689)
Property, plant and equipments	-	-	-
Provision for Doubtful debts/Advances/Inventory	-	-	-
Others	-	(477)	(477)
	-	(3 166)	(3 166)

- (b) Deferred tax liabilities (net)

	Beginning Balance	Charged to profit or loss	Closing balance
Year ended March 31, 2019			
Others	-	-	15 236
	-	-	15 236
Year ended March 31, 2020			
Others	15 236	(6 278)	8 958
	15 236	(6 278)	8 958

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

9 Inventories		March 31, 2020	March 31, 2019
Raw materials		-	-
Work-in-progress		-	-
Finished goods		-	-
		-	-
Inventory include inventory in transit of:			
Raw materials		-	-
10 Trade Receivable		March 31, 2020	March 31, 2019
(a) Non-current:			
Unsecured, considered good		3 308	16 410
Trade receivables from related parties			
Doubt full			
		3 308	16 410
Less: Allowances for credit loss		-	-
		3 308	16 410
(b) Current:			
Unsecured, considered good		1 932	1 265
Trade receivables from related parties		14 530	12 121
Doubt full		-	-
		16 462	13 386
Less: Allowances for credit loss		-	-
		16 462	13 386
11 Cash and cash equivalents		March 31, 2020	March 31, 2019
Balances with banks:			
- in current accounts		-	-
Cash on hand		1 837	1 550
		1 837	1 550
12 Other financial assets		March 31, 2020	March 31, 2019
(a) Non-current:			
Security deposits, unsecured considered good			
Other advances receivable in cash and cash equivalent			
Derivatives designated as hedge		-	-
(b) Current:			
Security deposits, unsecured considered good		-	-
Other advances receivable in cash and cash equivalent		-	942
Derivatives designated as hedge		-	-
		-	942
13 Other current Assets		March 31, 2020	March 31, 2019
Advances recoverable		21 075	13 928
Prepaid expenses		2 660	2 004
		23 735	15 931
14 Share Capital		March 31, 2020	March 31, 2019
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		3	3
		3	3

15 Reserves and surplus

	March 31, 2020	March 31, 2019
(a) Retained earnings		
Opening balance	66 471	6 846
Additions during the year	(10 649)	59 625
Closing balance	55 822	66 471
(b) General reserve		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-
(c) Capital reserve		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-
Total reserve and surplus	55 822	66 471
Provide brief of each reserve		

16 Other reserves

	March 31, 2020	March 31, 2019
(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, 2020	March 31, 2019
(a) Non-current	-	-
(b) Current	82 529	25 000
Secured repayable on demand from banks ¹	-	-
	82 529	25 000

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

18 Trade Payables

	March 31, 2020	March 31, 2019
Total outstanding dues of creditors other than related parties	4 290	2 787
Trade payable to related parties (Refer note 40)	5 811	4 418
	10 101	7 205

19 Other current financial liabilities

	March 31, 2020	March 31, 2019
(a) Non-current		
Security deposits	-	-
Other liabilities payable in cash and cash equivalent	-	-
(b) Current		
Interest accrued but not due on borrowings	281	16
Employee benefits payable	-	-
Accrued expenses	-	-
Total	281	16

20 Provisions

	March 31, 2020	March 31, 2019
(a) Non-current		
For Warranties	-	-
For Litigations / disputes	-	-
(b) Current		
For warranties	-	-
Total	-	-

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.

(All amounts in EUR'000, unless otherwise stated)

21 Employee benefit obligations		March 31, 2020	March 31, 2019
(a) Non-current			
Pension			
Compensated absences			
		-	-
(b) Current			
Pension			
Compensated absences			
		-	-
	Total	-	-
22 Other liabilities		March 31, 2020	March 31, 2019
(a) Other non-current liabilities			
Statutory dues payable			
Other payables		2 769	4 459
		<u>2 769</u>	<u>4 459</u>
(b) Other current liabilities			
Other current liabilities			
Statutory dues payable & other payables		187	9 415
- Other payables			
		<u>187</u>	<u>9 415</u>

Bracket denotes appropriations / deductions.

23	Revenue from contract with customers	For the year ended	
		March 31, 2020	March 31, 2019
	Sales of products	-	(783)
	Sales of services	-	-
	Total revenue from contract with customers (Refer Note 45)	-	(783)
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	8 405	36 220
		8 405	36 220
	Total revenue from operation	8 405	35 436
25	Other income	For the year ended	
		March 31, 2020	March 31, 2019
	Foreign exchange gain (net)	84	527
	Provision for Doubtful Debts written back	-	-
	Total	84	527
26	Cost of materials consumed	For the year ended	
		March 31, 2020	March 31, 2019
	Opening stock of raw materials	-	-
	Add : Purchases of raw materials	-	-
	Less: Closing stock of raw materials	-	-
	Total	-	-

27	Changes in inventory of finished goods, work in progress and stock in trade	For the year ended	
		March 31, 2020	March 31, 2019
	(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	-	(592)
	Work-in-progress	-	-
	Total C	-	(592)
	(Increase)/ decrease in stocks (A+B-C+D)	-	592
28	Employee benefit expense	For the year ended	
		March 31, 2020	March 31, 2019
	Salary, wages & bonus	-	-
	Contribution to employee welfare funds, payroll tax and other taxes	-	-
	Staff welfare expenses	-	-
	Others	-	-
	Total	-	-
29	Finance costs	For the year ended	
		March 31, 2020	March 31, 2019
	Interest on borrowings	84	163
	Others	308	(234)
	Total	392	(70)
30	Other expenses	For the year ended	
		March 31, 2020	March 31, 2019
	Electricity, water and fuel	-	-
	Repairs and Maintenance:		
	Machinery	-	-
	Building	-	-
	Others	3 789	2 734
	Consumption of stores and spare parts	-	-
	Rent	-	-
	Rates & taxes	-	-
	Insurance	377	949
	Donation	-	-
	Travelling	1 061	110
	Freight & forwarding	-	-
	Provision for doubtful debts/advances	-	-
	Auditors fees and expenses	111	440
	Legal & professional expenses	48	(167)
	Computer expenses and software charges	7 787	4 268
	Fees and subscriptions	-	-
	Business promotion expenses	-	-
	Communication expenses	-	-
	Miscellaneous expenses	(2 465)	1 402
	Total	10 709	9 736
31	Income tax	For the year ended	
		March 31, 2020	March 31, 2019
	Current tax	(1 242)	558
	Deferred tax charged / (reversed)	(2 225)	(963)
		(3 467)	(405)