



VERMA MEHTA & ASSOCIATES

Chartered Accountants

104, Creative Industries Premises, Sunder Nagar, Kalina, Santacruz (East), Mumbai - 400 098.
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To
The Board of Directors
Godavari Biorefineries Limited
Somaiya Bhavan
45-47 Mahatma Gandhi Road
Fort, Mumbai 400001

Dear Sir,

We have verified the annexed translated version of the audited financial statements of Godavari Biorefineries B. V. for the financial year ended as at March 31, 2024, March 31, 2023 and March 31, 2022. These financial statements have been translated by the company in Indian Rupee in accordance with Ind AS 21- The Effect of Changes in Foreign Currency Rates. The work carried out by us in accordance with Standard on Related Service (SRS) 4400 i.e. "Engagements to perform agreed-upon procedures regarding financial information" issued by the Chartered Accountants of India.

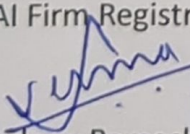
As required by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulation") we have verified the translated financial information contained in the Annexures attached to this certificate which is proposed to be uploaded on the website of Godavari Biorefineries Limited in connection with its proposed initial public offering of Equity shares.

We have not audited the financial statements of Godavari Biorefineries B.V.. These financial statements have been audited by other audit firms, whose reports have been furnished to us by Godavari Biorefineries Limited.

The Translated Financials should not in any way be constructed as a reissuance or re-dating of any of the previous audit reports, nor should these be constructed as a new opinion on any of the audited financial statements referred to herein.

These financials are intended solely for use by the management for uploading on website of Godavari Biorefineries Limited in connection with the proposed IPO of the company. Our certificate should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Verma Mehta & Associates
Chartered Accountants
ICAI Firm Registration No. 112118W

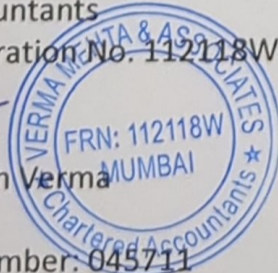

Sandeep Ramesh Verma
Partner

Membership Number: 045711

Place: Mumbai

Date: 13/06/2024

UDIN: 24045711BKIAFZ3577



GODAVARI BIOREFINERIES B.V.

Financial Statement for the period ended 31st March, 2024

Particulars	Notes	31-Mar-24 INR In Lakh	31-Mar-23 INR In Lakh	31-Mar-22 INR In Lakh
Non-current assets		-	-	-
Tangible fixed assets	1	-	-	-
Current assets				
Inventory	2	190.05	-	109.95
Receivables	3	1,083.01	580.58	464.40
Cash and cash equivalents	4	504.42	1,589.69	589.37
		<u>1,777.48</u>	<u>2,170.27</u>	<u>1,163.71</u>
Short-term liabilities and accrued liabilities	5	283.30	825.92	155.17
Balance of current assets less short-term liabilities		1,494.17	1,344.35	1,008.54
		-	-	-
Balance of assets less short tem liabilities		<u>1,494.17</u>	<u>1,344.35</u>	<u>1,008.54</u>
Shareholders' equity	6			
Issued & paid up capital		902.06	902.06	902.06
Share premium		7.54	7.54	7.54
Accumulated deficits		435.39	165.53	(399.19)
Result for the year		149.19	269.22	498.14
		<u>1,494.17</u>	<u>1,344.35</u>	<u>1,008.54</u>
Total shareholders' equity		<u>1,494.17</u>	<u>1,344.35</u>	<u>1,008.54</u>
Revenue	7	4,131.24	5,904.67	5,081.28
Costs of goods	8	(3,657.21)	(5,313.49)	(4,363.04)
General and administrative expenses	9	(86.56)	(161.77)	(83.45)
Employment costs	10	(199.84)	(166.17)	(150.63)
Depreciation		-	-	(0.75)
Operating result		<u>187.63</u>	<u>263.24</u>	<u>483.42</u>
Finance income/ (costs)	11	(9.06)	5.98	14.64
Other income	12	-	-	0.08
Result before taxes		<u>178.57</u>	<u>269.22</u>	<u>498.14</u>
Taxation on result	13	(29.38)	-	-
Result after taxes		<u>149.19</u>	<u>269.22</u>	<u>498.14</u>
Other Comprehensive Income				
Exchange differences in translating the financial		9.66	66.58	(12.95)
Other Comprehensive income for the year, net of tax		<u>9.66</u>	<u>66.58</u>	<u>(12.95)</u>
Total Comprehensive Income For The Period, Net Of Tax		<u>158.85</u>	<u>335.80</u>	<u>485.19</u>

GODAVARI BIOREFINERIES B.V.

Notes to the financial statements

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 (ultimae parent company) for sales done by the ultimate parent company. The ultimae 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 period April 2023 to March 2024.

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 INR 1494.17 Lakhs as on March 31, 2024.

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 on 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 reference to the notes.

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.

GODAVARI BIOREFINERIES B.V.

Notes to the financial statements

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 period-end exchange rates are recognised in the Profit and Loss account.

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 recognised 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 recognised 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 costs 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 realisable 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 the Godavari Biorefineries B.V. in the port of The Netherlands.

3 Accounting policies for the Income statement

3.1 General Information

Profit or loss is determined as the difference between the realizable 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 the sale 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 the 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.

GODAVARI BIOREFINERIES B.V.

Notes to the financial statements

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 profit and loss account.

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 recognised 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 non-deductible expenses.

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, cash and 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.

GODAVARI BIOREFINERIES B.V.
Notes to the financial statements (Contd.)

1. Property, plant and equipment

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	INR In Lakh	INR In Lakh	INR In Lakh
Furniture & fixtures			
Cost price	-	-	10.00
Accumulated depreciation	-	-	(9.25)
Carrying amount	-	-	0.75
Purchase during the year	-	-	-
Depreciation during the year	-	-	(0.75)
Balance	-	-	-

Furniture and Fixtures are valued at historical cost less straight-line depreciated over their estimated useful lives.

2. Inventory

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	INR In Lakh	INR In Lakh	INR In Lakh
Goods in Transit	135.48	-	109.95
Inventory	54.56	-	-
	190.05	-	109.95

3. Receivables

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	INR In Lakh	INR In Lakh	INR In Lakh
Trade receivables	1,053.04	239.71	277.83
Other receivables , prepayments and accrued income	29.98	340.87	186.57
	1,083.01	580.58	464.40

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

Other receivables, prepayments and accrued income

Advance Corporate Income Tax	2.56	-	-
Advance paid to supplier	3.74	334.21	159.10
Other Receivables	0.46	0.46	0.43
Prepayments and accrued income	19.26	3.22	4.16
Security deposits	0.93	0.92	0.87
C/a Cayuga paid to supplier	-	-	20.31
VAT receivables	3.02	2.07	1.71
	29.98	340.87	186.57

4. Cash and cash equivalents

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	INR In Lakh	INR In Lakh	INR In Lakh
Rabo bank EUR	442.15	1,323.20	117.82
Rabo bank USD	34.15	266.49	471.54
Cheque in transit	28.12	-	-
	504.42	1,589.69	589.37

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

5. Current Liabilities

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
	INR In Lakh	INR In Lakh	INR In Lakh
Trade payables	152.73	683.31	1.22
Advances received from customer	-	-	11.20
Payroll liabilities	19.51	16.31	14.95
Other debts and accruals	19.93	33.45	15.58
Loan from Cayuga Investments B.V.	82.79	89.28	111.24
Interest on loan from Cayuga	8.35	3.57	0.97
	283.30	825.92	155.17

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.

During the period, the Company took a loan of Rs. 111.24 Lakhs from Cayuga Investments B.V. bearing interest at 1.5% + 3 months EURIBOR p.a. The loan taken on 26 August 2021 is due to be repaid on 25 August 2024. In the period April-March 2024, the company has decided to net off the loan with CIBV current account amounting INR 7.10 Lakhs.

GODAVARI BIOREFINERIES B.V.

Notes to the financial statements (Contd.)

6. Shareholders' equity

The Share capital consists of 1,217,761 ordinary shares of EURO 1 each.

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

Particulars	Issued & paid up share capital	Share Premium	Other reserves	Foreign Currency Translation Reserve	Result	Total
Balance as at 1 April 2023	902.06	7.54	77.38	88.15	269.22	1,344.35
Appropriation of result	-	-	269.22		(269.22)	-
Movement during the year	-	-	(9.02)		-	(9.02)
Result for the year	-	-	-	9.66	149.19	158.85
Balance as at 31 st March - 24	902.06	7.54	337.58	97.81	149.19	1,494.17
Balance as at 1 April 2022	902.06	7.54	(420.76)	21.57	498.14	1,008.54
Appropriation of result	-	-	498.14		(498.14)	-
Movement during the year	-	-	-		-	-
Result for the year	-	-	-	66.58	269.22	335.80
Balance as at 31 March 2023	902.06	7.54	77.38	88.15	269.22	1,344.35
Balance as at 1 April 2021	902.06	7.54	(598.79)	34.51	178.04	523.35
Appropriation of result	-	-	178.04		(178.04)	-
Movement during the year	-	-	-		-	-
Result for the year	-	-	-	(12.95)	498.14	485.19
Balance as at 31 March 2022	902.06	7.54	(420.76)	21.57	498.14	1,008.54

7. Revenue

Particulars	2023-24 INR In Lakh	2022-23 INR In Lakh	2021-22 INR In Lakh
Revenue (A+B)	4,131.24	5,904.67	5,081.28
Revenue from sales:			
Sales - NL	12.99	82.46	781.32
Sales - EU	2,732.11	4,479.15	2,921.93
Sales - Non EU	861.14	1,126.87	1,184.33
Sales - Others	395.62	-	-
Total (A)	4,001.85	5,688.47	4,887.58
Revenue from commission:			
Commissions - EU	47.23	90.60	42.07
Commissions - Non EU	82.16	125.60	151.64
Total (B)	129.39	216.20	193.71

8. Cost of good sold

Particulars	2023-24 INR In Lakh	2022-23 INR In Lakh	2021-22 INR In Lakh
Good purchase	(3,283.86)	(5,293.39)	(4,363.04)
Import Duties	-	(8.70)	-
Other direct expenses	(13.69)	(11.40)	-
Purchase- Others	(359.65)	-	-
	(3,657.21)	(5,313.49)	(4,363.04)

GODAVARI BIOREFINERIES B.V.
Notes to the financial statements (Contd.)

9. General and administrative expenses

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Audit fees	(6.04)	(2.72)	(2.56)
Conference and seminar	(2.61)	(21.21)	(2.81)
Contribution and subscriptions	(2.85)	(0.33)	(0.60)
Commission expense	(23.24)	(51.59)	(35.36)
Fuel	-	-	(1.61)
Consultancy Fees	-	(2.74)	-
Insurances general	(4.90)	(4.74)	(4.54)
Management fees	(8.99)	(8.71)	(8.54)
Office rent	(12.35)	(10.99)	(9.89)
Office supplies	-	(0.50)	(0.06)
Other general expenses	(1.32)	(2.34)	(2.90)
Postage and courier	(0.27)	(0.11)	(0.17)
Professional fees	(11.21)	(12.40)	(9.03)
Printing and stationary	(0.25)	-	-
Rounding off	0.03	0.06	0.02
Sponsorship fees	(3.15)	-	-
Telephone and internet costs	(1.52)	(1.97)	(1.83)
Chamber of commerce	-	-	(0.01)
Business Promotion expenses	-	-	(0.82)
Travel and accomodation	(18.66)	(25.80)	(2.74)
REACH expenses	10.77	(15.68)	-
	(86.56)	(161.77)	(83.45)

10. Employment costs

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Salaries and wages	(189.58)	(157.26)	(142.17)
Social security contributions	(10.26)	(8.91)	(8.46)
	(199.84)	(166.17)	(150.63)

11. Finance income and costs

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Bank charges	(2.28)	(3.73)	(3.74)
Foreign exchange differences	(2.03)	12.17	19.36
Interest and similar expense	(4.74)	(2.47)	(0.98)
	(9.06)	5.98	14.64

12. Other Income

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Other Income	-	-	0.08
	-	-	0.08

GODAVARI BIOREFINERIES B.V.
Notes to the financial statements (Contd.)

13. Income Tax expense

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Profit/(loss) before tax	178.57	269.22	498.14
Income Tax expense	(29.38)	-	-
	149.19	269.22	498.14

14. Board of Directors' remuneration

Particulars	2023-24	2022-23	2021-22
	INR In Lakh	INR In Lakh	INR In Lakh
Current Board of Directors	189.58	157.26	142.17
	189.58	157.26	142.17

The directors' remuneration includes periodically paid remuneration, such as salaries and holiday allowance.

Average number of employees

During the year only one employee is on the payroll. (Previous year : 1)

Events after the balance sheet date

No events which may substantially effect the financial position of the Company and which are relevant to announce in the annual accounts have occurred after the balance sheet date.

Amsterdam,

The Board of Directors



Prajesh Mistry

C.W. Faber