

SRF GLOBAL B.V.
Amsterdam, The Netherlands
Financial statements for the year ended 2019-20

Address of the Company : Keizersgracht 391 A, 1016EJ Amsterdam
Chamber of Commerce : Amsterdam
File number : 343 149 45

Table of Contents

	<u>Page</u>
1 Balance Sheet as at 31 st March 2020	3
2 Profit and loss account for the year 2019-20	4
3 Notes to the Financial Statements	5-16
4 Other Information	17

Balance sheet as at March 31, 2020*(After result appropriation)*

	<u>Notes</u>	<u>31-Mar-2020</u> USD	<u>31-Mar-2019</u> USD
A. Fixed assets			
Intangible fixed assets	3	205,292	-
Financial fixed assets			
Participations in group companies	4	7,513,625	7,513,625
Receivables from group companies	5	77,898,072	59,178,322
Total fixed assets		<u>85,616,989</u>	<u>66,691,947</u>
B. Current assets			
Receivables from group companies	7	190,501	190,501
Other prepayments and accrued income	8	-	742
Cash and cash equivalents	9	420,263	553,539
Total current assets		<u>610,764</u>	<u>744,782</u>
C. Short-term liabilities and accrued liabilities	10	9,179,198	11,362,113
D. Balance of current assets less short-term liabilities		<u>(8,568,434)</u>	<u>(10,617,331)</u>
E. Balance of assets less short-term liabilities		<u>77,048,555</u>	<u>56,074,616</u>
F. Long-term liabilities	11	81,912,000	59,505,000
G. Provisions	12	(2,012,889)	(2,012,889)
H. Shareholders' equity	13		
Paid up share capital		14,124,475	14,484,162
Translation reserve		4,191,189	3,831,502
Other reserves		(21,166,220)	(19,733,159)
		<u>(2,850,556)</u>	<u>(1,417,495)</u>
		<u>77,048,555</u>	<u>56,074,616</u>

Profit and Loss account for the year 2019-20

	<u>Notes</u>	<u>1-Apr-2019 to 31-Mar-2020 USD</u>	<u>1-Apr-2018 to 31-Mar-2019 USD</u>
Finance Income	14	1,254,358	1,256,657
Finance Expense	15	(2,554,560)	(2,532,447)
Gross operating result		<u>(1,300,202)</u>	<u>(1,275,790)</u>
General and administrative costs	16	(132,859)	(113,652)
Total operating cost		<u>(132,859)</u>	<u>(113,652)</u>
Total operating result		<u>(1,433,061)</u>	<u>(1,389,442)</u>
Other income/ (expenses)	17	-	(330,069)
Result before taxation		<u>(1,433,061)</u>	<u>(1,719,511)</u>
Taxation		-	-
Result after taxation		<u>(1,433,061)</u>	<u>(1,719,511)</u>

Notes to the Financial Statements

1 General

SRF Global B.V. (the "Company") is a private limited liability company, incorporated on October 20, 2008 under the laws of The Netherlands and has its statutory seat in Amsterdam and its registered address at Keizersgracht 391 A, 1016EJ Amsterdam, The Netherlands.

1.1 Activities

In accordance with its articles of association, the principal activities of the Company are holding and financing activities.

1.2 The Financial Year

The financial year of the Company starts from 1st April and ends on 31st March.

1.3 Group Structure

The Company is owned by SRF Limited, New Delhi India.

1.4 Consolidation

In accordance with article 408, Book 2 of The Netherlands Civil Code the Company has not prepared consolidated accounts since the financial information, which would otherwise have been consolidated will be included in the consolidated accounts of its parent company, SRF Limited. Accordingly consolidated financials statements of SRF Limited for the year 2019-20, which includes the financial data of the Company and its directly or indirectly controlled subsidiaries, will be filed with the Chamber of Commerce in Woerden.

1.5 Going concern

The accounting policies used in these financial statements are based on the expectation that the Company will be able to continue as a going concern.

The Company's ability to continue as a going concern is highly contingent on the willingness and the ability on the part of the group companies to continue the loans granted to them. The group companies have confirmed to continue the said loans. In addition, it is anticipated that sufficient cash will be available for the Company to settle its debts when they become due and to cover its operational expenses.

The Company acts as a holding company and values its investments at cost. The underlying net assets value of the investments are higher than the book values.

1.6 Changes in accounting policies

During the period under review the accounting policies have not changed.

1.7 Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statements items in question.

2 General accounting principles for preparation of the financial statements

2.1 Accounting policies

The financial statements have been prepared in accordance with Title 9, Book 2, of the Netherlands Civil Code and in accordance with Generally Accepted Accounting Principles in the Netherlands. The financial statements are prepared under the historical cost convention and presented in USD, also the functional currency of the company. Assets and liabilities are valued at nominal value unless stated otherwise.

Notes to the Financial Statements (continued...)

2.2 Financial instruments

Financial instruments include both primary financial instruments, such as receivables and liabilities, and financial derivatives. Nature and details of these financial instruments and the principles regarding their measurement have been referenced per balance sheet item.

2.3 Translation of foreign currencies

The annual accounts are presented in USD.

All monetary assets and liabilities denominated in foreign currencies have been translated into US Dollars at the rate of exchange ruling at the balance sheet date whereas non-monetary assets expressed in currencies other than USD are translated at historical rates. All transactions denominated in foreign currencies are translated into US Dollars at the rate of transaction date. Foreign exchange gains and losses arising as a result of the application of the above accounting policies are disclosed separately in the profit and loss account.

The exchange rates used at balance sheet date were:

USD 1 = EUR 0.91274 (March 31, 2019: EUR 0.890076)

USD 1 = GBP 0.8091 (March 31, 2019: GBP 0.763952)

2.4 Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

2.5 Financial fixed assets

(i) Participations in group companies

The company applies article 2:408 of the Netherlands Civil Code and makes use of the option to value its participations in group companies at cost, or lower market value.

Participations in group companies are minimally stated at zero unless the Company is fully or partially liable for the debts of the group companies, or has the firm intention to pay these debts. In that case, a provision is made.

(ii) Receivables from group companies

Loans and other receivables are recognized initially at fair value and subsequently measured at amortized cost. When a loan or receivable is considered uncollectible, it is written off against the allowance account for receivables.

(iii) Impairment of fixed assets

Assets with a long life are reviewed for any impairment in value in case of changes or circumstances arising which leads to an indication that the book value of the assets will not be recovered. The recoverability of assets in use is determined by comparing the book value of an asset with the estimated present value of the future net cash flows which the asset is expected to generate. If the book value of an asset exceeds the estimated present value of the future cash flows, impairment is charged to the difference between the book value and the recoverable amount.

2.6 Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost. When a receivable is considered uncollectible, it is written off against the allowance account for receivables. 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.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, remittance in transit and deposits. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at nominal value.

Notes to the Financial Statements (continued...)

2.8 Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are shown as appropriation of profits.

Equity share capital consist of ordinary shares.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest and expenditure with respect to these financial instruments are recognized in the profit and loss as financial expense.

2.9 Long-term liabilities

Long-term liabilities relate to loans with a term longer than one year. The part of the loans that is repaid in the coming financial year, has been included under the short-term liabilities. Long-term liabilities are stated after initial recognition at amortized cost.

2.10 Provisions

Provisions are created for liabilities which are deemed probable or certain at the balance sheet date, but which are still unknown as to the amount or timing of outflow of funds.

2.11 Current liabilities

The current liabilities relate to the liabilities with a duration shorter than one year. These liabilities are valued at nominal value unless stated otherwise.

2.12 Principles for the determination of the result

(i) General

Profits on transactions are recognised in the year in which they accrue. Losses are taken into account as soon as they are foreseeable.

(ii) Interest income and expenditure

Interest expense and income is recognised on a time-weighted basis, taking into account the effective interest rate of the assets and liabilities concerned. When recognising interest expense, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

(iii) Recognition of income and expenses

Income and expenses are accounted for on an accrual basis.

(iv) Share in result of associated companies

For participations valued at cost, the result on participating interests sold during the financial year are accounted for in the profit and loss as income.

(v) Taxation

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

If the carrying values of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences. A provision for deferred tax liabilities is recognised for taxable temporary differences. For deductible temporary differences, unused loss carry forwards and unused tax credits, a deferred tax asset is recognised, but only if so far it is probable that taxable profits will be available in the future for offset or compensation.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
3 Intangible fixed assets		
Borrowing Cost - Upfront fees	223,974	-
Less - Amortized during the year	(18,682)	-
	<u>205,292</u>	<u>-</u>

The borrowing cost of USD 225,000 on loan taken from SMBC Singapore branch will be amortized over the period of 3 years.

4 Participations in group companies

Entity Name	Place of business	Share in capital	\$	\$
SRF Industex Belting (Pty) Ltd	Korsten	100%	0.01	0.01
SRF Industries (Thailand) Ltd	Royong	100%	6,330,398	6,330,398
SRF Nitol (Bangladesh) Ltd	Bangladesh	80%	1	1
SRF Flexipak (South Africa) (Pty) Ltd	Cato Ridge	100%	13	13
SRF Europe Kft	Hungary	100%	1,183,213	1,183,213
			<u>7,513,625</u>	<u>7,513,625</u>

Due to change in the operations of SRF Industex Belting Proprietary Limited, provision of USD 2,012,889.12 has been created. Accordingly, participation interest in SRF Industex Belting (Pty) Ltd has been reduced to USD 0.01. This provision will be maintained until such time when it is clear how the future activities will develop.

As a result of the inoperative nature of the participation in SRF Nitol (Bangladesh) Limited and the negative equity, a provision against investment of \$5,600 has been made during the year 2010-2011. SRF Nitol (Bangladesh) Ltd is no longer operational and will be dissolved in the near future.

5 Receivables from group companies

i) SRF Industex Belting (Pty) Ltd	2,475,000	2,395,000
ii) SRF Industries (Thailand) Ltd	26,282,457	25,430,863
iii) SRF Flexipak (South Africa) (Pty) Ltd	16,495,351	20,495,351
iv) SRF Europe Kft	32,645,264	10,857,108
	<u>77,898,072</u>	<u>59,178,322</u>

The movements in receivables are as follows:

i) SRF Industex Belting (Pty) Ltd		
Value as of 1 st April	2,395,000	3,415,149
Additions during the year	80,000	50,000
	<u>2,475,000</u>	<u>3,465,149</u>
Interest for the period	-	31,664
	<u>2,475,000</u>	<u>3,496,813</u>
Repayments during the year	-	(780,000)
Write off during the year	-	(321,813)
Value as of 31 st March	<u>2,475,000</u>	<u>2,395,000</u>

The loan bears interest rate of 1.90% + 1 Month LIBOR. The loan-term is one year and every year this will be extended with one year. No security has been provided. As at 31st March, 2020 the loan is outstanding to USD 2,475,000.

During the last year 2018-19, interest amounting to USD 321,813.41 has been written off by SRF Global B.V., which includes interest for the period Apr 18 to June 18 amounting to USD 31,664.40 and subsequently no interest has been charged.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
ii) SRF Industries (Thailand) Ltd		
Value as of 1st April	25,430,863	30,272,770
Additions during the year	-	-
	<u>25,430,863</u>	<u>30,272,770</u>
Interest for the period	851,594	1,158,093
	<u>26,282,457</u>	<u>31,430,863</u>
Repayments during the year	-	(6,000,000)
Value as of 31st March	<u>26,282,457</u>	<u>25,430,863</u>

The receivable from SRF Industries (Thailand) Ltd consists of three loan agreements:

The principal amount of the second loan agreement amounts to USD 20,000,000. The loan bears interest rate of 1.90% + 1 Month LIBOR. The loan-term is one year and every year this will be extended with one year. No security has been provided.

The principal amount of the third loan agreement amounts to USD 6,178,560. The loan bears interest rate of 1.90% + 1 Month LIBOR. Maturity date will be mutually agreed. No security has been provided. Repayment will take place after the borrowings from the Bank of Ayudya Company Public Company Ltd have been fully repaid.

iii) SRF Flexipak (South Africa) (Pty) Ltd		
Value as of 1st April	20,495,351	20,495,351
Additions during the year	-	-
	<u>20,495,351</u>	<u>20,495,351</u>
Repayments during the year	(4,000,000)	-
Value as of 31st March	<u>16,495,351</u>	<u>20,495,351</u>

As per the amended loan agreement dated July 23, 2015 the maximum facility of the loan amounts to USD 25,000,000 from 1 April 2015. No interest will be charged on the loan facility with effects from 1st April, 2015. Maturity date will be mutually agreed. The loan is sub-ordinated to the loan from International Finance Corporation. No security has been provided. During the year USD 4,000,000 has been repaid. As at 31st March, 2020 the loan is outstanding to USD 16,495,351.

iv) SRF Europe Kft		
Value as of 1st April	10,857,108	-
Additions during the year	43,435,810	10,973,841
	<u>54,292,918</u>	<u>10,973,841</u>
Interest for the period	402,764	66,900
	<u>54,695,682</u>	<u>11,040,741</u>
Repayments during the year	(21,466,570)	-
Exchange fluctuation	(583,848)	(183,633)
Value as of 31st March	<u>32,645,264</u>	<u>10,857,108</u>

During the year 2018-19, the Company entered into a loan agreement of Euro 10,000,000 with SRF Europe Kft. The loan bears the interest rate of 1.30% + Euribor (floored to zero). Subsequently the loan amount has been increased to Euro 51,000,000 as per the amendment to loan agreement dated 4th September, 2018. As at 31st March, 2020 the loan is outstanding to USD 32,645,264.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
6 Other receivables		
Refinance Fees		
Value as of 1st April	-	174,232
Prepaid financing expenses loan HSBC Bank Ltd	-	-
Amortisation during the year	-	(174,232)
	<u>-</u>	<u>-</u>
Amortisation next financial year	-	-
Value as of 31st March	<u>-</u>	<u>-</u>
<p>During the last year the Company paid USD 445,000 to HSBC Bank Ltd for refinancing the debt to credit institutions. The prepaid finance expenses are amortised over the term of the loan (3 years).</p>		
7 Receivables from group companies		
Prepaid expenses for SRF Flexipak (South Africa) (Pty) Ltd	190,501	190,501
	<u>190,501</u>	<u>190,501</u>
8 Other prepayments and accrued income		
Management and domiciliation fees	-	742
	<u>-</u>	<u>742</u>
9 Cash and cash equivalents		
ABN AMRO Bank N.V (USD)	-	52,807
ABN AMRO Bank N.V (EUR)	-	51,332
Citi Bank (USD)	148,601	-
ICICI Bank (GBP) GBP 995	1,230	-
ICICI Bank (EUR) EUR 41,575	45,549	-
ICICI Bank (USD)	224,883	-
Remittance in transit	-	449,400
	<u>420,263</u>	<u>553,539</u>

Cash and cash equivalents includes cash in hand, bank balances, remittance in transit and deposits. Remittance in transit represents the loan provided to SRF Europe Kft on 29th March 2019, which was received by SRF Europe Kft in April 2019.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
10 Short-term liabilities and accrued liabilities		
i) Loan from credit institutions		
MUFG Bank Ltd		
Value as of 1 st April	11,235,000	-
Additions during the year	-	11,235,000
	<u>11,235,000</u>	<u>11,235,000</u>
Repayment during the year	(11,235,000)	-
Value as of 31 st March	<u>-</u>	<u>11,235,000</u>
<p>During the year 2018-19, the Company has entered into a loan agreement of Euro 10,000,000 with MUFG Bank Ltd to fund SRF Global B.V. equity or debt contribution in the Hungarian subsidiary (SRF Europe Kft) for funding of capex of the proposed Biaxially-oriented Polyethylene Terephthalate (BoPET) project. The loan bears the interest rate of 0.65% + Euribor (floored to zero). SRF India Ltd has provided a corporate guarantee against the said facility. During the year the loan amount has been fully repaid.</p>		
ii) Citi Bank Ltd		
Value as of 1 st April	-	-
Additions during the year	44,907,150	-
	<u>44,907,150</u>	<u>-</u>
Repayment during the year	(36,614,200)	-
Exchange fluctuation	157,130	-
Value as of 31 st March	<u>8,450,080</u>	<u>-</u>
<p>The Company has taken uncommitted credit facility from Citi bank to support funding requirement in operating subsidiaries. The credit facility is repayable on demand and has no maturity date. During the year the company has availed total credit facility of EUR 38,600,000 and out of which EUR 31,800,000 has been repaid. As at 31st March 2020 the loan is outstanding to EUR 6,800,000. The loan bears interest rate of 0.80% per annum + Euribor (floored to zero).</p>		
<p>During the year additional credit facility of USD 2,000,000 has been availed out of which USD 1,000,000 was repaid on 27th of March 2020 and USD 1,000,000 is still outstanding as on 31st of March 2020.</p>		
iii) Interest payable to credit institutions		
Interest MUFG Bank Ltd	60,812	1,522
Interest DBS Bank Ltd	277,098	36,278
Interest SMBC	232,346	-
Interest Citi Bank - USD	8,166	-
Interest Citi Bank - EUR	4,256	-
	<u>582,677</u>	<u>37,800</u>
iv) Accounts payable		
Amsterdam Coworking	-	898
SRF Limited, India	131,482	81,376
Other accounts payable	417	-
	<u>131,899</u>	<u>82,274</u>
v) Other current liabilities		
Citi Bank	-	1,426
Accrued liabilities	6,617	1,000
VAT payable	7,924	4,613
	<u>14,541</u>	<u>7,039</u>
Total Short-term liabilities and Accrued liabilities	<u>9,179,198</u>	<u>11,362,113</u>

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
11 Long term liabilities		
Loan from credit institutions	81,912,000	59,505,000
The part of the financings with a duration longer than 5 years is nil.		
The movement in financings are as follows:		
CITI Bank Ltd	-	-
DBS Bank Ltd	30,000,000	59,505,000
SMBC, Singapore	30,000,000	-
MUFG Bank NV	21,912,000	-
	81,912,000	59,505,000

i) HSBC Bank Ltd

Value as of 1st April	-	40,000,000
Additions during the year	-	-
Repayment during the year	-	40,000,000
Value as of 31st March	-	(40,000,000)
	-	-

On February 11th, 2016 the Company entered into a financing agreement with HSBC bank (Mauritius) Ltd. for financing of group companies. The loan bears the interest rate of 0.85% + 1 months LIBOR with maturity date of March 28, 2019.

SRF Global BV has provided a negative pledge declaration and a Standby Letter of Credit from "The Hongkong and Shanghai Banking Corporation Ltd" upto an amount of USD 40.500,000.

During the last year, loan amounting to USD 40,000,000 has been repaid through DBS Bank.

ii) CITI Bank Ltd

Value as of 1st April	-	23,700,000
Additions during the year	-	9,650,010
Repayment during the year	-	33,350,010
Value as of 31st March	-	(33,350,010)
	-	-

The Company has taken an uncommitted credit facility of USD 24,000,000 from CITI Bank Ltd to support funding requirements in operating subsidiaries. During the year 2017-18, the facility amount has been increased to USD 44,000,000 or the equivalent thereof in any other currency acceptable to the bank. SRF India Ltd has provided a corporate guarantee to CITI Bank against the said facility. The credit facility is repayable on demand and has no maturity date. The loan bears the interest rate of 0.95% + 1 month Libor.

During the year 2018-19 additional credit facility of USD 5,00,000 has been availed. The total facility of USD 24,500,000 have been repaid by availing loan of USD 19,505,000 from DBS Bank and remaining from available funds in bank.

During the year 2018-19, the Company has also availed the credit facility of EUR 7,600,000 as decided in the amended agreement. The loan bears the interest rate of 0.80% + Euribor (Floored to zero). Subsequently the full amount of loan has been repaid by availing loan from MUFG bank.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	USD	USD
iii) DBS Bank Ltd		
Value as of 1 st April	59,505,000	-
Additions during the year	<u>30,000,000</u>	<u>59,505,000</u>
Repayment during the year	89,505,000	59,505,000
	(59,505,000)	-
Value as of 31st March	<u>30,000,000</u>	<u>59,505,000</u>

On December 18th, 2019 the Company entered into a term facility agreement of USD 30,000,000 with DBS bank. The loan is for 2 years and bears interest rate of 1.35% per annum plus LIBOR.

During the year, the Company repaid existing DBS loan of USD 59,505,000

iv) SMBC, Singapore		
Value as of 1 st April	-	-
Additions during the year	<u>30,000,000</u>	-
Repayment during the year	30,000,000	-
	-	-
Value as of 31st March	<u>30,000,000</u>	<u>-</u>

During the year on 20th of December 2019, the Company entered into a term facility agreement of USD 30,000,000 with Sumitomo Mitsui Banking Corporation (Singapore). The loan is for 3 years and bears interest rate of 0.95% per annum plus LIBOR.

v) MUFG Bank NV		
Value as of 1 st April	-	23,700,000
Additions during the year	<u>21,912,000</u>	<u>9,650,010</u>
Repayment during the year	21,912,000	33,350,010
	-	(33,350,010)
Value as of 31st March	<u>21,912,000</u>	<u>-</u>

During the year on 19th December, 2019, the Company has taken Euro 20,000,000 loan facility from MUFG Bank NV. Out of the said amount, Euro 10,000,000 was utilised for repayment of an existing loan amount of Euro 10,000,000 of Citi bank. The loan is taken for three years and bears interest percentage rate per annum as per the applicable margin. During the year the interest is charged on 0.97% per annum.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2020</u> USD	<u>31-Mar-2019</u> USD
12 Provisions		
Provision for participations	<u>(2,012,889)</u>	<u>(2,012,889)</u>
<p>Due to change in the operations of SRF Industex Belting Proprietary Limited, provision of USD 2,012,889 has been created. Accordingly, participation interest in SRF Industex Belting (Pty) Ltd has been reduced to USD 0.01. This provision will be maintained until such time when it is clear how the future activities will develop.</p>		
13 Shareholder's equity		
Movement during the year can be summarised as follows:		
<u>Paid up share capital</u>		
Balance as of 1 st April	14,484,162	15,884,233
Translation adjustment	<u>(359,687)</u>	<u>(1,400,071)</u>
Balance as of 31 st March	<u>14,124,475</u>	<u>14,484,162</u>
<u>Translation Reserve</u>		
Balance as of 1 st April	3,831,502	2,431,431
Translation adjustment	<u>359,687</u>	<u>1,400,071</u>
Balance as of 31 st March	<u>4,191,189</u>	<u>3,831,502</u>
<u>Other reserves</u>		
Balance as of 1 st April	(19,733,159)	(18,013,648)
Result for the period	<u>(1,433,061)</u>	<u>(1,719,511)</u>
Balance as of 31 st March	<u>(21,166,220)</u>	<u>(19,733,159)</u>
Total shareholders equity as at 31st March	<u>(2,850,556)</u>	<u>(1,417,495)</u>

The authorised share capital amounts to EUR 20,180,000 divided into 201,800 ordinary shares with a nominal value of EUR 100 each.

The issued and paid-up capital amounts to EUR 12,892,000 divided into 128,920 shares with a nominal value of EUR 100 each.

Appropriation of result for the financial year 31 March 2019

The annual accounts for 31 March 2019 were adopted at the general meeting. The general meeting determined the appropriation of the result in accordance with the motion tabled for that purpose.

Proposed appropriation of result for the financial year 31st March 2020

The board of directors proposes to the general meeting of shareholders that the result for the financial year 31 March 2020 amounting to \$ -1,433,061 should be transferred to reserves without payment of dividend.

This proposal has already incorporated in the financial statements.

Notes to the Financial Statements (continued...)

	1-Apr-2019 to 31-Mar-2020	1-Apr-2018 to 31-Mar-2019
	USD	USD
14 Finance Income		
Interest income SRF Industex belting (Pty) Ltd	-	31,664
Interest income SRF Industries (Thailand) Ltd	851,594	1,158,093
Interest income SRF Europe Kft	402,764	66,900
	<u>1,254,358</u>	<u>1,256,657</u>
15 Finance expenses		
i) Interest expenses:		
Interest expenses DBS Bank Ltd	(1,785,128)	(36,278)
Interest expenses CITI Bank Ltd	(168,759)	(774,105)
Interest expenses HSBC Bank Ltd	-	(1,165,229)
Interest expenses MUFG Bank Ltd	(114,496)	(17,073)
Interest expenses SMBC Loan	(232,346)	-
Financing expenses loan HSBC Bank Ltd	-	(174,232)
	<u>(2,300,729)</u>	<u>(2,166,917)</u>
ii) Other Similar expenses:		
Guarantee fees	(229,202)	(320,592)
Foreign exchange result	(3,156)	(38,420)
Bank charges	(1,765)	(6,518)
Upfront fee	(19,708)	-
	<u>(253,831)</u>	<u>(365,530)</u>
Total finance expenses	<u>(2,554,560)</u>	<u>(2,532,447)</u>

Notes to the Financial Statements (continued...)

	1-Apr-2019 to 31-Mar-2020 USD	1-Apr-2018 to 31-Mar-2019 USD
16 General and administrative costs		
Audit fees	(701)	(1,000)
Tax advisory fees	(5,718)	(4,506)
Management and domiciliation fees	(39,918)	(93,960)
Legal and notary fees	(66,148)	(5,000)
Director's fee	(3,375)	-
Rent expense	(733)	-
VAT expenses	(16,266)	(9,186)
	<u>(132,859)</u>	<u>(113,652)</u>
17 Other income/ (expenses)		
Interest written off on loan to SRF Industex Belting (Pty) Ltd	-	(321,813)
Amount written off	-	(8,256)
	<u>-</u>	<u>(330,069)</u>

18 Directors

During the year in April 2019, Mr. Dinesh Verma (Managing Director A), Vistra NC B.V. (Managing Director B) and Erevia B.V. (Managing Director B) have resigned from their post and Mr. Sanjeev Bedi has been appointed as Managing director B.

19 Staff members

During the financial year 2019-20, no employees were employed by the Company (2018-19: nil).

20 Subsequent events

SRF Nitol (Bangladesh) Ltd is no longer operational and will be dissolved in the near future. Other than that, no events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustments of, or disclosure, in the annual accounts now presented.

Amsterdam / ^{K2N, SA} 23 / 05 / 2020

Ritesh Kumar

Ritesh Kumar
Managing Director (A)

Sanjeev Bedi

Sanjeev Bedi
Managing Director (B)

Other informations

Profit appropriation according to the Articles of Association

Based on the Company's articles of association, the result of the Company is at disposal of the general meeting of shareholders.