



**ISMT Enterprises**  
**« Société Anonyme »**

**R.C.S. Luxembourg B129097**

**ANNUAL ACCOUNTS**  
**as at 31<sup>st</sup> March 2019**

**Grant Thornton Tax & Accounting**

Experts Comptables & Fiscaux

On the basis of the documents and information received from the client, we have compiled the financial statements of ISMT Enterprises as at 31<sup>st</sup> March 2019 which were established in accordance with the legal and regulatory provisions as well as the accounting procedures generally accepted in Luxembourg.

The Directors remain responsible for these financial statements which were not subject to a legal or contractual audit nor a review on our behalf.

The present financial statements show:

- a balance sheet total of EUR 7,956,478.51
- a loss of the financial year of : EUR -29,729.58

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## REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Shareholders of

**ISMT Enterprises S.A.**

1, Rue Nicolas Simmer

L-2538 Luxembourg

RCS Luxembourg: B 129097

### ***Report on the Audit of the Financial Statements***

#### ***Opinion***

We have audited the financial statements of **ISMT Enterprises S.A.** (the "Company"), which comprise of the balance sheet as at **March 31, 2019**, and the profit and loss account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **March 31, 2019**, and the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### ***Basis for Opinion***

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* ("CSSF"). Our responsibilities under those Law and standards are further described in the « Responsibilities of "Réviseur d'Entreprise Agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Responsibilities of the Board of Directors***

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines 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 Board of Directors is 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### ***Responsibilities of the "Réviseur d'Entreprises Agréé" for the Audit of the Financial Statements***

The objectives of our audit 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 audit 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 the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment 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 Board of Directors.
- Conclude on the appropriateness of Board of 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 audit 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 audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

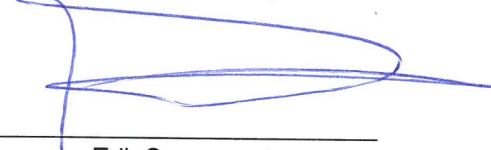
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Strassen, June 6th, 2019

Audit Conseil Services S.à r.l.

Cabinet de Révision Agréé



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Erik Snauwaert

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RCSL Nr. :	B129097	Matricule :	2007 2217 374
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**ABRIDGED BALANCE SHEET**

Financial year from <sup>01</sup> 01/04/2018 to <sup>02</sup> 31/03/2019 (in <sup>03</sup> EUR )

ISMT Enterprises  
 7, rue de Bitbourg  
 L-1273 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	109	110
I. Intangible assets	1111		112
II. Tangible assets	1125		126
III. Financial assets	1135	135	136
	Note 3	7,932,706.37	7,932,706.37
<b>D. Current assets</b>	1151	151	152
I. Stocks	1153	153	154
II. Debtors	1163	163	164
	Note 4	2,727.10	23,750.00
a) becoming due and payable within one year	1203	203	204
		2,727.10	23,750.00
b) becoming due and payable after more than one year	1205	205	206
III. Investments	1189	189	190
IV. Cash at bank and in hand	1197	197	198
		18,280.91	2,311.05
<b>E. Prepayments</b>	1199	199	200
	Note 5	2,764.13	2,764.13
<b>TOTAL (ASSETS)</b>		201	202
		7,956,478.51	7,961,531.55

<b>CAPITAL, RESERVES AND LIABILITIES</b>
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	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 _____	301 <u>7,737,473.28</u>	302 <u>7,767,202.86</u>
I. Subscribed capital	1303 _____ <u>Note 6</u>	303 <u>8,098,570.00</u>	304 <u>8,098,570.00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
V. Profit or loss brought forward	1319 _____ <u>Note 6</u>	319 <u>-331,367.14</u>	320 <u>-301,308.07</u>
VI. Profit or loss for the financial year	1321 _____ <u>Note 6</u>	321 <u>-29,729.58</u>	322 <u>-30,059.07</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 _____ <u>Note 7</u>	331 <u>11,985.00</u>	332 <u>15,345.00</u>
<b>C. Creditors</b>	1435 _____ <u>Note 8</u>	435 <u>207,020.23</u>	436 <u>178,983.69</u>
a) becoming due and payable within one year	1453 _____	453 <u>207,020.23</u>	454 <u>178,983.69</u>
b) becoming due and payable after more than one year	1455 _____	455 _____	456 _____
<b>D. Deferred income</b>	1403 _____	403 _____	404 _____
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 <u>7,956,478.51</u>	406 <u>7,961,531.55</u>



**Annual Accounts Helpdesk :**

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**PROFIT AND LOSS ACCOUNT**

**Financial year from** 01 01/04/2018 **to** 02 31/03/2019 (in 03 EUR )

ISMT Enterprises  
 7, rue de Bitbourg  
 L-1273 Luxembourg

**PROFIT AND LOSS ACCOUNT**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703 _____	703 _____	704 _____
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705 _____	705 _____	706 _____
<b>4. Other operating income</b>	1713 _____	713 _____	714 _____
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____	671 <u>-14,933.35</u>	672 <u>-17,704.94</u>
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____	603 <u>-14,933.35</u>	604 <u>-17,704.94</u>
<b>6. Staff costs</b>	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 _____	622 _____

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
<b>10. Income from other investments and loans forming part of the fixed assets</b>	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
<b>11. Other interest receivable and similar income</b>	1727	727 <u>9.38</u>	728
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731 <u>9.38</u>	732
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>	1663	663	664
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>	1665	665	666
<b>14. Interest payable and similar expenses</b>	1627	627 <u>-2,820.61</u>	628 <u>-219.13</u>
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631 <u>-2,820.61</u>	632 <u>-219.13</u>
<b>15. Tax on profit or loss</b>	1635	635	636
<b>16. Profit or loss after taxation</b>	1667	667 <u>-17,744.58</u>	668 <u>-17,924.07</u>
<b>17. Other taxes not shown under items 1 to 16</b>	1637	637 <u>-11,985.00</u>	638 <u>-12,135.00</u>
<b>18. Profit or loss for the financial year</b>	1669 <u>Note 6</u>	669 <u>-29,729.58</u>	670 <u>-30,059.07</u>

## **Note 1 - GENERAL INFORMATION**

ISMT Enterprises (hereafter the “Company”) was incorporated on 25<sup>th</sup> May 2007 and is organized under the laws of Luxembourg as a « société anonyme » for an unlimited period.

The registered office of the Company is established at 7, rue de Bitbourg L-1273 Luxembourg.

The Company's financial year starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of each year.

The purposes for which the Company is formed are all transactions pertaining directly or indirectly to the taking of participating interests in any enterprises in whatever form, as well as the administration, the management, the control and the development of such participating interests.

The Company may particularly use its funds for the setting-up, the management, the development and the disposal of a portfolio consisting of any securities and patents of whatever origin, participate in the creation, the development and the control of any enterprise, acquire by way of contribution, subscription, underwriting or by option to purchase and any other way whatever, any type of securities and patents, realize them by way of sale, transfer, exchange or otherwise, have developed these securities and patents.

The Company may borrow in any form whatsoever. The Company may grant to the companies of the group or to its shareholders, any support, loans, advances or guarantees, within the limits of the law of August 10, 1915.

## **Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Note 2.1 - Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

The accounting records and annual accounts are prepared in EUR.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, determined and applied by the board of directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the board of directors to exercise its judgment in the process of applying the accounting policies. Management believes that the annual accounts present a true and fair view of the Company's financial situation and results.

Based on the criteria defined by Luxembourg law, the Company is exempt from the obligation to draw up consolidated accounts and a consolidated management report for the year ended 31<sup>st</sup> March 2019. Therefore, in accordance with the legal provisions, these annual accounts were presented on a non-consolidated basis for the approval of the shareholders during the Annual General Meeting.

The parent company which draws up to the audited consolidated accounts is ISMT Limited, Lunkad Towers, Viman Nagar, Off Pune Nagar Road, Pune-411014, India.

## **Note 2.2 - SIGNIFICANT ACCOUNTING POLICIES**

The main valuation rules applied by the Company are follows:

### **Note 2.2.1 - Financial assets**

Shares in affiliated undertakings are valued at acquisition cost. The acquisition cost is calculated by adding the costs to the purchase price.

The loans to related companies are valued at nominal value.

In the case of durable depreciation in value according to the opinion of the Directors, value adjustments are made in respect of financial assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

### **Note 2.2.2 - Foreign currency translation**

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealized exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realization. Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealized losses are recorded in the profit and loss account and the net unrealized exchange gains are not recognized.

### **Note 2.2.3 - Deferred charges**

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

### **Note 2.2.4 - Provisions**

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

## Note 2.2. – Significant Accounting policies (continued)

### Note 2.2.4 – Provisions (continued)

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed with the tax authorities. The advance payments are shown in the assets of the balance sheet under the "Other receivables" item.

### Note 2.2.5 - Debts

Debts are recorded at their reimbursement value. If the reimbursable amount exceeds the amount received, the difference is shown in an assets caption and amortized on a linear basis.

## Note 3 - FINANCIAL ASSETS

The movements for the year are as follows:

	Affiliated undertakings		Total
	Shares	Loans	
	(EUR)	(EUR)	(EUR)
<b>Gross book value - opening balance</b>	<b>5,370,000.00</b>	<b>2,562,706.37</b>	<b>7,932,706.37</b>
Additions for the year	0.00	0.00	0.00
Disposals for the year	0.00	0.00	0.00
<b>Gross book value - closing balance</b>	<b>5,370,000.00</b>	<b>2,562,706.37</b>	<b>7,932,706.37</b>
<b>Accumulated value adjustment - opening</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Allocations for the year	0.00	0.00	0.00
Reversals for the year	0.00	0.00	0.00
<b>Accumulated value adjustment - closing</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net book value - closing balance</b>	<b>5,370,000.00</b>	<b>2,562,706.37</b>	<b>7,932,706.37</b>
<b>Net book value - opening balance</b>	<b>5,370,000.00</b>	<b>2,562,706.37</b>	<b>7,932,706.37</b>

### Note 3 – Financial Assets (continued)

According to the agreement dated June 2007 the SEK 10,000,000.00 loan corresponding to EUR 1,074,000.00 granted to Structo Hydraulics AB bears an interest rate of 4% per annum. The agreed maturity date was June 2010 and was subordinated to any and all amounts due to Handelsbanken. In March 2010 the Company granted to Structo Hydraulics AB a second interest free loan of SEK 14,500,000.00 corresponding to EUR 1,488,706.37. Considering the waive of the 4% interest on the SEK 10,000,000.00 loan, the balance as at 31st March 2019 amounts to SEK 24,500,000.00 corresponding to EUR 2,562,706.37.

This loan granted has been booked as an unconditional shareholders contribution in the statutory accounts of Structo Hydraulics AB as per 31<sup>st</sup> March 2019.

In the opinion of the Board of Directors, based on the estimated future cash flows of Structo Hydraulics AB, the above loan does not present any permanent impairment in value as at 31<sup>st</sup> March 2019.

The companies in which the Company holds at least 20% of the capital or in which it is jointly and severally liable are the following:

Company name	Registered address	Capital held fraction	Closure date last year	Capital at closure date (SEK)	Results from last year (SEK)
Structo Hydraulics AB	Box 1003 SE-688 29 Storfors Sweden	100 %	31/03/2019	15,485,716.00	3,528,040.00

The consolidated net equity of Structo Hydraulics AB as per 31<sup>st</sup> March 2019 amounts to SEK 15,485,716.00 (2018: SEK 3,671,018.00) and the consolidated net profit of the accounting year amounts to SEK 3,528,040.00 (2018 loss: 5,263,326.00).

The Management is of the opinion that the investment made in Structo Hydraulics AB is strategic and with a long term view.

Based on the estimated future cash flows no write-down is needed on investment.

### Note 4 - DEBTORS

The receivables consist mainly of other receivables.

Other receivables are mainly composed of:

	31.03.2019 (EUR)	31.03.2018 (EUR)
Amounts owed by partners and shareholders	0.00	16,000.00
Direct tax authorities	2,727.10	7,750.00
<b>Total</b>	<b>2,727.10</b>	<b>23,750.00</b>

## Note 5 - DEFERRED CHARGES

Adjustment accounts consist mainly of deferred charges of 2,764.13 EUR.

## Note 6 – EQUITY

### Note 6.1 - Subscribed capital

The subscribed capital amounts to EUR 8,098,570.00 and is divided into 809,857 shares with a nominal value of EUR 10.00 fully paid up.

### Note 6.2 - Legal reserve

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital.

This reserve may not be distributed.

As the result of the Company was negative last year, no allocation to the legal reserve is needed.

### Note 6.3 - MOVEMENTS OF EQUITY CAPTIONS

The movements for the year are as follows:

	Subscribed Capital	Profit or loss brought forward	Profit or loss for the financial year	Total
<b>As at 31/03/2018</b>	8,098,570.00	-301,308.07	-30,059.07	7,767,202.86
Movements for the year:				
• Allocation of previous year's profit or loss	0.00	-30,059.07	30,059.07	0,00
• Profit or loss for the year	0.00	0.00	-29,729.58	-29,729.58
<b>As at 31/03/2019</b>	8,098,570.00	-331,367.14	-29,729.58	7,737,473.28

## Note 7 - PROVISIONS

Provisions are made up as follows:

	31.03.2019 (EUR)	31.03.2018 (EUR)
Provisions for taxation	11,985.00	15,345.00
<b>Total</b>	<b>11,985.00</b>	<b>15,345.00</b>

Provision for taxes are comprised of provisions for tax on corporate income and provisions for wealth tax.

## **Note 8 - CREDITORS**

Amounts due and payable for the accounts shown under "Creditors" are as follows:

	Within one year	After one year	Total 31/03/2019 (EUR)	Total 31/03/2018 (EUR)
Trade payables	10,013.22	0.00	10,013.22	12,449.50
Tax and social security debts	0.00	0.00	0,00	23,182.30
Other debts	197,007.01	0.00	197,007.01	143,351.89
<b>Total</b>	<b>207,020.23</b>	<b>0.00</b>	<b>207,020.23</b>	<b>178,983.69</b>

## **Note 9 - STAFF**

There were no staff employed during the year.

## **Note 10 - ADMINISTRATIVE AND SUPERVISORY BODIES**

The members of the administration and management bodies have not received any payments, loans or advances during the year ended 31<sup>st</sup> March 2019.

## **Note 11 - OFF-BALANCE SHEET COMMITMENTS**

The Company has no off-balance sheet commitments.

## **Note 12 - SUBSEQUENT EVENTS**

No specific events occurred after the end of the financial year.



### **Note 13 - OTHER INDICATIONS**

The board of Directors will propose to the general meeting of shareholders to allow the loss of the year amounting to (EUR) -29,729.58 as follows:

Results brought forward	EUR -29,729.58
<b>Total</b>	<b>EUR -29,729.58</b>

- Board of Directors until the general meeting held in 2024:

Mr Narayan Vithal Karbhase, 5 Meghdoot Apartment, Alkapuri Society, Kothrud, Pune 411029 Maharashtra, India;  
Mr Christophe Roeder, 13, rue de Bitbourg, L-1273 Luxembourg;  
Mr Romain Bontemps, 13, rue de Bitbourg, L-1273 Luxembourg.

- Statutory auditor until the general meeting held in 2024:

ACSe – Audit Conseil Services, R.C.S. Luxembourg B 142685, 47, route d’Arlon, L-8009 Strassen