MSSL MAURITIUS HOLDINGS LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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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	01 April 2021	-
	Rishal Tanee	01 October 2016	-
	Laksh Vaaman Sehgal (alternate to Vivek Chaand Sehgal)	28 June 2019	-
	Rishikesh Batoosam (alternate to Rishal Tanee)	08 December 2023	-

ADMINISTRATOR AND SECRETARY:
OCORIAN Corporate Services Mauritius Limited
Level 6, Tower A
1 Exchange Square
Wall Street, Ebène
Mauritius

REGISTERED OFFICE
C/o OCORIAN Corporate Services Mauritius Limited
Level 6, Tower A
1 Exchange Square
Wall Street, Ebène
Mauritius

AUDITORS
1st Floor, Hennessy Court
Pope Hennessy Street
Port Louis
Mauritius

BANKER
SBI (Mauritius) Ltd
7th Floor, SBI Tower Mindspace
45, Cybercity
Ebène
Mauritius

DIRECTORS' REPORT

The directors present their report and the audited financial statements of MSSL MAURITIUS HOLDINGS LTD (the "Company") for the year ended 31 March 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of investment holding.

REVIEW OF BUSINESS

The Company's profit for the year is **EUR 63,003,113** (2023: EUR 3,695,478).

The directors have declared and paid a dividend amounting to EUR 7,000,000 during the year under review (2023: EUR Nil).

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 International Financial Reporting standards as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business License 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 Mauritius Companies Act applicable to a company holding a 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.

AUDITORS

VBS Business Services have been appointed as auditors. They have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

DS

By Order of the Board

Fayaz DOOBARRY, ACCA
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

Ocorian Corporate Services (Mauritius) Limited
SECRETARY

Dated 20 May 2024

SECRETARY'S CERTIFICATE

TO THE MEMBER OF MSSL MAURITIUS HOLDINGS LTD

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

In accordance with section 166 (d) of the Mauritius Companies Act, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Mauritius Companies Act 2001 for the Audited Financial Statements for the year ended 31 March 2024.

Dated 20 May 2024

DS

Fayaz DOOBARRY, ACCA
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

Ocorian Corporate Services (Mauritius) Limited
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF MSSL MAURITIUS HOLDINGS LTD

Report on the Audit of Financial Statements

We have audited the financial statements of MSSL MAURITIUS HOLDINGS LTD (the "Company"), which comprise of the statement of financial position as at 31 March 2024 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 33.

In our opinion, these financial statements give a true and fair view of the financial position of MSSL MAURITIUS HOLDINGS LTD as at 31 March 2024 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business Licence and in compliance with the requirements of the Mauritius Companies Act.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code) Code of Ethics for Professional Accountants, 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 of the diretors' report and secretary's report.

Our opinion on the financial statements does not cover the other information.

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF MSSL MAURITIUS HOLDINGS LTD (CONTINUED)

Report on the Audit of Financial Statements (continued)

Directors' Responsibilities for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business Licence and in compliance with the requirements of the Mauritius Companies Act, 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.

Auditors' 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 auditors' 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF MSSL MAURITIUS HOLDINGS LTD (CONTINUED)

Report on the Audit of Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

Other Matter

This report is made solely to the Company's member in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state in an auditors' 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 member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

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.

VBS Business Services

S Boodhonee

Sajivsing Boodhonee, FCCA
Licensed by FRC

VBS Business Services
Chartered Certified Accountants

Port Louis, Mauritius

Date: 20 May 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2024	2023
	EUR	EUR
Revenue		
Profit on disposal of investments in subsidiaries (Note 9 (i) & (ii))	**58,513,031**	-
Reversal of impairment loss on loan to subsidiaries (Note 17 (a) (xi))	**239,923**	328,886
	58,752,954	328,886
Expenses		
General and administrative expenses (Note 5)	**(65,330)**	(56,965)
Profit from operating activities	**58,687,624**	271,921
Net finance income (Note 6)	**4,534,589**	3,539,219
Profit before tax	**63,222,213**	3,811,140
Income tax expense (Note 8)	**(219,100)**	(115,662)
Profit for the year	**63,003,113**	3,695,478
Other comprehensive income	**-**	-
Total comprehensive income for the year	**63,003,113**	3,695,478

The notes on pages 12 to 33 are an integral part of these financial statements.

STATEMENT OF FINANICAL POSITION

	2024	2023
	EUR	EUR
ASSETS		
Non-current assets		
Investments in joint ventures (Note 7)	**16,426,385**	16,426,385
Investments in subsidiaries (Note 9)	**71,510,688**	8,779,969
Loan receivables (Note 10)	**80,484,248**	143,097,048
Total non- current assets	**168,421,321**	168,303,402
Current assets		
Loan receivables (Note 10)	**66,261,200**	255,305,000
Other receivables (Note 11)	**10,226,551**	9,718,948
Cash and cash equivalents (Note 12)	**1,513,738**	9,879,596
Tax assets (Note 8)	**-**	7,947
Total current assets	**78,001,489**	274,911,491
TOTAL ASSETS	**246,422,810**	443,214,893
EQUITY AND LIABILITIES		
Equity		
Share capital (Note 13)	**37,820,080**	37,820,080
Compulsorily convertible preference shares (Note 14)	**100,000,000**	100,000,000
Retained earnings	**104,176,495**	48,173,382
Total equity	**241,996,575**	185,993,462
Liabilities		
Current liabilities		
Borrowings (Note 15)	**4,250,000**	253,960,000
Other payables (Note 16)	**56,426**	3,261,431
Tax liability (Note 8)	**119,809**	-
Total current liabilities	**4,426,235**	257,221,431
TOTAL EQUITY AND LIABILITIES	**246,422,810**	443,214,893

Authorised for issue by the Board of directors on 20 May 2024
and signed on its behalf by

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

DocuSigned by:
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The notes on pages 12 to 33 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Compulsorily convertible preference shares	Retained earnings	Total equity
	EUR	EUR	EUR	EUR
Balance as at 01 April 2022	37,820,080	100,000,000	44,477,904	182,297,984
Total comprehensive income for the year				
Profit for the year	-	-	3,695,478	3,695,478
Total comprehensive income for the year	-	-	3,695,478	3,695,478
Balance as at 31 March 2023	37,820,080	100,000,000	48,173,382	185,993,462
Transaction with owner of the Company				
Dividend paid	-	-	(7,000,000)	(7,000,000)
Total transaction with owner of the Company	-	-	(7,000,000)	(7,000,000)
Total comprehensive income for the year				
Profit for the year	-	-	63,003,113	63,003,113
Total comprehensive income for the year	-	-	63,003,113	63,003,113
Balance as at 31 March 2024	**37,820,080**	**100,000,000**	**104,176,495**	**241,996,575**

The notes on pages 12 to 33 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	2024	2023
	EUR	EUR
Cash flows from operating activities		
Profit before tax	**63,222,213**	3,811,140
Adjustments for:		
Interest income	**(7,225,733)**	(10,277,043)
Interest expense	**2,701,143**	6,003,381
Reversal of impairment loss on loan to subsidiaries	**(239,923)**	(328,886)
Profit on disposal of investments in subsidiaries	**(58,513,031)**	-
Unrealised foreign exchange (gains)/ losses	**(9,999)**	734,443
Changes in working capital:		
- Other receivables	**-**	527
- Other payables	**21,061**	19,605
Cash used in operating activities	**(44,269)**	(36,833)
Tax paid	**(99,291)**	(328,290)
Tax refunded	**7,947**	-
Net cash used in operating activities	**(135,613)**	(365,123)
Cash flows from investing activities		
Proceeds from disposal of investments in subsidiaries	**67,293,000**	-
Acquisition of investments in subsidiaries	**(71,510,688)**	-
Bank interest received	**536**	1,171
Loan refunded by joint ventures	**257,350,000**	61,473,752
Interest received from joint ventures	**6,490,948**	20,055,553
Loan refunded by related parties	**6,939,923**	328,886
Loan granted to related parties	**(9,000,000)**	(67,858,000)
Interest received from related party	**320,249**	-
Net cash from investing activities	**257,883,968**	14,001,362
Cash flows from financing activities		
Loan received from related party	**71,500,000**	-
Repayment of loan to related party	**(67,250,000)**	-
Interest paid to related party	**(64,440)**	-
Loan repaid to parent company	**(257,350,000)**	-
Interest paid to parent company	**(5,947,604)**	(6,198,456)
Dividend paid	**(7,000,000)**	-
Net cash used in financing activities	**(266,112,044)**	(6,198,456)
Net (decrease)/ increase in cash and cash equivalents	**(8,363,689)**	7,437,783
Cash and cash equivalents at beginning of year	**9,879,596**	2,585,838
Effect of exchange difference on balance with banks in foreign currency	**(2,169)**	(144,025)
Cash and cash equivalents at end of year	**1,513,738**	9,879,596

The notes on pages 12 to 33 are an integral part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1 INCORPORATION AND PRINCIPAL ACTIVITY

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) Limited, Level 6, Tower A, 1 Exchange Square, Wall Street, Ebène, Mauritius. The Company holds a Global Business Licence under the Financial Services Act 2007 and is regulated by Financial Services Commission.

Principal activity

The principal activity of the Company is that of investment holding.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business Licence. These financial statements have been prepared under the historical cost convention except for financial instruments which are measured at amortised cost. All values are rounded to the nearest Euro, except when otherwise indicated. Where necessary, comparative figures have been amended to conform with a change in presentation and disclosure in the current year.

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

2.2 Consolidated financial statements

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

2.3 Investments in subsidiaries & joint ventures

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Investments in subsidiaries & joint ventures (Continued)

Where an indication of impairments exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the statement of profit or loss.

Details of the Company's subsidiaries and joint ventures are given in Note 9 & 7 respectively.

2.4 Financial assets

Initial recognition and measurement

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

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

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

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

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

The Company's financial assets include loan receivables, cash and cash equivalents, and other receivables, which are classified as financial assets at amortised cost.

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets (continued)

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

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

Derecognition

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

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

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

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

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

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for financial assets measured at amortised cost. 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. The Company recognises a loss allowance based on ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include other payables and borrowings.

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.

2.6 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.

2.7 Foreign currency translation

- Transactions and balances

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

2.8 Leases

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash at bank.

2.10 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Provisions

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

2.12 Current and deferred income tax

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

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

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

2.13 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.

2.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Impairment of non-financial assets (continued)

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

2.15 New and amended standards and interpretations

There has been amendments and interpretations that have become effective for the current year. The accounting policies adopted are consistent with those of the previous financial year except for the new and amended IFRS and IFRIC interpretations adopted in the period commencing on 01 April 2023. The Company has adopted, where applicable, the following new interpretations or amendments during the year and none of them had any significant impact on the financial statements:

Standards		**Definitions**
IAS 1	Presentation of Financial Statements	Amendments regarding the disclosures of accounting policies
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Amendments regarding the definition of accounting estimates
IAS 12	Income Taxes	Amendments regarding deferred tax on leases and decommissioning obligations

2.16 New or revised standards and interpretations issued but not effective

At the date of authorisation of these financial statements, the following relevant new and revised accounting standards were in issue but effective on annual periods beginning on or after the respective dates as indicated below:

Standards		**Definitions**	**Effective for accounting periods beginning on or after**
IFRS 7	Financial Instruments: Disclosures	Amendments regarding supplier finance arrangements	01 January 2024
IAS 1	Presentation of Financial Statements	Amendments regarding the classification of debt with covenants	01 January 2024
IAS 1	Presentation of Financial Statements	Classification of Liabilities as Current or Non-current	01 January 2024
IAS 7	Statement of Cash Flows	Amendments regarding supplier finance arrangements	01 January 2024
IAS 21	The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability	01 January 2025
IFRS 10 and IAS 28	Consolidated Financial Statements and Investments in Associates	Sale or contribution of assets between an investor and its associate or joint venture	Effective date yet to be set by the IASB

There are no other IFRSs or IFRICs interpretations that are not yet effective that would be expected to have a material impact on the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

3.1 Impairment of investments

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

3.2 Going concern

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

3.3 Functional and presentation currency

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

3.4 Determination of significant increase in credit risk and impairment of other receivables (ECL)

Credit risk arises from loan receivables, cash and cash equivalents, and other receivables. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. The credit risk on the bank balance has no material impact on financial statements. Other receivables represent balances recoverable from group companies. Management has reviewed the financial position of the related parties and concluded based on positive cash flows and financial position that no ECL is required.

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

4 FINANCIAL RISK MANAGEMENT

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

Risk management is carried out by the Board of Directors.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Market risk

Foreign exchange risk

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

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

There were no hedging transactions in place as at 31 March 2024.

The currency profile of the Company's financial assets and liabilities are summarized as follows:

Currency	**Financial assets**		**Financial liabilities**	
	2024	2023	**2024**	2023
	EUR	EUR	**EUR**	EUR
	154,781,288		**4,306,265**	151,666,508
EUR		306,700,396		
USD	**857,331**	108,009,503	**-**	105,554,764
ZAR	**2,846,775**	3,290,350	**-**	-
	158,485,394	418,000,249	**4,306,265**	257,221,272

As at 31 March 2024, 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 427,016** (2023 – EUR 493,551) 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 42,867** (2023 - EUR 124,488).

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. The table below shows exposure to interest rate risk:

	Financial assets		**Financial liabilities**	
	2024	2023	**2024**	2023
	EUR	EUR	**EUR**	EUR
Fixed rate instrument				
EUR	**132,284,248**	288,984,248	**-**	150,000,000
USD	**-**	103,960,000	**-**	103,960,000
	132,284,248	392,944,248	**-**	253,960,000
Variable rate instrument				
EUR	**12,800,000**	3,800,000	**4,250,000**	-
USD	**316,200**	312,800	**-**	-
ZAR	**1,345,000**	1,345,000	**-**	-
	14,461,200	5,457,800	**4,250,000**	-

As at 31 March 2024, 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 31,908** (2023 - EUR 25,635), 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 5,052** (2023 - EUR 49,759) 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 147,330** (2023- EUR 24,931).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Credit risk

Credit risk arises from loan receivables, cash and cash equivalents, and other receivables. For banks and financial institutions, the Company maintain banking relationships with only creditworthy banks which it reviews on an on-going basis. The Company also limits its credit risk by carrying out transactions with related parties.

The maximum exposure to credit risk regarding financial assets is as disclosed in the table below:

	2024	2023
	EUR	EUR
Loan receivables	**146,745,448**	398,402,048
Other receivables	**10,226,208**	9,718,605
Cash and cash equivalents	**1,513,738**	9,879,596
	158,485,394	418,000,249

The credit risk on the bank balance is not considered material. Loan receivables and other receivables represent balances recoverable from group companies, accordingly no credit risk arises on these balances.

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 and joint ventures.

(iii) Liquidity risk

This refers to the possibility of default by the Company to meet its obligation because of unavailability of funds. The Group always holds a high cash balance and meets its obligations regularly and is not exposed to any liquidity risk in the foreseeable future.

The maturity profiles of the Company's financial liabilities are summarized as follows:

2024	**Repayable on demand EUR**	**Repayable less than 1 year EUR**	**Repayable more than 1 year EUR**	**Total EUR**
Financial liabilities				
Borrowings	-	4,250,000	-	**4,250,000**
Other payables	-	56,265	-	**56,265**
Total financial liabilities	**-**	**4,306,265**	**-**	**4,306,265**
2023				
Financial liabilities				
Borrowings	-	253,960,000	-	253,960,000
Other payables	-	3,261,272	-	3,261,272
Total financial liabilities	-	257,221,272	-	257,221,272

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Fair values

The fair value of the Company's financial assets and liabilities at 31 March 2024 approximated their net book amounts as reflected in the financial statements.

The following table shows the carrying amounts and classification of financial assets and liabilities of the Group as at reporting date:

	Carrying amount		
	Financial assets at amortised cost EUR	**Financial liabilities at amortised cost EUR**	**Total EUR**
2024			
Financial assets not measured at fair value			
Loan receivables	146,745,448	-	**146,745,448**
Other receivables	10,226,208	-	**10,226,208**
Cash and cash equivalents	1,513,738	-	**1,513,738**
Total financial assets not measured at fair value	**158,485,394**	**-**	**158,485,394**
Financial liabilities not measured at fair value			
Borrowings	-	4,250,000	**4,250,000**
Other payables	-	56,265	**56,265**
Total financial liabilities not measured at fair value	**-**	**4,306,265**	**4,306,265**
2023			
Financial assets not measured at fair value			
Loan receivables	398,402,048	-	398,402,048
Other receivables	9,718,605	-	9,718,605
Cash and cash equivalents	9,879,596	-	9,879,596
Total financial assets not measured at fair value	418,000,249		418,000,249
Financial liabilities not measured at fair value			
Borrowings	-	253,960,000	253,960,000
Other payables	-	3,261,272	3,261,272
Total financial liabilities not measured at fair value	-	257,221,272	257,221,272

(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 on capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

5. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
	EUR	EUR
Legal & professional fees	54,455	40,874
Audit fee	1,860	6,032
Insurance charges	2,412	-
Rent expense	2,100	2,103
Miscellaneous expense	4,503	7,956
	65,330	56,965

6. NET FINANCE INCOME

	2024	2023
	EUR	EUR
Finance income:		
Bank interest	536	1,171
Exchange gain on interest receivables (Note 17 (b))	82,755	-
Exchange gain on loan to related parties (Note 17 (a))	3,393,400	1,515,998
Interest on loan to related party (Note 17 (b))	7,225,197	10,275,872
	10,701,888	11,793,041
Finance costs:		
Exchange loss on loan from related party (Note 17 (c))	(3,390,000)	(1,830,600)
Interest on loan from related party (Note 17 (d))	(2,701,143)	(6,003,381)
Exchange loss on interest payables (Note 17 (d))	(73,987)	(222,534)
Exchange loss on bank balance	(2,169)	(144,025)
Exchange loss on interest receivables (Note 17 (b))	-	(53,282)
	(6,167,299)	(8,253,822)
Net finance income	4,534,589	3,539,219

7. INVESTMENTS IN JOINT VENTURES

	Equity 2024	Equity 2023
	EUR	EUR
Cost:		
At start/ end of year	16,426,385	16,426,385

The investments in joint ventures consist of:

Name of the investee companies	Country of incorporation	Holding %	Investment value (at cost) 2024 EUR	Investment value (at cost) 2023 EUR
Samvardhana Motherson Global Holdings Limited	Cyprus	51%	16,426,380	16,426,380
Vacuform 2000 (Pty) Ltd	Republic of South Africa	51%	5	5
			16,426,385	16,426,385

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

(i) **Samvardhana Motherson Global Holdings Limited (SMGHL)**

The Company holds 51% (2023: 51%) in Samvardhana Motherson Global Holdings Limited (SMGHL) incorporated in Cyprus, a joint venture between the Company and Samvardhana Motherson Holding (M) Private Limited pursuant to a joint venture agreement dated 24 February 2009. 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 EUR 25,500 in Samvardhana Motherson Global Holdings Limited (SMGHL) by way of 17 equity shares of EUR 1 each at a premium of EUR 1,499 per share. As at 31 March 2024 the Company held 1,021,214 (2023: 1,021,214) ordinary shares of EUR 1 and 5,100 (2023: 5,100) preference shares of EUR 1 each. The Company has invested a total of EUR 16,426,380 (2023: EUR 16,426,380).

(ii) **Vacuform 2000 (Pty) Ltd**

The Company holds 51% (2023: 51%) in Vacuform 2000 (Pty) Ltd, incorporated in the Republic of South Africa.

Vacuform 2000 (Pty) Ltd 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 EUR 5 in the joint venture and holds 51 shares of ZAR 1 each.

8. TAXATION

Taxation

Under the current laws, the Company is subject to tax in Mauritius on its taxable profits at a rate of 15%. Foreign tax credit applies on any foreign source income that has been subject to any foreign tax. Mauritius does not have any capital gains tax and furthermore, any trading profits on the sale of securities are generally exempt from tax.

Regulatory

The Company is able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption is taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritian tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

	2024	2023
	EUR	EUR
Income tax expense	**219,100**	115,662

A reconciliation of the accounting profit as adjusted for tax purposes and the income tax charge is presented below:

	2024	2023
	EUR	EUR
Profit before tax	**63,222,213**	3,811,140
Tax calculated at 15%	**9,483,332**	571,671
Expenses not deductible for tax purposes	**925,126**	1,053,968
Income not subject to tax	**(10,189,358)**	(1,509,977)
Total income tax charge	**219,100**	115,662

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

8. TAXATION (CONTINUED)

	2024	2023
Tax liability/(asset):	**EUR**	EUR
At start of year	**(7,947)**	204,681
Tax refunded	**7,947**	-
Income tax charged for the year	**219,100**	115,662
Tax paid during the year	**(99,291)**	(328,290)
At end of year	**119,809**	(7,947)

9. INVESTMENTS IN SUBSIDIARIES

	2024	2023
Unquoted, at cost:	**EUR**	EUR
At start of year	**10,748,700**	10,748,700
Addition during the year	**71,510,688**	-
Disposal during the year	**(8,779,969)**	-
At end of year	**73,479,419**	10,748,700
Impairment:		
At start/ end of year	**(1,968,731)**	(1,968,731)
Carrying amount:		
At end of year	**71,510,688**	8,779,969

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Face value	Number of shares	Equity interest	Carrying amount 2024	2023
					EUR	EUR
MSSL Global RSA Module Engineering Limited	Republic of South Africa	ZAR 1	60,000,000 equity shares	100%	-	6,822,336
MSSL Australia Pty Ltd	Australia	AUD 1	8,000 equity shares 2,792,000 preference shares	80%	-	1,957,633
Global Environment Management (FZC)	UAE	AED 1	150,000 equity shares	100%	-	-
Global Environment Management (FZC)	UAE	AUD 1	7,645,542 equity shares	100%	-	-
SMRC Automotive Products India Limited	India	INR 10	11,616,312 equity shares	100%	**32,104,800**	-
SMR Automotive Systems India Limited	India	INR 10	6,987,000 equity shares	51%	**39,405,888**	-
					71,510,688	8,779,969

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

9. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The investments in subsidiaries consist of:

(i) MSSL Global RSA Module Engineering Limited
During the year under review, the Company disposed its investment of 60,000,000 equity shares of Zuid-Afrikaanse Rand (ZAR) 1 each in MSSL Global RSA Module Engineering Limited (formerly Golden Dividend 629 Limited) for a consideration of EUR 57,160,000 which has resulted in a profit on disposal of EUR 50,337,664.

(ii) MSSL Australia Pty Ltd
During the year under review, the Company disposed its investment of 2,792,000 preference shares of Australian dollar (AUD) 1 each and 8,000 equity shares of Australian dollar (AUD) 1 each in MSSL Australia Pty Ltd for a consideration of EUR 1,723,000 and EUR 8,410,000 respectively which has resulted in a profit on disposal of EUR 8,175,367.

(iii) Global Environment Management (FZC)
The Company holds 100% (2023: 100%) of equity shares denominated in AED and 100% (2023: 100%) of equity shares denominated in AUD equivalent to amounts of AED 150,000 and AUD 7,645,542 (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 onsite household and garden waste containment systems. The Company, pursuant to an assignment agreement, has been assigned the Intellectual property i.e. the patents, trademark registrations and applications, designs and design applications and patents and patent applications.

The investment held in Global Environment Management (FZC) has been fully impaired. Also, the Company has given advance against equity amounting EUR 1,431,166 to Global Environment Management (FZC), which was also impaired in the Company's books in previous years.

(iv) SMRC Automotive Products India Limited
The Company holds 100% (2023: Nil) in SMRC Automotive Products India Limited incorporated in India The Company purchased 11,616,310 equity shares of INR 10 in SMRC Automotive Products India Limited for a consideration of EUR 32,100,000 from SMRC Automotive Holdings Netherlands B.V. and 2 equity shares of INR 10 each for a consideration of EUR 1 from SMRC Automotive Techno Minority Holdings B.V during the year under review. The Company also paid stamp duty of INR 432,000 (Equivalent to EUR 4,799).

(v) SMR Automotive Systems India Limited
The Company holds 51% (2023: Nil) in SMR Automotive Systems India Limited incorporated in India. The company purchased the 6,987,000 equity shares of INR 10 each for a consideration of EUR 39,400,000 from SMR Automotive Technology Holding Cyprus Ltd (Cyprus) during the year under review. The Company also paid stamp duty of INR 530,000 (Equivalent to EUR 5,888).

The directors have reviewed the carrying amounts of the above investments and the financial position of the investee companies at 31 March 2024 and are of the opinion that no impairment is required.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

10. LOAN RECEIVABLES

	2024	2023
	EUR	EUR
Loan to related parties (Note 17)	**146,745,448**	398,402,048
Non-current portion	**80,484,248**	143,097,038
Current portion	**66,261,200**	255,305,010
	146,745,448	398,402,048

I. The Company has given loans totalling ZAR 26,900,000 (equivalent to EUR 1,345,000) ((2023: ZAR 26,900,000 (equivalent to EUR 1,345,000)) to Vacuform 2000 Pty Ltd, bearing interest at Prime Lending Rate. Total interest income of ZAR 3,190,826 (equivalent to EUR 159,541) ((2023: ZAR 2,563,533 (equivalent to EUR 140,036)) has been booked during the year on the said loans.
Interest receivable at reporting date was ZAR 29,625,728 (equivalent to EUR 1,481,286) ((2023: ZAR 26,434,902 (equivalent to EUR 1,321,745)). The Company has signed an addendum to agreement, on 26 March 2024, for the loan of ZAR 26,900,000 for prolonging repayment period until 30 June 2024.

II. The Company has given loans totalling EUR 7,426,248 (2023: EUR 7,426,248) to Samvardhana Motherson Global Holdings Limited, at an interest rate of 6-month EURIBOR plus 250 basis points for loan of EUR 3,800,000 and fixed rate of 4.78% per annum for loan of EUR 3,626,243. Total interest income of EUR 416,040 (2023: EUR 399,204) has been booked during the year on the said loans. Interest receivable at reporting date was EUR 2,016,765 (2023: EUR 1,600,725). Samvardhana Motherson Global Holdings Limited has refunded total loans amounting to EUR 61,473,757 and interest amounting to EUR 13,310,919 during the year ended 31 March 2023. The repayment dates for the loans are as follows:

Loan amount	**Repayment date**
1. EUR 100,000	30 September 2024
2. EUR 3,500,000	31 October 2024
3. EUR 150,000	31 December 2024
4. EUR 50,000	31 May 2024
5. EUR 3,626,243	19 June 2026

III. The Company has given loans totalling to USD 340,000 (equivalent to EUR 316,200) ((2023: USD 340,000 (equivalent to EUR 312,800)) to Samvardhana Motherson Global Holdings Limited, at an interest rate of 6-month LIBOR plus 250 basis points. Total interest income of USD 27,162 (equivalent to EUR 25,183) ((2023: USD 18,378 (equivalent to EUR 17,456)) has been booked during the year on the said loan.
Interest receivable at reporting date was USD 155,839 (equivalent to EUR 144,931) ((2023: USD 128,677 (equivalent to EUR 118,382). The Company has revised the interest rate SOFR 6M plus 3.21513% spread on the said loans with effect from 01 April 2023. The repayment dates for the loans are as follows:

Loan amount	**Repayment date**
1. EUR 158,100 (USD 170,000)	31 March 2025
2. EUR 158,100 (USD 170,000)	31 December 2024

IV. The Company has given loans of EUR 67,858,000 (2023: EUR 67,858,000) to Samvardhana Motherson Holding (M) Private Limited, at a fixed interest rate 2.38% p.a. Total interest income of EUR 1,641,937 (2023: EUR 1,556,700) has been booked during the year on the said loan. Interest receivables at reporting date was EUR 3,198,637 (2023: EUR 1,556,700). The loan is repayable by 18 April 2025.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

10. LOAN RECEIVABLES (CONTINUED)

V. The Company has given loan of EUR 60,800,000 (2023: EUR 67,500,000) to MSSL Mideast (FZE) at a fixed interest rate of 2.38% p.a. Total interest income of EUR 1,621,759 (2023: EUR 1,628,812) has been booked during the year on the said loan. The loan was given in tranches started from March 2020 at the rate of 4.78% per annum. The rate of interest on this loan was amended to 2.38% per annum. The impact of this change in interest rate was considered in FY 2021-22. During the year under review, MSSL Mideast (FZE) has refunded loan amounting to EUR 6,700,000 and interest accrued of EUR 320,249. Interest receivable at reporting date was EUR 2,823,314 (2023: EUR 1,521,804). The loan is repayable by 13 March 2025.

VI. During the year under review, the Company has given loan of EUR 5,200,000 (2023: EUR nil) to MSSL Mideast FZE at an interest rate of 1-year EURIBOR plus 157 basis points for the period of two (2) years. Total interest income of EUR 278,945 (2023: EUR Nil) has been booked during the year on the said loan. Interest receivables at reporting date was EUR 278,945 (2023: EUR Nil). The loan is repayable by 03 April 2026.

VII. During the year under review, the Company has given loan of EUR 2,500,000 to MSSL Mideast FZE at an interest rate of 1-year EURIBOR plus 525 basis points for the period of three (3) years. Total interest income of EUR 213,875 (2023: EUR Nil) has been booked during the year on the said loan. Interest receivables at reporting date was EUR 213,875 (2023: EUR Nil). The loan is repayable by 03 April 2026.

VIII. During the year under review, the Company has given loan of EUR 1,300,000 to Samvardhana Motherson Holding (M) Private Limited, an interest rate of 1-year EURIBOR plus 170 basis points for the period of three (3) years. Total interest income of EUR 57,607 (2023: EUR Nil) has been booked during the year on the said loan. Interest receivables at reporting date was EUR 57,607 (2023: EUR Nil). The loan is repayable by 15 June 2026.

IX. The Company had loan receivable of EUR 150,000,000 as at 31 March 2023 from Samvardhana Motherson Global Holdings Limited. During the year under review, Samvardhana Motherson Global Holdings Limited has refunded total loans amounting to EUR 150,000,000 and interest accrued amounting to EUR 3,321,500 (2023: EUR 3,330,625). Total interest income of EUR 1,450,875 (2023: EUR 3,330,625) has been booked during the year on the said loan. Interest receivables at reporting date was EUR Nil (2023: EUR 1,870,625).

X. The Company had loan receivable of USD 113,000,000 (equivalent to EUR 103,960,000) as at 31 March 2023 from Samvardhana Motherson Global Holdings Limited. During the year under review, Samvardhana Motherson Global Holdings Limited has refunded total loans amounting to USD 113,000,000 (equivalent to EUR 107,350,000) and interest accrued amounting to USD 3,336,262 (equivalent to EUR 3,169,448) (2023: EUR 3,414,009). Total interest income of EUR 1,359,435 (2023: EUR 3,203,039) has been booked during the year on the said loan. Interest receivables at reporting date was EUR Nil (2023: EUR 1,728,624).

XI. The Company has given a loan of AUD 1,525,000 (equivalent to EUR 914,706) to Global Environment Management (FZC). The loan was fully impaired in previous years. During the year under review, Global Environment Management (FZC) has refunded loan amounting to AUD 400,000 (equivalent to EUR 239,923) (2023: AUD 525,000 (equivalent to EUR 328,886)).

The management has made an assessment for expected credit losses and concluded that no provision is required to be made for the year under review.

11. OTHER RECEIVABLES

	2024	2023
	EUR	EUR
Interest receivables from related parties (Note 17)	**10,215,360**	9,718,605
Security deposit	**343**	343
Amount receivable from related party (Note 17)	**10,848**	-
	10,226,551	9,718,948

The amount receivable from related party is unsecured, interest-free and is repayable on demand.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

12. CASH AND CASH EQUIVALENTS

	2024	2023
	EUR	EUR
Balances with bank	**1,513,738**	9,879,596

13. SHARE CAPITAL

	2024		2023	
	Ordinary Share Capital		Ordinary Share Capital	
	Number	**EUR**	Number	EUR
Issued and fully paid at par value EUR 1 each				
At start/ end of year	**37,820,080**	**37,820,080**	37,820,080	37,820,080

The holder of an ordinary share in the Company shall confer on the holder:
(a) the right to one vote on a poll at a meeting of the Company on any resolution;
(b) the right to an equal share in dividends authorised by the Board; and
(c) the right to an equal share in the distribution of the surplus assets of the Company.

14. Compulsorily Convertible Preference Shares

	2024		2023	
	Compulsorily convertible preference shares		Compulsorily convertible preference shares	
	Number	**EUR**	Number	EUR
At start/ end of year	**100**	**100,000,000**	100	100,000,000

During the financial year 2020-21, the Company received EUR 100,000,000 from its parent company Motherson Sumi Systems Limited as subscription to Compulsorily Convertible Preference Shares. Security subscription agreement was executed between the companies on 7 October 2020. According to the agreement the Company issued to the subscriber 100 compulsorily convertible preference shares having face value of EUR 1,000,000 each. These preference shares will be converted into Equity shares at the end of 4 years and 9 months from the date of allotment of preference shares on 07 October 2020, applying discount of 10% of fair value of equity shares on the date of conversion or such discount that ensures benefit of holding similar instruments with similar terms.

15. BORROWINGS

	2024	2023
	EUR	EUR
Loan from related parties (Note 17)	**4,250,000**	253,960,000

During the financial year 2023-24:

I. The Company has repaid borrowing from Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) amounting to EUR 150,000,000 and USD 113,000,000 (equivalent to EUR 107,350,000) ((2023: USD 113,000,000 (equivalent to EUR 103,960,000)) including all accrued interest.

Particulars	**2023**	**Addition**	**Exchange Difference**	**Repayment**	**2024**
Principal	253,960,000	-	3,390,000	(257,350,000)	-
Interest	3,226,066	2,647,551	73,987	(5,947,604)	-
Total	**257,186,066**	**2,647,551**	**3,463,987**	**(263,297,604)**	**-**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

15. BORROWINGS (CONTINUED)

Particulars	*2022*	*Addition*	*Exchange Difference*	*Repayment*	*2023*
Principal	252,129,400	-	1,830,600	-	253,960,000
Interest	3,198,607	6,003,381	222,534	(6,198,456)	3,226,066
Total	**255,328,007**	**6,003,381**	**2,053,134**	**(6,198,456)**	**257,186,066**

II. The Company has received a loan of EUR 71,500,000 (2023: EUR Nil) from MSSL GB Ltd, at an interest rate of 3M EURIBOR + Spread 1.00% for the period of 3 months. Total interest expense of EUR 53,592 (2023: EUR Nil) has been booked during the year on the said loan. The Company has made a part payment of EUR 67,250,000 along with interest of EUR 53,592. The outstanding balance as at reporting date is EUR 4,250,000. The loan is repayable by 18 June 2024.

Particulars	**2023**	**Addition**	**Repayment**	**2024**
Principal	-	71,500,000	(67,250,000)	4,250,000
Interest	-	53,592	-	53,592
Total	**-**	**71,553,592**	**(67,250,000)**	**4,303,592**

16. OTHER PAYABLES

	2024	2023
	EUR	EUR
Accruals	**56,265**	35,206
TDS payable	**161**	159
Interest payable on loan from related parties (Note 17)	**-**	3,226,066
	56,426	3,261,431

17. RELATED PARTY TRANSACTIONS & BALANCES

During the year ended 31 March 2024, the Company transacted with related entities. The nature, volume of transactions and balances with the related parties are as follows:

	2024	2023
	EUR	EUR
(a) Loan receivables		
(i) Loan advanced to Vacuform 2000 Pty Ltd (Joint venture)		
At start of year	**1,345,000**	1,665,110
Exchange difference	**-**	(320,110)
At end of year	**1,345,000**	1,345,000
(ii) Loan advanced to Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**312,800**	307,292
Exchange difference	**3,400**	5,508
At end of year	**316,200**	312,800
(iii) Loan advanced to Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**7,426,248**	68,900,000
Loan refunded during the year	**-**	(61,473,752)
At end of year	**7,426,248**	7,426,248
(iv) Loan advanced to MSSL Mideast FZE (Group company)		
At start of year	**67,500,000**	67,500,000
Loan refunded during the year	**(6,700,000)**	-
At end of year	**60,800,000**	67,500,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

17. RELATED PARTY TRANSACTIONS & BALANCES (CONTINUED)

	2024	2023
	EUR	EUR
(a) Loan receivables (continued)		
(v) Loan advanced to MSSL Mideast FZE (Group company)		
At start of year	**-**	-
Loan granted during the year	**5,200,000**	-
At end of year	**5,200,000**	-
(vi) Loan advanced to MSSL Mideast FZE (Group company)		
At start of year	**-**	-
Loan granted during the year	**2,500,000**	-
At end of year	**2,500,000**	-
(vii) Loan advanced to Samvardhana Motherson Holding (M) Private Limited (Group company)		
At start of year	**-**	-
Loan granted during the year	**1,300,000**	-
At end of year	**1,300,000**	-
(viii) Loan advanced to Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**150,000,000**	150,000,000
Loan refunded during the year	**(150,000,000)**	-
At end of year	**-**	150,000,000
(ix) Loan advanced to Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**103,960,000**	102,129,400
Loan refunded during the year	**(107,350,000)**	-
Exchange difference	**3,390,000**	1,830,600
At end of year	**-**	103,960,000
(x) Loan advanced to Samvardhana Motherson Holding (M) Private Limited (Group company)		
At start of year	**67,858,000**	-
Loan granted during the year	**-**	67,858,000
At end of year	**67,858,000**	67,858,000
(xi) *Loan advanced to Global Environment Management (FZC) (Subsidiary)*		
Cost:		
At start of year	**585,820**	914,706
Loan refunded during the year	**(239,923)**	(328,886)
At end of year	**345,897**	585,820
Impairment:		
At start of year	**(585,820)**	(914,706)
Reversal during the year	**239,923**	328,886
At end of year	**345,897**	(585,820)
Carrying amount:		
At end of year	-	-
Total loan receivables (Note 10)	**146,745,448**	398,402,048

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

17. RELATED PARTY TRANSACTIONS & BALANCES (CONTINUED)

	2024 EUR	2023 EUR
(b) Interest receivable		
(i) Interest receivable from Vacuform 2000 Pty Ltd (Joint venture)		
At start of year	**1,321,745**	1,477,638
Interest charged for the year	**159,541**	140,036
Exchange difference	**-**	(295,929)
At end of year	**1,481,286**	1,321,745
(ii) Interest receivable from Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**118,382**	99,688
Interest charged for the year	**25,183**	17,456
Exchange difference	**1,366**	1,238
At end of year	**144,931**	118,382
(iii) Interest receivable from Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**1,600,725**	14,512,440
Interest charged for the year	**416,040**	399,204
Interest refunded during the year	**-**	(13,310,919)
At end of year	**2,016,765**	1,600,725
(iv) Interest receivable from MSSL Mideast FZE (Group company)		
At start of year	**1,521,804**	(107,008)
Interest charged for the year	**1,621,759**	1,628,812
Interest refunded during the year	**(320,249)**	-
At end of year	**2,823,314**	1,521,804
(v) Interest receivable from MSSL Mideast FZE (Group company)		
At start of year	**-**	-
Interest charged for the year	**213,875**	-
At end of year	**213,875**	-
(vi) Interest receivable from MSSL Mideast FZE (Group company)		
At start of year	**-**	-
Interest charged during the year	**278,945**	-
At end of year	**278,945**	-
(vii) Interest receivable from Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**1,870,625**	1,870,625
Interest charged for the year	**1,450,875**	3,330,625
Interest refunded during the year	**(3,321,500)**	(3,330,625)
At end of year	**-**	1,870,625

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

17. RELATED PARTY TRANSACTIONS & BALANCES (CONTINUED)

	2024 EUR	2023 EUR
(b) Interest receivable (continued)		
(viii) Interest receivable from Samvardhana Motherson Global Holdings Limited (Joint venture)		
At start of year	**1,728,624**	1,698,185
Interest charged for the year	**1,359,435**	3,203,039
Interest refunded during the year	**(3,169,448)**	(3,414,009)
Exchange difference	**81,389**	241,409
At end of year	**-**	1,728,624
(ix) Interest receivable from Samvardhana Motherson Holding (M) Private Limited (Group company)		
At start of year	**1,556,700**	-
Interest charged for the year	**1,641,937**	1,556,700
At end of year	**3,198,637**	1,556,700
(x) Interest receivable from Samvardhana Motherson Holding (M) Private Limited (Group company)		
At start of year	**-**	-
Interest charged for the year	**57,607**	-
At end of year	**57,607**	-
Total interest receivables (Note 11)	**10,215,360**	9,718,605
(c) Loan payable		
(i) Samvardhana Motherson International Limited (parent company)		
At start of year	**150,000,000**	150,000,000
Loan repaid during the year	**(150,000,000)**	-
At end of year	**-**	150,000,000
(ii) Samvardhana Motherson International Limited (Parent company)		
At start of year	**103,960,000**	102,129,400
Loan repaid during the year	**(107,350,000)**	-
Exchange difference	**3,390,000**	1,830,600
At end of year	**-**	103,960,000
(iii) MSSL GB Ltd (Group company)		
At start of year	**-**	-
Loan received during the year	**71,500,000**	-
Loan repaid during the year	**(67,250,000)**	-
At end of year	**4,250,000**	-
Total loan payable (Note 15)	**4,250,000**	253,960,000
(d) Interest payable		
(i) Samvardhana Motherson International Limited (Parent company)		
At start of year	**1,666,666**	1,591,666
Interest charged for the year	**1,358,334**	3,041,667
Interest repaid during the year	**(3,025,000)**	(2,966,667)
At end of year	**-**	1,666,666

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)

17. RELATED PARTY TRANSACTIONS & BALANCES (CONTINUED)

	2024	2023
	EUR	EUR
(d) Interest payable (continued)		
(ii) Samvardhana Motherson International Limited (Parent company)		
At start of year	**1,559,400**	1,606,941
Interest charged for the year	**1,289,217**	2,961,714
Interest repaid during the year	**(2,922,604)**	(3,231,789)
Exchange difference	**73,987**	222,534
At end of year	**-**	1,559,400
(iii) MSSL GB Ltd (Group company)		
At start of year	**-**	-
Interest charged for the year	**53,592**	-
Interest repaid during the year	**(64,440)**	-
Amount reclassified to amount receivable from related party (Note 17 (e))	**10,848**	-
At end of year	**-**	-
Total interest payable (Note 16)	**-**	3,226,066
(e) Amount receivable from MSSL GB Ltd (Group company)		
At start of year	**-**	-
Amount reclassified from interest payable (Note 17 (d)(iii))	**10,848**	-
At end of year	**10,848**	-
(f) Ocorian Corporate Services (Mauritius) Ltd (Administrator)		
At start of year	**26,730**	9,500
Admin fees charged for the year	**45,897**	35,081
Paid during the year	**(33,740)**	(17,851)
At end of year	**38,887**	26,730

The total directors' fees for the year ended 31 March 2024 is EUR 1,074 (2023: EUR 1,063).

18. PARENT AND ULTIMATE CONTROLLING PARTY

The directors consider Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited), a company incorporated in India as the Company's parent and ultimate controlling party. Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) is also listed on the BSE Limited and National Stock Exchange of India Limited.

19. SUBSEQUENT EVENTS

There have been no material events after the reporting date which could require disclosure or adjustments to the financial statements for the year ended 31 March 2024.