

**Financial Statement for the year ended 31 March 2020**

**Godavari Biorefineries B.V.  
Hoofddorp, The Netherlands**

Address of the Company : Hoofdweg 640, 2C-5 2nd Floor,  
2132 MK Hoofddorp, The Netherlands

Chamber of Commerce : Amsterdam

File Number : 34 325 188

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# Ramdas × Partners

Registeraccountants en belastingadviseurs

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## INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Godavari Biorefineries B.V.

KVK Den Haag: 71372822  
BTW-nr: 8586.90.408 B01

### A. Report on the audit of the financial statements 2019-2020 included in the annual report

We were engaged to audit the accompanying financial statements for the year ended 31 March 2020 of Godavari Biorefineries B.V. based in Hoofddorp.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Godavari Biorefineries B.V. for the year ended as at 31 March 2020 and of its result for 2019/2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1 the balance sheet as at 31 March 2020;
- 2 the profit and loss account for the period 1 April 2019 up to and including 31 March 2020 and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Godavari Biorefineries B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

#### Other matter paragraph

This auditor's report is intended solely for Godavari Biorefineries B.V. and shareholder's. This auditor's report is provided solely in the context of the Board of Directors and shareholder's and should therefore not be used for other purposes.

### B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code;

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

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## C. Description of responsibilities regarding the financial statements

KVK Den Haag: 71372822  
BTW-nr: 8586.90.408 B01

### Responsibilities of management for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management is responsible 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.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements 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.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

### Our responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing..

For a further explanation of our responsibilities and audit procedures, we refer to the website of the NBA: Koninklijke Nederlandse Beroepsorganisatie van Accountants: <http://www.nba.nl/ENG> algemeen 01.

's-Gravenhage, 17th May 2020

Ramdas & Partners

drs. S. Ramdas RA

Initials for authentication purposes:



**Balance Sheet as at 31 March 2020***(Before appropriation of results)*

	Notes	<u>31-Mar-2020</u> EUR	<u>31-Mar-2019</u> EUR
<b>Non- current assets</b>			
Tangible fixed assets	1	<u>1,753</u>	<u>2,630</u>
		1,753	2,630
<b>Current assets</b>			
Receivables	2	307,406	156,160
Cash and cash equivalents	3	<u>468,944</u>	<u>418,269</u>
		776,350	574,429
<b>Short-term liabilities and accrued liabilities</b>	4	<u>380,760</u>	<u>312,601</u>
<b>Balance of current assets less short-term liabilities</b>		<b>395,590</b>	<b>261,828</b>
<b>Balance of assets less short-term liabilities</b>		<u><b>397,343</b></u>	<u><b>264,458</b></u>
<b>Shareholders' equity</b>			
	5		
Issued & paid up capital		1,217,761	1,217,761
Share premium		9,999	9,999
Accumulated deficits		(963,302)	(1,172,487)
Result for the year		<u>132,885</u>	<u>209,185</u>
		397,343	264,458
<b>Total Shareholders' equity</b>		<u><b>397,343</b></u>	<u><b>264,458</b></u>

**Income statement for the year ended 31 March 2020**

	Notes	2019-20 EUR	2018-19 EUR
Revenue	6	2,053,991	1,021,769
Costs of Goods	7	(1,699,982)	(573,150)
General and administrative expenses	8	(80,464)	(105,638)
Employment costs	9	(136,877)	(130,777)
Depreciation		(876)	(876)
<b>Operating result</b>		<b>135,792</b>	<b>211,328</b>
Finance income/ (costs)	10	(2,907)	(2,143)
<b>Result before Taxes</b>		<b>132,885</b>	<b>209,185</b>
Taxation on result	11	-	-
<b>Result after Taxes</b>		<b>132,885</b>	<b>209,185</b>

## Notes to the financial statements

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### 1 General

#### 1.1 Operations

Godavari Biorefineries BV is a Dutch private company with limited liability incorporated on Jan 26, 2009 and has its statutory seat in Hoofddorp, the Netherlands. The operations of the Company mainly comprised of commissions in the field of chemicals, alcohol, sugar and sugar products, agro products and related heavy chemicals, organic, bio-chemical and bio-technical products. The Company issues commission invoices to Godavari Biorefineries Ltd (ultimate parent company) for sales done by the ultimate parent company. The ultimate parent company is Godavari biorefineries Limited located in Mumbai, India

#### 1.2 Changes in accounting policies

There are no change in accounting policies during the year 2019/2020.

#### 1.3 Related-party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered as a related party. In addition, statutory directors, other key management of Godavari Biorefineries B.V. and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

#### 1.4 Going Concern

These financial statements have been prepared on a going concern basis, which is the basis for valuation and determination of results and assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The equity of the Company amounted to EUR 397,343.

### 2 Accounting policies for the balance sheet

#### 2.1 General Information

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the Guidelines for Annual Reporting in the Netherlands for small legal entities as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or lower realizable value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet and income statement include references to the notes.

## **Notes to the financial statements (continued...)**

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### **2 Accounting policies for the balance sheet (continued...)**

#### **2.2 Foreign currencies**

##### *Functional currency*

The financial statements are presented in euros, which is the functional and presentation currency of Godavari Biorefineries B.V.

##### *Transactions, receivables and debts*

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognized in the income statement.

#### **2.3 Property, plant and equipment**

Furniture and fixtures are valued at historical cost, less straight-line depreciation over their estimated useful lives and impairment losses.

#### **2.4 Receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognized using the effective interest method. A provision is raised when a trade receivable is considered uncollectable. It is written off against the allowance account for trade receivables.

#### **2.5 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

#### **2.6 Inventories**

Raw materials and consumables are stated at the lower of cost and net realizable value.

Inventories of finished or partially finished goods are stated at the lower of manufacturing price and net realizable value. Manufacturing price comprises all purchase or conversion costs, and other costs incurred in bringing the inventories to their present location and condition. Conversion cost includes direct labour costs and mark-ups for fixed and variable production overheads, including costs of the production planning department, maintenance division and internal logistics.

Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Net realizable value is determined making allowance for obsolescence of inventories.

Inventory in transit can be specified as material ordered and shipped but not yet received by Godavari Biorefineries B.V. in the port of The Netherlands.



## Notes to the financial statements (continued...)

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### **3 Accounting policies for the income statement**

#### **3.1 General information**

Profit or loss is determined as the difference between the reliable value of the goods delivered and services rendered, and the cost and other charges for the year. Revenues on transactions are recognised in the year in which they are realized.

#### **3.2 Revenue recognition**

##### *Sale of goods*

Revenue from sales of goods is recognised when all significant risk and rewards incidental to the ownership of the goods have been transferred to the buyer.

##### *Sale of services*

Revenue from sale of services is recognised under the percentage of completion method based on the services performed to the balance sheet date as a percentage of the total services to be performed.

#### **3.3 Exchange differences**

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise.

#### **3.4 General and administrative expenses**

General and administrative expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods sold.

#### **3.5 Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives as from the inception of their use. Land and investment property are not depreciated. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life.

Gains and losses on sales of property, plant and equipment are included in depreciation.

#### **3.6 Employee benefits**

##### *Short-term employee benefits*

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

#### **3.7 Finance income and costs**

##### *Interest paid and received*

Interest paid and received is recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned.

#### **3.8 Income tax expense**

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years and tax-exempt items, and plus non-deductible expenses.

## Notes to the financial statements (continued...)

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### 4 Financial instruments and risk management

#### 4.1 Price risk

##### *Currency risk*

Godavari Biorefineries B.V. mainly operates in the European Union. The currency risk for Godavari Biorefineries B.V. largely concerns positions and future transactions in US dollars. Management has determined, based on a risk assessment, that these currency risks need not to be hedged.

##### *Interest rate and cash flow risk*

Godavari Biorefineries B.V. incurs interest rate risk on receivables and cash and on current liabilities.

#### 4.2 Credit risk

Godavari Biorefineries B.V. does not have any significant concentrations of credit risk. Sales are made to customers that meet the Company's credit rating. Goods and services are sold subject to payment deadlines ranging between eight and 30 days. A different payment period may apply to major supplies (90 days), in which case additional securities are demanded, including guarantees.

#### 4.3 Liquidity risk

Godavari Biorefineries B.V. uses several banks in order to avail itself of a range of overdraft facilities. Where necessary, further securities will be furnished to the bank for available overdraft facilities.

Notes to the financial statements (continued...)

1 Property, plant and equipment

	31 Mar 2020	31 Mar 2019
	Euro	Euro
<b>Furniture &amp; fixtures-</b>		
Cost price	11,503	11,503
Accumulated depreciation	(8,873)	(7,997)
Carrying amount	2,630	3,506
Purchase during the year	-	-
Depreciation during the year	(876)	(876)
Balance as at 31 March	1,753	2,630

Depreciation of tangible fixed assets is charged on a fixed percentage of the cost price, being furniture & fixtures @ 20% per annum.

2 Receivables

Trade receivables	301,664	130,935
Other receivables, prepayments and accrued income	5,743	25,225
	307,406	156,160

All receivables fall due in less than one year. The fair value of the receivables approximates the book value.

**Trade receivables**

Trade receivables	301,664	130,935
Provision for doubtful debts	-	-
	301,664	130,935

**Other receivables, prepayments and accrued income**

Security deposits	750	8,847
Prepayments and accrued income	3,366	12,566
VAT	1,626	3,812
	5,743	25,225

3 Cash and cash equivalents

Rabo Bank EUR		377,859	413,071
Rabo Bank USD	USD 99,793	91,085	5,199
		468,944	418,269

All bank balances are at the Company's free disposal.

**Notes to the financial statements (continued...)**

**4 Current liabilities**

	<b>31 Mar 2020</b>	<b>31 Mar 2019</b>
	<b>Euro</b>	<b>Euro</b>
Trade payables	246,681	168,780
Payroll tax	11,426	6,123
Other debts, accruals and deferred	18,276	16,664
Loan from Cayuga Investments B.V.	15,632	30,290
Advance from Cayuga Investments B.V.	88,746	90,744
	<u>380,760</u>	<u>312,601</u>

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to its short-term character.

The Company has received a loan of EUR 50,000 in the year 2017-18 from Cayuga Investments B.V. bearing interest at 1.5% + 3 month EURIBOR P.A. Termination date of the loan is 31st October 2020. During the year some part repayments were settled from this loan.

**5 Shareholders' equity**

The share capital consists of 1,217,761 ordinary shares of EUR 1 each.

The movements in the period under review can be summarised as follows:

	<b>Issued &amp; paid up share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Result</b>	<b>Total</b>
Balance as at 1 April 2019	1,217,761	9,999	(1,172,487)	209,185	264,458
Appropriation of result	-	-	209,185	(209,185)	-
Movement during the year	-	-	-	-	-
Result for the year	-	-	-	132,885	132,885
Balance as at 31 March 2020	<u>1,217,761</u>	<u>9,999</u>	<u>(963,302)</u>	<u>132,885</u>	<u>397,343</u>
Balance as at 1 April 2018	1,217,761	9,999	(1,172,487)	-	55,273
Movement during the year	-	-	-	-	-
Result for the year	-	-	-	209,185	209,185
Balance as at 31 March 2019	<u>1,217,761</u>	<u>9,999</u>	<u>(1,172,487)</u>	<u>209,185</u>	<u>264,458</u>

Notes to the financial statements (continued...)

	2019-20	2018-19
	Euro	Euro
<b>6 Revenue</b>	<b>2,053,991</b>	<b>1,021,769</b>
<i>Revenue from sales:</i>		
Sales - NL	280,422	(371)
Sales - EU	1,473,839	510,842
Sales - Non EU	84,436	82,977
	<u>1,838,697</u>	<u>593,447</u>
<i>Revenue from commission:</i>		
Commissons - NL	22,811	(2,871)
Commissons - EU	109,361	-
Commissons - Outside EU	83,121	431,194
	<u>215,294</u>	<u>428,322</u>
<b>7 Cost of goods sold</b>		
Goods purchase	(1,699,982)	(573,150)
	<u>(1,699,982)</u>	<u>(573,150)</u>
<b>8 General and administrative expenses</b>		
Audit fees	(4,500)	(9,830)
Chamber of Commerce	-	(17)
Conference and seminar	(4,618)	-
Contribution and subscriptions	(1,894)	(1,550)
Fuel	(1,416)	(322)
Immigration expenses	(456)	-
Insurances general	-	(197)
Management fees	(10,000)	(10,000)
Office rent	(16,660)	(29,803)
Office supplies	(197)	(608)
Other general expenses	(1,143)	(4,301)
Other housing expenses	-	(851)
Postage and courier	(983)	(404)
Professional fees	(24,022)	(22,984)
Rounding off	49	-
Stationary	(288)	-
Telephone and internet costs	(3,072)	(5,279)
Travel and accomodation	(11,264)	(19,492)
	<u>(80,464)</u>	<u>(105,638)</u>

Notes to the financial statements (continued...)

	<u>2019-20</u>	<u>2018-19</u>
	Euro	Euro
<b>9 Employment costs</b>		
Salaries and wages	(126,107)	(120,372)
Social security contributions	(10,770)	(10,405)
	<u>(136,877)</u>	<u>(130,777)</u>
<b>10 Finance income and costs</b>		
Bank charges	(3,318)	(3,503)
Foreign exchange differences	754	1,975
Interest and similar expense	(342)	(616)
	<u>(2,907)</u>	<u>(2,143)</u>

**11 Income tax expense**

A profit was realized in the amount of EUR 132,885. Due to the compensable losses of previous years there is no income tax payable for the year 2019/2020.

Profit/(loss) before tax	132,885	209,185
Income tax expense	-	-
	<u>132,885</u>	<u>209,185</u>

**12 Board of Directors' remuneration**

Current board of directors	119,199	114,372
	<u>119,199</u>	<u>114,372</u>

The directors' remuneration includes periodically paid remuneration, such as salaries, holiday allowance and social premiums. Remuneration to be paid after a certain term, such as pensions, allowances on termination of employment, profit sharing and bonus payments.

## Supplementary information

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### Events after the balance sheet date

No events which may substantially effect the financial position of Godavari Biorefineries B.V. and which are relevant to be included in the annual accounts have occurred after the balance sheet date.

### Average number of employees

During the year only one employee is on the payroll.

Amsterdam, \_\_\_\_\_ 2020

\_\_\_\_\_  
Prijesh Mistry

\_\_\_\_\_  
S.G. Mokashi

\_\_\_\_\_  
C.W. Faber

## **Other Information**

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### **Profit appropriation according to the Articles of Association**

According to the Articles of Association the annual net profit is at free disposal of the annual shareholders meeting. Dividends can only be declared with due observance of the company's articles of association and to the extent that the company's capital exceeds the paid in and called up capital, increased by the reserves that must be maintained in accordance with the law or its articles of association.

### **Proposed profit appropriation**

The Board of Directors proposes to add the profit for the year to the accumulated deficit. The profit appropriation is reflected in these financial statements.