



### STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> MARCH 2017

Notes	2017 USD	2016 USD	2015 USD
<b>ASSETS</b>			
Cash and cash equivalents	16a 68,843,826	25,953,859	45,468,800
Loans and advances to banks	17 187,821,581	146,697,985	112,225,166
Loans and advances to customers	18 651,678,344	683,707,592	629,665,359
Investment securities	19 157,216,459	188,545,661	193,687,990
Property, plant and equipment	20 8,105,819	7,614,354	8,215,952
Deferred tax assets	21 1,579,317	1,353,732	978,996
Other assets	22 17,174,948	16,909,234	22,413,873
<b>Total assets</b>	<b>1,092,420,294</b>	<b>1,070,782,417</b>	<b>1,012,656,136</b>
<b>LIABILITIES</b>			
Deposits from customers	23 681,280,732	718,216,838	747,162,219
Other borrowed funds	24 227,594,953	159,077,723	78,707,969
Current tax liabilities	25 1,053,604	658,447	600,431
Retirement benefit obligation	33 1,899,955	1,409,510	786,963
Other liabilities	26 2,684,987	3,084,389	2,186,116
<b>Total liabilities</b>	<b>914,514,231</b>	<b>882,446,907</b>	<b>829,443,698</b>
<b>Shareholders' Equity</b>			
Share Capital	27a 48,627,188	48,627,188	48,627,188
Share premium	27a 54,078,062	54,078,062	54,078,062
Retained earnings	55,348,070	67,124,792	62,831,159
Statutory and Other reserves	34 22,149,180	20,455,131	19,094,133
Actuarial losses reserve	34 (2,296,437)	(1,949,663)	(1,418,104)
<b>Total equity</b>	<b>177,906,063</b>	<b>188,335,510</b>	<b>183,212,438</b>
<b>Total equity and liabilities</b>	<b>1,092,420,294</b>	<b>1,070,782,417</b>	<b>1,012,656,136</b>

Approved and authorised for issue by the Board of Directors on 16th May 2017

  
**S.S.Asthana**  
 Managing Director & CEO

  
**M.Cheeroo**  
 Director

  
**G.Gopee**  
 Director

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

Notes	2017 USD	2016 USD	2015 USD
Interest income	37,067,969	36,148,111	37,462,771
Interest expense	(13,567,005)	(15,584,949)	(18,673,278)
<b>Net interest income</b>	<b>7</b>	<b>23,500,964</b>	<b>20,563,162</b>
<b>Net fee and commission income</b>	<b>8</b>	<b>1,739,740</b>	<b>2,137,868</b>
Net trading income	9 1,694,721	1,606,488	1,365,459
Other operating income	10 936,345	627,132	465,914
		2,631,066	2,233,620
<b>Operating income</b>	<b>27,871,770</b>	<b>24,934,650</b>	<b>24,887,485</b>
Net impairment loss on financial assets	11 (8,985,314)	(7,141,440)	(3,608,580)
Personnel expenses	12 (3,954,103)	(3,950,314)	(4,032,390)
Depreciation	20 (382,465)	(644,923)	(639,510)
Other expenses	13 (2,656,491)	(2,629,895)	(2,886,121)
<b>Profit before income tax</b>	<b>11,893,397</b>	<b>10,568,078</b>	<b>13,720,884</b>
Income tax expense	14 b (1,391,292)	(940,069)	(998,548)
<b>Profit for the year</b>	<b>10,502,105</b>	<b>9,628,009</b>	<b>12,722,336</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit obligations, net of deferred tax	(346,774)	(531,559)	(10,492)
<b>Items that may be classified subsequently to profit or loss</b>			
Fair value gains on investment securities	118,733	(83,203)	43,703
<b>Other Comprehensive Income for the year</b>	<b>(228,041)</b>	<b>(614,762)</b>	<b>33,211</b>
<b>Total comprehensive income attributable to equity holders of the company</b>	<b>10,274,064</b>	<b>9,013,247</b>	<b>12,755,547</b>
<b>Earnings per share</b>	<b>15</b>	<b>13.50</b>	<b>12.37</b>
		<b>16.35</b>	

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

Notes	2017 USD	2016 USD	2015 USD
<b>Cash flows from operating activities</b>			
Profit for the year	10,502,105	9,628,009	12,722,336
<b>Adjustments for:</b>			
Depreciation	20 382,465	644,923	639,510
Profit on disposal of investments	(682,721)	(424,650)	(257,351)
Exchange rate difference	(851,193)	165,504	(909,583)
Loss/(Profit) on disposal of assets	(7,199)	(1,699)	656
Profit on disposal of non banking asset	(6,601)	(8,266)	-
(Decrease)/increase in provision for retirement benefit obligation	82,475	(2,817)	(62,818)
Impairment on financial assets - loans	11 8,985,314	7,141,440	3,608,580
Income tax expense	14 b 1,391,292	940,069	998,548
	19,795,937	18,082,513	16,739,878
<b>Changes in operating assets and liabilities</b>			
(Increase)/decrease in loans and advances to banks	(41,704,580)	(35,365,007)	(69,388,920)
(Increase)/decrease in loans and advances to customers	22,357,274	(58,681,476)	26,685,279
Decrease/(increase) in other assets	(378,453)	5,567,538	(3,932,488)
(Decrease)/increase in deposits from customers	(36,614,982)	(25,770,957)	80,774,079
(Decrease)/increase in other liabilities	(406,492)	898,273	(2,468,097)
Net change in interest receivable	2,252,209	(2,348,524)	407,106
Net change in interest payable	(50,976)	(3,178,557)	(2,827,158)
Income tax paid	25 (1,160,525)	(1,162,984)	(1,378,267)
<b>Net cash (used in)/generated from operating activities</b>	<b>(35,910,588)</b>	<b>(101,959,181)</b>	<b>44,611,412</b>
<b>Cash flows from investing activities</b>			
(Increase)/decrease in investment securities (net)	8,264,616	(15,055,546)	(14,193,956)
Proceeds from sale of investment securities	23,866,040	21,012,484	16,538,926
Purchase of property, plant and equipment	20 (873,930)	(66,581)	(167,272)
Proceeds from sale of property, plant and equipment	7,199	24,954	-
Proceeds from sale of non banking asset	15,384	16,864	1,328,904
<b>Net cash generated from investing activities</b>	<b>31,279,309</b>	<b>5,932,175</b>	<b>3,506,602</b>
<b>Cash flows from/(used in) financing activities</b>			
Other borrowed funds	76,686,250	(26,835,000)	(47,497,499)
Dividend paid	27b (20,703,511)	(3,890,175)	(3,890,175)
<b>Net cash generated from/(used in) financing activities</b>	<b>55,982,739</b>	<b>(30,725,175)</b>	<b>(51,387,674)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>51,351,461</b>	<b>(126,752,181)</b>	<b>(3,269,660)</b>
Cash and cash equivalents at beginning of year	(82,704,214)	44,047,968	47,317,628
<b>Cash and cash equivalents at end of year</b>	<b>16b (31,352,753)</b>	<b>(82,704,214)</b>	<b>44,047,968</b>

### AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

The audited Financial Statements for the year ended 31st March 2017 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.

#### RESULTS

During the year, the loan portfolio increased from USD 868 Mio to USD 885.40 Mio. A major portion of the loan portfolio was in Global Advances which stood at a level of USD 687.92 Mio as on 31st March 2017 compared to USD 698.61 Mio as on 31st March 2016. The Bank has registered a growth of 17.90% in Operating profit of USD 22.88 Mio as on 31st March 2017 as against USD 17.71 Mio last year. During the year, Net Interest Income has seen a growth of 14.30 % and profit before Income Tax increased from USD 10.56 million to USD 11.89 million representing an increase of 12.54%. The Net profit stood at USD 10.50 million as on 31st March 2017 as compared to USD 9.63 million as on 31st March 2016 despite substantial increase in provisioning for impaired assets.

#### PROSPECTS

The banking sector in Mauritius continues to face the challenge due to the difficult global and domestic economic climate. However, the local economy is expected to pick up appreciably underpinned by the ongoing efforts by the Government to stimulate domestic economy away from traditional revenue generating sectors along with the efforts to stimulate both private and domestic investments. At the same time, global growth is also expected to pick up. As a result, we are confident to improve our top line as well as bottom line in the next financial year taking advantage of amount of Synergies emerging from our presence across various markets and harnessing our core capabilities and internal resources.

Copies of the Annual Report 2017 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](http://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: 16th May 2017

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

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SBI (MAURITIUS) LTD

#### Report on the audit of the financial statements

##### Opinion

We have audited the financial statements of SBI (Mauritius) Ltd (the "Bank") set out on pages 75 to 121, which comprise the statement of financial position as at 31 March 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 March 2017, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these Standards are further described in the Auditor's Responsibilities for Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements of the IESBA Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Report on other legal and regulatory requirements

###### Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Bank other than in our capacity as auditors and dealings in the ordinary course of business;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Bank as far as appears from our examination of those records.

###### Banking Act 2004

- In our opinion, the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up and comply with the provisions of the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius; and
- the explanations or information called for or given to us by the officers or agents of the Bank were satisfactory.

###### The Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report. Our responsibility is to report on the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code. In our opinion, the disclosure in the Corporate Governance Report is consistent with the requirements of the Code.

##### Other matter

###### Prior year financial statements

The financial statements for the year ended 31 March 2016 were audited by another auditor, who on 11 May 2016 expressed an unmodified opinion on those financial statements.

##### Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Directors' report, Certificate from the Company Secretary, Statement of Compliance and Management discussion and analysis, but does not include the financial statements and our report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

##### Responsibilities of directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and in compliance with the requirements of the Mauritius Companies Act 2001, the Banking Act 2004, and the Financial Reporting Act 2004 and they are also responsible 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 Bank'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 Bank or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Bank's financial reporting process.

##### Auditor's responsibilities for the audit of the financial statements


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank 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.

This report is made solely to the Bank's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Bank's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Deloitte**  
Chartered Accountants

  
**Twaieb Butonkee, FCA**  
Licensed by FRC

16-May-17