AUDITED FINANCIAL STATEMENTS

SBI Funds Management (International) Private Limited

FOR THE YEAR ENDED

31 MARCH 2022

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		Date of appointment	Date of resignation
Directors	: Khoushaal Dusoruth	15 September 2017	21 May 2021
	Sudhir Sharma	04 January 2021	-
	Ashwin Foogooa	21 May 2021	-
	Shafiiq-Ur-Rahmaan Soyfoo	21 May 2021	-

Administrator & Secretary : IQ EQ Fund Services (Mauritius) Ltd
33, Edith Cavell Street
Port Louis, 11324
Republic of Mauritius

Registered office : C/o IQ EQ Fund Services (Maurtius) Ltd
33, Edith Cavell Street
Port Louis, 11324
Republic of Mauritius

Banker : SBI (Mauritius) Ltd
7th Floor, SBI Tower Mindspace
Bhumi Park
45, Cybercity
Ebene 72201
Republic of Mauritius

Auditors : Grant Thornton
Ebene Tower
52 Cybercity
Ebene 72201
Republic of Mauritius

Investment advisor : SBI Funds Management Limited
9th Floor, C-38 & 39
Crescenzo, G Block
Bandra Kurla Complex
Bandra (East) Mumbai - 400 051
Republic of India

The directors are pleased to present their commentary, together with the audited financial statements of SBI Funds Management (International) Private Limited (the "Company") for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company is to provide investment management services.

RESULTS AND DIVIDENDS

The Company's profit for the year under review is **USD 331,827** (31 March 2021: USD 129,951).

The directors recommend the payment of dividend for the year under review of USD 150,000 (31 March 2021: Dividend of USD 250,000).

STATEMENT OF 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 ("IFRS") have been followed, 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. They shall ensure that the financial statements are prepared in accordance with IFRS and in compliance with the requirements of the Mauritius Companies Act 2001.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not be a going concern in the period ahead.

AUDITORS

The auditors, Grant Thornton, have indicated their willingness to continue in office until the next annual meeting.

Principle 1: Governance Structure

General information

SBI Funds Management (International) Private Ltd (the "Company") was incorporated on 17 January 2006 as a private company limited by shares. The Company is licensed to operate as a CIS Manager pursuant to Section 98 of the Securities and holds a Global Business Licence issued by the Financial Services Commission Act 2005 and the Financial Services (Consolidated Licensing and Fees) Rules 2008.

It is to be noted that, as per the Code of Corporate Governance, all organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified. The Board of the Company takes its fiduciary responsibilities seriously. Each Director is appointed with the understanding of the amount of time and care that they will need to devote to the Board and to the organisation in order for it to prosper. The Board has approved all the key guiding documents and policies and affirms each key governance role. The Company adheres to appropriate standards of corporate governance through awareness of business ethics under the supervision of its Board of Directors. These standards take into account the governance structure of the Board.

The Company provides investment management services to SBI India Opportunites Fund and SBI Resurgent India Opportunities Fund, both incorporated in Mauritius.

Role of the Board

The Board of directors operates a framework designed to ensure that high standards of corporate governance are applied at all times. The Board members possess relevant qualifications and experience, and have sufficient knowledge of the financial sector in general. Every director has drawn from his/her professional background and expertise in positively contributing to the Board's activities. The Board exercises its duties to act in good faith and in the best interest of the Company in line with the Mauritius Companies Act 2001 and other laws and regulations. Additionally, the Board has adopted a Code of Business Conduct.

Key Governance Responsibilities

The Board acknowledges that it should lead and control the organisation and be collectively responsible for its long-term success, reputation and governance. In so doing, the Board assumes responsibility for meeting all regulatory and legal requirements as follows:

i) Determine, agree and develop the Company's general policy on corporate governance in accordance with the applicable Code of Corporate Governance;
ii) Advise and make recommendations to the Board on all aspects of corporate governance and new Board appointment(s);
iii) Prepare the annual Corporate Governance Report; and
iv) Review the terms and conditions of all service agreements between the Company and service providers.

Chairman of the Board

The Company has two Mauritian resident directors and any one of them can chair Board meetings from Mauritius. Hence, this is why the Company has not designated any specific Chairman.

Principle 1: Governance Structure (Continued)

Chairman of the Board (Continued)

All Board meetings are chaired in Mauritius, and the Chairman of the Board meetings provides leadership and guidance to fellow Board members while ensuring that the Board is, in collective terms, effective in its role as the Company's main decision-making organ. The Chairman promotes a culture of engagement with each director by encouraging a proactive participation in Board meeting discussions and decision-making process. The Chairman also monitors the discussion time which is allocated to each agenda item at Board meetings, depending on their relative complexity, and engages into a constructive dialogue with the investors and other stakeholders on behalf of the Board where necessary.

The key responsibilities of the Chairman of the Board can be summarised as follows:

i. To provide leadership to the Board to ensure it functions effectively;
ii. To develop and set the agendas for meetings of the Board;
iii. To coordinate with the Company Secretary to ensure that the Board receives the appropriate quantity and quality of information in a timely manner to enable it to make informed decisions;
iv. To chair meetings of the Board and ensure that meetings are conducted efficiently and effectively;
v. To ensure that the directors are properly informed and that sufficient information is provided to enable the directors to form appropriate judgements;
vi. To ensure that all directors exercise their skills, knowledge and expertise on key Board matters and assist the Board in achieving a consensus;
vii. To develop teamwork and a cohesive Board culture and facilitate formal and informal communication with and among directors; and
viii. To help ensure that action items established by the Board are worked on with the assistance of the Company Secretary and appropriate follow-up actions are taken as and when necessary.

Principle 2: The Structure of the Board and its committee

Due to the nature of the activities of the Company, no sub-committees (Audit Committee, Corporate Governance Committee, Board Risk Committee and Remuneration Committee and or Nomination Committee) have been set up. Besides, the Company has not adopted any specific charter. The Board of directors collectively considers the measures in respect of the Code of Corporate Governance and this is further strengthened by the presence of independent intermediaries like auditors as additional safeguards. The Board is a unitary Board and is composed of directors coming from different sectors. Every director has drawn from his professional background and expertise in positively contributing to the Board's activities. The Board considers that its current size and composition are appropriate for the type of activity in which the Company is engaged and for the effective discharge of the Board's responsibilities. The Board has adopted the Board charter in line with the recommendation of the Code.

The Board assumes responsibility for leading and controlling the organisation, meeting all legal and regulatory requirements.

The Board currently comprises of one independent director and two non-executive directors, who exercise independence of mind and judgement. The non-executive directors and the independent directors are all resident of Mauritius. The Board has appropriate balance of skills, experience, independence and knowledge of the Company which enables it to perform its respective duties and responsibilities effectively. The Board has also appointed IQEQ Fund Services (Mauritius) Ltd as its Company Secretary.

Principle 2: The Structure of the Board and its committee(Continued)

The main objects and functions of the Board are to:

- determine, agree and develop the Company's general policy on corporate governance in accordance with the applicable Code of Corporate Governance;
- advise and make recommendations to the Board on all aspects of corporate governance and new Board appointments as and when applicable;
- prepare the Corporate Governance Report; and
- review the terms and conditions of all service agreements between the Company and service providers.

The Board is satisfied that they have discharged their responsibilities for the year in respect of Corporate Governance. During the year under review, the Board met one time where both resident directors were present.

Board meetings

The Board schedules meetings to:
1. Examine all statutory matters;
2. Approve the statutory financial statements and reviews important accounting issues;
3. Review the Company's performance and Investment update of the entities it manages;
4. Consider strategic matters for the Company;
5. Ensure compliance of the Company with the legislations; and
6. Take note of changes in the legislations which may affect the Company.

The Board is responsible for directing the affairs of the Company in the best interests of its shareholder, in conformity with legal and regulatory frameworks, and consistent with its constitution and best governance practices. Further to the above, all decision and policy making for the Company are taken by the directors by consensus. The Board is aware of all other directorships held by the directors of the Company. Due to confidentiality reasons, the list of outside directorships of the directors has not been disclosed in the report.

Principle 3: Director Appointment Procedures

As per the Code, there should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors. All new Board Members should be inducted by way of a formal induction programme which is overseen by the Board and the Company Secretary.

The Board has in place a formal, rigorous and transparent procedure for the appointment of the directors. It is recommended for the Board to also have an induction pack for the newly appointed directors.

The Company Secretary holds on record all due diligence documents on its directors to ensure that they have requisite skills and expertise required to act as directors. Before appointment, the due diligence documents of the proposed directors are duly verified by the Company Secretary and the Board to ensure that any newly appointed director has the requisite skills and expertise required to act as director. The Board members of the Company possess relevant qualification and experience, and sufficient knowledge of the financial sector in general and the global business in particular.

Principle 3: Director Appointment Procedures (Continued)

The Board is aware of the requirement of holding Continuous Development Programmes. Ongoing professional development of directors is catered through seminars attendance and CPD programmes from relevant professional bodies. Upon any change in directorship the Board assumes the responsibilities for succession planning as well as for the appointment of new directors. All directors, not limited to newly appointed directors are provided with day to day operational updates pertaining to the Company by the Administrator and Company Secretary, IQ EQ Fund Services (Mauritius) Ltd, acting for and on behalf of the Company.

On completion of the induction programme, the newly appointed director should have sufficient knowledge and understanding of the nature of the business, and the opportunities and challenges facing the Company, to enable them to effectively contribute to strategic discussions and oversight of the Company. The current directors submit themselves to re-election by the shareholders at the Company's annual meetings.

The Directors Profile

Mr. Ashwin Foogooa (appointed on 21 May 2021)

Ashwin Foogooa is an economics graduate from Cambridge University, UK and a Fellow of the Institute of Chartered Accountants in England and Wales. He has had widespread consulting and finance experience in Europe and the US with the Big 4 consultants and blue-chip companies such as General Electric and BP plc. He also served as Senior Financial Analyst in the family office of one of the most prominent NRI business magnate in London.

Since his return to Mauritius in 2009, he has held senior banking roles as Project Finance Team Leader at The Mauritius Commercial Bank Ltd and Chief Risk Officer at SBM Bank (Mauritius) Ltd. His experience spans over various industries such as energy, real estate and financial services. He currently serves as independent director on various GBC1 companies in Mauritius.

Mr. Sudhir Sharma

Mr. Sudhir Sharma, Managing Director and CEO of SBI (Mauritius) Ltd since 27th November, 2020, joined SBI as Probationary Officer and occupied several positions during his tenure in India and in New York, last being General Manager (Network) at SBI, North East Circle before joining SBIML. He holds a Bachelor and a Masters in Commerce from University of Rajasthan, Jaipur. Mr Sudhir Sharma holds Professional Qualifications from the Certified Associate of Indian Institute of Bankers (C.A.I.I.B.) and from the Certified Associate of Anti Money Laundering Specialist (ACAMS).

He has a rich and varied experience of 34 years in the banking sector. Earlier in India, he was the Regional Manager, responsible for 40 branches located in semi-urban and rural areas engaged in Agriculture, different kind of Loans and SME Business. Then as the Regional Manager, in charge of Business Operations of 45 branches located in a Metro Region. As Deputy General Manager (Mid Corporate & Business Strategy), he was responsible for Human Resources, Performance Review, Audit Functions, IT requirements of Mid Corporate Group of the Bank. Mr Sharma was also the Deputy General Manager (Overseas Expansion & Planning), responsible for expansion and review of overseas offices of the Bank including performance review of foreign offices under International Banking Group. In Secunderabad (Telangana), he was the Deputy General Manager (Administrative Office), responsible for Business Operations of 213 branches as Zonal Head through 5 Regional Business Offices. Mr Sharma was also posted as the Vice President & Chief Operating Officer of SBI, New York Branch, responsible for Back Office Treasury, Wire Transfers, Investigations, Accounts, Systems, Mid-Office (Treasury & Investments) of New York Branch during 2008 – 2012.

Principle 3: Director Appointment Procedures (Continued)

The Directors Profile (Continued)

Mr. Shafiiq-UR-Rahmaan Soyfoo (appointed on 21 May 2021)

Shafiiq-Ur-Rahmaan Soyfoo is a professional with 12+ years of experience in the Global Business Sector. He is a Fellow of the Association of Chartered Certified Accountants (FCCA) UK, holds a Bachelor of Science in Management with Finance and a Master of Business Administration (Specialisation: Financial Services) from the University of Mauritius. He started his career with SANNE Mauritius, an entity listed on the London Stock Exchange and a constituent of the FTSE 250 Index and has developed in-depth knowledge of the financial services sector and has been exposed to the main areas of the industry including legal, tax, administration, accounting, anti-money laundering and corporate secretarial fields of financial and non-financial services entities including trusts. He has also been involved in fund structuring and set-up of funds and global business companies and administration of both open-ended as well as closed-ended funds. He joined IQ-EQ on 15 April 2021 as Director-Client Management.

Mr. Khoushaal Dusoruth (resigned on 21 May 2021)

Mr. Khoushaal Dusoruth is a Fellow of the Association of Chartered Certified Accountants and also a Member of the Mauritius Institute of Professional Accountants & Mauritius Institute of Directors. He has over 11 years of experience in the global business sector and 5 years of experience in the field of sales and marketing. He has gained wide experience in the structuring, setting up and administration including secretarial, accounting, taxation and compliance of offshore funds and companies. He also serves as director and authorized signatory for large number of funds/companies administered by IQ EQ Mauritius. He is currently a Manager and prior to joining IQ EQ Mauritius, he also worked for 3 years with Kross Border Trust Services Limited.

Principle 4: Directors' Duties, Remuneration and Performance

The directors are aware of their legal duties as required under the Mauritius Companies Act 2001 and other laws and regulations and they use care, skill and diligence while exercising the same. The Board of directors oversees the way the Company operates and ensures that sound policies already agreed upon are followed.

The Company has adopted a Code of Business Conduct to which annual assessment is conducted by the Company Secretary. The Code encourages the Board to undertake a formal, regular and rigorous evaluation of its own performance and individual directors, and produce a development plan on an annual basis. The Board and the Company Secretary will plan an evaluation of the performance of the Board, individual directors and its policies and procedures.

The directors declare the nature of their interest, depending on the following circumstances:
(a) at the meeting of the directors at which the question of entering into the contract or arrangement is first taken into consideration;
(b) if the director is not at the date of the meeting interested in the proposed contract or arrangement, then at the next meeting held after he becomes interested; or
(c) in a case where the Director becomes interested in a contract or arrangement after it is made, then at the first meeting of the directors held after he becomes so interested.

Principle 4: Directors' Duties, Remuneration and Performance (Continued)

Directors disclose promptly any direct and indirect interest in contracts or transactions with the Company. A register of interests is maintained by the Company Secretary and all conflicts-of-interest and related-party transactions are conducted in accordance with the Constitution. The interest register is available to the shareholder of the Company upon request from the Company Secretary.

Due to the nature of the business activity and size of the Company, there is no significant expenditure on information technology. The Company has appointed IQ EQ Fund Services (Mauritius) Ltd as its Administrator and Company Secretary, who provides for the IT infrastructure. The Company Secretary of the Company ensures that performance of information and information technology systems lead to business benefits and create value. The Company Secretary has effective IT policies and strategy in place.

The Company Secretary ensures that the correct information flows within the Board and provides accurate, timely and clear information to the Board as and when required. The directors ensure strict confidentiality with respect to information obtained while exercising their duties. There is no restriction over access to information. It is noted that IQ EQ Fund Services (Mauritius) Ltd is ISO 27001 certified and therefore, the internal control process, business continuity program and information security policy in place at IQ EQ also applies to the Company.

Mr. Foogooa services as an Independent Director and is entitled to a director fee of USD 3,000 per annum as for directorship services as per Direcotor's Agreement in place.

Mr. Shafiiq-UR-Rahmaan Soyfoo is an officer of the Administrator, IQ EQ Fund Services (Mauritius) Ltd and is the resident director of the Company. The Administrator is entitled to a director fee of USD 1,252 per annum for directorship services as per existing service agreement in place.

Mr. Sudhir Sharma is the Managing Director and CEO of State Bank of India (Mauritius) Ltd (SBIML) and is the resident director of the Company. Mr. Sharma is not entitled to any director fees.

No remuneration has been paid to the directors in form of share options or bonuses or bonuses associated with organisational performance. Further to the above and pursuant to existing service agreements in place, the Board is satisfied that no remuneration committee need to be set up to guide on remuneration process for the Company due to its size and nature of business activity.

Principle 5: Risk Governance and Internal Control

The oversight of risk management and internal control activities, either at the level of the Company or its service providers, is currently delegated to the Board of directors which regularly reviews the effectiveness of the internal control and risk management systems of the Company. Additionally, with the direction of the Board, management has developed and implemented appropriate framework and effective processes for sound management of risk. Considering the size and nature of its business activities (providing advisory services) the Company does not have a whistle blowing policy in place. Instead, all the Company's affairs are addressed to the Board of directors of the Company.

<u>Financial Risk</u>

The financial risks of the Company are disclosed under Note 9 of the notes to the Financial Statements.

Principle 5: Risk Governance and Internal Control (Continued)

Taxation Risk

This comprise the risk of existing tax laws being changed, new tax laws being introduced, changes in the interpretation of existing laws. Ongoing tax advice is obtained from appropriate tax experts as and when required.

Regulatory Risk

This comprise of the risk of not complying with regulatory requirements, the risk of regulations being changed or new regulations being introduced in some way affecting the viability of the Company's investments. Advice is obtained from appropriate experts in respect of the jurisdiction in which the Company is incorporated or has invested, as and when required.

Economic Environment Risk

The risk that the environment in which an asset operates significantly changes. Market intelligence is constantly obtained and considered by the Board of the Company.

Operational Risk

The Company has adopted an Internal Control Procedure Manual and Code of Ethics (the "Manual") as required under Sections 40 and 41 of The Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008. The Board is ultimately responsible for the Company's system of internal control as well as implementation, maintenance and monitoring of the internal control in place. The Board confirms that it will continue to identify, evaluate and manage the various risks faced by the Company. The day-to-day operations are undertaken by IQ EQ Fund Services (Mauritius) Ltd, being the Management Company and Company Secretary which has sound system and controls in place and is also ISAE 3402 Type II certified.
The Company follows the internal procedure in place at IQ EQ.

Compliance Risk

Further to the above, the Administrator prepares quarterly compliance reports to highlight any potential risks related to the business. Quarterly management accounts are also prepared to ensure sound financial operations. The compliance reports and management accounts are presented to the Board at regular intervals, for the Board to take note and to assess any potential risk and subsequently to devise appropriate measures to mitigate the risks. The Board confirms that there is an ongoing process for identifying, evaluating and managing the various risks faced by the Company. Further, risks and uncertainties are managed at the level of the Board of directors of the Company.

The Board of directors is responsible for the day to day management as well as the Company's strategic, financial, operational and compliance risk matters. Further, the Board has developed and implemented appropriate framework and effective process for the sound management of risk. There are no significant areas which are not covered by the system of internal control. During the year under review there were no risks or deficiencies in the Company's system of internal controls.

Strategic Risk

The Board of directors meet regularly to assess and discuss on the Company's performance and to identify its strategic risk. Appropriate decisions are then taken at the Board meetings to mitigate those risks.

Principle 6: Reporting with Integrity

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS") and the Mauritius Companies Act 2001.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Notice of Annual Meeting is sent to shareholder in a timely manner, along with the minutes of Annual Meetings for review and comments, in accordance with the Mauritius Companies Act 2001. The directors make an assessment of the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Due to the nature of its activities, the Company has :

(i) no adverse impact on environment;
(ii) no impact on health and safety issues;
(iii) no adverse impact on social issues; and
(iv) no corporate social responsibility in place

Additionally, the Company has not made any donations during the current or in previous year.

The Board also does not deem necessary to have a dedicated website for the Company.

Principle 7: Audit

The directors are responsible for the preparation and fair preparation of the financial statements in accordance with all the requirements of the Mauritius Companies Act 2001 and International Financial Reporting Standards and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

The auditor of the Company, Grant Thornton, since inception, have in built processes to observe the highest standards of business and professional ethics. Due to the nature of the activities of the Company, no Audit Committee has been set up. The Board of directors collectively consider the measures in respect of the Code of Corporate Governance. The directors discuss the accounting principles adopted by the Company with the external auditors. The external auditors are responsible for reporting on whether the financial statements are fairly presented.

Grant Thornton was re-appointed as the statutory auditors of the Company for the financial year ended 31 March 2020 at the Annual General meeting held on 30 September 2019. Assessment of external auditors encompasses an assessment of the qualifications and performance of the auditors, the quality and integrity of the auditors' communication to the Board and the auditors' independence, objectivity and professional skepticism. Grant Thornton has not provided any non-audit services to the Company for the period under review. The responsibility of monitoring the internal control systems in place has been kept at the Board level. Given the size and complexity of the Company, no internal audit function has been established.

Principle 8: Relations with Shareholder and Other Key Stakeholders

As at 31 March 2022, the stated capital of the Company comprised of 50,000 Ordinary Shares of par value of USD 1 each. The shareholder is SBI Funds Management Private Limited, incorporated and domiciled in India. The Company Secretary sends out notice to the shareholder for Annual Meeting, for the adoption of audited financial statements and to deal with other business. Any queries raised by the shareholder are attended to by the Company Secretary and directors at the meeting or as and when applicable.

The Board is confident that all the principles listed above have been applied under The National Code of Corporate Governance of Mauritius (2016) (the "Code") and all terms used are coherent to the criteria stipulated in the Code. The shareholder of the Company is provided with all relevant information and documentation prior to the annual meeting.

Directors' Statement of Compliance With National Code Of Corporate Governance ("Code")
For the year ended 31 March 2022

We, the directors of the Company, confirm to the best of our knowledge, that the Company has complied with all of its obligations and requirements under the National Code of Corporate Governance.

Director
Ashwin Foogooa

Director
Shafiiq-Ur-Rahmaan Soyfoo

Date: 22 April 2022

SECRETARY'S CERTIFICATE

As per Section 166(d) of the Mauritius Companies Act 2001 **13.**

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of SBI Funds Management (International) Private Limited (the "Company") under section 166(d) of the Mauritius Companies Act 2001 during the financial year ended 31 March 2022.

For and on behalf of IQ EQ Fund Services (Mauritius) Ltd

Company Secretary

Date: 22 April 2022.

IQ EQ Fund Services (Mauritius) Ltd, 33, Edith Cavell Street, Port-Louis, 11324, Mauritius

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF SBI Funds Management (International) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SBI Funds Management (International) Private Limited**, the "Company", which comprise the statement of financial position as at 31 March 2022, 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.

In our opinion, the accompanying financial statements on pages 18 to 35 give a true and fair view of the financial position of the Company as at 31 March 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information")

Management is responsible for the Other Information. The Other Information comprises the information included under the Corporate Data, Corporate Governance Report and Commentary of the Directors sections, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the Other Information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance 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.

INDEPENDENT AUDITORS' REPORT (Continued)
TO THE MEMBER OF SBI Funds Management (International) Private Limited

Report on the Audit of the Financial Statements (Continued)

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information") (Continued)

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("the Code") disclosed in the Corporate Governance Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Corporate Governance Report, the Company has complied with the requirements of the Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 International Standards on Auditing 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.

INDEPENDENT AUDITORS' REPORT (Continued)
TO THE MEMBER OF SBI Funds Management (International) Private Limited

Report on the Audit of the Financial Statements (Continued)

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

As part of an audit in accordance with International Standards of Auditing, 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 management.

- Conclude on the appropriateness of management's 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.

- 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.

GrantThornton

INDEPENDENT AUDITORS' REPORT (Continued)
TO THE MEMBER OF SBI Funds Management (International) Private Limited

Report on Other Legal and Regulatory Requirements

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

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

Our report is made solely to the member of the Company 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 Company's member those matters we are required to state to it 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 as a body, for our audit work, for this report, or for the opinion we have formed.

Grant Thornton

Grant Thornton
Chartered Accountants

K Ramchurun

K RAMCHURUN, FCCA
Licensed by FRC

Date: 22 APR 2022

Ebene 72201, Republic of Mauritius

	Notes	31 March 2022 USD	31 March 2021 USD
ASSETS			
Non-current assets			
Financial assets at fair value through other comprehensive income	4	**1**	1
Current assets			
Receivables and prepayments	5	**238,959**	82,723
Cash and cash equivalents		**315,578**	268,152
Current assets		**554,537**	350,875
Total assets		**554,538**	350,876
EQUITY AND LIABILITIES			
Equity			
Stated capital	6	**50,000**	50,000
Retained earnings		**269,603**	87,776
Total equity		**319,603**	137,776
Current liabilities			
Payables and accruals	7	**205,895**	210,874
Current tax liability	8	**29,040**	2,226
Total liabilities		**234,935**	213,100
Total equity and liabilities		**554,538**	350,876

Approved by the board of directors on **22 April 2022** and signed on its behalf by:

NAMES OF DIRECTORS	**SIGNATURES**
Ashwin Foogooa	………………………………………
Shafiiq-Ur-Rahmaan Soyfoo	………………………………………

The notes on pages 22 to 35 form an integral part of these financial statements.

	Notes	31 March 2022 USD	31 March 2021 USD
INCOME			
Management fees	15 (i)	**669,851**	524,394
Finance income		**183**	681
Other income	15 (ii)	**90,674**	27,009
		760,708	552,084
EXPENSES			
Brokerage commission fees		**6,608**	199,077
Trail commission fees		**293,460**	151,525
Expenses incurred on behalf of a related company	10	**29,542**	33,925
Professional fees		**10,585**	9,725
Bank charges		**5,758**	6,681
Licence fees and annual registration fees		**4,725**	4,667
Audit fees		**3,981**	4,115
Secretarial fees		**2,250**	1,500
Accounting fees		**1,500**	1,500
Administration fees		**1,125**	1,500
Directors' fees		**3,853**	1,250
TRC service fee		**700**	1,200
Other expenses		**1,105**	930
		365,192	417,595
OPERATING PROFIT		**395,516**	134,489
Investment written off	4	**-**	(1)
Payable written back	7	**70**	-
PROFIT BEFORE TAX		**395,586**	134,488
Tax expense	8	**(63,759)**	(4,537)
PROFIT FOR THE YEAR		**331,827**	129,951
OTHER COMPREHENSIVE INCOME FOR THE YEAR		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**331,827**	129,951

The notes on pages 22 to 35 form an integral part of these financial statements.

	Stated capital USD	Retained earnings USD	Total USD
At 1 April 2020	50,000	207,825	257,825
Profit for the year	-	129,951	129,951
Other comprehensive income	-	-	-
Total comprehensive income for the year	50,000	129,951	129,951
Dividend paid (Note 13)	-	(250,000)	(250,000)
Transaction with the shareholder	-	(250,000)	(250,000)
At 31 March 2021	50,000	87,776	137,776
At 1 April 2021	**50,000**	**87,776**	**137,776**
Profit for the year	**-**	**331,827**	**331,827**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**331,827**	**331,827**
Dividend paid (Note 13)	**-**	**(150,000)**	**(150,000)**
Transaction with the shareholder	**-**	**(150,000)**	**(150,000)**
At 31 March 2022	**50,000**	**269,603**	**319,603**

The notes on pages 22 to 35 form an integral part of these financial statements.

SBI Funds Management (International) Private Limited

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH

	31 March 2022 USD	31 March 2021 USD
Operating activities		
Profit before tax	**395,586**	134,488
Adjustments for:		
Investment written off	**-**	1
Finance income	**(183)**	(681)
Operating profit before changes in other assets and liabilities	**395,403**	133,808
Changes in other assets and liabilities:		
Change in receivables and prepayments	**(156,236)**	107,525
Change in payables and accruals	**(4,979)**	49,576
Net cash from operations	**234,188**	290,909
Income tax paid	**(36,945)**	(5,079)
Finance income received	**183**	681
Net cash from operating activities	**197,426**	286,511
Cash flow from financing activity		
Dividend paid	**(150,000)**	(250,000)
Net cash used in financing activity	**(150,000)**	(250,000)
Net change in cash and cash equivalents	**47,426**	36,511
Cash and cash equivalents, beginning of year	**268,152**	231,641
Cash and cash equivalents, end of year	**315,578**	268,152
Cash and cash equivalents consist of :		
Cash at bank	**315,578**	268,152

The notes on pages 22 to 35 form an integral part of these financial statements.

1. GENERAL INFORMATION

SBI Funds Management (International) Private Limited (the "Company") was incorporated in the Republic of Mauritius on 17 January 2006 as a private company with liability limited by shares.The Company is the holder of a Global Business Licence under the Financial Services Act 2007 and has been granted authorisation to operate as a Collective Investment Scheme Manager under Section 97 of the Securities Act 2005 which is licensed by the Financial Services Commission. The Company's principal activity is to provide investment management services.

The Company's registered office address is c/o IQ EQ Fund Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Republic of Mauritius.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2. ADOPTION OF NEW AND AMENDED IFRS

2.1 New and amended standards that are effective for the current year

The Company has applied the following Standards, amendements and Interpretations to existing Standards for the first time for the annual reporting period commencing on 1 April 2021:

IFRS 16	COVID - 19 Related Rent Concessions (Amendment to IFRS 16)
Various	Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
IFRS 16	Covid - 19 - Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)

Management has assessed the impact of these revised amendments and concluded that none of these has an impact on the disclosure of these financial statements.

2.2 Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards and Interpretations have been published by the IASB. None of these Standards, amendments or Interpretations have been adopted early by the Company.

Management anticipates that all relevant pronouncements, will be adopted in the Company’s accounting policies for the first year beginning on or after the effective date of the pronouncement. Information on new Standards, amendments to existing Standards and Interpretations is provided below.

IFRS 3	References to the Conceptual Framework (Amendments to IFRS 3)
IAS 16	Proceeds before Intended Use (Amendments to IAS 16)
IAS 37	Onerous Contract - Cost of Fulfilling a Contract (Amendments to IAS 37)
IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual improvements to IFRS Standards 2019-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)
IFRS 17	Insurance Contracts
IFRS 4	Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)
IFRS 17	Initial application of IFRS 17 and IFRS 9 - Comparative Information (Amendments to IFRS 17)
IAS 1	Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

Management has yet to assess the impact of the above Standards, amendments to existing Standards and Interpretations on the Company’s financial statements.

3. SUMMARY OF ACCOUNTING POLICIES

3.1 Overall considerations

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income. The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Foreign currency translation

Functional and presentation currency

The financial statements are presented in United States Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 Financial instruments

(a) Classification

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has taken the option to irrevocably designate its equity securities as fair value through other comprehensive income.

Financial assets classified as financial assets measured at amortised cost includes cash and cash equivalents and most of its receivables. Financial liabilities that are not at fair value through profit or loss, therefore at amortised cost, include payables and accruals.

(b) Initial recognition and measurement

Financial assets are classified, at initial recognition, and 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. Financial assets are initially recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

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.

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 payables and accruals, net of directly attributable transaction costs.

The Company's financial liabilities include payables and accruals.

3. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(c) Subsequent measurement

Financial assets designated at fair value through other comprehensive income

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instrument designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial instruments at amortised cost

This category is the most relevant to the Company. 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.

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 Company's financial assets at amortised cost include most of its receivables and cash and cash equivalents.

The effective interest method (EIR) is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments, but does not consider expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Financial liabilities are subsequently measured at effective cost using the effective interest rate.

(d) Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises a collateralised borrowing for the proceed received.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or when they expire.

3. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(e) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, only when, the Company has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(f) Impairment

The Company holds only receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to all its receivables. Therefore the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECL reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

3.4 Cash and cash equivalents

Cash and cash equivalents comprises of cash at bank and short-term deposits in banks. Cash and cash equivalents are short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

3.5 Equity

Stated capital represents the value of shares that have been issued.

Retained earnings include all current and prior years' results as disclosed in the statement of comprehensive income.

Dividend payments to the shareholder is deducted from retained earnings when the dividend has been approved by the board before the reporting date.

3.6 Taxation

Tax expense recognised in the statement of comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

3.7 Revenue recognition

The Company recognises revenue primarily from investment management fees. Investment management fees are accounted for on an accruals basis, and the calculation is based on the Net Assets Value ("NAV") of SBI Resurgent India Opportunities Fund and SBI India Opportunities Fund (collectively referred to as the "Funds") which is computed on a daily basis. Revenue is measured based on the consideration specified in a contract with customer. The Company recognises revenue when it transfers control over a service to a customer at a point in time. The five step model for revenue recognition is as follows:

- Identify the contract with customers;
- Identify the performance obligations in the contract;
- Determine the transaction price of the contract;
- Allocate the transaction price to each performance obligations in the contracts; and
- Recognise revenue as each performance obligation is satisfied.

3. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

3.7 Revenue recognition (Continued)

Other types of revenue are recognised as follows:
Interest income is recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method.

Other income represents exit load fees from the Funds for the various investment plans it provides. These fees emanate from investors redeeming between first and third year of subscription date.

3.8 Expense recognition

All expenses are accounted for in the statement of comprehensive income on the accrual basis.

3.9 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.10 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 economic resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses. Timing or amount of the outflow may still be uncertain. All known risks at reporting date are reviewed in detail and provision is made when necessary.

3.11 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

Significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements are set out below.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Control over the Funds

As disclosed in Note 4 to the financial statements, the Company holds 100% of the Management Share in the Fund. The directors have assessed whether the Company has control over the investee company based on the following three criteria in accordance with IFRS 10*, Consolidated Financial Statements* :

- power over the investee
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

In making their judgements, the directors considered whether the Company, as a holder of Management Share, meets the above criteria. After assessment, the directors concluded that the Company does not meet the above criteria and therefore does not have control over the investee company, thus this investment has been classified as financial assets at fair value through other comprehensive income in the financial statements.

3. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

3.11 Significant management judgement in applying accounting policies and estimation uncertainty (Continued)

Estimation uncertainty

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Fair value of unquoted investment

The Company holds investment that is not quoted on active markets. Fair values of such investment is determined using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flow, whichever, is considered to be appropriate. Changes in assumptions about these factors and the method adopted could affect the reported fair values of the financial instruments.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting date.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 March 2022	31 March 2021
	USD	USD
SBI India Opportunities Fund	**1**	1
	1	1

The Company had promoted two funds in the Republic of Mauritius namely SBI India Access Fixed Tenure Debt Fund and SBI India Opportunities Fund, for which it is acting as promoter and investment manager. The Company holds only management shares in the Funds and does not exercise control over these investee companies. During the year ended 31 March 2021, as a result of business closure of SBI India Access Fixed Tenure Debt Fund, the Company has written off an amount of USD 1 relating to this investment.

The Company, in the capacity of management shareholder, has the following rights in the Fund:

(i) Voting rights in any members meeting, being the right to one vote per share on a poll;
(ii) Not entitled to any dividend; and
(iii) Upon winding up of the Fund, the Company is entitled to receive payment of sums up to the par value paid thereon out of the general assets of the Funds and does not exercise control over this investee company.

5. RECEIVABLES AND PREPAYMENTS

	31 March 2022	31 March 2021
	USD	USD
Management fees receivable (Note (i) & Note 15(i))	183,928	54,380
Prepayments	5,783	1,334
Receivable from SBI India Opportunities Fund (Note (ii) & 14)	14,524	10,522
Exit load receivable (Note 14)	34,724	16,487
	238,959	82,723

(i) Management fees receivable are non-interest bearing and are generally on 30-90 days term.

(ii) The amount due from the related party is unsecured, interest free and receivable on demand.

(iii) The recent outbreak of Coronavirus (Covid-19) has not impacted on the repayment capacity of its related parties.The directors have assessed the recoverable amount of the receivables and concluded that the amount receivables have not suffered any impairment since the related parties are financially strong to meet their contractual obligations.

6. STATED CAPITAL

	31 March 2022	31 March 2021
	USD	USD
Issued and fully paid up		
50,000 ordinary shares of USD 1 each	50,000	50,000

(i) The ordinary shares are issued at par value of USD 1 each and is not redeemable. The holder of ordinary shares have the rights to attend and exercise one vote at any shareholder meeting, the right to dividend or any other form of distributions and in case of liquidation, dissolution or winding up of the Company, is entitled to an equal share of any surplus assets attributable to that class of shares.

7. PAYABLES AND ACCRUALS

	31 March 2022	31 March 2021
	USD	USD
Trail commission fees payable (Note (i))	203,569	152,267
Brokerage commission payable	-	53,459
Other payables (Note (ii))	2,326	5,148
	205,895	210,874

(i) Trail commission fees payable are non-interest bearing and are normally settled on 30-90 day terms.

(ii) The amount payables are non-interest bearing and are normally settled within 30 day terms.

(iii) The amounts due to related parties are secured, interest free and repayable on demand.

(iv) During the year ended 31 March 2022, an amount of USD 70 was written back in these financial statements.

8. TAXATION

The Company holds a Global Business Licence for the purpose of the Financial Services Act 2007. The profit of the Company, as adjusted for tax purposes, is subject to income tax in the Republic of Mauritius at the rate of 15%.

8. TAXATION (CONTINUED)

It is, however, entitled to a tax credit equivalent to the higher of the foreign taxes paid and 80% of the Republic of Mauritius tax on its foreign source income. There is no capital gains tax on disposal of securities in the Republic of Mauritius. As at the reporting date, the Company had a tax liability of **USD 29,040** (31 March 2021: USD 2,226).

Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Entities which had obtained their Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

(a) ***Statement of comprehensive income***

	31 March 2022	31 March 2021
	USD	USD
Mauritian income tax, based on profit for the year as adjusted for tax purposes	**63,759**	4,537

(b) ***Statement of financial position***

	31 March 2022	31 March 2021
Income tax liability	**USD**	USD
At beginning of the year	**2,226**	2,768
Charge for the year	**63,759**	4,537
Paid during the year	**(36,945)**	(5,079)
At 31 March	**29,040**	2,226

(c) ***A reconciliation of the applicable tax rate of 15% to the effective tax rate of 3% is as follows:***

	31 March 2022	31 March 2021
	USD	USD
Profit before tax	**395,586**	134,488
Tax at 15%	**59,338**	20,173
Income not subject to tax	**(10)**	(2,575)
Expenses paid on behalf of investee companies	**4,431**	5,089
	63,759	22,687
Foreign tax credit	**-**	(18,150)
Tax charge	**63,759**	4,537

9. FINANCIAL INSTRUMENTS RISK

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's financial assets and financial liabilities by category are summarised as follows:

9. FINANCIAL INSTRUMENTS RISK (CONTINUED)

Financial assets	31 March 2022	31 March 2021
Non-current	**USD**	USD
Financial assets at fair value through other comprehensive income:		
Investment in an unquoted company	**1**	1
Current		
Financial assets at amortised cost:		
Other receivables	**233,176**	81,389
Cash and cash equivalents	**315,578**	268,152
	548,754	349,541
Total	**548,755**	349,542
Financial liabilities		
Current		
Financial liabilities at amortised cost:		
Payables and accruals	**205,895**	210,874

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

9.1 Market risk analysis

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk which results from both operating and financing activities.

Foreign exchange risk

Foreign currency risk, as defined in IFRS 7: *Financial Instruments: Disclosures,* arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Company is not exposed to any currency risk as all its financial assets and financial liabilities are denominated in USD at the reporting date.

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 does not have any significant interest bearing financial assets and financial liabilities at the reporting date, and is therefore marginally exposed to any interest rate risk.

9. FINANCIAL INSTRUMENTS RISK (CONTINUED)

9.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the reporting date, as summarised below:

	31 March 2022	31 March 2021
	USD	USD
Current		
Other receivables	**233,176**	81,389
Cash and cash equivalents	**315,578**	268,152
	548,754	349,541

The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The directors consider both historical analysis and forward looking information in determining any expected credit losses. The directors consider the probability of default to be close to zero as the counterparties have a strong capacity to meet its contractual obligations. As a result, no loss allowance has been recognised based on 12-month expected credit losses.

The credit risk for the cash and cash equivalents is considered negligible, since the Company transacts with a reputable bank.

None of the Company's financial assets are secured by collateral or other credit enhancements.

9.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board who also monitors the Company's short, medium and long term funding and liquidity management requirements. The Company manages its liquidity risk by maintaining adequate bank balances through timely recovery of receivables.

The following are the contractual maturities of financial liabilities:

	Less than 1 year
	USD
31 March 2022	
Payables and accruals	**205,895**
31 March 2021	
Payables and accruals	210,874

10. EXPENSES INCURRED ON BEHALF OF A RELATED COMPANY

The Company has made payments on behalf of its investee, SBI India Opportunities Fund.

	31 March 2021	31 March 2021
	USD	USD
SBI India Opportunities Fund	**29,542**	33,925
Total	**29,542**	33,925

11. CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to the shareholder.

The capital structure of the Company consists of equity attributable to its shareholder, comprising of stated capital and reserves. The Company reviews the capital structure on a regular basis. As per Regulation 38 (1) of the Securities (Collective Investment Schemes and Closed - End Funds) Regulations 2008, the Company is required to maintain an unimpaired stated capital of MUR 1,000,000 (approx USD 34,000). As at 31 March 2022 and 31 March 2021, the requirement was met and the Company was also not geared as it did not have any form of external borrowings.

12. FAIR VALUE MEASUREMENT

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within which the hierarchy of financial assets measured at fair value on a recurring basis:

31 March 2022	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value through other comprehensive income	**USD**	**USD**	**USD**
Unlisted share	**-**	**-**	**1**

12. FAIR VALUE MEASUREMENT (CONTINUED)

31 March 2021	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value through other comprehensive income	**USD**	**USD**	**USD**
Unlisted share	-	-	1

There has been no transfer among levels at the reporting date.

Measurement of fair value of financial instruments

The method and valuation techniques used are detailed below:

Unquoted investment

The Company holds management share in the Fund and does not exercise control over this investee company. USD 1 represents the fair value of this investment since on winding up, the Company will be entitled to only USD 1. During the year ended 31 March 2021, as a result of business closure of SBI India Access Fixed Tenure Debt Fund, the Company has written off this investment.

Level 3 fair value measurements

The reconciliation of the carrying amounts of financial assets classified within Level 3 is as follows:

	31 March 2022	31 March 2021
	USD	USD
At start of year	**1**	2
Written off during the year	**-**	(1)
At 31 March	**1**	1

Fair value measurement of financial instruments not carried at fair value

The Company's other financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of prepayments and non-financial liabilities consist of current tax liability as at 31 March 2022. For these non financial instruments, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position.

13. DIVIDEND

	31 March 2022	31 March 2021
	USD	USD
Recommended and paid	**150,000**	250,000

During the year, the directors recommended the payment of dividend for the year under review of USD 150,000 (2021: USD 250,000) to the shareholder.

14. RELATED PARTY DISCLOSURES

During the year ended 31 March 2022, the Company transacted with related parties. The nature, volume and type of transactions with the related parties were as follows:

Directors' fees and expenses

The provision for directorship services of **USD 1,250** per annum (2021: USD 1,250 per annum) is paid to IQ EQ Fund Services (Mauritius) Ltd and **USD 3,000** per annum to Mr Ashwin Foogooa (2021: Nil).

14. RELATED PARTY DISCLOSURES (CONTINUED)

Name of companies	Relationship	Nature of transaction	Amount transacted 31 March 2022	Amount transacted 31 March 2021	Debit/(credit) balances at 31 March 2022	Debit/(credit) balances at 31 March 2021
			USD	USD	USD	USD
SBI Resurgent India Opportunities Fund	Investment manager	Investment management fee	**668,220**	522,383	**182,297**	54,050
SBI India Opportunities Fund	Investee company	Investment management fee	**1,631**	2,011	**1,631**	330
SBI India Opportunities Fund	Investee company	Receivable	**14,524**	16,487	**14,524**	16,487
SBI Resurgent India Opportunities Fund	Investee company	Exit load receivable	**34,724**	10,522	**34,724**	10,522
SBI India Opportunities Fund	Investee company	Expenses paid on behalf of related company	**29,542**	33,925	**-**	-
IQ EQ Fund Services (Mauritius) Ltd	Administrator	Payable	**-**	6,250	**-**	(1,058)

(i) The terms and conditions of the amounts receivable/payable are disclosed in Notes 5 and 7 respectively.

15. INCOME

(i) Management fees

The Company is entitled to a management fee from SBI Resurgent India Opportunities Fund at a maximum rate of 0.1% and 1.5% for retail and institutional plans of both USD classes and EUR classes respectively.

The Company also receives management fees from SBI India Opportunities Fund at a rate of 0.05% to 0.19% per annum on the daily net assets. At 31 March 2022, investment management fees receivable from SBI Resurgent India Opportunities Fund and SBI India Opportunities Fund were USD 182,297 (31 March 2021: USD 54,050) and USD 1,631 (31 March 2021: USD 330) respectively.

As at 31 March 2022, the total investment management fees receivable were **USD 183,928** (31 March 2021: USD 54,380).

(ii) Other income

Other income comprise mainly of exit load fees from the Funds for the various investment plans the Company provides and reversal of over provision made in respect of brokerage fees in prior years. These fees emanate from investors redeeming between first and third year of subscription date. The rate charged ranges from 1% up to 3% of the redemption amount.

16. HOLDING COMPANY

SBI Funds Management Limited, a company incorporated in the Republic of India, is regarded as the Company's holding company.

17. COVID - 19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, governments' responses to combat the spread of the virus in the intervening period. The governments of Mauritius (where the Fund is domiciled) and India (which is the major market for business carried out by the Fund) have introduced a variety of measures to contain the spread of the virus from restrictions on travel to complete lockdown. As at the date of approval of these financial statements, the COVID-19 crisis is still un-folding, and there will be some uncertainty remaining around the accurate assessment of the full impact of COVID-19 crisis or any prediction regarding the future course of events that would arise due to the COVID-19 crisis. The directors have made an assessment of the Fund as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but is not limited to, twelve months from the date of approval of these annual financial statements and confirm that they have not identified events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern.

18. EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date which require disclosure or adjustment to the 31 March 2022 financial statements.