



REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 March 2019, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of SBI (Mauritius) Ltd for the year ended 31 March 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements prepared in accordance with International Financial Reporting Standards (IFRSs).

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRSs) in the preparation of the audited financial statements of SBI (Mauritius) Ltd. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 3 May 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' Responsibility for the Summary Financial Statements

Directors are responsible for the preparation of the summary financial statements in accordance with IFRSs.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholders in accordance with Section 34(6)(b)(ii) of the Mauritian Banking Act 2004 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Deloitte
Chartered Accountants

Vishal Agrawal, FCA
Licensed by FRC

Date: 3rd May 2019



AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The Audited Financial Statements for the year ended 31st March 2019 have been prepared in accordance with Bank of Mauritius Guideline on Public Disclosure of Information. The financial report contains forward looking statements and risks assessments based on the Bank's view of the economic situation and may not necessarily materialise. Users of information should therefore not place undue reliance on these statements.

PROSPECTS

The domestic economy has been performing well over the last 3 years. The bank has been successful in building the loan book last year and the business in pipeline is encouraging. Though the circumstances are challenging, risks are elevated but growth is the best prescription. This applies to the global economy as a whole as well as to the bank. Our growth would be based on customer acquisition, diversifying our product mix and expanding our presence across sectors. The target is to be a comprehensive provider of financial services to our customers and strongly reinforce our status.

RESULTS

2018 remained a challenging year for the Bank, on the domestic as well as the international front. Notwithstanding the weak economic conditions that prevailed and the sluggish global environment, the Bank managed to post impressive Net Profit of USD 15.70 Mio as on 31st March 2019 as compared to USD 1.67 Mio last year, thus registering a growth of 840.12%. Both Return on Average Equity (ROAE) and Return on Average Assets (ROAA) have gone up owing to increase in Net Profit. The ROAE and the ROAA stood at 11.10 percent and 1.67 percent respectively, as on 31st March 2019 as compared to 1.00 percent and 0.94 percent, as on 31st March 2018. The operating profit remained at previous year level, although the market interest rates moved sharply. Net Interest Income has increased by 2.37% from USD 23.63 Mio to USD 24.19 Mio during the reporting period.

With closure of Buyer's Credit business by Reserve Bank of India, the bank re-strategized to selectively build the loan book in medium term to long term tenors. Also, the bank has been successful in resolution of large value NPAs & toxic advances and brought the NPA level from USD 142.52 Mio down to USD 31.70 Mio. As a result, the gross advances of the bank stood at USD 539.71 Mio as at March'19 as compared to USD 662.79 Mio as at March'18. However, the earning capacity of the assets has gone up substantially. The deposit base was re-oriented accordingly and high cost deposits were not renewed on maturity. The deposit base stood at USD 471.42 Mio as at end of March'19 as compared to the level of USD 781.64 Mio in March'18. The investment book expanded further to USD 258.32 Mio as compared to the level of USD 231.70 Mio year before.

At year end, our Capital Adequacy Ratio stood at 26.81%, comfortably above the regulatory stipulation of 11.875%.

Copies of the Annual Report 2019 can be obtained free of charge upon request at the Head Office of the company, SBI (Mauritius) Ltd, SBI Tower Mindspace, 45 Ebene Cybercity, and can be viewed on our website: www.sbimauritius.com

The statement of direct and indirect interests of officers of the Company in the capital of the Company may also be obtained free of charge upon request at the registered office of the Bank.

By order of the Board

A.B Mosaheb
Company Secretary

Date: 3rd May 2019

This communiqué is issued pursuant to Securities Act 2005.

The Board of Directors of SBI (Mauritius) Ltd accepts full responsibility for the accuracy of the information contained in this communiqué



SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	2019 USD	2018 USD	2017 USD
Interest income	38,659,543	38,344,764	37,067,969
Interest expense	(14,474,354)	(14,717,001)	(13,567,005)
Net interest income	24,185,189	23,627,763	23,500,964
Net fee and commission Income	2,440,099	2,138,464	1,739,740
Net trading income	1,468,613	1,612,416	1,694,721
Other operating income	527,869	888,620	936,345
	1,996,482	2,501,036	2,631,066
Operating income	28,621,770	28,267,263	27,871,770
Net impairment loss on financial assets	(2,090,131)	(17,286,821)	(8,985,314)
Personnel expenses	(4,630,738)	(4,220,177)	(3,954,103)
Depreciation	(504,904)	(509,270)	(382,465)
Other expenses	(3,396,080)	(3,490,487)	(2,656,491)
Profit before income tax	17,999,917	2,760,508	11,893,397
Income tax expense	(2,300,000)	(1,090,000)	(1,391,292)
Profit for the year	15,699,917	1,670,508	10,502,105
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations, net of deferred tax	(451,166)	(583,209)	(346,774)
Fair value gains on investment securities	404,033	-	-
Items that may be reclassified subsequently to profit or loss			
Fair value gains/(loss) on investment securities	785,175	(2,556,203)	118,733
Other Comprehensive gains/(loss) for the year	738,042	(3,139,412)	(228,041)
Total comprehensive income/(loss) attributable to equity holders	16,437,959	(1,468,904)	10,274,064
Earnings per share	20.18	2.15	13.50

Approved and authorised for issue by the Board of Directors on 3rd May 2019

S.S. Asthana
Managing Director & CEO

B.K. Maudarbocus-Boodoo
Director

G. Gopee
Director



SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	2019 USD	2018 USD	2017 USD
ASSETS			
Cash and cash equivalents	93,304,042	255,313,977	68,843,826
Loans and advances to banks	42,299,888	67,005,364	187,821,581
Loans and advances to customers	476,294,433	533,741,606	651,678,345
Investment securities	258,319,143	231,695,181	157,216,459
Property, plant and equipment	7,685,687	7,939,630	8,105,819
Current tax assets	204,470	-	-
Deferred tax assets	1,503,706	2,059,900	1,579,317
Other assets	16,451,970	18,902,003	17,174,948
Total assets	896,063,339	1,116,657,661	1,092,420,294
LIABILITIES			
Deposits from customers	471,418,308	781,642,115	681,280,732
Other borrowed funds	265,106,186	165,692,623	227,594,953
Current tax liabilities	-	528,263	1,053,604
Retirement benefit obligation	3,373,612	2,881,503	1,899,955
Other liabilities	6,199,843	4,064,154	2,684,987
Total liabilities	746,097,949	954,808,658	914,514,231
Shareholders' Equity			
Share Capital	48,627,188	48,627,188	48,627,188
Share premium	54,078,062	54,078,062	54,078,062
Retained earnings	26,552,746	42,179,846	55,348,070
Statutory and Other reserves	24,038,206	19,843,553	22,149,180
Actuarial losses reserve	(3,330,812)	(2,879,646)	(2,296,437)
Total equity	149,965,390	161,849,003	177,906,063
Total equity and liabilities	896,063,339	1,116,657,661	1,092,420,294

Approved and authorised for issue by the Board of Directors on 3rd May 2019

S.S. Asthana
Managing Director & CEO

B.K. Maudarbocus-Boodoo
Director

G. Gopee
Director



SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital USD	Share Premium USD	Statutory Reserve USD	General Banking Reserve USD	Other Reserve USD	Actuarial Losses Reserve USD	Retained Earnings USD	Total USD
Balance at 1 April 2016	48,627,188	54,078,062	19,848,464	603,175	3,492	(1,949,663)	67,124,792	188,335,510
Profit for the year	-	-	-	-	-	-	10,502,105	10,502,105
Other Comprehensive Income for the year	-	-	-	-	118,733	(346,774)	-	(228,041)
Transfer to Statutory reserves	-	-	1,575,316	-	-	-	(1,575,316)	-
Dividend paid	-	-	-	-	-	-	(20,703,511)	(20,703,511)
Balance at 31 March 2017	48,627,188	54,078,062	21,423,780	603,175	122,225	(2,296,437)	55,348,070	177,906,063
Balance at 1 April 2017	48,627,188	54,078,062	21,423,780	603,175	122,225	(2,296,437)	55,348,070	177,906,063
Profit for the year	-	-	-	-	-	-	1,670,508	1,670,508
Other Comprehensive Income for the year	-	-	-	-	(2,556,203)	(583,209)	-	(3,139,412)
Transfer to Statutory reserves	-	-	250,576	-	-	-	(250,576)	-
Dividend paid	-	-	-	-	-	-	(14,588,156)	(14,588,156)
Balance at 31 March 2018	48,627,188	54,078,062	21,674,356	603,175	(2,433,978)	(2,879,646)	42,179,846	161,849,003
Balance at 1 April 2018	48,627,188	54,078,062	21,674,356	603,175	(2,433,978)	(2,879,646)	42,179,846	161,849,003
Impact of adopting IFRS 9	-	-	-	-	650,457	-	(9,152,823)	(8,502,366)
Adjusted Opening Balance on initial application of IFRS 9	48,627,188	54,078,062	21,674,356	603,175	(1,783,521)	(2,879,646)	33,027,023	153,346,637
Additional specific provision on loans and advances	-	-	-	-	-	-	(14,956,487)	(14,956,487)
Profit for the year	-	-	-	-	-	-	15,699,917	15,699,917
Other Comprehensive Income for the year	-	-	-	-	1,189,208	(451,166)	-	738,042
Transfer to Statutory reserves	-	-	2,354,988	-	-	-	(2,354,988)	-
Dividend paid	-	-	-	-	-	-	(4,862,719)	(4,862,719)
Balance at 31 March 2019	48,627,188	54,078,062	24,029,344	603,175	(594,313)	(3,330,812)	26,552,746	149,965,390



SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 USD	2018 USD	2017 USD
Cash flows from operating activities			
Profit for the year	15,699,917	1,670,508	10,502,105
Adjustments for:			
Depreciation	504,904	509,270	382,465
Profit on disposal of investments	(215,988)	(505,134)	(682,721)
Exchange rate difference	(479,845)	(1,228,353)	(851,194)
Profit on disposal of assets	(14,389)	(15,367)	(7,199)
(Profit)/loss on disposal of non banking asset	(10,677)	65,019	(6,601)
Increase/(decrease) in provision for retirement benefit obligation	17,193	295,420	82,476
Impairment on financial assets - loans	2,090,131	17,286,821	8,985,314
Income tax expense	2,300,000	1,090,000	1,391,292
	19,891,246	19,168,184	19,795,937
Changes in operating assets and liabilities			
Decrease/(increase) in loans and advances to banks	24,083,843	122,574,961	(41,704,580)
Decrease in loans and advances to customers	29,771,316	100,186,931	22,357,274
Decrease/(increase) in other assets	2,450,033	(1,627,289)	(378,453)
(Decrease)/increase in deposits from customers	(309,723,385)	99,361,009	(36,614,982)
Increase/(decrease) in other liabilities	2,135,689	1,383,355	(406,492)
Net change in interest receivable	1,387,449	(427,521)	2,252,209
Net change in interest payable	(89,761)	976,685	(50,976)
Income tax paid	(865,113)	(1,914,707)	(1,160,525)
Net cash (used in)/generated from operating activities	(230,958,683)	339,681,608	(35,910,588)
Cash flows from investing activities			
(Increase)/decrease in investment securities (net)	(44,332,453)	(110,084,148)	8,264,616
Proceeds from sale of investment securities	19,370,000	33,554,357	23,866,040
Purchase of property, plant and equipment	(250,958)	(343,081)	(873,930)
Proceeds from sale of property, plant and equipment	14,389	15,367	7,199
Proceeds from sale of non banking asset	10,489	117,033	15,384
Net cash (used in)/generated from investing activities	(25,188,533)	(76,740,472)	31,279,309
Cash flows from financing activities			
Other borrowed funds	-	23,313,750	76,686,250
Dividend paid	(4,862,719)	(14,588,156)	(20,703,511)
Net cash (used in)/generated from financing activities	(4,862,719)	8,725,594	55,982,739
Net (decrease)/increase in cash and cash equivalents	(261,009,935)	271,666,730	51,351,461
Cash and cash equivalents at beginning of year	240,313,977	(31,352,753)	(82,704,214)
Cash and cash equivalents at end of year	(20,695,958)	240,313,977	(31,352,753)