

Ramagundam P/S  
Haldor Topsøes Alle 1, 2800 Kgs.Lyngby

# Annual Report 2021

(1 January – 31 December)

Ramagundam P/S  
CVR No 40 56 27 29

The Annual Report has been presented and adopted at the Annual General Meeting on June 20, 2022

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Chair of the meeting,  
Nicolai Lygum

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## **Statement by Management and the Board of Directors on the Annual Report**

The Management and the Board of Directors have today considered and adopted the Annual Report of Ramagundam P/S for the financial year 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies applied appropriate, and the estimates made reasonable.

In our opinion the financial statements give a true and fair view of the financial position of the Company at December 31, 2021 and of the results of the Company operations for 2021.

In our opinion, Directors' report includes a true and fair account of the issues it addresses as well as a description of the Company's most significant risks and elements of uncertainty.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Lyngby, June 20, 2022

### **Management**

Anders Hindum

### **Board of Directors**

Jens Bayer  
(Chairman)

Otto Vinther Christensen

Anders Hindum

## Independent Auditor's Report

To the Shareholders of Ramagundam P/S

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Ramagundam P/S for the financial year 1 January 2021 - 31 December 2021, which comprise income statement, balance sheet, and notes, including a summary of significant accounting policies ("financial statements").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's

Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

### Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, June 20, 2022

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR No. 33 77 12 31

Rikke Lund-Kühl  
State Authorised Public Accountant  
mne33507

Annika Søndergaard Nielsen  
State Authorised Public Accountant  
mne45835

## **Directors' report**

### **Main activities**

The purpose of the Company according to the Articles of Association is to acquire shares in Ramagundam Fertilizers and Chemicals Ltd (RFCL), India and carry out business related thereto which the General Partner deems incidental to the attainment of this aim.

The Company is jointly owned by HT Ramagundam A/S (HTRA), Danish Agribusiness Fund I K/S (DAF) and Investeringsfonden for Udviklingslande (IFU). Currently, approximately 12% of the shares in RFCL are held by the Consortium constituting the three owners (HTRAS, DAF and IFU).

### **Results**

The net result for the financial year 2021 was a loss of DKK 8 thousand. The company's equity is negative with DKK 12 thousand.

A transfer of the shares in RFCL currently held by the owners of the Company have not taken place in 2021 as Management and Owners continuously explore the best possible way of transferring said shares to the Company. If the transfer of the shares in RFCL materializes it is Management's assessment that the restoration of the Company's equity should be achieved through the dividend and/or results from the investment.

If it is not possible to transfer the shares in RFCL to the Company, the owners of the Company will make a capital increase or reconsider the purpose of the company.

For the continuing support of the Company until such decision is made, which is expected in 2022, all three owners have granted a Letter of financial support stating that they will provide sufficient funding to Ramagundam P/S in order for the Company to meet its obligations. The letter of financial support is effective until May 31, 2023.

## Accounting policies

### Basis of preparation

The Annual Report of Ramagundam P/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from previous years.

### Recognition and measurement

Income is recognized in the income statement as earned. All expenses are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Translation of foreign currency

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the rates at the transaction date and the rates at the dates of payment are recognized in financial income and expenses in the income statement.

Receivables and payables in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in financial income and expenses in the income statement.

### Income statement

#### Other external expenses

Other external expenses comprise expenses for external assistance etc.

#### Financial income and expenses

Financial income and expenses comprise interest and realized and unrealized exchange adjustments.

### Balance sheet

#### Financial liabilities

Other debts are measured at amortized cost, mainly corresponding to nominal value.

## Income statement

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		DKK 1,000	DKK 1,000
Other external expenses		-8	-37
<b>EBIT</b>		<b>-8</b>	<b>-37</b>
Financial expenses		0	-1
<b>Net profit</b>		<b>-8</b>	<b>-38</b>
<b>Proposed distribution of profit</b>			
Retained earnings		-8	-38
		<b>-8</b>	<b>-38</b>



## Balance Sheet

### Assets

	Note	2021	2020
		DKK 1,000	DKK 1,000
Other receivables		199	0
<b>Receivables</b>		<b>199</b>	<b>0</b>
<b>Cash</b>		<b>2</b>	<b>18</b>
<b>Current assets</b>		<b>201</b>	<b>18</b>
<b>Assets</b>		<b>201</b>	<b>18</b>

### Equity and liabilities

	Note	2021	2020
		DKK 1,000	DKK 1,000
Registered capital		400	400
Retained earnings		-412	-404
<b>Equity</b>	1	<b>-12</b>	<b>-4</b>
Other payables		213	22
<b>Current liabilities</b>		<b>213</b>	<b>22</b>
<b>Liabilities</b>		<b>213</b>	<b>22</b>
<b>Equity and liabilities</b>		<b>201</b>	<b>18</b>
Subsequent events	2		

## Statement of changes in equity

	Registered capital	Retained earnings	Total
	DKK 1,000	DKK 1,000	DKK 1,000
Equity at January 1, 2021	400	-404	-4
Net profit/(loss) for the year	0	-8	-8
<b>Equity at December 31, 2021</b>	<b>400</b>	<b>-412</b>	<b>-12</b>

## **Notes to the financial statements**

### **1 Equity**

The company's equity is negative. Management expects to restore the Company's registered capital through own future earnings by acquisition of shares in Ramagundam Fertilizers and Chemicals Ltd (RFCL), India and with that dividend and result. If it is not possible to restore through own future earnings, the owners have granted a Letter of financial support stating that they will provide sufficient funding to Ramagundam P/S in order for the Company to meet its obligations. The letter of financial support is effective until May 31, 2023.

### **2 Subsequent events**

No events materially affecting the Company's financial position at December 31, 2021 have occurred after the balance sheet date.