

Company No.

061296C

GODREJ INTERNATIONAL LIMITED
(Incorporated in Isle of Man)

REPORTS AND FINANCIAL STATEMENTS
31 MARCH 2021

AHMAD ABDULLAH & GOH
Chartered Accountants

Company No.

061296C

GODREJ INTERNATIONAL LIMITED

(Incorporated in Isle of Man)

REPORTS AND FINANCIAL STATEMENTS - 31 MARCH 2021

<u>CONTENTS</u>	<u>PAGE</u>
Corporate Information	1
Directors' Report	2 - 3
Statement of Directors' Responsibilities	4
Independent Auditors' Report to the Members	5 - 7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Comprehensive Income	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 - 25

Company No.

061296C

1

GODREJ INTERNATIONAL LIMITED

(Incorporated in Isle of Man)

CORPORATE INFORMATION

REGISTERED OFFICE

: 12 Mount Havelock
Douglas, Isle of Man
IM1 2QG

DIRECTORS

: Ardeshir Burjorji Godrej
Nadir Burjorji Godrej
Dorab Erach Mistry
Andrew Brian Byers
Ahmed Mohmed Salehbhai
Sandra Agnes Georgeson

CORPORATE SECRETARY

: Tiro Limited

BANKERS

: HSBC Bank Plc – IoM

AUDITORS

: Ahmad Abdullah & Goh
Chartered Accountants

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***DIRECTORS' REPORT**

The directors have pleasure in submitting their report and the audited financial statements of the Company for the year ended 31 March 2021.

The principal activity of the Company consists of dealing in commodities contracts of vegetable oils worldwide.

There has been no significant change in the nature of this activity during the financial year.

RESULTS

	<u>USD</u>
Net profit after taxation	<u>338,492</u>

DIRECTORS

The present membership of the Board during the financial year and to date are:

Ardeshir Burjorji Godrej
 Nadir Burjorji Godrej
 Dorab Erach Mistry
 Andrew Brian Byers
 Ahmed Mohmed Salehbhai
 Sandra Agnes Georgeson

According to the Register of Directors' Shareholding, particulars of interest of directors who held office at the end of financial year in the shares in the Company and its related company are as follows:

<u>Name</u>	<u>Number of Shares of USD1.61 Each</u>			<u>Balance at 31.3.2021</u>
	<u>Balance at 1.4.2020</u>	<u>Bought</u>	<u>Sold</u>	
Ardeshir Burjorji Godrej	1	-	-	1

Except for the above-mentioned director, none of the directors have interest in shares in the Company as at 31 March 2021.

POST STATEMENT OF FINANCIAL POSITION EVENTS

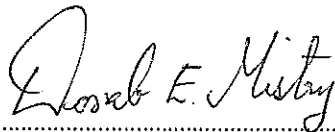
There have been no significant events between the year end and the date of approval of the financial statements which would require a change or additional disclosure in the financial statements.

Company No.
061296C

AUDITORS

The auditors, Messrs. Ahmad Abdullah & Goh, Chartered Accountants, have indicated their willingness to continue in office.

By order of the board:



.....
DORAB ERACH MISTRY
Director



.....
AHMED MOHMED SALEHBHAI
Director

Date: 27 April 2021

Company No.

061296C

GODREJ INTERNATIONAL LIMITED

(Incorporated in Isle of Man)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

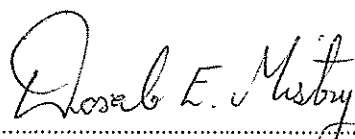
Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statement in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- c) provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- d) make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts 1931 to 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



.....
DORAB ERACH MISTRY
Director



.....
AHMED MOHMED SALEHBHAI
Director

Date: 27 April 2021

Company No.

061296C

AHMAD ABDULLAH & GOH

Chartered Accountants

Ahmad Abdullah & Goh (AF 0381)
Suite 1705, Level 17, Menara Landmark,
12 Jalan Ngee Heng,
80000 Johor Bahru,
Johor, Malaysia.

Telephone : 07-2241117 / 07-2245734
Facsimile : 07-2249591
E-mail : audit@aag.my
tax@aag.my
Webmail : www.aag.my

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GODREJ INTERNATIONAL LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Godrej International Limited, which comprise the statement of financial position as at 31 March 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 25.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By Laws and the IESBA Code.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with International Financial Reporting Standard. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Company No.

061296C

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company 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 approved standards on auditing in Malaysia and 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.

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, 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 the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 of the Company 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 of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


We communicate with the directors 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.

Company No.

061296C

Other Matters

This report is made solely to the members of the Company, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.



AHMAD ABDULLAH & GOH
No. AF - 0381
Chartered Accountants



V. VENKATACHALAM
No. 01549/01/2023 J
Chartered Accountant
Partner

Johor Bahru,
27 April 2021

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	<u>Note</u>	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
ASSETS			
<u>CURRENT ASSETS</u>			
Trade and other receivables	3	18,472,464	16,387,527
Cash and bank balances	4	230,654	1,689,471
TOTAL CURRENT ASSETS		<u>18,703,118</u>	<u>18,076,998</u>
TOTAL ASSETS		<u>18,703,118</u>	<u>18,076,998</u>
<u>EQUITY AND LIABILITY</u>			
Share capital	5	3,401,411	3,401,411
Accumulated profits		14,918,886	14,580,394
TOTAL EQUITY		<u>18,320,297</u>	<u>17,981,805</u>
<u>CURRENT LIABILITY</u>			
Other payables and accruals	6	382,821	95,193
TOTAL LIABILITY		<u>382,821</u>	<u>95,193</u>
TOTAL EQUITY AND LIABILITY		<u>18,703,118</u>	<u>18,076,998</u>

The notes set out on pages 12 – 25 form an integral part of these financial statements.

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***STATEMENT OF CHANGES IN EQUITY**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<u>Share Capital</u>	<u>Distributable Accumulated Profits</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
At 1 April 2019	3,401,411	14,176,948	17,578,359
Total comprehensive income	-	403,446	403,446
At 31 March 2020	3,401,411	14,580,394	17,981,805
Total comprehensive income	-	338,492	338,492
At 31 March 2021	<u>3,401,411</u>	<u>14,918,886</u>	<u>18,320,297</u>

The notes set out on pages 12 – 25 form an integral part of these financial statements.

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***STATEMENT OF COMPREHENSIVE INCOME**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<u>Note</u>	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Operating revenue		654,855	641,519
Cost of sales	7	<u>(202,511)</u>	<u>(158,750)</u>
GROSS PROFIT		452,344	482,769
Other income		13,233	30,325
Administrative and other operating expenses	8	<u>(127,085)</u>	<u>(109,648)</u>
NET PROFIT BEFORE TAXATION		338,492	403,446
Taxation		<u>-</u>	<u>-</u>
NET PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>338,492</u></u>	<u><u>403,446</u></u>

The notes set out on pages 12 – 25 form an integral part of these financial statements.

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***STATEMENT OF CASH FLOWS**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<u>Note</u>	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net profit before taxation and working capital changes		338,492	403,446
(Increase)/Decrease in trade and other receivables		(2,084,937)	819,483
Increase/(Decrease) in other payables and accruals		287,628	(364,743)
Net cash (used by)/from operating activities		<u>(1,458,817)</u>	<u>858,186</u>
<u>CASH FLOW FROM INVESTING ACTIVITY</u>			
		<u>-</u>	<u>-</u>
<u>CASH FLOW FROM FINANCING ACTIVITY</u>			
		<u>-</u>	<u>-</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		(1,458,817)	858,186
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		<u>1,689,471</u>	<u>831,285</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD		<u>230,654</u>	<u>1,689,471</u>
<u>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</u>	4	<u>230,654</u>	<u>1,689,471</u>

The notes set out on pages 12 – 25 form an integral part of these financial statements.

Company No.

061296C

GODREJ INTERNATIONAL LIMITED*(Incorporated in Isle of Man)***NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2021****1. GENERAL INFORMATION**

The Company is a limited company, incorporated and domiciled in the Isle of Man.

The address of the registered office and principal place of business of Company is as follows:

12 Mount Havelock
Douglas, Isle of Man
IM1 2QG

The principal activity of the Company consists of dealing in commodities contracts of vegetable oils worldwide.

The holding company is Godrej Industries Limited, a public listed company incorporated and domiciled in India, which owns 99.99% of the issued and fully paid share capital of the Company.

The financial statements of the Company is presented in the functional currency, which is the currency of the primary economic environment in which the entity operates.

The functional currency of the Company is United States Dollar ('USD') as the sales and purchases are mainly denominated in USD and receipts from operations are usually retained in USD.

The financial statements were authorised for issue by the Board of Directors on 27 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basic of Preparation**

The financial statements of the Company have been prepared in accordance with International Financial reporting Standards ("IFRS") issued by International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB.

(b) Adoption of New and Revised Standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2020.

The following are accounting standards amendments and interpretations of the IFRS framework that have been issued by the International Accounting Standards Board ("IASB") but have not been adopted by the Company.

Company No.

061296C

IFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

Amendments to IFRS 7 and IFRS 9 and IAS 39 - Interest Rate Benchmark Reform

Amendments to IFRS 17, Insurance contract

Annual Improvements to IFRS 16, IFRS 9, IFRS 1 and IAS 41 Standards 2018–2020

The Conceptual Framework on Amendments to IFRS 3

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Company.

(c) Basis of Measurement

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain assets and liabilities.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

(e) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in the functional currency by applying to the foreign currency amount the spot exchange rates between the functional currency and the foreign currency at the date of the transactions.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

Company No.

061296C

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

(f) **Financial Assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) **Classification Of Financial Assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is 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.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

(ii) **Amortised Cost and Effective Interest Method**

At initial recognition financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at fair value through other comprehensive income. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "investment income" line item.

(iii) **Debt Instruments Classified As At Fair Value Through Other Comprehensive Income ("FVTOCI")**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Other Comprehensive Income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and

presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises.

(iv) **Equity Instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(v) **Financial Assets at Fair Value Through Profit or Loss ("FVTPL")**

This category comprises only in-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

(vi) **Impairment of Financial Assets**

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, amounts due from customers under construction contracts, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses for trade receivables, amounts due from customers under construction contracts and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses. The assessment of whether lifetime expected credit losses should be recognised is based on significant increases in the likelihood or risk of a

Company No.

061296C

default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months expected credit losses represents the portion of lifetime expected credit losses that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(vii) **Derecognition of Financial Assets**

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

(g) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand, bank balances, short-term deposits and other short-term, highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value and are used by the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdraft and pledged deposits.

(h) **Provisions**

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are recognised based on a reliable estimate of the amount of the obligation.

(i) **Financial Liabilities**

Financial liabilities are classified as measured at amortised cost. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Company No.

061296C

(i) **Financial Liabilities At Fair Value Through Profit Or Loss**

This category comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Company does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

(ii) **Other Financial Liabilities**

Other financial liabilities include the following items:

Bank borrowings and the Company's perpetual preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

- liability components of convertible loan notes are measured as described further below.
- trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) **Derecognition Of Financial Liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(j) **Revenue Recognition**

At the inception of each contract with customer, the Company assesses the contract to identify distinct performance obligations, being the units of account that determine when and how revenue from the contract with customer is recognised. A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Company's customary business practices, a good or services is distinct if:

- liability components of convertible loan notes are measured as described further below.

Company No.

061296C

- the goods or services is separately identifiable from other promises in the contract.

If a good or service is not distinct, the Company combines it with other promised goods or services until the Company identifies a distinct performance obligation consisting a distinct bundle of goods or services.

Revenue is measured based on the consideration specified in contract with a customer excludes amounts collected on behalf of third parties such as sales and service taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, performance bonuses, penalties or other similar items, the Company estimates the amount of consideration that it expects to be entitled based on the expected value or the most likely outcome but the estimation is constrained up to the amount that is highly probable of no significant reversal in the future. If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The consideration allocated to each performance obligation is recognised as revenue when or as the customer obtains control of the goods or services. At the inception of each contract with customer, the Company determines whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Control over the goods or services are transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company perform;
- the Company's performance creates or enhances a customer-controlled asset; or
- the Company's performance does not create an asset with alternative use and the Company has a right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The revenue recognition policies for the Company's major activities are described below:

- Gains or losses arising from matched contracts are recognised immediately in the income statement. Any difference arising from the fair value assessment will be recognised in the financial statements. Unrealised losses arising from the valuations are set off against unrealised gains on an aggregated basis.
- The outstanding contracts are valued at their fair value at the end of the reporting period against quoted market prices. Where the quoted market prices are not available, the fair values are based on management's best estimate and are arrived at by reference to the market prices of another contract that is substantially similar. The notional principal amounts of the outstanding contracts, if any are off-balance sheet items.

Company No.

061296C

3. TRADE AND OTHER RECEIVABLES

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Trade receivables	809,050	2,421,248
Amount due from related companies	<u>17,663,414</u>	<u>13,966,279</u>
	<u>18,472,464</u>	<u>16,387,527</u>

Amount due from related companies represents advances which are unsecured, interest free and repayable on demand.

Credit terms of trade receivables of the Company vary from 30 to 60 days (2020: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

At the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on significant customers requiring credit over a certain amount. The Company do not require collateral in respect of financial assets.

At 31 March 2021, trade and other receivables of USD17,666,914 (2020: USD16,387,527) for the Company were past due but not impaired. These relate to a number of independent customers for whom there is no history of default. The aging analysis of trade and other receivables are as follows:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Neither past due nor impaired	805,550	-
Past due not impaired:		
- More than 6 months	<u>17,666,914</u>	<u>16,387,527</u>
	<u>18,472,464</u>	<u>16,387,527</u>

The receivables that are neither due nor individually impaired are creditworthy debtors with good payment records with the Company. Receivables that are past due not individually impaired relate to a number of independent customers from whom there is no recent history of default.

Company No.

061296C

4. CASH AND BANK BALANCES

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Cash and bank balances	230,654	1,689,471

The currency exposure profile of the cash and bank balances are as follows:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Functional currency (USD)		
- United Kingdom Pound	20,126	13,939

5. SHARE CAPITAL

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Authorised:		
£4,000,000 ordinary shares	6,440,000	6,440,000
Alloted, called up and fully paid:		
£2,105,000 ordinary shares	3,401,411	3,401,411

6. OTHER PAYABLES AND ACCRUALS

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Other payables	372,821	85,193
Accruals	10,000	10,000
	382,821	95,193

7. COST OF SALES

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Brokerage commission	202,511	158,750

Company No.

061296C

8. ADMINISTRATIVE AND OTHER OPERATING EXPENSES

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Audit fee	5,500	5,500
Bank charges	7,848	4,534
Consultancy fees	4,500	4,500
Management fees	109,237	91,752
Travelling and subsistence	-	3,362
	<u>127,085</u>	<u>109,648</u>

9. RELATED PARTIES DISCLOSURE**(a) Identities of Related Parties**

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly and entity that provides key management personnel services to the Company. The key management personnel include all directors of the Company, and certain members of senior management of the Company.

(b) Significant Related Parties Transactions

In the normal course of business the Company undertakes transactions with related parties. Set out below are the significant related parties transaction during the financial year:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
<u>Newmarket Limited</u>		
Repayment of advance	<u>(46,198)</u>	<u>(1,538,177)</u>
<u>Godrej International Trading & Investments Pte. Ltd.</u>		
Advance given	<u>3,743,333</u>	<u>3,550,379</u>

Company No.

061296C

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company activities expose it to a variety of financial risks, including foreign currency exchange risk, price risk, credit risk, liquidity risk and capital management risk. The Company overall financial risk management objective is to ensure that the Company creates value for its shareholders. The Company focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Financial risk management is carried out through risk reviews, internal control systems, and adherence to Company financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

(a) Foreign currency exchange risk

The Company is exposed to minimal foreign currency risk as the majority of the Company's transactions, assets and liabilities are denominated in United States Dollar.

The Company exposure to foreign currency (a currency which is other than the currency of the Company) risk, based on carrying amounts as at the end of the reporting year was:

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Bank balance - United Kingdom Pound	<u>20,126</u>	<u>13,939</u>

A 10% (2020: 10%) strengthening of the functional currencies against the United Kingdom Pound would have decreased post-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of reporting year. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Net profit after tax	<u>(2,013)</u>	<u>(1,394)</u>

A 10% (2020: 10%) weakening of USD against the United States Dollar at the end of the reporting period would have had equal but opposite effect on the United States Dollar to the amounts shown above, on the basis that all other variables remained constant.

(b) Price risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living, and global production of similar and competitive crops. During its ordinary course of business, the Company is exposed to commodity price risk because of trading in palm oil forward physical contracts.

Company No.

061296C

To the extent that its open sale and purchase commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodity prices, its policy is to minimise its risks by taking equal opposite position.

In the course of hedging its sales through direct purchases, the Company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

At the balance sheet date, open sales and purchase commitments are marked to market. The Company maintained a policy that open position does not exceed to USD500,000.

(c) **Credit risk**

Credit risk arises when sales are made on deferred credit terms. The Company seeks to control credit risk by ensuring its customers have sound financial standing, credit history and requirement of collateral where necessary.

Analysis of the Company's trade and other receivables is reflected in Note 3.

(d) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. Due to the dynamic nature of its underlying business, the Company adopts prudent liquidity risk management policies in maintaining sufficient cash balances with licensed banks.

(e) **Capital risk management**

The primary objective of the Company's capital management is to ensure that the Company would be able to continue as a going concern while maximising returns to shareholders.

No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2020.

The Company monitor capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total assets.

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
Total Debt	382,821	95,193
Total Assets	18,703,118	18,076,998
Debt to Assets Ratio	0.02	0.01

Company No.

061296C

11. SUBSEQUENT EVENT**Coronavirus Disease 2020 ("COVID-19")**

The COVID-19 pandemic has significantly disrupted many business operations around the world. For the Company, the impact on business operations has not been a direct consequence of the COVID-19 outbreak, but a result of the measures taken by the respective Government to contain it. As the outbreak continues to evolve, it is challenging to predict the full extent and duration of its impact on business and the economy. The occurrence of the COVID-19 outbreak is not an adjusting post balance sheet event.

Up to the date of these financial statements, it is not possible to estimate the full impact of the outbreak's short-term and longer-term effects or the relevant Government's varying efforts to combat the outbreak and support businesses. This being the case the Company noted a significant risk that the assumptions applied in the impairment assessment and expected credit losses would need to be revised in the next financial year which may result in a material adjustment to the carrying amounts of the property, plant and equipment and expected credit losses, within the next financial year.