

Ganesha
Ecosphere
Limited

35th
Annual
Report
2023-24



GANESHA ECOSPHERE LTD.

CIRCULARITY IN MOTION

ACCELERATING TOWARDS NET ZERO



Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

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CIRCULARITY IN MOTION

Moving away from
take-make-waste

At Ganesha Ecosphere Limited, we believe that the future of the world lies in circularity.

It has been our mission and commitment to enhance value from discarded PET bottles. We are recycling Billions of these bottles so humanity can generate value from our resources, moderate plastic pollution and serve markets with quality circular products.

For decades we gave a second life to the plastic bottles through our high quality textile fibers and yarns. Today, following an investment in advanced recycling technology we generate multiple new lives from a waste bottle by recycling it back each time into a food grade bottle – a truly circular solution with the potential to change how we produce and consume.

At Ganesha, we continue to deliver on our promise to create value for all stakeholders including mother nature.

At our Company, Circularity in Motion is a philosophy and continuum of how we can save our world for the present and succeeding generations.



CIRCULARITY IN MOTION

Accelerating towards Net Zero

With climate change impact becoming progressively severe, companies and governments have embarked on initiatives towards achieving net zero in carbon emissions.

One prominent initiative comprises the transformation of current ecosystem: from the conventional take-make-waste (dumped into the sea or landfills) to the forward-looking circular approach.

This circular approach is being propagated worldwide and is gaining traction with recyclers playing a critical role in generating new raw materials from what was deemed to be waste. This is being accepted as the most effective way humankind can reconcile population growth, and consumption increase while balancing limited resource sustainability.

Ganesha Ecosphere Limited, amongst the leading recyclers of PET in India, is playing an important role in leading the circular revolution for plastics in India and across the world.

For decades, our company contributed to environmental sustainability by transforming PET waste for high quality textile applications. Today, due to climate change we need accelerated solutions. The company addressed the world's need of the hour by making its largest investment to manufacture recycled PET, which can be used again to make food grade and non-food grade packaging. This in itself is an achievement where waste can again be made safe for human contact. This has only been possible with extensive R&D and the adoption of advanced technologies. In doing so, the company is empowering its entire eco-system of downstream product users to graduate to complete resource circularity, empowering them to emit 60% lower carbon emissions compared to virgin plastic.

In view of this, our Circularity in Motion commitment is helping enhance outcomes for the company, customers, country and the world.



CORPORATE SNAPSHOT

Ganesha Ecosphere Limited.

India's one of the largest PET recycling company.

Possessing a diversified product portfolio comprising RPSF, specialty yarns, spun yarns and filament yarns, bottle grade rPET granules etc. – all derived from waste PET bottles.

Amongst few companies in India to have a large bottle-to-bottle recycling facility in its Group, with US-FDA, EFSA and FSSAI approvals/positive opinions.

Possessing 36+ years of experience, driven by large operations, a loyal and diverse clientele and a robust supplier network.

As a circular economy proponent, Ganesha Group recycles ~16-18% of Indian PET bottle waste.

Shared values

Excellence
in whatever
we do

Delivering
innovative
products

Results
through
teamwork

Uncompromising
integrity

Trust and
respect
for everyone



Our Vision

To become a global corporate citizen committed to recycle every PET bottle, which is thrown into waste, with world-class recycling facilities and to create wealth for our stakeholders through conducting business around social and environmental concerns.



Our Mission

- To be a high-performance organization by making the best use of resources and empowering people
- To be the preferred choice of our customers by providing world-class customer services
- To maintain high level of quality in our products through innovative research and technology development in our processes, products and applications
- To build relationships with stakeholders based on trust, transparency and ethical business conduct
- To contribute to the cause of making our planet a better place to live in for the present and future generations



Legacy

Ganesha Ecosphere Limited, India's leading PET recycler, was incorporated in 1987. Led by Mr. Shyam Sunder Sharmma, Chairman and his team of skilled professionals, the Company emerged as the largest producer of RPSF (recycled polyester staple fiber), pioneering the production of rPET fibre and rPET yarn from pre- and post-consumer PET bottle scrap.



Business

The company utilises its nationwide network and recycling facilities in North and South India to responsibly recycle PET plastics, reducing landfill waste and promoting an environmental balance leading to a cleaner world. Dedicated to environmental responsibility, the company strives to collect maximum PET waste across the country, converting it into valuable resources and minimizing environmental impact.



Talent

The Company employed 2,377 people as of March 31, 2024, with an average age of 38 years.



Presence

The Company operates six manufacturing facilities in North and South India as well as in Nepal with a total installed capacity of 1,96,440 TPA as on March 31, 2024. Apart from its widespread pan-India network, the company exports to over 19 countries.



Market capitalisation

Ganesha Ecosphere Limited is listed on the National Stock Exchange of India Ltd. with the symbol GANECOS and on the BSE Ltd. with the scrip code 514167, where it is actively traded. As of March 31, 2024, the company had a market capitalization of ₹2,496.68 Cr.



Promoters

The Company's promoters held 36.44% of the company's equity shares, while the public held 63.56% (with institutional investors holding 31.23%) as on March 31, 2024.



Credit rating

As of March 31, 2024, Ganesha Ecosphere Limited reaffirmed its A/Stable credit rating by CARE, underscoring its continued strong credit profile and stable financial performance.

Certifications/ positive opinions



ISO 9001:2015



ISO 14001:2015



ISO 45001:2018
(OH&S)



OEKO-TEX
Standard 100



Ocean Bound
Plastic Certificate



Global Recycled Standard
from CU certifications



SEDEX



European Food Safety
Authority(EFSA)



FSSAI



FDA

Our product portfolio

rPET fibre

Description	Applications	Industries
Solid fibre and dope-dyed fibre	Spinning, non-woven fabrics	Textile and non-woven fabrics
Hollow/conjugated	Stuffing in toys, pillows etc	Home furnishings
Fire retardant	Industrial fabrics	Technical textile
Short-cut fibre	Blending with other fibres/ materials	Textile, paper and construction
Micro fibre	Fine fabrics	Textile
Trilobal fibre	Special effect	Textile
Polyester staple fibre	Apparel, flooring, packaging, interiors and furnishing	Spinning

Characteristics • Retains creases and pleats • Quickly washed and dried • Resists wrinkles, mildew and general surface damage

Yarns

Description	Applications	Industries
Mélange	Body warmers	Knitting
Single yarn	Dress materials	Clothing, knitting, hosiery and spinning
Doubled yarn	Suitings, shirtings, furnishing fabric	Clothing, knitting, hosiery and spinning
Filament yarn	Shirts, trousers, suits, home textiles, and bed linen	Clothing, knitting, hosiery and spinning
Spun yarn	Medical textiles, home décor, clothing and industrial textiles	Healthcare, industrial, apparel and décor

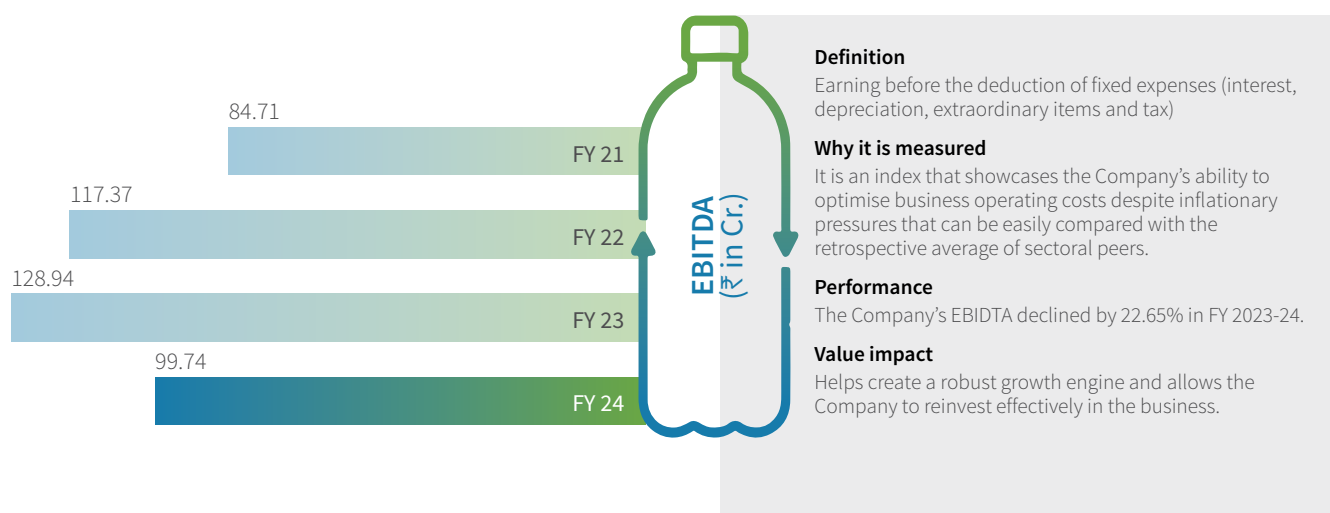
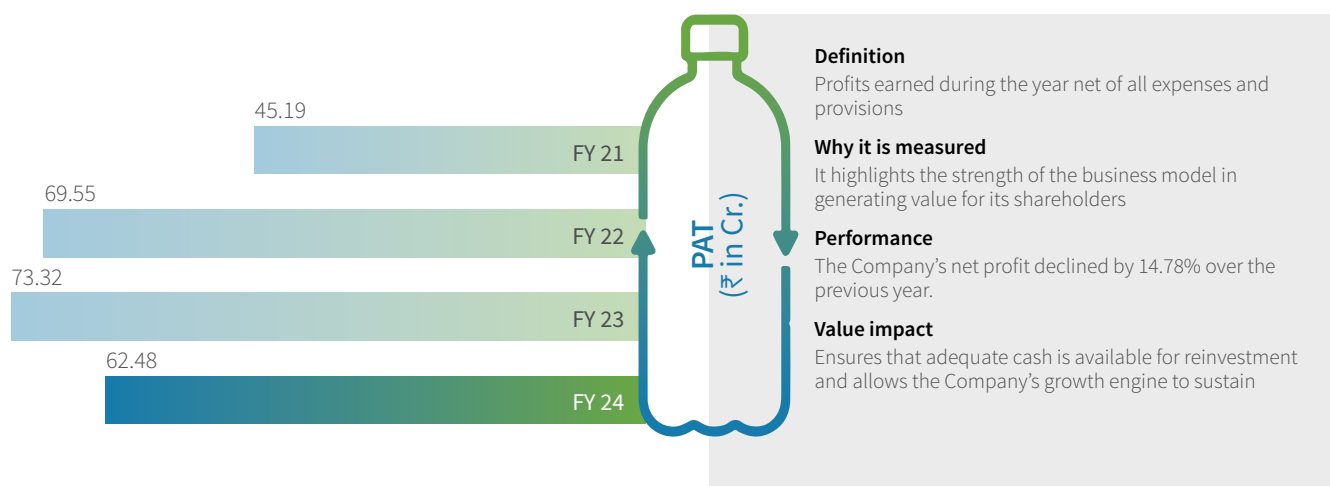
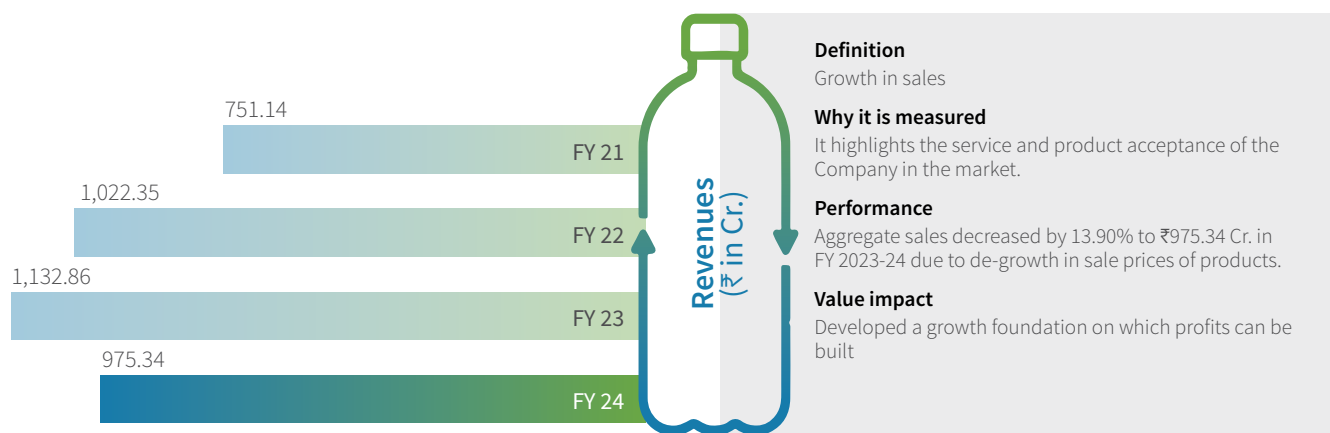
Characteristics • Used in sarees, dress materials and different kinds of ropes • Formed using a polyester filament by grouping, twisting or air-entangling them

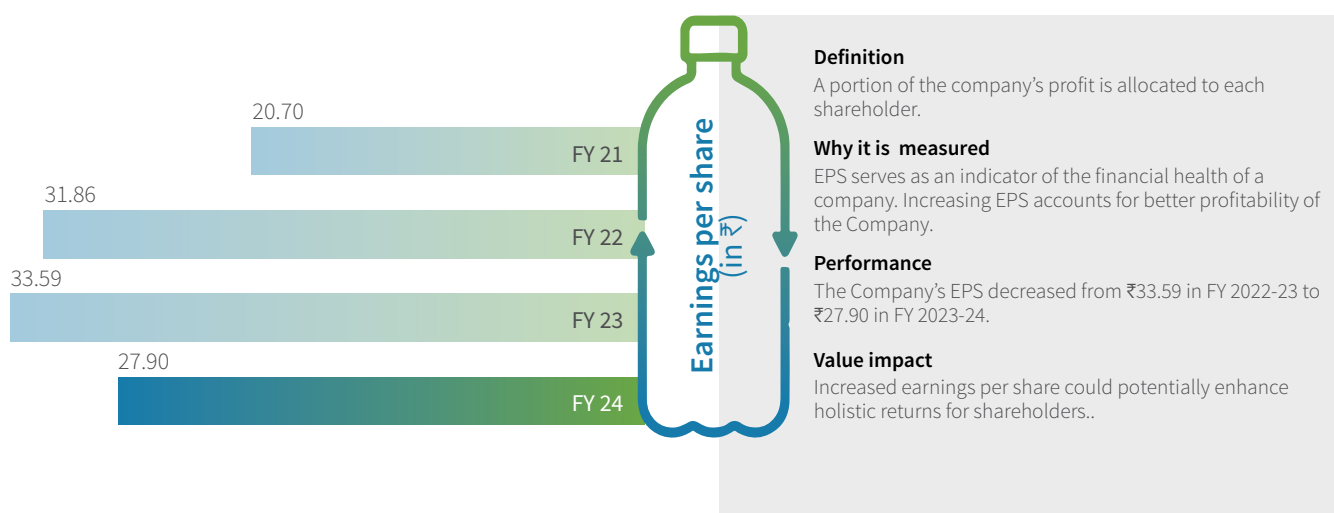
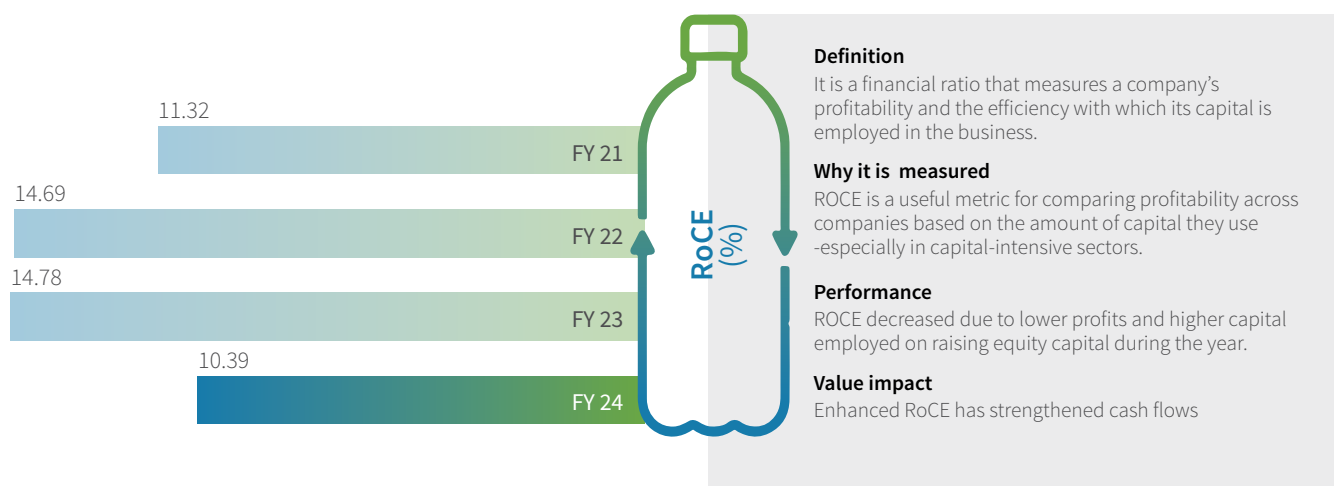
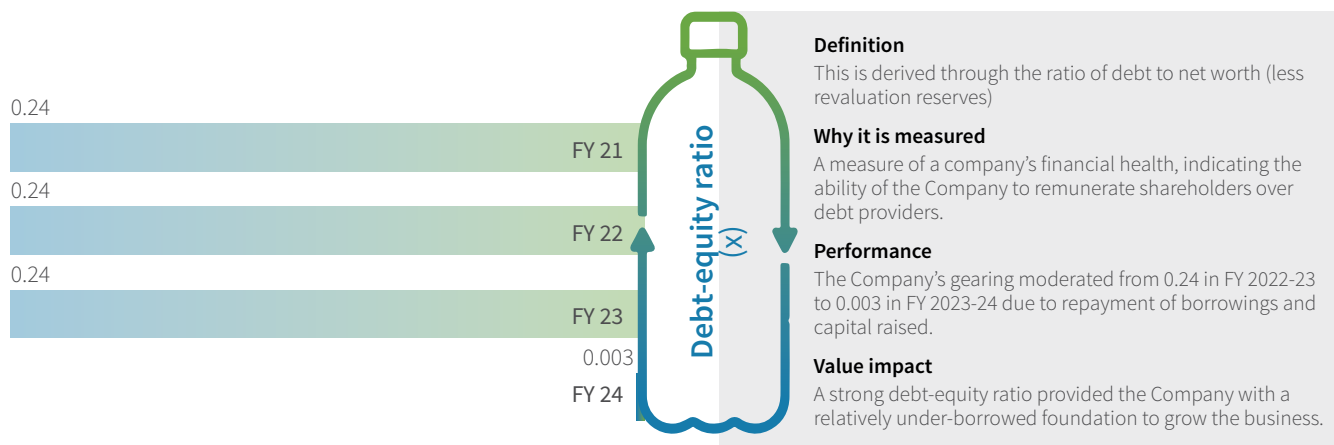
rPET bottle grade chips

Description	Applications	Industries
rPET chips	Food grade and non-food-grade packaging	FMCG, beauty, pharmaceutical, beverage and chemicals



How we have grown over the years







Shyam Sunder Sharma,
Chairman

"At Ganesha Ecosphere, we believe that the time is right to accelerate our commitment to Circularity in Motion."



₹ Cr, revenues
in FY 2023-24

Overview

The year under review represented an inflection point for our company.

For 30 years, your company was engaged in the recycling of PET bottles into polyester staple fibers and yarns, establishing us as a leader in the manufacture of recycled raw materials for the textile industry. The company made a decisive extension to play a larger role in helping green and decarbonise the world by leveraging advanced technology

to make recycled PET packaging safe for food and human contact using waste bottles. This distinctive grave-to-cradle commitment has graduated us in a new dimension where we are now becoming an integral part of the FMCG ecosystem.

The extension of this business model will play a crucial role in empowering downstream customers to reduce energy consumption and moderate their carbon footprint. By playing the role of a responsible upstream catalyst, we are

deepening our business sustainability. This synergic extension has empowered the company to moderate its excessive dependence on one market segment to address wider and more profitable segments.

The company invested in a bottle-to-bottle expansion and launched the brand Go Rewise® in FY 2022-23 to market new products. This year we strengthened our position in the bottle-to-bottle recycling which unlocked a value-added niche and a larger addressable market. The complement of these upsides is expected to translate into a larger turnover around superior margins. This is expected to strengthen cash flows, reinvestments and profitable growth. In turn, this is expected to transform the brand of the company around business circularity and responsible citizenship, validating that green business is good business. This also strengthens our commitment to create circular solutions and initiatives – catalysing circularity in motion.

Towards net zero

Accelerating our journey towards achieving net zero emissions is pivotal for realizing the benefits of a circular economy and countering climate change. While a number of brands have set net zero targets for themselves, governments around the world have tightened regulations around sustainable sourcing. One such regulation is the Extended Producer Responsibility (EPR) across countries; this holds producers and brand owners responsible for the lifecycle of their plastic packaging. This makes them responsible for collection, processing and increasing the proportion of recycled materials in packaging and products.

Ganesha is among select companies to have invested in this business segment with foresight. The company invested to address the needs of the day and build infrastructure required for the coming years. The company's large manufacturing facility is positioned to support the growing recycled products target of its customer brands. This ESG-compatible approach will elevate the brand identity of our customers as environment-friendly, and planet-positive while increasing their profitability, and market share due

to a shifting consumer preference for sustainability.

Looking ahead, we expect most beverage and FMCG brands to graduate from the use of virgin polymer to recycled polymer. This will widen the market for companies like ours engaged in recycling polymer waste to produce food-grade recycled polymers.

The circular economy is emerging as one of the largest economic opportunities; it offers a USD 10 Trillion global opportunity in reducing waste, stimulating innovation and creating employment. It promotes clean technologies, creates jobs in sustainable industries, and positions businesses and economies at the forefront of a globally transitioning market. By investing in sustainable practices, we are building a robust foundation for long-term economic prosperity.

Right time

At Ganesha Ecosphere, we believe that the time is right for us. Urban plastic waste is a growing challenge; low coordinated waste collection and a dearth of organised recyclers is making plastic omnipresent. This incidence is congesting sewage lines, municipal networks and public utilities, affecting water flows, rainfall drainage, public convenience and tourism. The company created a waste collection eco-system across the decades. It has partnered the best PET recycling technology providers, customizing and re-designing available technology to process Indian waste and produce rPET resin. The processes have been validated for minimal resource consumption and deepen sustainability supremacy even in operations.

The company's portfolio diversification addressed the government's landmark policy, mandating 30% recycled resources in the manufacture of downstream

polymer products that comes into effect from FY 2025-26. This proportion is expected to increase to 60% in FY 2028-29, representing a supply chain shift and an opportunity for us. A comprehensive compliance has made the company's products manufactured from consumer waste completely safe for use with food products. This represents the frontier of the polymer recycling business, marked by some of the highest food grade compliance standards.

In the textile segment, the company secured approvals from several global brands to supply recycled PSF, positioning the company to benefit from the growing trend of sustainable sourcing and achieve better pricing compared to general commodity products. The domestic market is expected to strengthen with the Indian Government's introduction of BIS standards for PSF and yarn, which will standardize quality and reduce lower-quality, cheaper imports from Southeast Asian countries.

The company aims to capitalize on the growing textile demand by developing value-added products such as short-cut fiber and specialized yarns for export and domestic markets, targeting higher margins

Established competencies

Ganesha Ecosphere brings to the table a complement of long-standing competencies.

The company has been a leading player in the PET recycling space, recycling a significant share of India's PET bottle waste. This competence has been sustained by supply chain access to growing plastic waste quantities through a network of 270+ suppliers.

This waste is processed in the company's six manufacturing facilities across India



The circular economy is emerging as one of the largest economic opportunities; it offers a USD 10 Trillion global opportunity in reducing waste, stimulating innovation and creating employment. It promotes clean technologies, creates jobs in sustainable industries, and positions businesses and economies at the forefront of a globally transitioning market.

and Nepal with a total processing capacity of 196,440 TPA. This throughput is offered through a portfolio of 500+ product variants. In turn, the company is engaged in relationships with 425+ customers across 19 countries.

At Ganesha Ecosphere, we are not just manufacturing a product that is contributing to circularity; we are utilizing responsible processes in doing so, deepening our commitment to holistic responsibility. The company commissioned 11.49 MWp of rooftop solar power capacity across production facilities in Temra, Rudrapur, Bilaspur and Kanpur. The company entered into a partnership with a leading independent power producer for the supply of solar power for captive consumption.

The company extended this responsibility to the use of water. The Warangal facility is equipped to recycle around 95% water used in operations, drawing only ~5% freshwater resource and being a zero liquid discharge facility.

Building the business

At Ganesha Ecosphere, we are attractively placed to build on our position as a sustainable business conducted in a responsible way. The company is capitalizing on a growing global interest in rPET for bottle grade applications. The company is one of few large companies in India in this space with as large a capacity. The company is building relationships with some of the largest global beverage brands seeking to grow their use of PET bottles made from recycled polymer, addressing their sustainability goals. The company is focusing on growing its international sales and visibility through a consistent participation in global exhibitions. The company is committed to recycle PET plastic waste into premium quality end products.

The company recognises the urgency with which the world needs to decarbonize. During the last quarter of the year under review, the company embarked on yet another capacity expansion of 14,000 TPA (following its initial 14,000 TPA) rPET granules. As a part of the net worth component, the company issued capital worth

₹500 Cr through a qualified institutional placement of equity shares as well as allotment of share warrants on preferential basis. This placement attracted credible names like SBI Mutual Funds, Goldman Sachs Funds, and ICICI Prudential Mutual Fund, validating the company's business model.

The projected growth of the bottle-to-bottle recycling business is expected to increase the proportion of its revenues from 7% in FY 2023-24 to a projected 40% thereafter on achieving the peak utilization of capacities installed. This evolution will help enhance the company's consolidated margins profile, deepening business sustainability.

At the cusp of a new world

At Ganesha Ecosphere, we find ourselves positioned at the start of a new world.

The world that we aspire for will be increasingly resource efficient and progressively decarbonized.

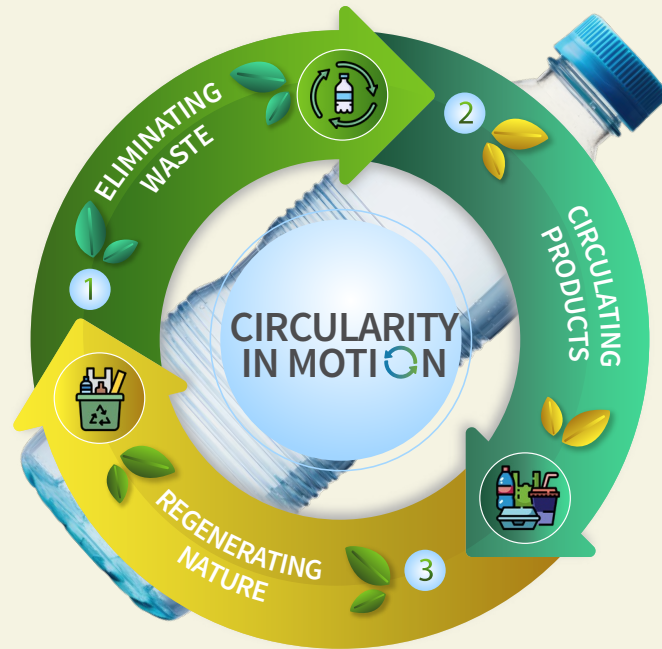
We expect to play an active role in making this world a reality through proactive capacity creation and emerging as a preferred supplier of planet-positive, circular rPET products to reputed textile and FMCG brands. Mere manufacture will not be enough; the company is engaged in building a first-mover advantage and become preferred supplier of rPET bottle grade chips for established FMCG brands and high quality rPET fibers and yarns for textile brands. This is expected to widen the company's influence and make it an agency of positive change and exceptional growth in business.

By completing the loop from concept to supply, we have reinvented the company, created a new growth engine and deepened business sustainability.

Shyam Sunder Sharmma, *Chairman*



Coca Cola bottles, made out of 100% recycled PET supplied by Go Rewise®



Overview

The circular economy is a transformative system where the material lifecycle is extended beyond first use through maintenance, reuse, refurbishment, remanufacture and recycling.

This circular system is built around three design-driven principles:

- Eliminating waste and pollution
- Circulating products and materials at their highest value
- Regenerating nature

These principles are expected to counter biodiversity loss, waste and pollution. Unlike the traditional linear economy, which takes materials from the earth to manufacture products and then discarding them as waste, the circular economy aims to eliminate waste altogether.

To achieve a thriving circular economy that operates within our planet's limits, businesses must overhaul every aspect of its take-make-waste system. This will extend to resource management,

product creation, use and post-use material handling. This shift will help combat climate change and biodiversity loss. In turn, it will address social needs and promote prosperity, job creation and resilience. It will help reduce greenhouse gas emissions, waste and pollution.

Big numbers



USD Trillion,
global economic
opportunity



Lakh, number of
new jobs that will be
created by 2040



USD Billion, will be
saved annually by
2040



%, reduction in
greenhouse gas
emissions by 2040

(Source: PwC, Ellen MacArthur Foundation)

Why circularity is the need of the hour



Billion Tons,
household waste
generated worldwide
in 2023



Billion Tons,
estimated household
waste generated
worldwide by 2050



%, increase in plastic
consumption in
the last 20 years,
significantly due to
packaging



Tons, plastic waste
generated in India
every day, equivalent
of ~26,000 small cars



USD Billion, global
annual cost of waste
management in 2050
if no urgent action on
waste management
is taken



USD Billion, global
annual cost of waste
management in 2050
if urgent action on
waste management
is taken

(Source: [unep.org](https://www.unep.org), [oecd.org](https://www.oecd.org), [CSIRO](https://www.csiro.org.au))



"At Go Rewise, our goal is not just to recycle plastic but create viable options for green supply chain and circular economy solutions in India. We are on a mission to become a brand that truly accounts for the interest of the people and planet. Recycling is not just an environmentally responsible choice; it is a powerful tool to mitigate the effects of climate change and create circular solutions."

-Yash Sharma, Founder of Go Rewise® and Director at Ganesha Ecopet (Subsidiary)

Net zero target

In line with the Paris Agreement of limiting global warming to 1.5°C above pre-industrial levels, a number of countries and brands have set net zero targets to combat climate change by reducing greenhouse gas emissions. These targets not only mitigate environmental impacts but also foster innovation, ensure long-term economic resilience and meet increasing consumer and regulatory demands for sustainability.

Countries



India

Net zero target year

2070

- Increase in customs duty on non-biodegradable PVC flex banners from 10% to 25%
- Allocation of ₹600 Cr for the National Green Hydrogen Fund
- A 110% y-o-y increase in the allocation for solar power projects to ₹10,000 Cr
- Extension of production-linked incentive scheme with an allocation of ₹5,000 Cr for solar PV manufacturing, reducing import dependence
- Through EV30@30 initiative, it aims electric vehicles to account for 30% share in new sales by 2030

(Source: *The Diplomat*, *Business Today*, *Economic Times*)



USA

Net zero target year

2050

- The USA is rapidly growing the production and use of zero-emission vehicles, such as battery electric, fuel cell electric and plug-in hybrid vehicles and incentivising the production and sale of the same through tax credits
- It supports the International Maritime Organization's goal of achieving zero emissions from international shipping by 2050, aligning with the 1.5°C global temperature rise limit.
- It is committed to halt and reverse forest loss and land degradation by 2030, since forests are crucial in absorbing CO₂ and are equivalent to more than 10% of U.S. annual greenhouse gas emissions.

(Source: Whitehouse.gov)



China

Net zero target year

2060

- It launched a national carbon emissions trading scheme covering more than 2,000 power plants, with plans to add other industrial sectors.
- It aims to have 'new energy' vehicles making up 20% of new car sales by 2025.

(Source: KPMG)

Brands

Hindustan Unilever Limited

Net zero target year

2039

- It strengthened its value chain targets, distinguishing between industrial emissions and those related to land and agriculture, recognizing the need for different strategies.
- It announced a strategic partnership with Brookfield to develop a solar energy park with a 45 MW capacity in Rajasthan.

(Source: HUL, Economic Times)

PepsiCo

Net zero target year

2040

- It aims to reduce its absolute direct operational Scope 1 and 2 emissions by 75%
- By 2030, the company plans to moderate absolute indirect value chain emissions by 40%

(Source: PepsiCo)

Coca-Cola

Net zero target year

2050

- It aims to manage direct and indirect emissions across its value chain and align its efforts with net-zero targets.
- It is taking steps, including transitioning to renewable energy, utilizing alternative fuels, and enhancing energy efficiency through advanced equipment and processes.

(Source: Coca-Cola.com)

Nestle

Net zero target year

2050

- It is dedicated to deforestation-free supply chains, regenerative agriculture, water stewardship, better packaging, and workplace diversity. It emphasises reducing emissions and boosting carbon removals by restoring wetlands, enhancing habitats, and planting trees.

(Source: DGB Group)

The rise of the environmentally conscious consumer

Nearly one-third of global consumers see themselves as agents of positive change in sustainability practices



(Source: Simon-Kucher Global Sustainability Study 2021, GlobeScan Healthy and Sustainable Living Highlights Report 2022, Unpacking Asia-Pacific Consumers' New Love Affair with Sustainability by Bain & Company 2022)

Factors contributing to the rising adoption of sustainable practices for consumer brands



Regulatory

Stringent regulatory norms across the globe are holding brands accountable for the lifecycle of the packaging



Behavioural

The growing consumer preference for sustainable brands, if left unaddressed by renowned brands could lead to considerable market share loss



Data-driven

Consumers prefer brands that can validate their sustainability claims with data and certifications



Environmental

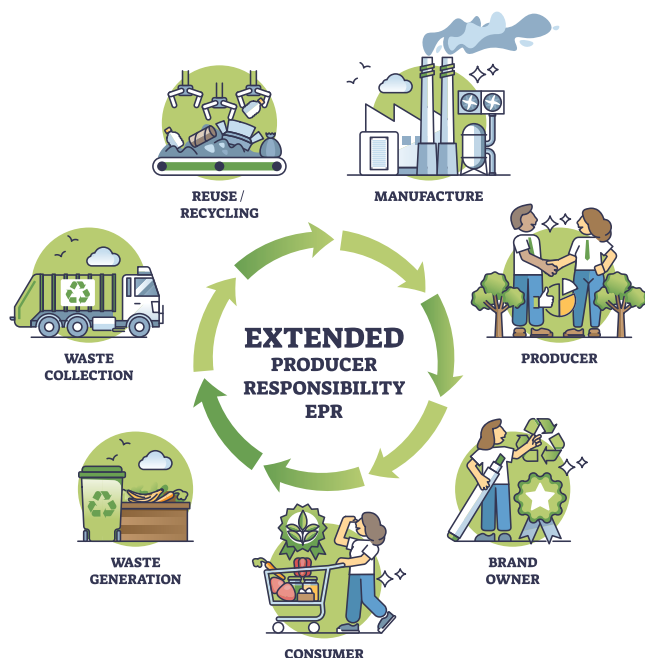
Producers of packaging are under continuous scrutiny as a cause for land, water and air pollution



Financial

Increasing legal and compliance cost for the mismanagement of waste and resources





Few benefits of being EPR-compliant

Access to green financing

Eco-friendly branding

Supply chain resilience

Compliance and risk management

ESG goals

Efficient wealth management

Eco-friendly branding

Customer loyalty

Extended producer responsibility(EPR): A game-changer in the circular economy transition

Extended Producer Responsibility (EPR) is a policy approach that places significant financial and/or physical responsibility on producers for the treatment or disposal of post-consumer products, covering a wide range of items including electronic waste (e-waste), plastic waste, packaging materials, battery waste, and hazardous waste. Under EPR, producers and brand owners must establish collection mechanisms and ensure environmentally sound recycling of end-of-life products, meet specific collection and recycling targets often quantified as a percentage of their sales, and conduct public awareness campaigns about waste management practices and the importance of recycling.

Compliance with EPR requires producers to obtain authorization from the Central Pollution Control Board (CPCB) and submit annual compliance reports detailing their waste management efforts and results. Non-compliance can result in penalties, fines, or other enforcement actions, with regular audits and inspections conducted to ensure adherence. This policy promotes sustainable waste management, encourages recycling, and reduces environmental impact by holding producers accountable for the lifecycle of their products.

While EPR was first implemented in the European Union, it now exists worldwide, including in India, Australia, Japan, Canada, and the United States.



Target: Recycle 25% of India's PET bottle waste by 2026

Ganesha recognises recycling as an effective strategy to combat climate change, emphasizing that it must be integrated across the entire supply chain for maximum impact. Go Rewrite® is spearheading efforts to establish a green supply chain in India, with the ambitious objective of recycling 25% of the nation's PET bottle waste by 2026. This initiative is a crucial step towards fostering a circular economy, where resources are continuously reused and repurposed. Go Rewrite's mission extends beyond merely recycling plastic; it is committed to providing comprehensive green supply chain and circular economy solutions throughout India. By doing so, the company aims to set a new standard for environmental responsibility and sustainability in the industry.

Ganesha's role in a circular economy

Ganesha is dedicated to circularity, ensuring that every resource extracted from the earth remains in use for as long as possible. This commitment extends beyond recycling to include preventing hazardous waste from accumulating in landfills, underscoring the urgency of the company's mission. By employing advanced technology and enhanced recycling systems, Ganesha can recycle plastic multiple times, preserving a quality comparable to virgin resources. This innovative process reduces the need for new fossil fuel extraction, cuts CO₂

emissions, minimises waste generation, and conserves water and energy.

Ganesha, through its brand Go Rewrite, produces premium quality, FDA, EFSA-certified, and food-safe rPET materials. Every rPET product comes with EPR certification, assuring transparency and traceability in the supply chain. The company enables numerous brands to integrate sustainability into their core operations and to be accountable for their environmental impact.

By establishing strategic partnerships with major global beverage brands such as Coca Cola, Ganesha is aiding these companies in achieving their sustainability goals through the increased use of PET bottles made from recycled polymer. Through these efforts, the Company not only meets but exceeds industry standards for sustainability, setting a benchmark for others to follow.



Case Study

How Ganesha promoted environment sustainability at the ICC Men's World Cup 2023

Coca-Cola India and the International Cricket Council (ICC) collaborated to promote environmental responsibility during the ICC Men's Cricket World Cup by unveiling national flags crafted from post-consumer PET bottles. This innovative initiative showcased a commitment to sustainability and set a precedent for future events.

Approximately 11,000 PET bottles were used for each national flag, while around 2,000 PET bottles were utilised for each ICC unity flag. Coca-Cola India oversaw the creation of national flags for all 10 participating nations, as well as 10 ICC unity flags.

The flags were manufactured by GoRewise. Over 100 dedicated workers contributed their time and effort to this project, working tirelessly for 25 days and clocking over 300 hours to produce these flags. The initiative not only highlighted the potential for recycling in large-scale productions but also demonstrated a practical application of circular economy principles.

The growing demand for sustainable fashion

Overview

The high demand for textiles in India can be attributed to its large and growing population, burgeoning middle class and rich cultural heritage that places a strong emphasis on varied and vibrant clothing. The country's status as a global hub for textile production and export further fuels this demand. However, this surge in textile consumption has significant environmental impacts, including resource depletion, pollution, and waste generation. Hence, the use of sustainable fibers is crucial, as it reduces the environmental footprint of textile production, promotes resource efficiency, and helps in conserving biodiversity.

Sustainable practices also align with global environmental goals and can enhance the market competitiveness of Indian textiles by appealing to increasingly eco-conscious consumers worldwide.

India ranks among the world's largest producers of textiles and apparel, contributing 2.3% to the nation's GDP. The sector is expected to grow to USD 250 Billion in textile production and USD 100 Billion in exports by 2030. However, to ensure inclusive and sustainable growth, we must rethink our approach to textile waste. Annually, India generates 7,793 Kilo Tons of textile waste, including 3,944 Kilo Tons of post-consumer waste. Nearly 34%, or 1,347 Kilo Tons, of post-consumer

textile waste ends up in landfills, where some fabrics can take over 200 years to decompose.

To address this issue, the fashion industry is continuously innovating to convert more plastic waste into clothing, showcasing its adaptability. The adoption of sustainable practices in fashion significantly enhances branding and public perception. Today's consumers are more environmentally conscious than ever and prefer companies committed to ethical business practices. By implementing sustainable fabrics, fashion brands can position themselves as ethical and progressive leaders, attracting environmentally conscious customers who become loyal patrons.



The brand ambassadors of the circularity movement

Global...

Stella McCartney

Stella McCartney has embraced eco-friendly alternatives to animal leather for her trainer collection, such as recycled ocean plastic and bio-based materials in her Adidas range and grape-waste leather in her mainline collections.

Nike

Every pair of Nike Flyknit shoes is made from six recycled plastic bottles. Additionally, the shoe manufacturing process reduces material waste by 60% compared to other products.

Veja

A leading eco-trainer brand, Veja has gained significant popularity, with the Duchess of Sussex and Princess of Wales among its fans. The French brand uses a preferred materials list, including recycled PET, organic cotton, chrome-free leather and bio-based plastic, and aims to reduce the amount of leather in its collection.

Jockey

Jockey's Eco Comfort collection utilises recycled polyethylene terephthalate (PET) bottles, which are collected through municipal recycling programmes, in their clothing.

Aday

Aday's blazers, shirts, blouses, pants, jumpsuits, mock neck tops, tees, tanks, and dresses are crafted from OEKO-TEX-certified recycled polyester from plastic bottles.

In India...

Prime Minister Narendra Modi

In March 2024, PM Narendra Modi underscored the importance of recycling and reusing materials during a conversation with Bill Gates. He highlighted his sleeveless jacket, crafted from recycled plastic bottles and leftover cloth, as an example of sustainable fashion. The fabric of his jacket comprised 30-40% recycled plastic bottles.

Unbottled

The Unbottled initiative by Indian Oil Corporation is the world's largest programme dedicated to reusing and recycling 100 Million PET bottles annually to create eco-friendly uniforms for its staff, with each uniform set recycling approximately 28 PET bottles.

Recycled plastic t-shirts

As part of the Swachh Bharat Mission, the Pune Municipal Corporation announced plans to recycle plastic to produce eco-friendly t-shirts.

Doodlage

Doodlage, a Delhi-based fashion brand, upcycles industrial waste into stylish and trendy fashion products. Their collection includes skirts, dresses, jackets, and bags, all made from recycled fabric. Doodlage emphasises zero-waste fashion and aims to mitigate the environmental impact of the fashion industry.

Adidas

Adidas teamed with Indian cricketer Rohit Sharma to launch a limited-edition sustainable apparel collection made from plastic waste.

(Source: Economic Times, NDTV, Times of India, Pebble mag)

Opportunity for Ganesha

With the growing awareness around the importance of the circular economy and recyclability, sustainability is becoming increasingly important, leading to a heightened sense of environmental responsibility among consumers and companies. As a result, the demand for recycled materials is on the rise.

To capitalise on these opportunities, the company is developing value-added products, such as short-cut fiber and specialised yarns, for both export and domestic markets where higher margins are attainable. The company is also expanding into the dyed piece segment and forward integrating with partnerships to products and garments, known for its superior margins over standard commodity products.

Ganesha secured approvals from several global brands to supply recycled PSF, positioning the company to benefit from this trend and achieve better pricing compared to general commodity products. The company also aims to significantly increase exports by developing new products and exploring new markets. Moving forward, Ganesha plans to focus its efforts on expanding its export market footprint across various countries while reducing the carbon footprint for such pro-planet brands.

The domestic market is expected to strengthen, supported by the Indian Government's introduction of BIS standards for PSF and yarn, which will help standardise quality benchmarks and reduce low quality, cheap imports from Southeast Asian countries.

VALUE CREATION

Ganesha is structured to enhance stakeholder value in a sustainable way

Enhancing value in an integrated, inclusive and sustainable way

Overview

At Ganesha, the Company's success is rooted in its careful value-creation approach—a blend of strategic conservatism—that has consistently delivered value to its stakeholders. The Company's expanding access to raw materials and growing production capacity have been crucial in strengthening its competitiveness.

To realize this vision, the Company undertook key initiatives, such as investing in additional capacity through its subsidiaries to meet rising demand, pursuing economies of scale to enhance

efficiency, and implementing measures to reduce operating costs. The Company recognized the importance of maintaining a diversified customer base to ensure stability and resilience. To this end, the Company expanded its product offerings to address a broader range of needs and focused on increasing overall value-addition in its processes. These strategic efforts solidified the Company's position as an industry leader and enabled it to continue delivering value to its stakeholders while contributing positively to the environment through PET waste recycling initiatives.



Deepen domain expertise in specialised products



Proactively build capacity to address growing demand



Benchmark product quality against international standards



Ganesha's value enhancement strategy



Expand product distribution across sectors and countries



Reinvest profits into the business



Ensure sufficient liquidity to address forecasted and unforeseen needs



Broaden the market and applications

The resources of value creation



Financial capital

The company's financial resources are derived from funds mobilised from investors, promoters, banks and financial institutions in the form of debt, equity, or accruals.



Human capital

The workforce, encompassing the employees' experience and competence, contributes significantly to the company's value.



Natural capital

The company relies on natural resources, with its operations exerting a moderate impact on the environment.



Manufactured capital

The company's manufactured capital consists of its assets, technologies and equipment essential for service delivery.



Intellectual capital

The company's intellectual resources include its expertise in cost optimization and operational excellence, along with its proprietary knowledge base.



Social and Relationship Capital

The company's interactions with communities and partners (vendors, suppliers, and customers) shape its role as a responsible corporate citizen.

Value created in FY 2023-24

Financial capital

Turnover: ₹975.34 Cr (₹1,132.86 Cr in FY 23)

Earnings per share: ₹27.90 (₹33.59 in FY 23)

ROCE: 10.39% (14.78% in FY 23)

Human capital

Permanent employees: 2,377 (2,593 in FY 23)

Total employee cost: ₹61.94 Cr (₹65.84 Cr in FY 23)

Manufacturing capital*

Total manufacturing capacity of rPET Fiber: 109,200 TPA (96600 TPA in FY 23)

Total manufacturing capacity of Dyed Textured yarn: 3,000 TPA (3000 TPA in FY 23)

Total manufacturing capacity of rPET Spun yarn: 7,200 TPA (7200 TPA in FY 23)

Total manufacturing capacity of rPET granules: 28,000 TPA (NIL in FY 23)

Total manufacturing capacity of B2F chips/ filament yarn: 12,240 TPA (NIL in FY 23)

Total manufacturing capacity of PPSF: 10,800 TPA (10800 TPA in FY 23)

Total manufacturing capacity of Washed flakes in Nepal: 12,000 TPA (12000 TPA in FY 23)

**in India and Nepal*

Intellectual capital

Strategic leadership by a Board possessing experience and expertise in diverse fields

Average experience of subject matter experts: 25+ years

Social and relationship capital

Number of customers: 425+ (400+ in FY 23)

Number of vendors: 270+ (250+ in FY 23)

Our stakeholder-centric strategy

	 Strategic focus	 Vendor focus	 Shareholder focus	 Customer focus	 Employee focus	 Community focus	 Government focus
Key enablers	Established strong collection network across the country (especially in North & South India). Mobilised ~350 Tons of PET bottle waste every day. Employed thousands of ragpickers across India, supporting their sustenance. Trained ragpickers on what is PET and what is non-PET, creating awareness about different types of plastics and their impact on the environment.	Prioritised governance, operational excellence, cost leadership, and transparent information dissemination. The Company is focused on profitable topline growth. The Company generated ₹85.50 Cr of cash from operating activities at the close of FY 2023-24.	Provided customer with eco-friendly raw material alternative which is both sustainable and high-quality. Established itself as a trusted partner in helping brands address their sustainability goals. Serviced 425+ customers in India and globally. Presented customers with a diversified offerings of 500+ product variants.	Employed 2,300+ people The company empowers professionals by expanding their roles and responsibilities. It offers work-life balance, stable employment and provides additional support to its employees.	Reduced carbon emissions and landfill waste through its business operations. Invested ₹1.55 Cr in CSR activities The company's CSR contributions were directed towards healthcare, skill development and child education. It offers employment opportunities to the local communities it operates in.	Aided in the government's sustainability target through its business operations. Fulfilled tax obligations in the regions where it operates, creates local job opportunities, adheres to laws and regulations, and contributes to the enhancement of communities in its presence. The Company generated ₹91.37 Cr in foreign exchange earnings for its export operations in FY 2023-24.	
Material issues / addressed	Optimal utilization of state-of-the-art technologies resulting in distinctive solutions differentiation	Establishing the foundation for long-term sustainability through an exceptional price-value offering.	Improving long-term customer commitment by providing superior value over multiple years.	Fostering enduring customer loyalty by consistently delivering superior value over an extended period.	Engaging responsibly with the community, an essential element for maintaining a license to operate.	Full compliance with statutory obligations and approvals.	

Our ESG commitment

Overview

In today's world, companies are increasingly appraised on their environmental, social, and governance (ESG) practices. These factors include resource recycling, talent development cum retention, vendor stability, renewable energy use, carbon footprint reduction and ensuring employee and community safety. ESG considerations have become more critical, with governments promoting renewable energy, setting long-term carbon emission targets, and implementing stringent environmental regulations. Markets are rewarding companies that prioritise governance and clean technology with higher valuations, improved credit ratings, and favorable debt terms.

At Ganesha, our commitment to ESG is central to our pursuit of long-term sustainability, in alignment with the United Nations'

Sustainable Development Goals. These goals encompass No Poverty, Quality Education, Clean Water and Sanitation, Affordable and Clean Energy, Decent Work and Economic Growth, Responsible Consumption and Production, Climate Action, Life Below Water, Life on Land and Partnership for the goals.





Environment commitment

At Ganesha, in spite of being engaged in a water-intensive business, we recognise the importance of a robust environmental management system. We ensure the responsible sourcing of raw materials,

employing eco-friendly processes, extracting only essential resources from nature and prioritizing waste recycling and fuel conservation. These measures effectively minimise our ecological footprint while enhancing sustainability. We are committed to implement programmes aimed at preventing pollution, enhancing health and safety performance, conserving resources and reducing waste in compliance with relevant laws and regulations.

Initiatives across the years

- The company converted 125,000+ MTPA PET waste and recycled 7.5 Billion+ PET bottles
- The company invested in rainwater harvesting systems across manufacturing facilities
- The company's manufacturing facilities are equipped with solar panels, reducing a dependence on conventional energy sources
- The company's Warangal facility has been zero liquid discharge
- The company's Warangal facility recycled and reused around 95% of water used to wash waste .
- The company partnered Ultratech Cement for sending non-recyclable waste to its waste-to-energy plants
- The company aided renowned brands such as Coca Cola in progressing towards a circular economy
- The company shifted towards renewable energy plants across its production facilities in Temra, Rudrapur, Bilaspur and Kanpur with a total installed capacity of 11.49 MWp of rooftop solar power installations
- The company partnered with a leading IPP (independent power producer) for supply of solar power and purchased 17.43 MW for captive consumption



Social commitment

The social aspect of Ganesha's business prioritises relationships with diverse stakeholders, including employees, customers, vendors and communities in the areas where it operates.

Employees: We are committed to high standards of quality in our products and processes, while leading in resource

productivity, cost management and sustainability. Our strategic investments in recruitment, retention and training enhanced the efficiency of our operations. We implemented comprehensive safety measures, including training, protocols, certifications and awareness campaigns, to prioritise the well-being of our workforce.

Customers and vendors: We strengthened our relationships with vendors by offering them fair and transparent terms of trade. We emerged as a partner of choice for renowned brands, enabling them to fulfill their sustainability commitment through our products

Community: We fostered development in the local communities near our manufacturing sites, aiming to broaden benefits across a wider range of stakeholders.

Initiatives across the years

- We catalysed all-round development talent through skill development and cultural activities, promoting an employee work-life balance

- We provided indirect support to thousands of informal economy workers (ragpickers)
- We rewarded employees with annual promotion and increments as a part of our rewards and recognition programme
- We adhered to all legal requirements and enforce safety protocols and standard operating procedures to cultivate safe working environments in all our plants
- We conducted periodic safety awareness sessions across our manufacturing facilities, promoting safety awareness
- We organized periodic health checks for our staff
- We installed solar power plants near our Bilaspur and Kanpur factory to address the power needs of local communities



Our governance components

Board structure: Our responsible approach guides the selection, performance assessment, and remuneration of our 8 Directors, with 12.50% being women, including 4 Independent Directors. Compliance with SEBI regulations ensures their independence. We adhere to legal requirements for composition and tenure.

Performance assessment and remuneration: Our Board maintains duty and business standards through annual competence assessments. Directors with diverse backgrounds and industry-specific skills are selected. An orientation programme equips them on compliance and governance. Transparent remuneration aligns with performance.

Ethical practices and Board committees: Seven committees oversee governance areas such as audit, risk management and strategy, promoting ethical practices.

Code of Conduct (CoC): We uphold high ethical standards through our comprehensive CoC, with no reported violations.

Prevention of sexual harassment (POSH): Our POSH policy aligns with legal mandates to protect against workplace harassment and discrimination.

Anti-bribery and corruption: A zero-tolerance approach to bribery and corruption is maintained. No complaints were received in the reporting period.

Whistle-blower policy: Our whistle-blower mechanism offers multiple reporting avenues with legal investigations.

Customer privacy: No complaints regarding breaches of customer privacy were received.

Continuous learning and training: We provide continuous education on ethical business practices to key personnel, employees, and workers, covering topics like CoC, POSH, IP, and business continuity.

Our governance commitment

At Ganesha, our governance approach encompasses a comprehensive set of protocols, regulations, and procedures designed to facilitate effective self-governance, informed decision-making, legal compliance and meeting external stakeholder demands. Rooted in a commitment to predictability and consistency, our governance framework appeals to stakeholders who align with our values and principles.



Business analysis

Our manufacturing excellence

Overview

At Ganesha, we have always ensured that our manufacturing processes are not just efficient but sustainable as well. Over the years, we leveraged our research and development (R&D) capabilities to improve processes and products. This focus on innovation has not only enhanced efficiency but also ensured

that our operations are environmentally responsible. We use internationally recognised super-clean technologies across facilities, producing superior quality products that address international quality and safety standards.

We emerged as industry leaders due to factors like advanced R&D, partnerships with leading PET recycling technology

providers, wide supplier and customer network and adherence to global quality standards. Our sustained investments in innovative and sustainable manufacturing processes empower us to provide premium product solutions to a diverse clientele, enhancing competitiveness. In FY 2023-24, our total manufacturing capacity was 1,96,440 TPA across six manufacturing facilities.



Our manufacturing presence

Kanpur

15,000

TPA, manufacturing capacity of rPET fiber

3,000

TPA, manufacturing capacity of dyed textured yarn

Rudrapur

39,600

TPA, manufacturing capacity of rPET fiber

Bilaspur and Temra

42,000

TPA, manufacturing capacity of rPET fiber

7,200

TPA, manufacturing capacity of rPET spun yarn

Warangal

42,000

TPA, manufacturing capacity of rPET Granules

12,240

TPA, manufacturing capacity of B2F chips/filament yarn

12,600

TPA, manufacturing capacity of RPSF

10,800

TPA, manufacturing capacity of PPSF

Nepal

12,000

TPA, manufacturing capacity of washed flakes

Our quality certifications

ISO 9001:2015: It is the international standard that specifies requirements for a quality management system (QMS)

ISO 14001:2015: It is the international standard that specifies requirements for an effective environmental management system (EMS)

ISO 45001:2018 (OH&S): It is an international standard that specifies requirements for an occupational health and safety (OH&S) management system

SEDEX: Supplier Ethical Data Exchange certification is a globally recognised accreditation that signifies a company's commitment to ethical and responsible sourcing and manufacturing practices

Global Recycled Standard: It is a voluntary product standard for tracking and verifying the content of recycled materials in a final product, addressing traceability and labeling.

Ocean Bound Plastic: This certification programme is designed to encourage the removal of ocean bound plastic from the environment.

OEKO-TEX® STANDARD 100: It is a label for textiles tested for harmful substances, setting the benchmark for textile safety, from yarn to finished product.

European Food Safety Authority(EFSA): It is the agency of the European Union (EU) that provides independent scientific advice and communicates on existing and emerging risks associated with the food chain

FSSAI: The Food Safety and Standards Authority of India is an autonomous body that regulates food safety standards in India.

FDA: The Food and Drug Administration (FDA) is an American entity responsible for protecting the public health by ensuring the safety, efficacy, and security of human and veterinary drugs, biological products, medical devices, food supply, cosmetics, and products that emit radiation.

Manufacturing strengths

Global

Recognised by various international benchmarks of repute, validating a quality commitment

Innovation-led

Partnered subject matter experts with an average of 25+ years of experience, ensuring product superiority

Local

Offers customised solutions to process Indian waste, addressing challenges unique to the local environments

Zero-liquid discharge

Commissioned a zero liquid discharge facility in the Warangal plant to minimise environmental impact and conserve natural resources

Sustainable sourcing

Optimised eco-friendly manufacturing processes to reduce resource consumption

Outlook

The Company invested in bottle-to-bottle expansion in 2022 which has now started giving returns in 2024, enhancing our ability to address a larger market. We are now recycling 9.4 Billion+ bottles annually and expect to generate double-digit growth given the Government's Extended Producer Responsibility and Plastic Waste Management mandates to curb plastic pollution.

Personality

How we have evolved our brand

Overview

A leading player in post-consumer PET waste recycling in India, Ganesha Ecosphere extended its expertise into the primary recycling sector following the launch of its brand Go Rewrite® in FY 2022-23. Go Rewrite® provides sustainable packaging and textile solutions using FDA-approved, premium-grade recycled PET, catering to the FMCG and sustainable textile industries. With Go Rewrite®, Ganesha Ecosphere seeks to establish itself as a preferred supplier of eco-friendly rPET products to companies committed

to sustainability by building a premium brand reputation. The Company is positioning itself with large FMCG brands by becoming an approved vendor to fulfill their rPET requirements. Utilizing its first-mover advantage, Ganesha is undergoing audits with established brands to emerge as the first supplier of bottle-grade chips in India.

The company is collaborating with over 40 brands at various stages of approval to supply rPET products, underscoring its dedication to sustainability and innovation.

500+

Product variants

425+

Customers served

19

Countries present in

Brand strategy

Market opportunity: Address demand for rPET in bottle grade applications, benefiting from the competitive advantage of being one of the few companies with a large B2B facility

High value products:

Leverage the GoRewise brand to create premium products

Boost client relationships:

Become a vendor of choice for major brands, strengthening client relationships

Grow the export market:

Ensure a consistent presence in the overseas market through participation in international events and exhibitions

Diversify product offerings:

Enhance market share in technical textiles and household textiles sector

Notable brand partnerships by Go Rewrite®

Brand objective

Go Rewrite® aims to recycle 25% of India's PET bottle waste by 2026

Collaborated with Coca Cola for ICC Men's World Cup 2023 and ICC T20 Men's World Cup 2024; displayed national flags, sports jersey and uniforms made with recycled bottles.

Partnered Control Union for the traceable collection of Himalayan waste through the Community Waste Programme

Partnered with Race Eco Chain Limited to ensure that demands by brand owners are achieved with traceability

Partnered with Manjushree 2.0, a leading manufacturer of PET preforms, for joint development and marketing of rPET Chips

Our brand: A year in review



Yash Sharma, founder of Go Rewise® and Director at Ganesha Ecopet as panelist at the Waste Management and Climate Conference 2024 in Nepal



Go Rewise® and Ganesha at Bharat Tex Exhibition in Delhi



Coca Cola in collaboration with Go Rewise® produced national flags made out of recycled PET bottles at the ICC Men's World Cup



Recognized by Diageo on Vendor Innovation Day:



Yash Sharma with the Financial Express Visionary Leader of the Year Award



Go Rewise® at Fibers and Yarns event, Mumbai



Go Rewise® representing India at the Zero Waste Hub in COP28



Go Rewise® won the Circular Economy of the Year award

People

Ganesha Ecosphere: A people centric organisation

“

I have 18 years of experience as the Quality and Production Manager at Ganesha Ecosphere. The work culture here is friendly and supportive. A memorable moment for me was when my father was ill, and the company provided both financial and emotional support. In one word, I would describe Ganesha as the 'best'.

Jitendra Singh, *Quality and Production Manager*

”

“

I have been with Ganesha since 2011, and I have always valued the positive work environment here. We receive excellent guidance from senior staff and have a say in decision-making processes. There are plenty of opportunities for growth and learning. One of my most cherished memories is when my son was ill, the entire management team supported me and provided help during that challenging time. They are consistently available to offer guidance whenever we need it.

Sumit Kacker,
Deputy Manager (Administration and H.R.)

”

“

I started working at Ganesha Ecosphere in 2018 and have found it to be a congenial workplace. My colleagues are supportive, fostering an open-door policy where we can openly discuss our problems with our superiors without hesitation.

Muskan Maggo, *Assistant Company Secretary*

”

“

I joined Ganesha in 2011, and I have always found the employees to be incredibly supportive and the work culture to be excellent. We tackle every problem collaboratively with our colleagues. To me, my company is the best.

Rakesh Kumar Singh, *HR Officer*

“

I joined the company in 2014.

The company's dedicated training programmes have contributed to career growth. The company promotes a work-life balance. I always look forward to the annual programmes held for celebrating employees and teamwork.

Anurag Sharma, *Deputy Manager Accounts*

”

“

Ganesha is humane. When I lost my sister during the COVID-19 pandemic, Ganesha helped me with medical assistance. The company is an institution where I am valued and supported. In one word, Ganesha can be described as 'family'.

Raghav Agarwal, *Manager of Sustainable Development and CSR*

“

At Ganesha Ecosphere Limited, the work culture is friendly and supportive. A memorable moment for me was in receiving support from senior staff during a challenging audit. The company provides transport facilities for female employees working late hours. The most remarkable aspect of Ganesha is its familiar environment and interactive top management team, which fosters a sense of community and support.

Shrishti Kejriwal, *Senior Manager Accounts*

”

“

During the second wave of the pandemic, I was not keeping well for 2-3 months, my colleagues and seniors were extremely supportive constantly checking in on me and my family. I needed to get few tests done but the path labs in my city were not operational, my seniors used their industry connections and helped me take those tests. 'Ghar ke jaisa' secure is how I would describe the work culture at Ganesha.

Garima Gupta, *Deputy Company Secretary*

Responsibility

Our CSR commitment

Overview

At Ganesha Ecosphere, corporate social responsibility (CSR) extends beyond writing a cheque or addressing a regulatory requirement. With 'Sarve Bhavantu Sukhinah Sarve Santu Nir-Aamayaah' (May everyone be happy) as our guiding principle, community well-being is ingrained. Even prior to CSR becoming mandatory, Ganesha

undertook CSR activities with the objective to make a lasting difference, whereby beneficiaries could assume control of their lives leading to positive outcomes. Our Company's CSR initiatives are guided by the CSR committee, largely focusing on healthcare and education. During FY 2023-24, the company contributed ₹1.55 Cr in CSR activities.

Our CSR initiatives

Free ambulance service: We provide round-the-clock ambulance services along with service staff across 40 remote villages, to the hospitals around Kanpur, Dehat, Rampur (Uttar Pradesh), Rudrapur (Uttarakhand) and Warangal (Telangana).

Computer training centre: We collaborated with a school in Raipur to run a computer training centre for children.

Capacity building centre: We counsel drop-out as well as unwilling students

and provide skill enhancement training as per their interest.

Dispensary: We built two dispensaries, with a medical consultant providing medical assistance to nearly 35 villages near Kanpur Dehat Rampur and Rudrapur. At the dispensaries we provided 8,000+ OPDs in FY 2023-24.

Educational assistance programme: We provide financial support to needy and meritorious students. We supported 24 students in FY 2023-24.

Case Study

Commitment to education and compassion

During the pandemic, the company adopted 16 children who lost their parents to Covid-19, ensuring their education continued without disruption. Beyond financial support, our employees provided ongoing academic and emotional assistance, acting as trusted guides. We are committed to sponsoring their education until they complete their studies, giving them every opportunity to succeed.

"After losing my husband and mother-in-law to COVID, the support I received from Ganesha in my children's education was beyond anything I received from my own relatives. Thank you so much!" – Deepika

"My daughter received a lot of help from Ganesha. It is because of this company that my daughter is studying today!" – Priyanka



Our capacity building centre



Har Ghar Digital Saksharta campaign in Kanpur



Medical health campaign in Kanpur Dehat

Management discussion and analysis



Global economy

Overview

Despite significant challenges, the global economy showed remarkable resilience in 2023. These challenges included post-pandemic supply-chain disruptions, a global energy and food crisis due to the Russian-Ukraine conflict, increased logistics costs from the Red Sea crisis, and a notable rise in inflation leading to synchronised monetary policy tightening worldwide. Contrary to many forecasts, the world avoided a recession, the banking system remained largely robust, and

major emerging market economies did not experience sudden stops.

Global GDP growth was 3.2% in 2023 and is expected to stay the same in 2024, with a slight increase to 3.3% in 2025. By late 2023, headline inflation in most economies had nearly returned to its pre-pandemic level for the first time since the global inflation surge began. After an increase of 25 bps in July 2023, the Federal Reserve rate remained steady at 5.25-5.50% for the rest of 2023.

Global trade in goods dipped 3% to USD 31 Trillion in 2023 after peaking in 2022. The downturn was driven by less demand

in developed economies and weaker trade in East Asia and Latin America. The cost of Brent crude oil averaged USD 82.49 per barrel in 2023, down from USD 101 per barrel in 2022, with crude oil from Russia finding consumers outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectation of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.3	3.4
Advanced economies	1.7	2.7
Emerging and developing economies	4.4	4.0

(Source: UNCTAD, IMF)

Outlook

Growth is expected to remain stable, however, world trade growth is anticipated to recover to ~3¼% annually in 2024–25 (from quasi stagnation in 2023) and align with global GDP growth again, according to IMF. Global headline inflation is anticipated to decrease from an annual

average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies are expected to return to their inflation targets sooner than emerging market and developing economies. Partially owing to the falling energy prices, inflation is already close to pre-pandemic levels for the median emerging market and developing economy.

Overall, risks to the outlook remain balanced, but some near-term risks have become more prominent. These include upside risks to inflation stemming from a lack of progress on services disinflation and price pressures arising from renewed trade or geopolitical tensions. This could lead to further persistence in wage and price inflation. (Source: imf.org)

Indian economy

Overview: The Indian economy grew 8.2% in FY 2023-24 fiscal against 7.0% in FY 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.14 against the US dollar on the first trading day of FY 2023-24, touching ₹83.59 on

March 22, 2024 before settling at ₹83.38 on the last trading day of FY 2023-24.

In FY 2023-24, the CPI inflation averaged 5.4% with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5%, a sharp decline from 6.2% in FY 2022-23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching

USD 670 Billion. The credit ratio (the ratio of entities upgraded to those downgraded) moderated in the second half of fiscal 2024 but remained elevated at 1.79 times, compared to 1.91 times in the first half. Overall, there were 409 upgrades and 228 downgrades. India recorded about 131 Billion Unified Payments Interface (UPI) transactions with a total value of ₹200 Trillion in FY 2023-24.

Growth of the Indian economy

	FY 21	FY 22	FY 23	FY 24
Real GDP growth (%)	(7.3)	8.7	7.2	8.2

(Source: Budget FY 24; Economy Projections, RBI projections, Deccan Herald)

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94% of its long-term average rainfall. Total rice production is estimated at 1,367.00 LMT in FY 2023-24, against 1,357.55 LMT in FY 2022-23, marking an increase of 9.45 LMT. Wheat production is estimated at 1,129.25 LMT, higher by 23.71 LMT over last year's production. Total Kharif pulses production for FY 2023-24 was 71.18 LMT, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output grew 9.9% in FY 2023-24 compared to 4.7% in FY 2022-23. The Indian mining sector grew 7.5% in FY 2023-24 over 4.1% in FY 2022-23.

Real GDP or GDP at constant prices increased from to ₹160.71 Lakh Cr in

FY 2022-23 (provisional GDP estimate released on May 31, 2023) to an ₹173.82 Lakh Cr in 2023-24. Nominal GDP or GDP at current prices was at ₹295.36 Lakh Cr in FY 2023-24 as compared to the provisional FY 2022-23 GDP estimate of ₹269.50 Lakh Cr. The gross non-performing asset ratio for scheduled commercial banks improved from 4.1% as of March 2023 to 2.8% as of March 2024.

India's exports of goods and services touched USD 778 Billion in 2023 compared to USD 770 Billion in the previous year. Merchandise exports marginally declined from USD 451.1 Billion to USD 437.1 Billion, while services exports increased from USD 325.3 Billion to USD 341.1 Billion. India's net direct tax collections surged by 17.7% year-on-year to ₹19.58 Cr in FY 2023-24. Gross GST collection of ₹20.2 Lakh Cr represented an 11.7% increase; average monthly collection was ₹1,68,000 Cr, surpassing the previous year's average of ₹1,50,000 Cr.

During FY 2023-24, the construction grew by 9.9% each, while agriculture recorded growth of 1.4%. Financial, real estate and professional services grew by 8.4% in FY 2023-24.

India reached a pivotal phase in its S-curve, characterised by acceleration in urbanization, industrialization, household incomes and energy consumption. India's Nifty 50 index grew 30% in FY 2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of USD 4 Trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

Outlook: India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves.

Growth in India is projected to remain strong at 7.0% in 2024 and 6.5% in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

The Indian economy is anticipated to surpass USD 4 Trillion in FY 2024-25. The growth in nominal GDP during FY 2023-24 is estimated at 9.6% as compared to 14.2% in FY 2022-23. Strong domestic demand

for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY 2023-24

Business drivers

Rising population: India is the most populous country in the world, followed by China at a close second and the United States of America at the third rank.

Urbanisation: India is urbanising rapidly. By 2036, its towns and cities will be home to 600 Million people, or 40% of the population, up from 31% in 2011, with urban areas contributing almost 70% to GDP.

Demographic dividend: With an average age of 28.6 years, India is home to one of the youngest populations in the world, which is largely driving the economy with nearly two-thirds of the people entering

the workforce being aged between 18-28 years.

Rising consumption: In 2023, India's consumption rate grew at a faster rate compared to China, USA and Germany. By 2026, the Indian consumption market is expected to become the world's third largest.

Shifting supply chains: A number of global supply chains are shifting their manufacturing base from China to India, owing to favourable regulatory norms and large number of skilled workforce.

Internet penetration and e-commerce boom: With 759 Million subscribers in 2023, over 50% Indians are active internet

users. This number is expected to grow to 900 Million by 2025. India is expected to become the third largest e-commerce market with a base of 500 Million online buyers. Between 2019 and 2026, the number of online shoppers is expected to grow to 88 Million, growing at 22% CAGR, in rural India and 263 Million, growing at 15% CAGR in urban India.

Digital payments: The value of transactions conducted on the UPI platform increased significantly from ₹0.07 Lakh Cr in FY 2016-17 to ₹200 Lakh Cr in FY 2023-24.

(Source: InvestIndia, Times of India, downtoearth.org, Economic Times, Financial Express)

Global textile and apparel market

The global textile market was valued at USD 1,840.12 Billion in 2023, with the Asia-Pacific region holding the largest share. The market is expected to grow at a CAGR of 7.43% from 2024 to 2033, reaching approximately USD 3,767.92 Billion by 2033. This growth is driven by the increasing global demand for natural fibers. In the Asia-Pacific region, the textile market was valued at USD 993.66 Billion in 2023 and is anticipated to reach around USD 2,053.52 Billion by 2033, with a CAGR of 7.52% from 2024 to 2033. This growth

is primarily due to the easy availability of raw silk, rising demand for fashionable clothing and home furnishings, increased use of e-commerce for purchasing apparel, and a growing young population inclined towards designer clothes. Moreover, increased interest in fashion and the trend of wearing imported clothing are contributing to market growth. Government investments in countries like India, China and Bangladesh are also boosting the market.

In 2024, global revenue in the apparel market is estimated to reach USD 1.79 Trillion, with a CAGR of 2.81% between

2024 and 2028. Women's apparel is expected to be the largest segment, with a projected market volume of USD 0.94 Trillion in 2024 and the United States is expected to lead in global revenue generation with an estimated USD 359 Billion in 2024. On a per capita basis, the apparel market is projected to generate USD 230.90 per person in 2024. The average volume per person is estimated to be 24.1 pieces in 2024. It is anticipated that 95% of apparel market sales in 2024 will be attributed to non-luxury items.

(Source: Precedence Research, Statista)

Indian textile and apparel market

The Indian textile and apparel market was valued at USD 197.2 Billion in 2023 and it is further expected to reach USD 592.7 Billion by 2032, at a CAGR of 12.6% from 2024-2032. The textile and apparel industry is an integral part of India's economy contributing approximately 2.3% to the GDP, 13% to industrial production and 12% to exports. The textile industry in India is expected to double its contribution to the GDP, rising from 2.3% to approximately 5% by the

end of this decade. It is also the second largest employer in the country offering employment to 45 Million people and 100 Million in allied industries. India is the world's third largest exporter of textiles and apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach USD 100 Billion.

During FY 2023-24, cumulative exports of textiles and apparel in India fell to USD 34.43 Billion from USD 35.58 Billion FY 2022-23, dropping by 3.24% y-o-y. In the overall textiles sector, the segment

comprising cotton yarn, fabs, made-ups and handloom products alone witnessed a significant YoY increase in exports by USD 740 Million in FY 2023-24 over FY 2022-23 due to the surge in export of cotton yarn during the last fiscal. The industry is bullish on the growth potential of the PLI scheme for man-made fibre apparel and fabrics. The seven PM MITRA parks are expected to boost the production capabilities in the textile sector by creating an integrated textiles value chain right from spinning, weaving, processing/dyeing and printing to garment manufacturing

at a single location. The rising number of government initiatives of India to empower weavers and the growing number of ethically launched sourced

sustainable materials represent some of the key factors driving the growth of the market

(Source: Research and Markets, Imarcgroup, IBEF, Times of India, Invest India)

Global PET market overview

During 2017-2023, the global PET (Polyethylene terephthalate) market grew at a CAGR of 2.5%, reaching a volume of

80.2 Million Tons in 2023. In terms of sales value, it reached a value of USD 96.2 Billion in 2023 growing at a CAGR of 4.4% during 2017-2023. Looking forward, this market is

expected to grow at a CAGR of 5.6% during 2024-2029 reaching a value of USD 135.1 Billion by 2029.

Indian PET market overview

PET is the most widely used material in the manufacture of rigid packaging containers, especially for packaging applications in food and beverage industries across the nation. Given the widespread use of PET in the Indian market, the government of India is increasingly encouraging the existing market as well as the adoption of recyclable PET. For instance, the Ministry of Environment, Forest, and Climate Change, allowed the use of recycled content in food-contact packaging. Moreover, to expand consumer base and meet their increasing demand, prominent PET producers across the country are increasing focus on the expansion of their production facilities, which is likely to propel the India PET market significantly.

The Indian PET market reached a value of USD 3.60 Billion in 2023, growing at a CAGR of 18.0% during 2017-2023. Going forward, the India PET market is expected to reach a value of USD 12.18 Billion by 2029, growing at a CAGR of 22.3% during 2024-2029. In terms of volume, the Indian PET market reached a volume of 2,048 Kilo Tons in 2023, growing at a CAGR of 7.9% during 2017-2023. By 2029, the

India PET market is expected to reach a volume of 4,072 Kilo Tons, growing at a CAGR of 12.3% during 2024-2029. This growth is attributed to various factors such as increase in the number of young population, growing awareness around hygiene, rise in urbanisation and disposable incomes.

In 2023, bottle represented the largest application for PET in India, accounting for a share of 55.8% of the total market in terms of volume and this share is anticipated to reach 57.5%, by 2029. The increased use of PET resin would lead to generation of more waste which would then get into the waste stream and move towards recycling. PET has witnessed robust growth over last five years increasing usage in various end user industries such as packaging & bottling, automobile, medical packaging, electrical and electronics. The increased demand has been driven by replacement of traditional packaging materials like glass, aluminium, paper, metal and growth in FMCG sector. By 2029, the food and beverage sector is expected to dominate the PET packaging market in India, representing 50.2% of the total market

volume. This sector is expected to be followed by consumer products (21.8%), pharmaceuticals (10.3%) and other applications (17.8%).

(Source: Fortune Business Insights, Straits research, IMARC, Times of India)

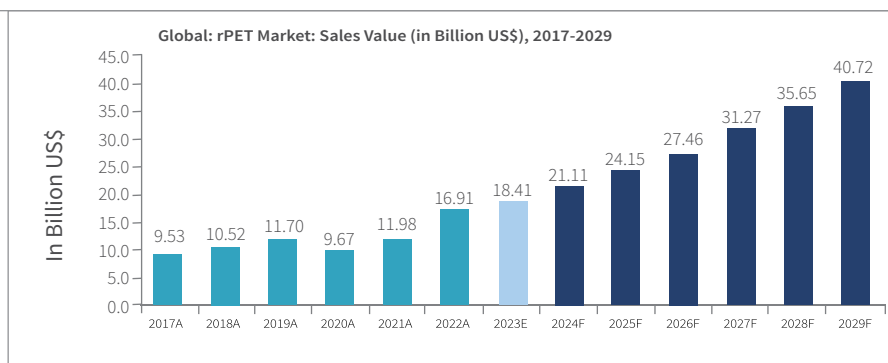
PET industry growth drivers in India

- The growing preference for convenience foods and increase in population contribute to the growth of the PET market in India.
- PET is a preferred replacement for conventional packaging materials due to its flexibility, simplicity, durability and recycling capacity.
- The pharmaceutical, food and beverage industries have switched to PET packaging due to greater demand for the maintenance of higher quality standards and overall health have become more important.
- Major FMCG businesses are gradually replacing virgin plastic with recycled alternatives in their supply chain

(Source: Coherent Market Insights, Brand Equity)

Global rPET industry

The global rPET market reached a value of USD 18.41 Billion in 2023, growing at a CAGR of 11.6% during 2017-2023. Moving forward, the global rPET market is expected to reach a value of USD 40.72 Billion by 2029, growing at a CAGR of 14.0% during 2024-2029.



Source: Analyst Reports, Expert Interviews and IMARC Group
Note: The above calculations are for the Calendar Year (Jan-Dec). 2017-2022 are Actual figures, 2023 figure is Estimated & 2024-2029 figures are Forecasted.

In terms of volume, the global rPET market reached 12.17 Million Tons in 2023, growing at a CAGR of 4.8% during 2017-2023. Going forward, the global rPET market is expected to reach a volume of 20.05 Million Tons by 2029, growing at a CAGR of 8.9% during 2024-2029. Growing concern about plastic pollution and the environmental impact of single-use plastics significantly heightened the demand for recycled PET products. Consumers, educated by awareness campaigns and media coverage, are increasingly choosing environmentally friendly options, making sustainability a key factor in purchasing decisions. Governments are implementing stricter regulations, such as bans on single-use plastics and incentives for recycling, which push manufacturers to adopt recycled PET.

Corporations, responding to both ethical considerations and consumer demand, are setting ambitious sustainability goals, like in 2023, US-based bottled water brand Chlorophyll Water announced the launch of new bottles made using 100% rPET. Due to this, market growth is propelling across the globe. The environmental benefits of recycled PET, including reduced energy

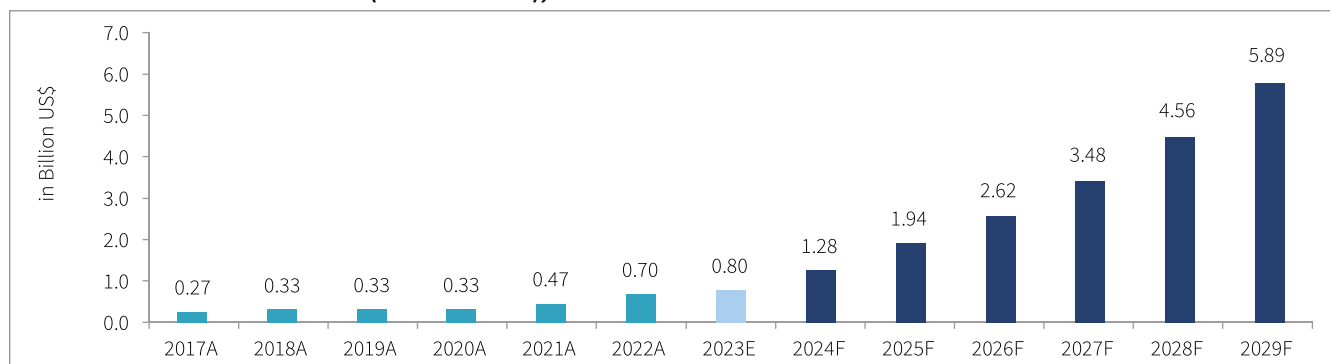
consumption and lower greenhouse gas emissions, further drive its adoption. This trend is evident in industries like food and beverage, where recycled PET is widely used for packaging, and the fashion industry, which increasingly uses recycled PET for textiles, contributing to the circular economy and reducing reliance on virgin materials.



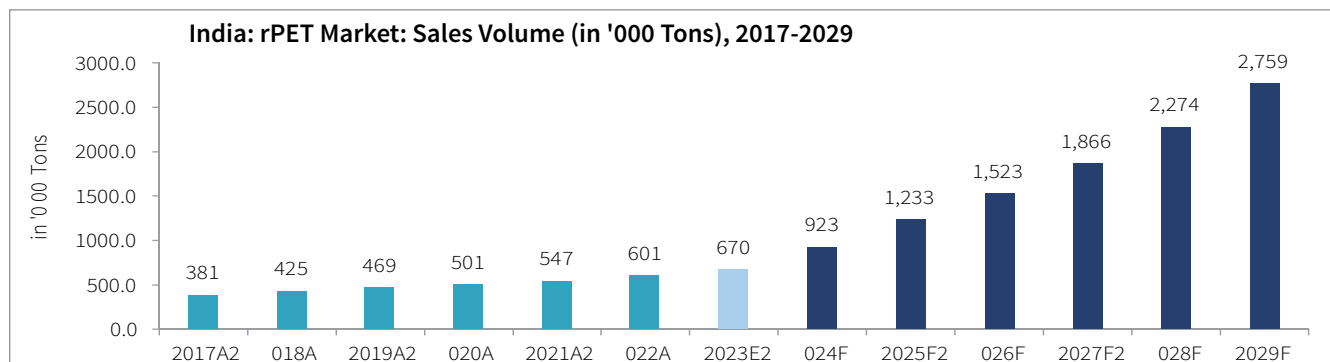
Indian rPET industry

The India rPET market reached a value of USD 0.80 Billion in 2023, growing at a CAGR of 19.5% during 2017-2023. Moving forward, the India rPET market is expected to reach a value of USD 5.89 Billion by 2029, growing at a CAGR of 35.8% during 2024-2029.

India: rPET Market: Sales Value (in Billion USD), 2017-2029



In terms of volume, the India rPET market reached 670 Kilo Tons in 2023, growing at a CAGR of 9.9% during 2017-2023. Looking forward, the India rPET market is expected to reach a volume of 2,759 Kilo Tons by 2029, growing at a CAGR of 24.5% during 2024-2029.



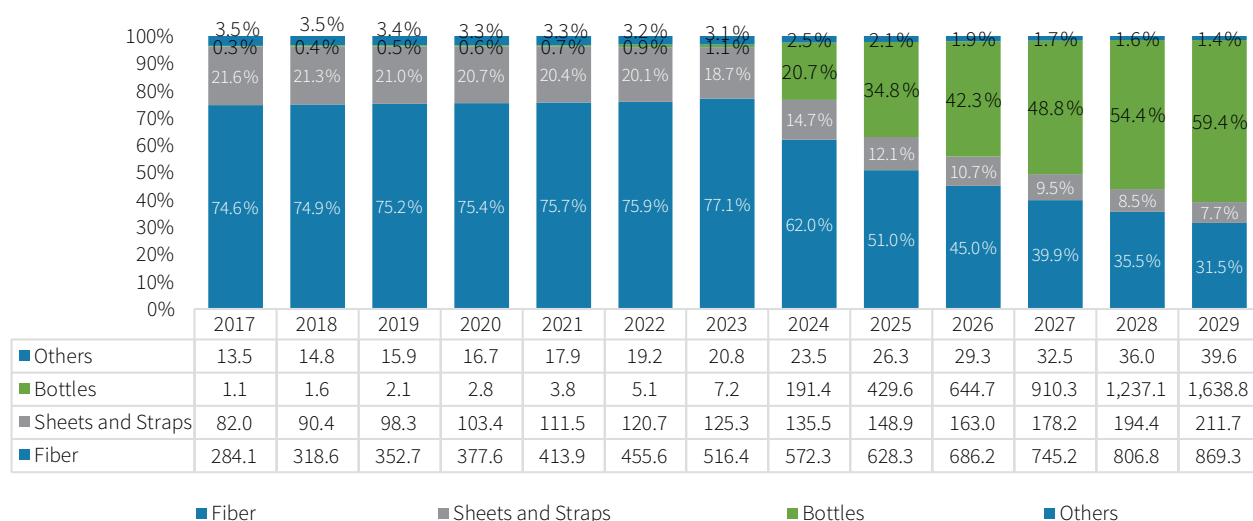
In 2023, non-food grade rPET dominated the market in India, comprising 98.9% of the total volume and reaching 662.5 kilotons, with a CAGR of 9.7% from 2017 to 2023. Within this category, fiber was the largest application, accounting for 77.1% of the volume and reaching 516.4 kilotons, exhibiting a CAGR of 10.5% during the same period. By 2029, food-grade rPET is expected to become the largest segment in India, accounting for 59.4% of the total market volume. This will be followed by

non-food grade rPET, which is expected to account for 40.6% of the market.

Growth of rPET is fueled by rapid urbanization leading to increased consumption and waste generation, particularly in plastics. It is further elevated by favourable government regulations to compel industries to adopt sustainable practices. Numerous companies are introducing recycled materials into their supply chain with the objective to adhere to their environment

regulatory requirements in the short term while meeting their net zero targets in the long-term for aligning with global environmental initiatives and responding to consumer demand for greener options. The Government of India introduced the Extended Producer Responsibility (EPR) which mandates the use of 40-60% recycled plastic in their packaging. (Source: PIB, Times of India, IMARC)

India: rPET Market: Breakup by Application: Sales Volume (in '000 Tons), 2017-2029



Source: Analyst Reports, Expert Interviews and IMARC Group

Note: The above calculations are for the Calendar Year (Jan-Dec). 2017-2022 are Actual figures, 2023 figure is Estimated & 2024-2029 figures are Forecasted.

Financial review

Analysis of the profit and loss statement

In the fiscal year 2023-24, operational revenues declined by 13.90%, to ₹975.34 Cr from ₹1,132.86 Cr in the previous year. This decline was attributed to drop in prices of yarns and fibre due to stiff competition faced by the Indian textile industry owing to cheaper fabrics from China, Vietnam, Bangladesh and other neighbouring countries. Other Income of the Company reported a 56.69% growth over FY 2022-23 and accounted for only 2.57% share of the Company's total income, reflecting the Company's commitment to core business operations.

In proportion to the decline in revenues, total expenses of the Company witnessed a drop of 12.64% y-o-y from ₹1,050.15 Cr in FY 2022-23 to ₹917.43 Cr in FY 2023-24. Finance costs increased by 7.44% from ₹14.12 Cr in FY 2022-23 to ₹15.17 Cr in FY 2023-24 due to higher cost of funds. This changed in the last quarter of FY 2023-24, where the Company repaid its entire borrowings except the ₹2.71 Cr interest-free loan it owed to the UP State Government and a small ICD of ₹0.29 Cr payable to promoters group company. The Company is now almost debt-free. There was a marginal decrease in depreciation and amortisation expenses from ₹27.02 Cr in FY 2022-23 to ₹26.66 Cr in FY 2023-24. EBITDA margin reduced by 113 basis

points from 11.38% in FY 2022-23 to 10.23% in FY 2023-24 and Net Profit margin decreased by 6 basis points from 6.47% during FY 2022-23 to 6.41% in FY 2023-24.

Analysis of the Balance Sheet

The capital employed by the Company increased 60.28% y-o-y from ₹699.07 Cr as on March 31, 2023, to ₹1,120.44 Cr as on March 31, 2024. Return on average capital employed, a measurement of returns derived from every rupee invested in the business, witnessed a reduction of 439 basis points from 14.78% in FY 2022-23 to 10.39% in FY 2023-24. The increase in capital employed and fall in ROCE is mainly due to infusion of substantial capital through capital raising.

The net worth of the Company increased by 66.70% from ₹653.35 Cr as of March 31, 2023, to ₹1,089.15 Cr as of March 31, 2024, owing to infusion of fresh capital. Long-term debt reduced by 85.74 % to ₹2.44 Cr as on March 31, 2024. The debt-equity ratio of the Company was 0.28% in FY 2023-24 compared to 24% in FY 2022-23. Gross fixed assets (including capital

work-in-progress) increased from ₹514 Cr in FY 2022-23 to ₹518.04 Cr in FY 2023-24. Inventory reduced by 6.75% from ₹220.91 Cr in FY 2022-23 to ₹206.01 Cr in FY 2023-24, owing to the muted market demand. Consequently, inventory days increased to 92 days in FY 2023-24 compared to 75 days in FY 2022-23. Receivables increased

by 12.40% from ₹92.01 Cr in FY 2022-23 to ₹103.42 Cr in FY 2023-24. The Board of Directors announced a dividend payout of 30%. As on March 31, 2024, the market capitalisation was ₹2,496.68 Cr.

Key financial ratios

Particulars	FY 24	FY 23
Debtors' turnover (x)	9.79	10.73
Inventory turnover (x)	4.48	5.45
Interest coverage ratio (x)	6.52	8.02
Current ratio (x)	6.04	1.70
Debt-equity ratio (x) (taking into account both short and long-term borrowings)	0.003	0.24
Operating Profit Margin (%) (EBIT)	9.87	10.00
Net Profit Margin (%)	6.41	6.47
Return on Equity (%)	7.17	11.85

Risk management at Ganesha Ecosphere

Ganesha Ecosphere employs a comprehensive Risk Management Framework to identify, evaluate, and proactively manage risks with a well-crafted mitigation plan. The Board, Risk Management & Strategic Planning Committee, and senior management at all levels promote a robust risk management culture, seamlessly integrating it into daily operations. This framework is an essential part of the company's structure, guiding the execution of strategic initiatives. The key risks identified by the management includes the following:

Product risk

The relevance of the company's products in the market may decline.

Mitigation

The company offers a diverse range of high-quality fiber and yarn products to meet various customer needs. Growing environmental awareness among consumers and conducive government policies is expected to drive product demand.

Competition risk

Availability of comparable products, as well as intense competition from existing players and new entrants, could affect profitability.

Mitigation

The company constantly seeks to develop its R&D capabilities to distinguish itself from its competitors and to enable it to introduce new products and different

variant of existing products, based on customer preferences and demand and to increase its margins. The company is an industry leader in the RPSF segment and possesses one of the largest B2B facility of India in its Group.

Raw material risk

Volatility in raw material prices could impact business growth.

Mitigation

The Company possesses a diversified portfolio of 275+ suppliers across India and Nepal. Our collection network enables the supply of PET waste from various sources, ranging from post-consumer scrap to industrial scrap. Our extensive collection network helped us mobilise an average of 350 Tons of PET waste per day showcasing our ability to source adequate raw material to feed our production lines.

Quality risk

Failure to meet product quality standards and inefficient manufacturing process could hinder business growth.

Mitigation

The company is dedicated to enhancing its quality systems and their effectiveness to reduce the incidence of such risks while simultaneously improving its operational efficiencies. We employ a stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished product conforms to the exact requirement of our customers. With a strong quality control team working on new product development/quality improvement, the focus of our Company continues to be on maintaining high levels of quality.

Customer concentration risk:

Over dependence on key customers could impact profitability if the company fails to retain them.

Mitigation

With diverse product portfolio comprising superior and eco-friendly products, our products have found wide acceptance in the domestic and overseas markets. We constant improvement in our product quality for meeting stringent customer requirements, we are able to capitalise on our reputation for quality, consistent performance and customer satisfaction in our existing markets and product

verticals to target new customers. Our top 5 customers accounts for less than 20% of our revenue.

Forex risk

Fluctuations in foreign currency exchange rates could affect profitability.

Mitigation

The company manages currency risks by continuously monitoring exposures and prudently managing them within specified margins for each market segment. It hedges the exchange risk through forward contracts and natural hedging to minimise the impact of unfavorable fluctuations.

Regulatory risk

Evolving regulatory regulations including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations

Mitigation

The Company possesses a robust policy framework that ensure compliance with the relevant laws and regulations. We consistently monitor regulatory changes, staying up-to-date with our compliance and preventing instances of non-compliance and promoting governance.

Human resource review

At Ganesha Ecosphere, our employees are essential to our business growth. As of March 31, 2024, the company's permanent workforce numbered 2,377. We strive to create a work environment that is safe, transparent, healthy, progressive, and inclusive, all to boost employee productivity.

Internal control systems and their adequacy

The internal control and risk management system are structured and applied in accordance with the principles and criteria established in the corporate governance practices of the organisation. It is an integral part of the general organizational structure of the Company and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees.

Cautionary statement

The statements in the 'Management Discussion and Analysis' section describing the Company's objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events.

Board of Directors



Mr. Shyam Sunder Sharmma
Chairman

Mr. Shyam Sunder Sharmma, the founder of the Company, is 81 years old and holds a postgraduate degree in commerce. As a first-generation entrepreneur and textile technocrat, he brings over 60 years of management experience, including 25 years in senior positions with various Birla Group Companies. Mr. Sharmma has been associated with the Company as Chairman since 1989 and was appointed Managing Director in 1990. Currently, he serves as the Non-Executive Chairman of the Company.



Mr. Vishnu Dutt Khandelwal
Executive Vice-Chairman

Mr. Vishnu Dutt Khandelwal, aged 75 years, is a postgraduate in commerce with expertise in marketing and financial management. He has over 51 years of extensive experience in textile yarn trading. Mr. Khandelwal has been with the Company since its inception and was appointed Executive Vice-Chairman in 2008. He oversees the marketing and business development of the Company.



Mr. Sharad Sharma
Managing Director & CEO

Mr. Sharad Sharma, 58 years, is a commerce graduate with more than 37 years of experience in marketing and distribution. He has been with the Company since its inception and joined the Board as a Director in 1992. Mr. Sharma was appointed Joint Managing Director in 2004 and elevated to Managing Director & Chief Executive Officer w.e.f. September 18, 2018. He is responsible for the overall management and operations of the Company.



Mr. Rajesh Sharma
Joint Managing Director

Mr. Rajesh Sharma, 58 years old, is a commerce graduate with over 34 years of experience in plant administration and operations. He has been with the Company since its inception and was appointed Executive Director in 2008. Mr. Sharma assumed the role of Joint Managing Director w.e.f. August 1, 2019, and is responsible for managing the operations of the Company's Rudrapur and Bilaspur units.

**Mr. Pradeep Kumar Goenka***Non-Executive Independent Director*

Mr. Pradeep Kumar Goenka, aged 70 years, is a member of the Institute of Chartered Accountants of India with over 44 years of professional experience in finance and consultancy. He is a practicing Chartered Accountant and has served on the boards of several listed and unlisted companies across various industries, including manufacturing and financial consultancy. Mr. Goenka was appointed to the Company's Board in 2006.

**Mr. Abhilash Lal***Non-Executive Independent Director*

Mr. Abhilash Lal, aged 59 years, is a mechanical engineer and a postgraduate in management from the Indian Institute of Management (IIM), Bangalore. He has over 33 years of extensive experience in financial services, including banking, consulting, insurance, investments, and advisory, having worked with HSBC for more than 11 years. Mr. Lal was appointed to the Company's Board as a Non-Executive Independent Director on September 29, 2014.

**Dr. Shobha Chaturvedi***Non-Executive Independent Director*

Dr. Shobha Chaturvedi, aged 68 years, holds a Ph.D. in Pollution Abatement from H.B.T.I., Kanpur, and a Master's degree in Chemistry. She retired in 2016 as Regional Officer of the UP Pollution Control Board after more than 28 years of service. Dr. Chaturvedi was appointed to the Board as a Non-Executive Independent Director w.e.f. September 5, 2019.

**Mr. Narayanan Subramaniam***Non-Executive Independent Director*

Mr. Narayanan Subramaniam is a postgraduate from IIM Ahmedabad and a fellow member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India, and a Graduate CMA from the Institute of Cost Accountants of India. As one of the pioneers of private equity in India since 1997, he is a finance leader with over 30 years of experience in business development across technology and start-up companies. Mr. Subramaniam has extensive expertise in private equity, investment management, banking, accounting, and finance, as well as asset management, risk management, system implementation, corporate governance, and strategy. He serves as a Non-Executive Independent Director on the boards of listed companies across various sectors, including FMCG, banking, technology, and asset reconstruction, besides mentoring young entrepreneurs.

He previously served as a Non-Executive Independent Director of the Company from 2014 to 2019 and was reappointed to the position on August 24, 2023.

DIRECTORS' REPORT

To
The Members of
Ganesha Ecosphere Limited

Your Directors have pleasure in presenting the Thirty-fifth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL RESULTS

The summarized financial results of the Company for the year ended March 31, 2024 as compared to the preceding year are as under:

(₹ in Crore)

	Standalone		Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Total income	1001.10	1149.30	1137.56	1193.02
Profit before Finance costs, Depreciation and amortization expense	125.50	140.28	152.49	141.06
Less: Finance costs	15.17	14.12	44.90	16.94
Less: Depreciation and amortization expense	26.66	27.02	48.68	29.15
Profit before Tax	83.67	99.14	58.91	94.97
Tax expense	(21.19)	(25.82)	(18.34)	(25.51)
Profit for the year	62.48	73.32	40.57	69.46
Add: Other comprehensive income	0.07	0.36	0.17	0.36
Total comprehensive income for the year	62.55	73.68	40.74	69.82
Balance in retained earnings at the beginning of the year	482.60	413.29	469.49	404.03
Profit after Tax available for appropriation	545.15	486.97	510.23	473.85
Dividend paid	(4.37)	(4.37)	(4.36)	(4.36)
Transfer to General Reserve	-	-	-	-
Balance in retained earnings at the end of the year	540.78	482.60	505.87	469.49

FINANCIAL AND OPERATIONAL PERFORMANCE

The standalone and consolidated financial statements for the financial year ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

During FY 2024, India's textile and apparel industry faced a severe blow due to the global economic slowdown and declining global trade. Acute demand shortage coupled with cheap imports from neighbouring countries impacted the industry adversely.

Amidst the above scenario, your Company had also suffered and faced significant drop in sales and profitability during the financial year. On standalone basis, the total income of the Company was ₹1001.10 crore during FY 2024 as against ₹1149.30 crore during

FY 2023. The Operating Profit (EBITDA) stood at ₹125.50 crore as against ₹140.28 crore of the last financial year. During the year under review, the Company has earned Net Profit of ₹62.48 crore as compared to ₹73.32 crore of the preceding financial year.

On consolidated basis, the Company recorded a total income of ₹1137.56 crore as against ₹1193.02 crore in the previous financial year. Our consolidated net profit for the year is ₹40.57 crore compared to ₹69.46 crore of the last financial year.

The Company has achieved debt free status with repayment of almost entire borrowings from the proceeds of QIP and preferential issue undertaken in the last quarter of the financial year 2023-24.

The performance of the Company during the current FY 2024-25 continues to be encouraging and barring unforeseen circumstances, your Directors expect your Company to achieve better results during

the year. A more detailed analysis and current outlook is available in the Management Discussion and Analysis section of this report.

RATING

During the financial year 2023-24, the following ratings have been re-affirmed by ICRA and CARE:

- i. A; Stable (Single A; Outlook Stable) for Long Term Bank Facilities (Term Loan and Fund Based) signifying adequate degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.
- ii. A1 (A One) for Short Term Bank Facilities (Non-Fund based) signifying very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹3/- per share (i.e. @ 30%) on Equity Shares of ₹10/- each of the Company, involving cash outflow of ₹7.60 crore of the Company's standalone net profit for the financial year 2023-24. Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

During the year under review, unpaid dividend for the financial year 2015-16 amounting to ₹0.10 crore being unpaid/unclaimed for more than 7 years from the date it was lying in the unpaid dividend account, had been transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Central Government, in terms of Section 124(5) of the Companies Act, 2013.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Company has adopted a Dividend Distribution Policy which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders and the same is available on the Company's website at <https://www.ganeshaecosphere.com/corporate-governance-policies>.

SHARE CAPITAL

During the year under review:

- a) On January 18, 2024, the Company had issued and allotted 14,49,000 Fully Convertible Equity Warrants at an issue price of ₹1,035/- (including a premium of ₹1,025/-) per Equity Share, aggregating to ₹149.97 crore, to an entity belonging to Promoter Group, on preferential basis under Chapter V of the SEBI (ICDR) Regulations, 2018. The said warrants are convertible into equal number of Equity Shares within a period of 18 months from the date of their allotment. The upfront amount of ₹37.50 crore, received on allotment of warrants, has been entirely utilized towards stated purpose of the issue.

- b) On February 2, 2024, the Company had issued and allotted 35,17,587 Equity Shares of face value of ₹10/- each at an issue price of ₹995/- per Equity Share (including ₹985/- towards share premium) aggregating to approx. ₹350 crore, to eligible qualified institutional buyers by way of Qualified Institutions Placement (QIP) under Chapter VI of the SEBI (ICDR) Regulations, 2018. Consequent to said allotment, the total Paid-up Equity Share Capital of the Company stood increased from ₹21.83 crore to ₹25.35 crore. The funds raised through the issue are being utilized in accordance with the objects stated in the offer document.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2024; the Company had 2 (two) Indian wholly owned subsidiaries (namely Ganesha Ecopet Private Limited and Ganesha Ecotech Private Limited) and 1 (one) overseas wholly owned subsidiary in Nepal (namely Ganesha Overseas Private Limited). The Company had no Associate and Joint Venture Companies during the year ended on March 31, 2024.

A statement containing salient features of the Financial Statements of the subsidiaries in the prescribed format in **Form AOC-1** as required under first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is included in this Report as **"Annexure A"** and forms an integral part of this Report. The said form also highlights performance of the subsidiaries and their contribution to the overall performance of the Company during the period under review.

In terms of the provisions of Section 136 of the Companies Act, 2013 read with the SEBI Listing Regulations, the Audited Financial Statements of the subsidiaries are placed on website of the Company and can be accessed at <https://www.ganeshaecosphere.com/subsidiary>. These financial statements are also available for inspection by any member at the Registered Office of the Company. Any member desirous of obtaining a copy of the same may write to the Company.

The Company's Policy for determining Material Subsidiaries is disclosed on the Company's website at <https://www.ganeshaecosphere.com/corporate-governance-policies>. As on March 31, 2024, the Company had no material subsidiary.

GANESHA ECOSPHERE EMPLOYEES' STOCK OPTION SCHEME 2021

The Company had adopted and implemented Ganesha Ecosphere Employees' Stock Option Scheme 2021 ("ESOP Scheme") for granting Employee Stock Options ("options") to the eligible employees of the Company and its Subsidiaries. There is no material change in the ESOP Scheme during the year under review and the provisions of the Scheme are in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations,

2021. The ESOP Scheme has been implemented through Trust mechanism by way of secondary acquisition of equity shares by the Trust for allocating/transferring the same to the eligible employees on exercising and vesting of options.

During the year under review, the Nomination and Remuneration Committee of the Company at its meeting held on March 7, 2024, had granted 39,194 options convertible into equal number of Equity Shares of the Company of face value of ₹10/- each, to the eligible employees of the Company and its Subsidiaries, against 39,194 equity shares held by the Ganesha Employees' Welfare Trust ("Trust"), pursuant to the provisions of the ESOP Scheme. The Options so granted shall vest after one year from the Grant Date i.e. on March 7, 2025 and shall be exercisable at an exercise price of ₹543/- per Equity Share within a period of 3 years from the date of vesting.

The details of stock options granted pursuant to the ESOP Scheme and the disclosure in compliance with Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is available on the Company's website at <https://www.ganeshaecosphere.com/latest-information>.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) of the SEBI Listing Regulations is provided in a separate section forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Shri Surendra Kumar Kabra ceased to be the Non-Executive Independent Director of the Company due to his demise on June 1, 2023. The Board praised his valuable guidance and contribution to the Company during his association and expressed their deepest condolences and paid tribute to Late Surendra Kumar Kabra.

With a view to broad base the Board and to fill the vacancy created in the Board due to the demise of Late Surendra Kumar Kabra, the Board of Directors of the Company, on the recommendation of Nomination & Remuneration Committee, had appointed Shri Narayanan Subramaniam (DIN: 00166621) as an Additional (Non-Executive Independent) Director of the Company with effect from August 24, 2023, for a term of 5 (five) consecutive years and the same was approved by members of the Company at the 34th Annual General Meeting held on September 21, 2023.

Shri Sharad Sharma (DIN: 00383178) was re-appointed as the Managing Director of the Company for a further period of 5 (five) years w.e.f. 1st February, 2024 by the Members of the Company at the 34th Annual General Meeting held on September 21, 2023.

The Board of Directors of the Company at its meeting held on August 10, 2024, on the recommendation of Nomination & Remuneration Committee, has proposed the re-appointment of Dr. Shobha Chaturvedi (DIN: 08553800) as a Non-Executive Independent

Director of the Company for a second term of 5 (five) years, as her present term of 5 (five) years as Independent Director shall expire at the conclusion of the ensuing AGM of the Company. The resolution proposing her re-appointment as Independent Director for the second term pursuant to Section 149(6) of the Companies Act, 2013, forms part of the Notice of ensuing AGM for approval of members of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Rajesh Sharma (DIN: 02228607), Joint Managing Director of the Company, retires from the Board by rotation, at the ensuing AGM of the Company and being eligible he has offered himself for re-appointment. The Board recommends the proposal of his re-appointment for consideration of the Members at the ensuing AGM of the Company.

Brief profile(s) of Dr. Shobha Chaturvedi and Shri Rajesh Sharma are provided in the Notice of ensuing AGM.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company had received the declarations u/s 149(7) of the Companies Act, 2013 from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and they have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, all the Independent Directors on the Board of the Company have requisite qualifications & proficiency and possess attributes of integrity, expertise and experience.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company consisted of 4 (four) Directors, out of which 3 (three) Directors are independent. The composition and other details are provided in the Corporate Governance Report of the Company. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, in respect of the financial year ended March 31, 2024, confirm that: -

- a) in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- c) they have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared Annual Accounts on a 'Going Concern' basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size of the Company and the nature of its business, with reference to financial statements. Internal Auditors of the Company periodically audit the adequacy and effectiveness of the internal controls laid down by the management. The Audit Committee of the Board of Directors also regularly reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2023-24, the Board of Directors of the Company had met 6 (six) times. The details of the Board meetings held during the year are given under the Corporate Governance Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

ANNUAL RETURN

The copy of Annual Return as required under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, is placed on the Company's website and can be accessed at <https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/AnnualReturn/ANNUALRETURN2022-2023.pdf>

LISTING

The Equity Shares of the Company are presently listed at BSE Limited and National Stock Exchange of India Limited and the listing fee, for the financial year 2024-25, for both the Stock Exchanges is paid.

AUDITORS AND AUDITORS' REPORT

a. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. Narendra Singhania & Co., Chartered Accountants, New Delhi (ICAI Firm Registration No. 009781N) were re-appointed as Statutory Auditors of the Company for a second term of 5 (five) consecutive years at 33rd AGM of the Company held on September 30, 2022, to hold office till the conclusion of 38th AGM of the Company. The Auditors have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

The Statutory Auditors' Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark or disclaimer.

b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. S.K. Gupta & Co., Company Secretaries, as Secretarial Auditors of the Company, to undertake Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith as "Annexure B".

The Secretarial Audit Report for the Financial Year 2023-24 does not contain any qualification, reservation or adverse remark or disclaimer.

c. Cost Auditors

Pursuant to the Rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Companies Act, 2013 in respect of its products and accordingly such accounts and records are made and maintained.

M/s. R. M. Bansal & Co., Cost Accountants (Firm Regn. No.:000022) and M/s. Rakesh Misra & Co., Cost Accountants (Firm Regn. No.: 000249), have been appointed as Cost Auditors of the Company to conduct the audit of the Cost Accounts of the Company in respect of its products 'Yarn' and 'Recycled Polyester Staple Fibre' respectively, for the financial year 2024-25.

As required under the Companies Act, 2013, the resolutions seeking Members' ratification for the remuneration payable to Cost Auditors form part of the Notice convening the AGM.

d. Internal Auditors

Pursuant to the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014, your Company engaged the services of M/s. Ashok & Ajai, Chartered Accountants, Kanpur, to conduct the Internal Audit of the functions and activities of the Company for the Financial Year 2023-24. Quarterly Internal Audit Reports are placed before the Audit Committee of the Company for its review.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board under Section 143(12) of Companies Act, 2013 and Rules framed thereunder.

RELATED PARTY TRANSACTIONS

During the year under review, all transactions entered into with Related Parties were approved/ ratified by the Audit Committee and wherever required, were also approved by the Board of Directors of the Company. Omnibus approval from the Audit Committee was obtained for transactions of repetitive nature. During the financial year 2023-24, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the Company's Related Party Transactions Policy. Further, all related party transactions undertaken during the year were at arms' length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

The related party transactions entered into by the Company during the year under review, are disclosed under Note No. 34 of the Notes to the Standalone Financial Statements for the year ended March 31, 2024.

The Company's Policy on Related Party Transactions is disclosed on the website of the Company at <https://www.ganeshaecosphere.com/corporate-governance-policies>.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS BY THE COMPANY

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the SEBI Listing Regulations, disclosure on particulars of loans given, investments made, guarantees and/ or securities provided along with the purpose for which the loan or guarantee or security were proposed to be utilized by the recipient are provided in the notes to the Standalone Financial Statements.

WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has adopted Whistle Blower Policy for vigil mechanism for Directors and employees to report

to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The details of the policy are explained in the Corporate Governance Report.

The Policy has been posted on the website of the Company and may be accessed at <https://www.ganeshaecosphere.com/corporate-governance-policies>.

NOMINATION AND REMUNERATION POLICY

The Board of Directors of the Company have approved and adopted Nomination, Remuneration and Board Diversity policy in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

Our current Nomination and Remuneration Policy is to have an appropriate mix of Executive and Non-Executive Directors including the independent directors to maintain the diversity and independence of the Board.

The broad parameters covered under the Policy are –Attributes, Qualifications and Remuneration of Executive Directors, Non-Executive Directors including Independent Directors, KMP and Senior Management Personnel. It also covers performance evaluation criteria of the Board, its Committees and individual directors.

The Nomination, Remuneration and Board Diversity Policy of the Company is available on the website of the Company at <https://www.ganeshaecosphere.com/corporate-governance-policies>. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Policy.

BOARD EVALUATION

The Board of Directors at its meeting held on February 14, 2024, has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act & SEBI Listing Regulations. Performance Evaluation of Independent Directors was done by the entire board, excluding the director being evaluated. The Evaluation Process was conducted through a structured questionnaire prepared after taking into consideration the various aspects laid down under the "Nomination, Remuneration and Board Diversity Policy" of the Company. The Board of Directors expressed satisfaction with the evaluation process.

In a separate meeting of Independent Directors held on March 30, 2024, the Independent Directors of the Company had evaluated the performance of non-independent directors and Board as whole and performance of Chairman of the Company after taking into account the views of Executive Directors and other Non-Executive Directors of the Company. Independent Directors have also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board and recorded their satisfaction with the flow of information.

RISK MANAGEMENT

Risk management is an ongoing process and embedded in the operating framework of the Company. Risk Management & Strategic Planning Committee of the Board has been entrusted for timely identification, evaluation and mitigation of all types of internal and external risks including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks etc. The Committee is responsible for formulating and reviewing the risk management plan/ policy and ensuring its effectiveness across the organization. The Audit Committee of the Board has an additional oversight in the risk management systems prevailing in the Company.

There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se those are generally dealt in regular course of business and have to be taken care of, are fluctuations in foreign exchange rates and prices of raw material as well as finished products.

The Risk Management Policy has been uploaded on the Company's website and may be accessed at the link <https://www.ganeshaecosphere.com/corporate-governance-policies>.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to focus on inclusive growth and improving lives by contributing towards communities around which it operates. In compliance with Section 135 of the Companies Act, 2013, the Company has undertaken CSR activities, projects and programs as provided in the CSR policy of the Company and as identified under Schedule VII to the Companies Act, 2013.

The Composition of CSR Committee along with details of CSR activities undertaken by the Company have been disclosed in the 'Report on CSR activities', set out as "Annexure C" and forming an integral part of this Report.

The CSR policy of the Company may be accessed at <https://www.ganeshaecosphere.com/corporate-governance-policies>.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34(2) of SEBI Listing Regulations, a Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is provided in a separate section forming part of the Annual Report.

DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposit from public in terms of the provisions of Sections 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

In terms of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company, during the year, had accepted an amount of ₹2.06 crore as unsecured loans from the Directors and the same were repaid during the year under review. No amount of unsecured loan from Directors was outstanding as on March 31, 2024.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2023-24 and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure D".

PARTICULARS OF EMPLOYEES

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "Annexure E" and forms an integral part of this Report. The information showing names and other particulars of employees as per Rule 5(2) and 5(3) of the aforesaid Rules forms part of this report. However, as per first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto. The said information is available for inspection by members at the registered office of the Company during business hours on all working days upto the date of ensuing AGM. Any member interested in obtaining a copy thereof, may also write to the Company Secretary.

CORPORATE GOVERNANCE

As required under Schedule V to the SEBI Listing Regulations, a separate section on Corporate Governance together with a Certificate from M/s. S. K. Gupta & Co., Practicing Company

Secretaries, confirming compliance of the conditions of Corporate Governance, forms an integral part of this Report.

POLICY ON SEXUAL HARASSMENT

Prevention and control of sexual harassment at workplace constitutes an important part of corporate culture while aligning with best practices and improving management processes. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace with a mechanism of lodging complaints and has constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. No complaints were reported to the Board for sexual harassment of women at work place during the financial year 2023-24.

GENERAL

During the year under review:-

- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued any shares (including sweat equity shares) to employees of the Company or its subsidiaries under any scheme except for the grant of ESOP as disclosed above.
- There was no revision in the financial statements.
- Neither the Managing Director nor the Whole-time Directors of the Company had received any remuneration or commission from any of the Company's subsidiaries.

- There has been no change in the nature of business of the Company.
- There is no proceeding initiated/ pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record appreciation for the co-operation and support extended by various departments of the Central and the State Government(s), Bankers and Business associates.

Your Directors also wish to express their deepest appreciation to the employees at all levels, whose dedicated efforts, co-operation and unending support helped the Company in delivering results despite the challenges. We are also grateful to all the shareholders, customers, dealers, agents, suppliers and bankers of the Company for reposing continued trust, support and confidence in the management of the Company.

For and on behalf of the Board

(Shyam Sunder Sharma)
Chairman
DIN: 00530921

Place : Kanpur
Date : August 10, 2024

ANNEXURE 'A' TO THE DIRECTORS' REPORT

FORM AOC-1

(Pursuant to first proviso to sub section (3) of Section 129 of the Companies Act,
2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part “A”: Subsidiaries

(₹ in Lakh)

1	S. No.	1	2	3
2	Name of the subsidiary	Ganesha Ecopet Private Limited	Ganesha Ecotech Private Limited	Ganesha Overseas Private Limited
3	The date since when subsidiary was acquired	Incorporated on 19/11/2019	Incorporated on 17/11/2020	Acquired on 15/07/2021
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2023 to 31/03/2024	01/04/2023 to 31/03/2024	01/04/2023 to 31/03/2024
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (INR)	Indian Rupees (INR)	Reporting Currency - Nepalese Rupee Exchange Rate 1 INR = 1.60 Nepalese Rupees
6	Share Capital	1500.00#	1500.00	1500.00
7	Reserves and Surplus (Other equity)	(1306.69)	792.35	(371.98)
8	Total Assets	56,693.68	29,583.92	4,496.96
9	Total Liabilities	56,693.68	29,583.92	4,496.96
10	Investments	-	-	-
11	Turnover	9654.73	16511.02	3831.69
12	Profit (loss) before taxation	(1489.65)	(654.26)	(241.97)
13	Provision for taxation	(222.57)	(88.07)	24.99
14	Profit (loss) after taxation	(1267.08)	(566.19)	(266.96)
15	Proposed dividend	-	-	-
16	Extent of Holding %	100%	100%	100%

#excludes preference share capital as preference shares are treated as financial liability under IND AS 32.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate companies and Joint Ventures.

	Name of Associate/ Joint Ventures	Name 1
1	Latest Audited Balance sheet Date	N. A.
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate/ Joint Ventures held by the company on year end.	
i	No.	
ii	Amount of investments in Associates/ Joint Venture	
iii	Extent of Holding %	

	Name of Associate/ Joint Ventures (Contd.)	Name 1
4	Description of how there is significant influence	N. A.
5	Reason why the associate/ joint venture is not consolidated	
6	Networth attributable to Shareholding as per latest audited Balance Sheet	
7	Profit/Loss for the year	
i	Considered in consolidation	
ii	Not considered in consolidation	

For and on behalf of the Board of Directors

Sharad Sharma

Managing Director
(DIN: 00383178)

Bharat Kumar Sajnani

Company Secretary
FCS: 7344

Shyam Sunder Sharmma

Chairman
(DIN: 00530921)

Gopal Agarwal

Chief Financial Officer
FCA: 075080

ANNEXURE 'B' TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ganesha Ecosphere Limited,
Raipur (Rania), Kalpi Road,
Distt. Kanpur Dehat (U.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ganesha Ecosphere Limited [CIN: L51109UP1987PLC009090]** (hereinafter called the 'Company') for the Financial year ended 31st March, 2024. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Financial year ended on 31st March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the Financial year ended on 31st March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable for Foreign Direct Investment and External Commercial Borrowings as there was no reportable event during the financial year under review);**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable as the Company has not issued and listed any debt securities during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable as the Company has not delisted / proposed to delist its Equity Shares during the year under review);**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the year under review);** and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (vi) We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis and representation made by the Company and its officers, the Company has complied with the provisions of Plastic Waste Management Rules, 2016 specifically applicable to the Company.

We have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and the General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including Woman Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance except in case of shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting. All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of Audit and review of Internal Auditor's Report, periodical Compliance Reports submitted by respective Departmental heads and taken on record by the Audit Committee / Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines and as informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including

initiating actions for corrective measures, wherever found necessary.

We further report that during the Audit Period there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.:

- (a) The Shareholders' consent was obtained through Postal Ballot by e-voting process on 13th January, 2024 for passing of Special Resolutions on the following matters:-
 - (i) to create, offer, issue and allot, by way of preferential issue on a private placement basis, in one or more tranches, in compliance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 ('ICDR Regulations'), up-to maximum of 14,49,000 (Fourteen Lakh Forty-Nine Thousand) numbers of Fully Convertible Equity Warrants (hereinafter referred to as "Convertible Warrants") on preferential basis at an exercise price of ₹1,035/- (including a premium of ₹1,025/- per underlying equity share of the face value of ₹10/- each convertible into 1 (One) Equity Share of face value of ₹10/- each aggregating up to ₹149.97 Crore (rounded-off), for cash to GPL Finance Limited, an entity belonging to the Promoter and Promoter Group Category;
 - (ii) to approve the fund raising activities by issuance of Equity Shares to Qualified Institutional Buyers ("QIBs") through Qualified Institutions Placement ("QIP") pursuant to the provisions of Chapter VI and other applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR Regulations') up to a total amount not exceeding ₹350 Crore.
- (b) The Nomination and Remuneration Committee of Board of the Company at its meeting held on 7th March, 2024 has approved grant of 39,194 Employee Stock Options ("Options") convertible into equal number of Equity Shares of the Company of face value of ₹10/- each at an exercise price of ₹543/- per option, to the eligible employees of the Company and its Subsidiary Companies under the Ganesha Ecosphere Employees' Stock Option Scheme, 2021 ("Scheme") in compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of the Scheme, the entire granted Options shall vest on 7th March, 2025, i.e. after one year from the grant date. Each Option is convertible into one Equity Share of the Company and all the options upon vesting shall be exercisable within a period of three years from the date of vesting.

- (c) Ganesha Ecopet Private Limited, a Wholly-owned Subsidiary of the Company commenced commercial production as under :-

Date of commercial Production	Nature of Products
1 st April, 2023	Commenced commercial production of its products namely, rPET Chips and Filament Yarn at its plant situated at Warangal, Telangana.
1 st March, 2024	Commenced commercial operations at its production line of Recycled Polyester Staple Fibre (RPSF) and 2 nd production line of rPET Chips at its plant situated at Warangal, Telangana.

- (d) In terms of the Special Resolution passed by the Members through Postal Ballot by e-voting process on 13th January, 2024 and in-principal approval under Regulation 28(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from the Stock Exchanges (i.e. BSE and NSE) on 17th January, 2024, the Capital Raising Committee of the Board of Directors of the Company in its Meeting held on 18th January, 2024 allotted 14,49,000 fully Convertible Equity Warrants ("Share Warrants") on preferential basis (ISIN INE845D13019), carrying a right exercisable by the Warrant holder to subscribe to one Equity Share per Warrant, to GPL Finance Limited, an entity belonging to 'Promoter and Promoter Group' category on preferential basis at an issue price of ₹1,035/- (including a premium of ₹1,025/-) per Equity Share, after receipt of ₹37.50 Crore being the upfront amount of ~25% of the issue price payable on subscription in compliance with the provisions of Sections 23, 42, 62(1)(c) of the Companies Act, 2013 read with rules framed thereunder and Chapter V of the SEBI (ICDR) Regulations, 2018.
- (e) Further, in terms of the Special Resolution passed by the Members through Postal Ballot by e-voting process on 13th

January, 2024 and in-principal approval under Regulation 28(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from the Stock Exchanges on 30th January, 2024 for Qualified Institutional Placement of Equity shares of face value of ₹10/- each for an amount not exceeding ₹350 crores to Qualified Institutional Buyers (QIBs), the Capital Raising Committee of the Board of Directors of the Company in its Meeting held on 2nd February, 2024 allotted 35,17,587 Equity Shares of ₹10/- each at the issue price of ₹995 per Equity Share (including ₹985/- towards the share premium) aggregating to ₹350 Crore (approx.) to Qualified Institutional Buyers (QIBs) through Qualified Institutional Placement on preferential basis under Sections 23, 42, 62(1)(c) of the Companies Act, 2013 read with rules framed thereunder and Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. BSE vide Letter No. LO / QIP / PG / LP / 471 / 2023-24 and NSE vide Letter No. NSE / LIST / 39883 both dated 6th February, 2024 granted Listing Approval for 35,17,587 Equity Shares of ₹10/- each which were permitted for Trading with effect from 8th February, 2024.

For S.K. Gupta & Co.

Company Secretaries

ICSI Unique Code: P1992UP012800

Peer Review Certificate No. 1088 / 2021

(S.K.GUPTA)

Managing Partner

F.C.S 2589, C.P 1920

UDIN: F002589F000940658

Place: Kanpur

Date: 9th August, 2024

Note: This Report to be read with our letter of even date which is marked as **Annexure** and forms an integral part of this Report.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Ganesha Ecosphere Limited
[CIN: L51109UP1987PLC009090]
Raipur (Rania), Kalpi Road,
Distt. Kanpur Dehat (U.P.)

Auditor's Responsibility

Based on Audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the Auditing Standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of Statutory Auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.K. Gupta & Co.

Company Secretaries

ICSI Unique Code: P1992UP012800

Peer Review Certificate No. 1088 / 2021

(S.K.GUPTA)

Managing Partner

F.C.S 2589, C.P 1920

UDIN: F002589F000940658

Place: Kanpur

Date: 9th August, 2024

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Annual Report on CSR Activities for the Financial year ended March 31, 2024

1. Brief outline on CSR Policy of the Company:

In terms of the CSR Policy of the Company, the following areas have been identified:

1. Promoting education at pre-school and school level.
2. Ensuring environmentally sustainable social infrastructure.
3. Promoting health care and sanitation.
4. Eradicating hunger, poverty and malnutrition.
5. Training to promote nationally recognized sports.
6. Rural development.

2. Composition of CSR Committee:

The Corporate Social Responsibility Committee of the Company comprises of 4 (four) directors, out of which 2 (two) directors are Independent. The Composition of CSR committee is as under:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Abhilash Lal (Chairman)	Non- Executive Independent Director	1	1
2	Shri Pradeep Kumar Goenka	Non- Executive Independent Director	1	1
3	Shri Vishnu Dutt Khandelwal	Promoter Executive Director	1	1
4	Shri Sharad Sharma	Promoter Executive Director	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

Composition of CSR committee: <https://www.ganeshaecosphere.com/board-committee>

CSR Policy : <https://www.ganeshaecosphere.com/corporate-governance-policies>

CSR projects: <https://www.ganeshaecosphere.com/corporate-social-responsibility>

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): ₹7751.41 Lakh

(b) Two percent of average net profit of the Company as per Section 135(5): ₹155.03 Lakh

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)].: ₹155.03 Lakh (Budget allocated: ₹155.05 Lakh)

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹1,47,30,000/-

(b) Amount spent in Administrative Overheads: ₹7,75,000/-

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹1,55,05,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
1,55,05,000/-	--	Not Applicable	Not Applicable		

(f) Excess amount for set-off, if any:

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per of Section 135(5)	--
(ii)	Total amount spent for the Financial Year	--
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	--

7. Details of Unspent CSR amount for the preceding three financial years:

(Amount in ₹)

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
1.	2021-22	87,10,807/-	76,30,429/-	5,25,070/-	Not applicable		71,05,359/-	-
2.	2022-23	53,21,469/-	53,21,469/-	--	Not applicable		53,21,469/-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

Sd/-
(Shyam Sunder Sharma)
Chairman
(DIN:00530921)

Sd/-
(Abhilash Lal)
Chairman CSR Committee
(DIN: 03203177)

ANNEXURE 'D' TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN
EXCHANGE EARNINGS AND OUTGO

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies
(Accounts) Rules, 2014 for the year ended 31st March, 2024:

I. CONSERVATION OF ENERGY

(a) the steps taken or impact on conservation of energy:

The Company has always been a frontrunner in constantly improving its operational performance in all areas while giving due importance to conservation of energy. Apart from making constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst its employees, the following specific measures have been taken by the Company, during the year under review:

- i) Monitoring of heating of motors above 50 KW capacity on daily basis to reduce power loss due to heating.
- ii) Monitoring of heat patch at the terminals of Control and Power electrical panels to reduce power loss and decrease breakdown time.
- iii) Maintaining Power Factor in main grid to reduce loss of electric energy.
- iv) Periodic checking of auto timer installed for street and boundary lights to save power.
- v) Insulation covering on extruder barrels to maintain a certain temperature without the use of excess power resulting to power saving and reduction of heating loss.
- vi) Periodical monitoring of capacitor panel to maintain power factor and reduce reactive power.
- vii) Provided Current Controller unit with Siren for maintaining the set current of Cutter's Motor more efficiently to reduce power consumption.
- viii) Installed VFD in air compressor for power saving.
- ix) Installed transparent ventilation system for minimizing use of electricity during day shift.

- x) Water consumption reduced by optimizing water flow for process machines. Re-use of water in washing facility process and machines to reduce overall water consumption.
- xi) Installation of level switch with alarm in fire hydrant water tank to control the on/off of main hydrant pump to reduce wastage of power.
- xii) Installation of electrical actuator type valve in steam condensate discharge line to reduce wastage of steam & electrical energy and increase boiler efficiency.
- xiii) Scheduled maintenance of Plant Machines resulting into improved efficiency and saving in energy consumption.

(b) Steps taken by company for using alternate sources of energy:

The Company is committed to efficiently utilize its resources and ensure minimum consumption in all its processes. The Company is using solar power in its manufacturing facilities with an installed capacity of 11.49 MWp from its roof top Solar power plants and purchased solar power of 17.43 MWp from captive power plant meeting in aggregate 35.6% of plants' annual requirement. Efforts are continuing to identify other viable opportunities of using alternate sources of energy.

(c) Capital investment on energy conservation equipments:

₹69.57 Lakh.

II. TECHNOLOGY ABSORPTION

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

The Company remains committed to the journey of continuous technological innovation and advancement to meet the evolving needs of the customers and contribute

to a sustainable future. In our philosophy to continuously upgrade ourselves from a technological standpoint, the following efforts have been made:

- a) Focus on automation to improve process robustness, cost and safety.
- b) Product upgradation and customization.
- c) Process enhancement to reduce power consumption and waste generation.
- d) Technology absorption from Technical Journals and attending of National and International Exhibitions/ Seminars.

2. Benefit derived as a result of the above efforts:

- a) Reduction in power consumption.
- b) Reduction in steam consumption.
- c) Cycle time reduction and quality improvement.
- d) Improved market share with premium-class products.
- e) Reduced carbon footprints and environmental protection.

3. In case of Imported Technology (imported during the last three years reckoned from the beginning of Financial Year):

The Company has not imported any technology during the preceding three years.

4. Expenses incurred on Research and Development:

The expenses involved in in-house research and development carried out in a routine manner are insignificant; therefore, the same have not been accounted for separately.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details with regard to Foreign Exchange earnings and out go are as under:

(₹ in lakh)

	Financial Year (2023-24)	Financial Year (2022-23)
A) Foreign Exchange earnings (F.O.B. Value)	8,722.21	11,010.22
B) Foreign Exchange outgo	6,388.70	6137.75

ANNEXURE 'E' TO THE DIRECTORS' REPORT

The information as required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

S. No.	Name	Designation	Remuneration in F.Y. 2023-24 (₹ in lakh)	Remuneration in F.Y. 2022-23 (₹ in lakh)	% increase/ (decrease) in remuneration	Ratio of remuneration of each Director to the median remuneration of employees
1.	Mr. Shyam Sunder Sharma	Non- Executive Chairman*	30.30	28.20	7.45	20.20
2.	Mr. Sharad Sharma	Managing Director & CEO	36.40	248.90	(85.38)% ^{&}	24.27
3.	Mr. Vishnu Dutt Khandelwal	Executive Vice-Chairman	36.32	248.82	(85.40)% ^{&}	24.21
4.	Mr. Rajesh Sharma	Joint Managing Director	36.40	248.90	(85.38)% ^{&}	24.27
5.	Mr. Surendra Kumar Kabra#	Non- Executive/ Independent Director	1.85	5.55	(66.67)	..@
6.	Mr. Pradeep Kumar Goenka	Non- Executive/ Independent Director*	7.50	7.40	1.35	5.00
7.	Mr. Abhilash Lal	Non- Executive/ Independent Director*	9.80	7.40	32.43	6.53
8.	Mrs. Shobha Chaturvedi	Non- Executive/ Independent Director*	7.30	7.20	1.39	4.87
9.	Mr. Narayanan Subramaniam ^{\$}	Non- Executive/ Independent Director*	5.95	N.A.	N.A.	..@
10.	Mr. Gopal Agarwal	Chief Financial Officer	34.40	32.30	6.50	N.A.
11.	Mr. Bharat Kumar Sajnani	Company Secretary	16.56	13.26	24.89	N.A.

Note:

* Remuneration to the Non-Executive Directors of the Company includes sitting fees paid for attending Board Meeting(s)/Committee Meeting(s) and commission payable upto 1% of the net profits of the Company, as approved by the shareholders.

& Since, no Performance Linked Remuneration was payable to Shri Vishnu Dutt Khandelwal, Shri Sharad Sharma and Shri Rajesh Sharma for the Financial Year 2023-24, therefore, their remuneration reflects decrease in comparison to the previous year.

Ceased to be an Independent Director of the Company due to his demise on June 1, 2023..

\$ Appointed as an Independent Director of the Company w.e.f. August 24, 2023.

@ Since the remuneration is only for part of the year, the ratio of remuneration to median remuneration is not comparable and therefore, not stated.

- ii. During the year 2023-24, there was an increase of 13.64% in median remuneration of employees.
- iii. There were 2377 permanent employees on the roll of the Company as on March 31, 2024.
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the Financial Year 2023-24 was 3.82%, whereas the managerial remuneration for the same financial year was decreased by 78.64%. (Refer note above)
- v. It is hereby affirmed that the remuneration paid during the Financial Year ended March 31, 2024 is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE REPORT 2023-24

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At GESL, we believe that as we move towards achieving our growth targets, our Corporate Governance processes must adhere to the globally benchmarked standards. Corporate Governance is an integral element of the Company's value system, management ethos and business practices. Our Corporate Governance practices are driven by timely disclosures, transparent accounting policies and high levels of integrity in decision-making. The Company believes that the governance process should ensure that the resources employed must be utilized optimally so as to meet the stakeholders' aspirations and expectations. This is demonstrated in improving shareholder returns and performance focused work environment. Our customers have benefited from the high quality products made available to them at reasonable prices. Our employee satisfaction is reflected in the stability of our senior management and substantially high productivity. The Company is committed to contribute to the "Triple Bottom Line" i.e. ensuring the conduct of business around social, environmental and economic

concerns and this is apparently reflected in the Company's area of business. GESL's governance philosophy revolves around trusteeship, transparency, control, accountability and ethical business conduct. The practice of each of these enables the management to direct and control the affairs of the Company in an efficient manner and in creating the right corporate culture towards emerging as a socially responsible corporate citizen.

2. BOARD OF DIRECTORS

A. Composition and category of Board of Directors, attendance at Board Meetings, at last Annual General Meeting and details of Membership of other Boards / Committees:

The Board has an optimum combination of Executive and Non-Executive Directors as per the Corporate Governance requirements. As on March 31, 2024, the Company's Board had 8 (eight) Directors comprising of 3 (three) Executive Directors, 4 (four) Non-Executive Independent Directors (including one women independent director) and 1 (one) Non-Executive Non-Independent Director.

The composition of the Board of Directors and other relevant details as on March 31, 2024 are as under:

S. No.	Name of Director along with DIN	Category	No. of Board Meetings during the year		Whether present at the last Annual General Meeting held on September 21, 2023	No. of Boards / Committees of Indian Public Limited Companies (including Ganesha Ecosphere Limited)			Directorship in Other Listed Entities and Category of Directorship
			Held	Attended		Directorship	Committee (only Audit Committee & Stakeholders Relationship Committee)		
							Member@	Chairman	
1.	Mr. Shyam Sunder Sharmma DIN: 00530921	Promoter Non-Executive Director	6	6	Yes	1	--	--	--
2.	Mr. Vishnu Dutt Khandelwal DIN: 00383507	Promoter Executive Director	6	6	Yes	4	4	1	Ganesha Ecoverse Limited (Promoter Non-Executive Director)
3.	Mr. Sharad Sharma DIN: 00383178	Promoter Executive Director	6	6	Yes	3	1	--	--

S. No.	Name of Director along with DIN	Category	No. of Board Meetings during the year		Whether present at the last Annual General Meeting held on September 21, 2023	No. of Boards / Committees of Indian Public Limited Companies (including Ganesha Ecosphere Limited)			Directorship in Other Listed Entities and Category of Directorship
			Held	Attended		Directorship	Committee (only Audit Committee & Stakeholders Relationship Committee)		
							Member@	Chairman	
4.	Mr. Rajesh Sharma DIN: 02228607	Promoter Executive Director	6	6	No	3	--	--	--
5.	Mr. Surendra Kumar Kabra* DIN: 01280980	Non-Executive/Independent Director	1	1	N.A.	N.A.	N.A.	N.A.	N.A.
6.	Mr. Pradeep Kumar Goenka DIN: 00404746	Non-Executive/Independent Director	6	6	Yes	1	2	2	--
7.	Mr. Abhilash Lal DIN: 03203177	Non-Executive/Independent Director	6	6	No	5	7	2	• APL Apollo Tubes Limited (Non- Executive-Independent Director) • Apollo Pipes Limited (Non- Executive-Independent Director) • Ganesha Ecoverse Limited (Non- Executive-Independent Director) • Kisan Mouldings Limited (Non- Executive-Independent Director)
8.	Mrs. Shobha Chaturvedi DIN: 08553800	Non-Executive/Independent Director	6	6	Yes	1	--	--	--
9.	Mr. Narayanan Subramaniam# DIN:00166621	Non-Executive/Independent Director	3	3	No	4	3	1	• City Union Bank Limited (Non- Executive-Independent Director) • Jyothy Labs Limited (Non- Executive-Independent Director)

@ Membership count includes the count in which a Director is Chairman in a Committee.

* Ceased to be an Independent Director of the Company due to his demise on June 1, 2023.

#Appointed as Independent Director of the Company w.e.f. August 24, 2023.

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 (hereinafter referred to as 'Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

B. Relationship between Directors inter-se:

Mr. Sharad Sharma and Mr. Rajesh Sharma are sons of Mr. Shyam Sunder Sharmma and Mr. Vishnu Dutt Khandelwal is brother of Mr. Shyam Sunder Sharmma.

C. Shareholding of Non-Executive Directors:

As on March 31, 2024, the shareholding of Non-Executive Director in the Company is as follows:

Name of the Director	Shareholding as on March 31, 2024
Mr. Shyam Sunder Sharmma	19,38,927 Equity Shares (representing 7.65% of total equity share capital of the Company)

None of the other Non-Executive Directors hold any shares in the Company as on March 31, 2024.

D. Details of Board Meetings held during the year:

The Board met 6 (Six) times during the year and the gap between two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the Board Meetings. The details of the Board Meetings are as under:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	May 25, 2023	8	8
2.	August 3, 2023	7	7
3.	August 24, 2023	7	7
4.	November 4, 2023	8	8
5.	November 24, 2023	8	8
6.	February 14, 2024	8	8

For convenience of all the Board members, the option for participating in the meeting through video conferencing was provided for the above Board meetings.

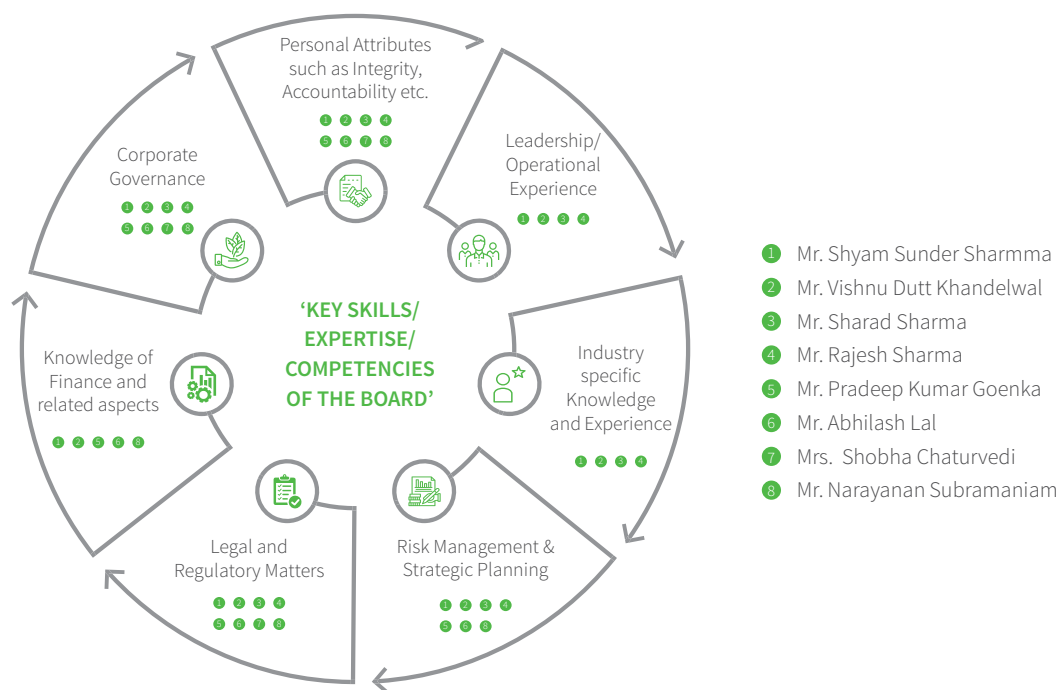
E. Information placed before the Board:

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II to Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant.

F. Key Skills/Expertise/Competencies of the Board:

The list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of Company's business operations for it to function effectively and those actually available with the Board are as follows:

- Leadership / Operational Experience;
- Industry Specific Knowledge and Experience;
- Risk Management & Strategic Planning;
- Legal and Regulatory Matters;
- Knowledge of Finance and related aspects;
- Corporate Governance; &
- Personal Attributes such as Integrity, Accountability etc.



G. Terms and conditions of appointment of Independent Directors:

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company i.e.

<https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/BoardOfDirector/Terms-and-Condition-of-appointment-of-Independent-Directors.pdf>

H. Familiarization Programme for Independent Directors:

The Independent Directors are provided with necessary documents and reports to enable them to familiarise with the Company's procedures and practices. They are also apprised about the business operations, strategies, risks involved and performance of the Company, from time to time. Quarterly updates on relevant statutory changes encompassing important laws are regularly informed to the Directors at the Board and Board Committee meetings.

The details of Familiarization Programme for Independent Directors are available on the Company's website at the following web link:

<https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/PoliciesAttachment/DetailsofFamiliarization-ProgrammesimpartedtoIndependentDirectors.pdf>

I. Separate Meeting of the Independent Directors:

During the year ended March 31, 2024, 1 (one) meeting of Independent Directors of the Company was held on March 30, 2024. At the meeting, the Independent Directors:

1. Evaluated the performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluated performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluated the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors attended the meeting through video conferencing.

J. Confirmation by the Board:

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and are independent of the Company's management.

K. Directors and Officers Insurance:

In compliance with the provisions of Regulation 25(10) of the Listing Regulations, the Company has undertaken the Directors and Officers Insurance (D and O Insurance) for all its Directors (including Independent Directors) and Key Managerial Personnel.

L. Code of Conduct:

In compliance with Regulation 17(5) of the Listing Regulations, the Company's Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of

the Company. All Board members and senior management personnel have affirmed compliance with this Code of Conduct in terms of Regulation 26(3) of the Listing Regulations. A declaration to this effect, signed by Mr. Sharad Sharma, Managing Director & Chief Executive Officer of the Company, forms part of this report. Code of Conduct of the Company is available on the website of the Company at <https://www.ganeshaecosphere.com/code-of-conduct>.

3. COMMITTEES OF THE BOARD:

As on March 31, 2024, the Company has 7 (seven) Board level Committees:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders Relationship Committee,
- D. Risk Management & Strategic Planning Committee,
- E. Corporate Social Responsibility Committee,
- F. Management Committee and
- G. Capital Raising Committee

The composition of the Committees of the Board of Directors is available on the website of the Company at <https://www.ganeshaecosphere.com/board-committee>.

A. AUDIT COMMITTEE

Composition:

The Company has a duly constituted Audit Committee and its composition is in conformity with requirements of the Act and Listing Regulations.

As on March 31, 2024, the Committee consisted of 4 (four) Directors namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Vishnu Dutt Khandelwal, Mr. Abhilash Lal and Mr. Narayanan Subramaniam. Mr. Surendra Kumar Kabra ceased to be a member of the Committee due to his demise on June 1, 2023 and Mr. Narayanan Subramaniam was inducted as the member of the Committee w. e. f. February 14, 2024.

All the members of the Audit Committee possess requisite qualifications and expertise. Mr. Pradeep Kumar Goenka is Chartered Accountant and has a rich professional experience in the field of finance and related consultancy services. Mr. Vishnu Dutt Khandelwal is Post Graduate in Commerce and has rich experience in the field of Accounting and Financial Management. Mr. Abhilash Lal is Post Graduate in Management from IIM, Bangalore and has rich experience in all aspects of financial services. Mr. Narayanan Subramaniam is a post graduate from IIMA, FCA, Grad CMA & FCS and possess extensive experience in accounting and finance related aspects.

Mr. Bharat Kumar Sajnani, Company Secretary of the Company also acts as Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee are in conformity with the requirements specified in Regulation 18(3) read with Part C of Schedule II to the Listing Regulations and also comply with the requirements of Section 177 of the Companies Act, 2013.

Brief description of terms of reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgement by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter- corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
14. Discussion with Internal Auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Reviewing the reports of the Company's Cost Auditors.
21. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
22. Reviewing the following information:
 - Management Discussion and Analysis of financial condition and results of operations;
 - Management letter(s) of internal control weaknesses, if any, issued by statutory auditors;
 - Internal Audit Reports relating to internal control weaknesses;
 - Appointment, removal and terms of remuneration of internal auditor and
 - Utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
 - statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR), 2015;
23. To carry out such other functions as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Meetings:

During the financial year ended March 31, 2024, 4 (four) Audit Committee Meetings were held on May 25, 2023, August 3, 2023, November 4, 2023 and February 14, 2024. Chief Financial Officer, Internal Auditors, Cost Auditors, Statutory Auditors and other Senior Management Personnel were invited to be present at the Audit Committee Meetings.

Attendance of members in the Audit Committee Meetings are as follows:

S. No.	Name of Director	Category	No. of Committee meetings during the year	
			Held	Attended
1.	Mr. Pradeep Kumar Goenka, Chairman	Non- Executive/ Independent Director	4	4
2.	Mr. Surendra Kumar Kabra*	Non- Executive/ Independent Director	1	1
3.	Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	4	4
4.	Mr. Abhilash Lal	Non- Executive/ Independent Director	4	4
5.	Mr. Narayanan Subramaniam#	Non- Executive/ Independent Director	-	-

* Ceased to be an Independent Director of the Company due to his demise on June 1, 2023.

#Inducted as the member of the Committee w.e.f. February 14, 2024.

Mr. Pradeep Kumar Goenka, Chairman of the Audit Committee was present at the last Annual General Meeting held on September 21, 2023.

B. NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Company has a duly constituted Nomination and Remuneration Committee and its composition is in conformity with requirements of the Act and Listing Regulations.

The Nomination and Remuneration Committee of the Board consists of 3 (three) Directors as on March 31, 2024, namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Shyam Sunder Sharmma and Mr. Abhilash Lal.

Consequent to the demise of Mr. Surendra Kumar Kabra on June 1, 2023, Mr. Pradeep Kumar Goenka, was elected as the regular Chairman of the Committee w.e.f. August 3, 2023.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in conformity with the requirements specified in Regulation 19(4) read with Part D of Schedule II to the Listing Regulations and also comply with the requirements of Section 178 of the Companies Act, 2013.

Brief description of terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
3. Devising policy on Board diversity.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Meetings:

During the financial year ended March 31, 2024, 6 (Six) Nomination and Remuneration Committee Meetings were held on May 25, 2023, August 3, 2023, August 24, 2023, November 4, 2023, February 14, 2024 and March 7, 2024.

Attendance of members in the Nomination and Remuneration Committee Meetings are as follows:

S. No.	Name of Director	Category	No. of Committee meetings during the year	
			Held	Attended
1.	Mr. Pradeep Kumar Goenka, Chairman#	Non- Executive/ Independent Director	6	6
2.	Mr. Shyam Sunder Sharmma	Promoter Non- Executive/ Non- Independent Director	6	2
3.	Mr. Abhilash Lal	Non- Executive/ Independent Director	6	6
4.	Mr. Surendra Kumar Kabra*	Non- Executive/ Independent Director	1	1

Elected as Chairman of the Committee w.e.f. August 3, 2023.

* Ceased to be an Independent Director of the Company due to his demise on June 1, 2023.

Remuneration Policy:

The Company has adopted Policy on Nomination, Remuneration and Board Diversity which is available on the website of the Company at the following link <https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/PoliciesAttachment/PolicyOnNomination,remunerationAndBoardDiversity.pdf>

Details of Remuneration of Directors for the financial year 2023-24:**i. Executive Directors:**

The Company pays remuneration to the Executive Directors by way of salary, perquisites and allowances (fixed component) and performance linked remuneration (variable component). The amount of performance linked remuneration payable to such Directors is determined by the Board.

No performance linked remuneration was payable to the Executive Directors of the Company for the Financial Year 2023-24.

The Details of Remuneration are as follows:

Name of Director	Designation	Salary & Allowances (₹)	Perquisites (₹)	Tenure
Mr. Vishnu Dutt Khandelwal	Executive Vice Chairman	36,00,000/-	32,400/-	5 years (with effect from June 19, 2023)
Mr. Sharad Sharma	Managing Director	36,00,000/-	39,600/-	5 years (with effect from February 1, 2024)
Mr. Rajesh Sharma	Joint Managing Director	36,00,000/-	39,600/-	5 years (with effect from June 19, 2023)

ii. Non-Executive Directors:

Non-Executive Directors (NEDs) of the Company play a crucial role to the independent functioning of the Board. They bring in external and wider perspective to the decision-making by the Board. They provide leadership and strategic guidance, while maintaining objective judgement.

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees and Commission. During financial year 2023-24, NEDs were paid sitting fees at the rate of ₹5,000/- per meeting for attending every Board Meeting, Audit Committee Meeting and Capital Raising Committee Meeting.

In the light of the services rendered by the NEDs to the Company, the Members, at the 33rd Annual General Meeting of the Company approved payment of remuneration to NEDs of the Company, by way of commission upto 1% of the net profit of the Company. The distribution of commission amongst the NEDs is determined by the Board on the basis of their attendance and contribution at the Board and Audit Committee Meetings, subject to the maximum limit of ₹7,00,000/- for each NED, except Chairman of the Company (as decided by the Board at its meeting held on August 4, 2022).

The Board at its meeting held on February 14, 2024 has also decided to pay ₹2,00,000/- as an additional commission to Mr. Abhilash Lal and Mr. Narayanan Subramaniam, the Non-Executive Directors being members of Capital Raising Committee (CRC), on the basis of their attendance and contribution at the CRC Meetings held during the year.

In view of valuable contribution and entrepreneurial leadership of Mr. Shyam Sunder Sharmma, Chairman of the Company, the Board at its meeting held on May 23, 2024 has decided a remuneration of ₹30,00,000/- as commission payable to him for Financial Year 2023-24.

The Details of Sitting Fees Paid and Commission payable to such directors for the year 2023-24 are as follows:

Name of Directors	Sitting Fees (₹)	Commission (₹)		Tenure
		Commission on the basis of attendance and contribution at the Board and Audit Committee Meetings	Commission on the basis of attendance and contribution at the Capital Raising Committee Meetings	
Mr. Surendra Kumar Kabra*	10,000/-	1,75,000/-	NA	NA
Mr. Pradeep Kumar Goenka	50,000/-	7,00,000/-	NA	5 years (from September 5, 2019)
Mr. Abhilash Lal	80,000/-	7,00,000/-	2,00,000/-	5 years (from September 5, 2019)

Name of Directors	Sitting Fees (₹)	Commission (₹)		Tenure
		Commission on the basis of attendance and contribution at the Board and Audit Committee Meetings	Commission on the basis of attendance and contribution at the Capital Raising Committee Meetings	
Mrs. Shobha Chaturvedi\$	30,000/-	7,00,000/-	NA	5 years (from September 5, 2019)
Mr. Narayanan Subramaniam#	45,000/-	3,50,000/-	2,00,000/-	5 years (from August 24, 2023)
Mr. Shyam Sunder Sharma	30,000/-	30,00,000/-	NA	N.A.

* Ceased to be an Independent Director of the Company due to his demise on June 1, 2023.

\$ Smt. Shobha Chaturvedi is not a member of the Audit Committee, her commission has been calculated on the basis of her attendance and contribution at the Board Meetings only.

#Appointed as an Independent Director of the Company w.e.f. August 24, 2023.

Apart from the sitting fees and commission as mentioned above, the non-executive directors had no other pecuniary relationship or transaction with the Company.

The Company has not granted stock options to any Director of the Company. Further, there is no provision for notice period and payment of severance fees for the Directors.

Performance evaluation criteria for Independent Directors:

The performance of Independent Directors was evaluated by the entire Board on the basis of the criteria laid down under the "Nomination, Remuneration and Board Diversity Policy" of the Company.

Particulars of senior management including the changes therein since the close of the previous financial year:

S. No.	Name of the Personnel*	Designation
1.	Shri B.P. Sultania	Joint President
2.	Shri Gopal Agarwal	Chief Financial Officer
3.	Shri Bharat Kumar Sajani	Company Secretary
4.	Shri R.K. Khandelwal	Sr. Vice-President
5.	Shri Sandeep Khandelwal	Sr. Vice-President
6.	Shri Prashant Khandelwal	Sr. Vice-President
7.	Shri N.K. Sharma	Vice-President (Commercial)
8.	Shri Rajesh Gupta	Vice-President (Marketing)
9.	Shri K.K. Jain	Vice-President (Administration & Legal)
10.	Shri Sanjiv Dua	Vice-President

* There is no change in the particulars of senior management since the close of the previous financial year

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition:

The Company has a duly constituted Stakeholders Relationship Committee and its composition is in conformity with requirements of the Listing Regulations.

The Stakeholders Relationship Committee of the Board comprises of 3 (three) Directors as on March 31, 2024, namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Vishnu Dutt Khandelwal and Mr. Sharad Sharma, as members of the Committee. Shri Shyam Sunder Sharma ceased to be a member of the Committee w.e.f. November 4, 2023.

Terms of Reference:

The terms of reference of Stakeholders Relationship Committee inter-alia include the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Issuance of certificates of securities upon split/ consolidation/ renewal/ re-materialisation thereof and issuance of duplicate certificates of securities.

The Committee also oversees the working of Registrar and Share Transfer Agent of the Company.

Meetings:

During the financial year ended March 31, 2024, 22 (Twenty-two) Stakeholders Relationship Committee Meetings were held on May 3, 2023, May 16, 2023, June 1, 2023, June 22, 2023, July 4, 2023, July 19, 2023, July 31, 2023, August 22, 2023, September 16, 2023, September 29, 2023, October 25, 2023, November 6, 2023, November 17, 2023, November 25, 2023, December 4, 2023, December 29, 2023, January 17, 2024, February 3, 2024, February 14, 2024, February 23, 2024, March 16, 2024 and March 30, 2024.

Attendance of members in the Stakeholders Relationship Committee Meetings are as follows:

S. No.	Name of Director	Category	No. of Committee meetings during the year	
			Held	Attended
1.	Mr. Pradeep Kumar Goenka, Chairman	Non-Executive/ Independent Director	22	22
2.	Mr. Shyam Sunder Sharmma*	Promoter Non- Executive Director	11	0
3.	Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	22	20
4.	Mr. Sharad Sharma	Promoter Executive Director	22	19

* Ceased to be a member of Stakeholders Relationship Committee w.e.f. November 4, 2023.

Mr. Pradeep Kumar Goenka, Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting held on September 21, 2023.

Investor Grievance Redressal:

As on March 31, 2024, no investor complaints were pending with Company or its Registrar and Share Transfer Agent (RTA).

The details relating to Number of complaints received and resolved to the satisfaction of investors during the financial year ended March 31, 2024, are as under:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	19	19	-

Compliance Officer:

Compliance Officer of the Company: Mr. Bharat Kumar Sajnani, Company Secretary.

D. RISK MANAGEMENT & STRATEGIC PLANNING COMMITTEE**Composition:**

The Company has a duly constituted Risk Management & Strategic Planning Committee (RMSPC) and its composition is in conformity with requirements of the Listing Regulations.

The RMSPC of the Board comprises of 6 (six) Directors as on March 31, 2024 namely, Mr. Shyam Sunder Sharmma (Chairman), Mr. Vishnu Dutt Khandelwal, Mr. Sharad Sharma, Mr. Abhilash Lal, Mr. Pradeep Kumar Goenka and Mr. Narayanan Subramaniam as members of the Committee. Mr. Narayanan Subramaniam was inducted as the Member of the Committee w. e. f. February 14, 2024.

Terms of Reference:

The terms of reference of Risk Management & Strategic Planning Committee inter-alia include the following:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities;
- (6) To assist the Board in fulfilling its oversight responsibilities relating to the medium and long-term strategic direction and development.
- (7) To assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks;
- (8) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- (9) To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- (10) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Meetings:

During the financial year ended March 31, 2024, 2 (two) meetings of the Risk Management & Strategic Planning Committee were held on August 3, 2023 & January 29, 2024.

Attendance of members in the Risk Management & Strategic Planning Committee Meetings are as follows:

S. No.	Name of Director	Category	No. of Committee meetings during the year	
			Held	Attended
1.	Mr. Shyam Sunder Sharmma, Chairman	Promoter Non-Executive/ Non-Independent Director	2	0
2.	Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	2	2
3.	Mr. Sharad Sharma	Promoter Executive Director	2	2
4.	Mr. Pradeep Kumar Goenka	Non-Executive/ Independent Director	2	2
5.	Mr. Abhilash Lal	Non-Executive/ Independent Director	2	1
6.	Mr. Narayanan Subramaniam*	Non-Executive/ Independent Director	-	-

* Inducted as the member of the Risk Management & Strategic Planning Committee w.e.f. February 14, 2024.

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**Composition:**

The Company has duly constituted Corporate Social Responsibility (CSR) Committee in line with provisions of the Section 135 of the Act. The Corporate Social Responsibility (CSR) Committee of the Board comprises of 4 (four) Directors as on March 31, 2024 namely, Mr. Abhilash Lal (Chairman), Mr. Vishnu Dutt Khandelwal, Mr. Sharad Sharma and Mr. Pradeep Kumar Goenka as members of the Committee.

Terms of Reference:

Terms of Reference of the Committee inter alia include the following:

- (1) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- (2) To formulate and recommend the CSR annual action plan and any modification(s)/ alteration(s) thereto during the financial year, for approval of the Board from time to time, in accordance with the Company's CSR policy and provisions of applicable laws;
- (3) To review and recommend the amount of expenditure to be incurred on the CSR activities;
- (4) To monitor the CSR policy of the Company from time to time;
- (5) To institute a transparent monitoring mechanism for implementation of the CSR projects/programs/ activities undertaken by the Company;
- (6) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Meetings:

During the financial year ended March 31, 2024, 1 (One) Corporate Social Responsibility Committee Meeting was held on May 25, 2023.

F. MANAGEMENT COMMITTEE**Composition:**

The Management Committee of the Board comprises of 4 (four) directors as on March 31, 2024 namely, Mr. Shyam Sunder Sharmma (Chairman), Mr. Vishnu Dutt Khandelwal, Mr. Sharad Sharma and Mr. Pradeep Kumar Goenka as members of the Committee.

Terms of Reference:

Terms of Reference of the Committee inter alia include the following:

- (1) To review banking arrangements and cash management,
- (2) To exercise all powers to borrow money (otherwise than by issue of debentures), and take necessary actions connected therewith, including refinancing for optimization of borrowing costs,
- (3) To approve opening/ closing and operation of Bank Accounts,
- (4) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable,
- (5) To delegate authorities & operational powers from time to time to the executives/ authorised persons.
- (6) To review regularly and make recommendations about changes to the charter of the Committee.

Meetings:

During the financial year ended March 31, 2024, 3 (three) Management Committee Meetings were held on June 12, 2023, July 11, 2023, and December 30, 2023.

G. CAPITAL RAISING COMMITTEE**Composition:**

The Capital Raising Committee of the Board comprises of 4 (four) Directors as on March 31, 2024 namely, Mr. Vishnu Dutt Khandelwal (Chairman), Mr. Sharad Sharma, Mr. Abhilash Lal and Mr. Narayanan Subramaniam as members of the Committee. Mr. Narayanan Subramaniam was inducted as the Member of the Committee w.e.f. November 24, 2023.

Terms of Reference:

Terms of Reference of the Committee inter alia include the following:

1. To analyze various options for infusion of capital;
2. To decide on the actual size, mode(s), no. of tranches, timing, pricing including discount/ premium, if any, reservation to employees, customers, existing shareholders and / or any other persons as decided by the Board and as provided under SEBI Regulations subject to applicable Rules and Regulations and GOI and RBI approval;
3. To decide all other terms and conditions of the Issue and to accept any amendment(s), modification(s), variation(s) or alteration(s) thereto;
4. To appoint and enter into arrangement with the Book Running Lead Managers ("BRLMs"), escrow agent, legal counsel and any other agencies or persons or intermediaries to the Issue and to negotiate and finalize

- the terms of their appointment, including but not limited to execution of the placement agreement with the BRLMs;
5. To open and operate bank account(s) of the Company in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
 6. To authorize any concerned persons on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue;
 7. To seek, if required, the consent of the third parties such as the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in connection with the issue, if any;
 8. To determine and finalize the Issue opening and Issue closing date, the Issue Price, in consultation with the BRLMs, and to do all such acts and thing as may be necessary and expedient for, and incidental and ancillary to, the Issue;
 9. To allot the equity shares/other securities pursuant to the Issue and to do all such acts and things as may be necessary to give effect such allotment;
 10. To make applications to the Stock Exchange(s) for listing of the equity shares/ other securities of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchange(s) and to take all such other actions as may be necessary in connection with obtaining such listing;
 11. To do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in its absolute discretion, deem necessary or desirable for the Issue, in consultation with the BRLMs;
 12. To settle all questions, difficulties, or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit;
 13. To take such action, give such directions, as may be necessary or desirable as regards to the Issue and to do all such acts, matters, deeds and things, including but not limited to the allotment of shares against the valid applications received in the Issue, as are in the best interest of the Company;
 14. To execute and deliver any and all other documents or instruments and doing or causing to be done any and all act or things as the Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Issue and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Committee shall be conclusive evidence of the authority of the Committee in so doing.
 15. To delegate any of the powers mentioned hereinabove at point no. 1 to 13, to any of the Director(s) of the Company.

Meetings:

During the financial year ended March 31, 2024, 6 (Six) Capital Raising Committee Meetings were held on January 11, 2024, January 15, 2024, January 18, 2024, January 30, 2024 and two meetings on February 2, 2024.

4. GENERAL BODY MEETINGS

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

Year	Date of Meeting	Time	Place	Particulars of Special Resolutions passed at the Meeting
2023	September 21, 2023	12:00 Noon	Venue: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.)-209304.	1) Consent for appointment of Shri Narayanan Subramaniam (DIN: 00166621), as an Independent Director of the Company. 2) Consent for re-appointment of Shri Sharad Sharma (DIN: 00383178) as Managing Director of the Company.
2022	September 30, 2022	9:30 A.M.	Venue: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.)-209304.	1) Consent for payment of Remuneration to the Directors of the Company (other than Managing or Whole Time Director). 2) Consent for re-appointment of Shri Vishnu Dutt Khandelwal (DIN: 00383507) as Whole Time Director, designated as Executive Vice-Chairman of the Company. 3) Consent for re-appointment of Shri Rajesh Sharma (DIN: 02228607) as Joint Managing Director of the Company. 4) Consent for alteration of the Objects Clause in the Memorandum of Association of the Company.

Year	Date of Meeting	Time	Place	Particulars of Special Resolutions passed at the Meeting
2021	September 4, 2021	12:15 P.M.	Held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) Deemed Venue: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.)-209304.	No Special Resolution was passed in the 32 nd Annual General Meeting held on September 4, 2021.

Postal Ballot:

During the year under review, the Company completed process of one postal ballot as per the provisions of Sections 108 and 110 of the Companies Act, 2013, read with the rules made thereunder.

The Board of Directors had appointed Mr. S.K. Gupta, Practicing Company Secretary (Fellow Membership No. 2589 and Certificate of Practice No. 1920) as Scrutinizer and Ms. Divya Saxena, Practicing Company Secretary (Fellow Membership No. 5639 and Certificate of Practice No. 5352) as an Alternate Scrutinizer, for scrutinizing the Postal Ballot through remote e-voting process in a fair and transparent manner.

In terms of the requirements specified in the General Circulars No. 14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/ 2020 dated September 28, 2020 and No. 39/ 2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 08, 2021, No. 3/2022 dated May 05, 2022 , No. 11/2022 dated December 28, 2022 and No. 09/2023 September 25, 2023 issued by the Ministry of Corporate Affairs, Government of India, the Postal Ballot Notice accompanied with detailed instructions kit to enable the Members to understand the procedure and manner for e-voting was sent in electronic mode only.

Members were allowed to vote only through remote e-voting and for this the Company had engaged the services of National Securities Depository Limited (NSDL) to enable the Members to cast their votes electronically.

The voting results along with the Scrutinizer's Report were displayed at the Registered Office and Corporate Office of the company and was simultaneously communicated to the Stock Exchanges besides being hosted on the website of the Company viz. **www.ganeshaecosphere.com** and NSDL viz. **www.evoting.nsdl.com**.

The following Resolutions were duly passed with requisite majority on Saturday, January 13, 2024 and announced on Monday, January 15, 2024. The details of results of Postal Ballot are as under:

S. No.	Particulars of Special Resolutions	No. and % of Total Votes polled to Paid Up Share Capital	No. and % of votes in favour	No. and % of votes against
1.	Approval for issuance of 14,49,000 Fully Convertible Equity Warrants on Preferential Basis to the persons belonging to the Promoter and Promoter Group.	1,52,48,915 (69.85%)	1,33,79,164 (87.74%)	18,69,751 (12.26%)
2.	Approval for Fund Raising Activities and Issuance of Equity Shares through Qualified Institutions Placement.	1,52,48,894 (69.85%)	1,52,48,873 (99.99%)	21 (0.00%)

None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through postal ballot.

5. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results of the Company are submitted to the Stock Exchanges and published in 'Business Standard' (in English and Hindi) newspaper in terms of the requirements of Regulation 33(3) & 47(1)(b) of the Listing Regulations. These results are available on the official website of the BSE Limited and National Stock Exchange of India Limited i.e. **www.bseindia.com** & **www.nseindia.com**, respectively.

The Financial Results and Annual Report of the Company, official news releases and presentations made to Institutional Investors and Analysts that are submitted to the stock exchanges, from time to time, are also posted on the Company's official website i.e. **www.ganeshaecosphere.com**.

The 'Management Discussion and Analysis Report' is given separately forming part of the Annual Report.

6. GENERAL SHAREHOLDERS' INFORMATION

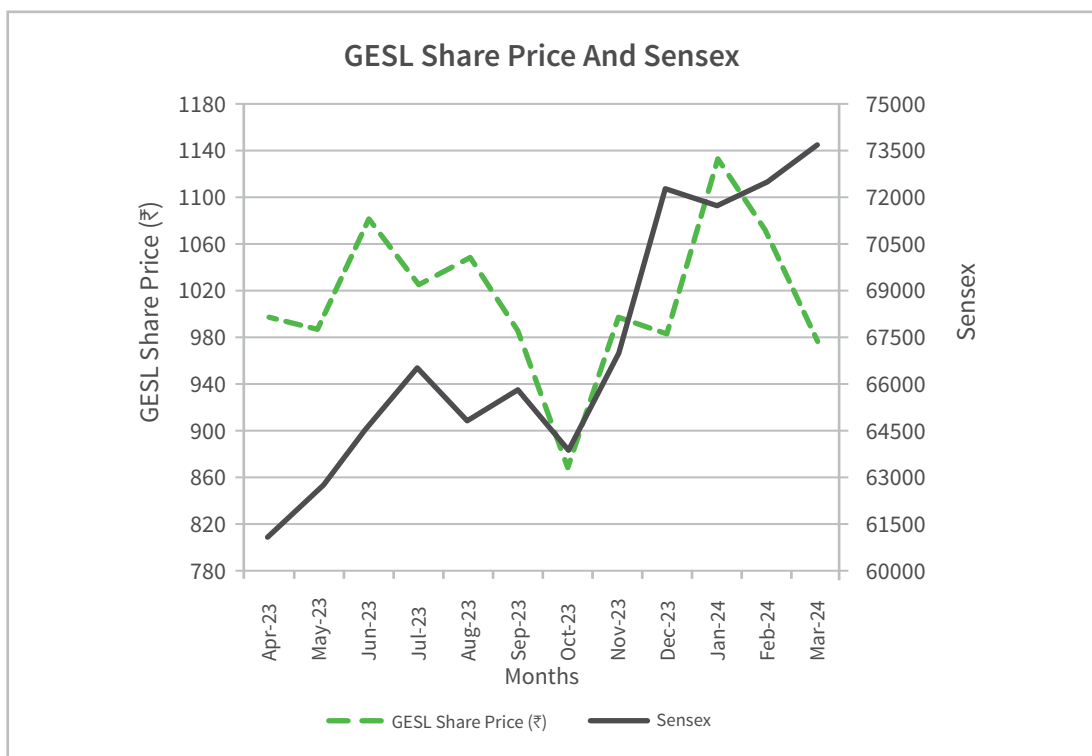
A.	Corporate Identification Number (CIN):	L51109UP1987PLC009090	
B.	Annual General Meeting:	Date: September 10, 2024 Time: 10:00 A.M. Venue: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat	
C.	Calendar for financial year ended March 31, 2025:	Particulars of Quarter First Quarter Results Second Quarter Results Third Quarter Results Fourth Quarter & Annual Results	On or before* August 14, 2024 November 14, 2024 February 14, 2025 May 30, 2025
		*or such other date as may be extended by SEBI.	
D.	Date of Book Closure:	From Wednesday September 4, 2024 to Tuesday, September 10, 2024 (both days inclusive).	
E.	Dividend Payment Date:	On and after September 16, 2024	
F.	Listing on Stock Exchanges:	The Company's Equity Shares are listed at following Stock Exchanges: - BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400 001 - National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E), Mumbai-400051 The Annual Listing Fee to these stock exchanges has been paid up-to-date.	
G.	Stock Codes – Equity Shares:	- BSE Limited, Mumbai: 514167 - National Stock Exchange of India Limited: GANECOS	

H. Stock Market Price Data for the year 2023-24:

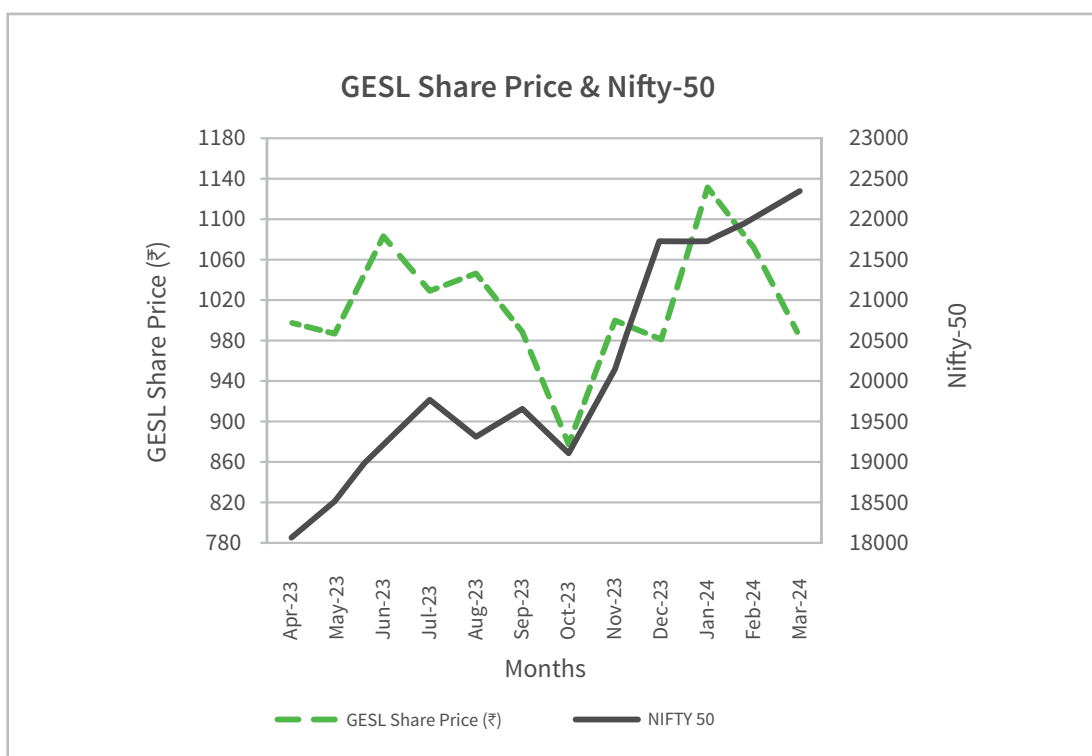
Month	BSE PRICES				NSE PRICES			
	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded
April, 2023	1020.00	840.00	997.05	70,993	1,020.20	838.40	996.80	10,06,445
May, 2023	1158.95	939.75	986.20	1,76,289	1116.00	941.00	985.60	10,63,987
June, 2023	1137.35	959.05	1080.80	4,51,767	1,147.95	952.20	1,080.70	12,26,844
July, 2023	1093.90	1002.00	1026.15	66,708	1,099.90	1,001.00	1,027.70	7,27,655
August, 2023	1128.85	951.95	1048.35	10,24,832	1,128.70	961.00	1,044.35	17,90,273
September, 2023	1139.00	940.00	983.95	1,23,923	1129.90	940.50	985.70	14,84,181
October, 2023	1000.45	866.95	869.30	57,722	999.05	867.00	872.65	8,03,321
November, 2023	1024.00	813.00	998.45	87,274	1,024.90	811.15	999.40	14,22,133
December, 2023	1040.60	941.95	981.25	76,206	1045.00	941.65	980.45	9,47,490
January, 2024	1139.30	946.00	1131.80	1,38,336	1,139.95	946.20	1,130.50	22,09,029
February, 2024	1149.55	1009.85	1069.30	1,48,018	1,149.30	1,008.85	1,071.10	14,97,771
March, 2024	1099.95	900.80	978.70	1,17,103	1,087.40	900.00	985.00	10,42,110

The information is downloaded from official website of the BSE Limited & National Stock Exchange of India Limited.

Performance of the Share Price of the Company in comparison to the BSE Sensex:



Performance of the Share Price of the Company in comparison to the NSE Nifty 50:



I. Registrar and Share Transfer Agent (RTA):

Skyline Financial Services Pvt. Ltd.
D-153/A, First Floor,
Okhla Industrial Area, Phase-I,
New Delhi-110020
Tel: 011- 40450193-97, 011- 26812682,
E-mail: admin@skylinerta.com
Website: www.skylinerta.com

J. Share Transfer System:

The Board of Directors of the Company have delegated the power of approval of transmission, transposition, dematerialization and other related matters to M/s. Skyline Financial Services Private Limited, the Registrar and Share Transfer Agent of the Company, subject to review by Stakeholders Relationship Committee of the Board on quarterly basis.

The shareholders may note that SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, Members are advised to dematerialize the physical shares held by them.

K. Distribution of Share Holding as on March 31, 2024:

No. of Shares	Shareholders		Shareholding	
	Number	% of total	Number	% of total
1- 500	41,103	96.20	23,28,303	9.19
501 - 1000	814	1.91	6,07,155	2.40
1001 - 2000	375	0.88	5,47,462	2.16
2001 - 3000	140	0.33	3,46,089	1.37
3001 - 4000	68	0.16	2,36,458	0.93
4001 - 5000	39	0.09	1,78,531	0.70
5001 - 10000	77	0.18	5,55,124	2.19
10001 and Above	112	0.26	2,05,47,862	81.07
Total	42,728	100.00	2,53,46,984	100.00

Shareholding Pattern as on March 31, 2024:

S. No.	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A+B+C)
(A) Shareholding of Promoter and Promoter Group				
(1)	Indian	21	92,37,013	36.44
(2)	Foreign	-	-	-
	Total Shareholding of Promoter and Promoter Group	21	92,37,013	36.44
(B) Public Shareholding				
(1)	Institutions	44	79,16,437	31.23
(2)	Non-Institutions	42,662	81,54,340	32.18
	Total Public Shareholding	42,706	1,60,70,777	63.41
(C) Non-Promoter- Non Public Shareholding				
(1)	Shares underlying DRs	-	-	-
(2)	Shares held by Employee Trusts	1	39,194	0.15
	Total Non-Promoter- Non Public Shareholding	1	39,194	0.15
	Total (A+B+C)	42,728	2,53,46,984	100.00

L. Dematerialisation of shares and liquidity:**ISIN Code- Equity Shares: INE 845 D01014**

As on March 31, 2024, 98.72% of the total Equity Shares of the Company have been dematerialised. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. January 1, 2002 as per the notification issued by Securities and Exchange Board of India (SEBI).

Further, SEBI has also made it mandatory for listed companies to issue shares/ securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/ consolidation of securities, transmission/ transposition of securities etc. Accordingly, shareholders are advised to open their demat account with any Depository Participant (DP) having registration with SEBI or seek guidance on demat procedure from Company's RTA to avoid any inconvenience at later stage.

M. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

On January 18, 2024, the Company has issued and allotted 14,49,000 Convertible Warrants to an entity belonging to Promoter Group on preferential basis, convertible into equal number of Equity Shares of ₹10/- each at a price of ₹1,035 per share, within a period of 18 months from the date of their allotment.

As on March 31, 2024, entire 14,49,000 Convertible Warrants were outstanding for conversion.

N. Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. In the absence of alternate use of raw material, its price fluctuations are directly linked to the price fluctuations of finished products. Accordingly, Company passes on any adverse movement in prices of finished goods to raw material suppliers. The Company's reputation for quality, product differentiation and service coupled with robust marketing network mitigates the impact of price risk on finished goods.

The Company is also exposed to foreign exchange risk due to borrowings in foreign currency, import of raw materials, colour/ chemicals, stores and spares etc. and export of its finished products to various countries. The Company evaluates exchange rate exposure arising from these transactions and takes required hedging from time to time, which minimizes the impact of fluctuations in exchange rate movement.

O. Plant Location:

1. Kanpur Unit :	Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat, Uttar Pradesh- 209304.
2. Rudrapur Unit :	Plot No. 6, Sector-2, Integrated Industrial Estate, Pantnagar, Uttarakhand- 263153.
3. Bilaspur Units :	a) Khata No. 96 and 97, Arazi Village Kotha, Ali Nagar, Pargana and Tehsil Bilaspur, Distt. Rampur, Uttar Pradesh-244923. b) Gata No. 112, Village Temra, Tehsil Bilaspur, Distt. Rampur Uttar Pradesh- 244923.

P. Address for Correspondence:

With the Registrar and Share Transfer Agent:	With the Company:
Skyline Financial Services Pvt. Ltd. D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel: 011- 40450193-97, 011- 26812682 E-mail: admin@skylinerta.com	The Company Secretary, Ganesha Ecosphere Limited 113/216-B, First Floor, Swaroop Nagar, Kanpur- 208002. Tel: 0512-2555505-06 E-mail: secretarial@ganeshaecosphere.com bharat@ganeshaecosphere.com

Q. E-mail for Investors:

The Company has designated complaints@ganeshaecosphere.com as email address especially for investor grievance(s).

R. Nomination Facility:

As per the provisions of Section 72 of the Act and circular(s) issued by SEBI, the facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form and who have not yet registered their nomination are required to register the same by submitting Form No. SH-13 with Company or its RTA. If a member desires to opt out or cancel the earlier nomination & record the fresh nomination, he/ she may submit the same in Form ISR-3/ SH-14 as the case may be. The said formats can be downloaded from Company's website at <http://www.ganeshaecosphere.com/formats-for-shareholders-correspondence>

The Members holding shares in demat mode are requested to submit their nomination mandate with their Depository participant.

S. Dates for Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):

During the financial year 2023-24, pursuant to Section 124 of the Companies Act, 2013, dividend for the financial year 2015-16 amounting to ₹10.10 Lakh which remained unpaid / unclaimed for a period of seven years from the date it was lying in the unpaid dividend account, has been transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Central Government.

The dividend for following years, which remains unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not claimed their dividend are requested to immediately lodge their claim with the Company or its Registrar and Share Transfer Agent, M/s. Skyline Financial Services Private Limited. The details of dividends specified below are available on the website of the Company at link www.ganeshaecosphere.com/unclaimed-dividends/.

Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, shareholders may claim their unclaimed amount as per the procedures/ guidelines issued by the Ministry of Corporate Affairs (MCA). For details, investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

The due dates for transfer of unclaimed dividend(s) to IEPF for subsequent years are given below:

Financial Year	Dividend Per Share (₹)	Date of Declaration	Due Date for transfer to IEPF
2016-17	1.20	September 25, 2017	October 27, 2024
2017-18	1.50	September 15, 2018	October 16, 2025
2018-19	2.00	September 5, 2019	October 7, 2026
2019-20	2.00	September 22, 2020	October 26, 2027
2020-21	2.00	September 4, 2021	October 6, 2028
2021-22	2.00	September 30, 2022	November 1, 2029
2022-23	2.00	September 21, 2023	October 23, 2030

Mandatory Transfer of Shares to Demat Account of Investor Education and Protection Fund Authority (IEPFA):

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) all shares in respect of which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

During the financial year, 35,670 Equity Shares of the Company were transferred to the IEPFA. Relevant details of such shares are available on the website of the Company <https://www.ganeshaecosphere.com/unclaimed-dividends>

7. DISCLOSURES

A. Related Party Transactions:

During the financial year, all transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations, were placed before the Audit Committee and also before the Board for approval, wherever required. All related party transactions undertaken during the year were at arms' length basis. Omnibus approval from the Audit Committee was obtained on annual basis for transactions which are of repetitive nature. None of the transactions with any of the related parties were in conflict with the interests of the Company. During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the Company's Related Party Transactions Policy. However, the Company has obtained approval of the Members in its 34th Annual General Meeting for entering into material related party contracts/ arrangements/ transactions, relating to sale or purchase of goods and rendering and/ or availing of the services, at arm's length and in ordinary course of business, during the financial year 2024-25, with GESL

Spinners Private Limited, a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations.

The Company's Policy on Related Party Transactions is disclosed on the website of the Company at the link <https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/PoliciesAttachment/related-party-transaction.pdf>

B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authorities on matters relating to Capital Markets during the last three years:

None

C. Vigil Mechanism /Whistle Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, actual or suspected fraud, violation of Code of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc. The vigil mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

The Policy has been posted on the website of the Company and may be accessed at the link <https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/PoliciesAttachment/whistle-blower-policy.pdf>

D. Adoption of Mandatory and Non-Mandatory Requirements:

The Company has complied with all mandatory requirements of Listing Regulations. However, the Company has not adopted the non-mandatory requirements.

E. Policy for determining 'material' subsidiaries:

The Board of Directors of the Company has approved a Policy for determining Material Subsidiaries which is in line with the Listing Regulations. As on March 31, 2024, the Company had no material subsidiary as per the thresholds laid down under the Listing Regulations.

The Company's Policy for determining Material Subsidiaries is disclosed on the website of the Company at the link <https://ganeshaecosphere.com/admin/UploadedFiles/ContentImages/PoliciesAttachment/Policy-for-determining-Material-Subsidiaries.pdf>

F. Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A).

During the year, the Company has raised an amount of ₹37.50 crore (being the upfront amount received on allotment of warrants) through issue and allotment of 14,49,000 Fully Convertible Equity Warrants by way of Preferential Issue to an entity belonging to Promoter Group and the proceeds of the issue have been entirely utilized for the purpose for which the funds were raised.

The Company has also raised an amount of ₹350.00 crore through issue and allotment of 35,17,587 Equity Shares to eligible qualified institutional buyers by way of Qualified Institutions Placement (QIP). The funds so raised are being utilized in accordance with the objects stated in the offer document.

There is no deviation(s) or variation(s) in the utilization of net proceeds of the Preferential Issue & QIP.

G. Certificate from a Company Secretary in Practice:

A Certificate from M/s. S. K. Gupta & Co., Practicing Company Secretaries, Kanpur, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or such other statutory authority, is annexed herewith as a part of this report.

H. Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the financial year:

During the financial year, there have been no instances when the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.

I. Total fees for all services paid by the Company to the statutory auditor:

Details relating to fees paid to the Statutory Auditors are given in Note 23 to the Standalone Financial Statements of the Company.

J. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of Complaints filed during the financial year	NIL
b) Number of Complaints disposed of during the financial year	NIL
c) Number of Complaints pending at the end of the financial year	NIL

K. Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

During the year under review, the Company and its subsidiaries have not given any Loans and advances in the nature of loans to any firms/companies in which directors are interested.

L. Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations:

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

M. Disclosure of certain types of agreements binding listed entities - Information disclosed under clause 5A of Para A of Part A of Schedule III of SEBI (LODR), 2015:

There is no such agreement.

8. CEO AND CFO CERTIFICATION:

The Chief Executive Officer and the Chief Financial Officer of the Company provide annual certification on financial reporting and internal controls to the Board in terms of Regulation

17(8) of the Listing Regulations. They also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

DECLARATION

Pursuant to Regulation 26(3) of Listing Regulations, I, Sharad Sharma, Managing Director & Chief Executive Officer of Ganesha Ecosphere Limited, declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct for the financial year 2023-24.

(Sharad Sharma)

Place : Kanpur

Managing Director & Chief Executive Officer

Date : August 10, 2024

DIN: 00383178

CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C, Clause (10) (i) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Ganesha Ecosphere Limited,
Raipur (Rania), Kalpi Road,
Distt. Kanpur Dehat (U.P.)

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

as submitted by the Directors of **Ganesha Ecosphere Limited** ('the Company') bearing **CIN: L51109UP1987PLC009090** and having its Registered Office at Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.) to the Board of Directors of the Company ('the Board') for the Financial years 2023-24 and 2024-25 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Director Identification Number (DIN) status at the MCA Portal (www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial year ended 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

S. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment*	Date of Cessation
1.	Shri Shyam Sunder Sharmma	00530921	19.06.1989	N.A.
2.	Shri Sharad Sharma	00383178	30.10.1987	N.A.
3.	Shri Vishnu Dutt Khandelwal	00383507	30.10.1987	N.A.
4.	Shri Surendra Kumar Kabra	01280980	19.07.1994	01.06.2023**
5.	Shri Pradeep Kumar Goenka	00404746	29.07.2006	N.A.
6.	Shri Rajesh Sharma	02228607	19.06.2008	N.A.
7.	Shri Abhilash Lal	03203177	29.09.2014	N.A.
8.	Smt. Shobha Chaturvedi	08553800	05.09.2019	N.A.
9.	Shri Narayanan Subramaniam	00166621	24.08.2023 ***	N.A.

* The date of appointment is as per the Authorised Signatories details displayed on MCA Portal.

** Ceased to be Non-Executive Independent Director of the Company consequent upon sad demise on 1st June, 2023.

***Appointed as Non-Executive Independent Director of the Company with effect from 24th August, 2023 to fill the casual vacancy caused by the sad demise of Late Surendra Kumar Kabra on 1st June, 2023.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial year ended 31st March, 2024.

For S.K. Gupta & Co.

Company Secretaries

ICSI Unique Code: P1992UP012800

Peer Review Certificate No. 1088 / 2021

(S.K.GUPTA)

Managing Partner

F.C.S 2589, C.P 1920

UDIN: F002589F000940702

Place: Kanpur
Date: 09.08.2024

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Ganesha Ecosphere Limited,
Raipur (Rania), Kalpi Road,
Distt. Kanpur Dehat (U.P.)

We have examined the compliance of the conditions of the Corporate Governance by **Ganesha Ecosphere Limited** ("the Company") for the Financial Year ended 31st March, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "SEBI Listing Regulations"].

The compliance of the conditions of the Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of the opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxation granted by the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI') from time to time, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned "SEBI Listing Regulations" as applicable during the Financial year ended 31st March, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.K. Gupta & Co.

Company Secretaries

ICSI Unique Code: P1992UP012800

Peer Review Certificate No. 1088 / 2021

(S.K.GUPTA)

Managing Partner

F.C.S 2589, C.P 1920

UDIN: F002589F000940735

Place: Kanpur
Date: 09.08.2024

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

[Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE ENTITY

Serial no.	Particulars	Response
1.	Corporate identity Number (CIN) of the Entity	L51109UP1987PLC009090
2.	Name of the Listed Entity	Ganesha Ecosphere Limited
3.	Year of incorporation	1987
4.	Registered office address	Village Raipur Rania, Kalpi Road, Kanpur Dehat, Uttar Pradesh- 209304
5.	Corporate address	113/216 B, First Floor, Swaroop Nagar, Kanpur, Uttar Pradesh- 208002
6.	E-mail	secretarial@ganeshaecosphere.com
7.	Telephone	0512- 2555505-06
8.	Website	www.ganeshaecosphere.com
9.	Financial year for which reporting is being done	2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited; and National Stock Exchange of India Limited.
11.	Paid-up Capital	INR 25,34,69,840 (Divided into 2,53,46,984 equity shares of ₹10 each)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sharad Sharma Designation: Managing Director Email: secretarial@ganeshaecosphere.com Telephone: 0512-2555505-06
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosure under this report is on standalone basis, unless otherwise specified.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of Recycled Polyester Staple Fibre, Spun Yarn and Dyed Texturized Yarn	95.61

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Polyester Staple Fibre	20302	81.86
2.	Spun Yarn	13114	11.20
3.	Dyed Texturized Yarn	20303	2.49

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	4	3	7
International	0	0	0

19. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	23
International (No. of Countries)	19

b) Contribution of exports:

What is the contribution of exports as a percentage of the total turnover of the entity?	9.37
--	------

c) Type of Customers

A brief on types of customers	The Company's customer base includes a diverse set of industries including OEMs to automobile industry, spinning mills, geo-textiles, medical and packaging, textiles and non-woven applications. Main customers are B2B clients. Our products find application in the manufacture of textiles (T-Shirts, body warmers etc.), functional textiles (non-woven air filter fabric, geo textiles, carpets, car upholstery) and fillings (for pillows, duvets, toys) etc.
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IV. EMPLOYEES

20. Details at the end of the year of Financial year:

a) Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	520	513	98.65%	7	1.35%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	520	513	98.65%	7	1.35%
Workers						
1.	Permanent (F)	1857	1445	77.81%	412	22.19%
2.	Other than Permanent (G)	164	164	100%	0	0
3.	Total workers (F + G)	2021	1609	79.61%	412	20.39%

b) Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	Nil	Nil	-	Nil	-
2.	Other than Permanent (E)	Nil	Nil	-	Nil	-
3.	Total employees (D + E)	Nil	Nil	-	Nil	-
Differently Abled Workers						
1.	Permanent (F)	Nil	Nil	-	Nil	-
2.	Other than Permanent (G)	Nil	Nil	-	Nil	-
3.	Total workers (F + G)	Nil	Nil	-	Nil	-

21. Participation/Inclusion/Representation of women:

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50
Key Management Personnel	2*	0	-

*excluding the members of the Board.

22. Turnover rate for permanent employees and workers:

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.72	14.29	13.73	11.88	0	11.88	15.82	42.86	16.20
Permanent Workers	19.60	35.86	22.19	41.83	40.85	41.62	60	81.95	63.99

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**23. Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Ganesha Ecopet Private Limited	Subsidiary	100 %	No
2.	Ganesha Ecotech Private Limited	Subsidiary	100 %	No
3.	Ganesha Overseas Private Limited	Subsidiary	100 %	No

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS

24. S. No.	Requirement	Response
I	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
II	Turnover (₹ in Lakh)	97,534.03
III	Net worth (₹ in Lakh)	1,08,915.22

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	19	Nil	Resolved during the year	10	Nil	Resolved during the year

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes	Nil	Nil	-	10	Nil	Resolved during the year
Customers	Yes	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-
Other (please specify)	-	-	-	-	-	-	-

The policy can be accessed at <https://ganeshaecosphere.com/corporate-governance-policies>

26. Overview of the entity's material responsible business conduct issues:

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Consumption	Risk and Opportunity	Risk: The operational activities of the company necessitate a substantial quantity of energy in our manufacturing process. Opportunity: Ganesha has the potential to transition to the utilization of energy-efficient technologies like solar panels, resulting in reduced operational expenses and a diminished carbon footprint.	The Company is committed to efficiently utilize its resources and ensure minimum consumption in all its processes. With energy saving initiatives, process optimisation and overall operations efficiency, the Company shall be able to optimise its energy consumption and reduce carbon emissions.	Negative: Increase in operational costs. Positive: Significant cost savings over the long term.
2.	Waste Management	Opportunity	Ganesha's core emphasis is on processing of Polyethylene Terephthalate (PET) waste. Go Rewise, launched by the Company, envisions to close the plastic recycling loop, fulfilling the demand for quality recycled packaging products.	-	Positive

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Materials Sourcing & Efficiency	Risk	From a risk perspective, Ganesha may encounter difficulties in procuring an adequate supply of PET waste for recycling purposes.	Ganesha maintains an extensive PET waste collection network, ensuring cost-effective material acquisition.	Negative: Ineffective material sourcing methods might lead to increased expenses and reduced profit margins, ultimately affecting the financial health.
4.	Business Model Resilience	Opportunity	Business Model Resilience represents a notable opportunity for Ganesha, enabling it to adapt and thrive amidst evolving market conditions and challenges, such as regulatory changes and shifts in consumer preferences.	-	Positive: Ganesha can expand its market share, bolster sales revenue, and attract a broader customer base.
5.	Growing Demand for Sustainable Products	Opportunity	Ganesha recognizes the changing consumer trend towards sustainability and the increasing desire for eco-friendly products. To leverage this opportunity, Ganesha has positioned itself as a premier PET recycling and processing leader. This allows Ganesha to supply high-quality, sustainable materials to the textile and packaging sectors, addressing the rising demand for environmentally conscious alternatives.	-	Positive: This strategy can lead to positive financial outcomes through increased sales, premium pricing, market leadership, enhanced brand reputation.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES



This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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Policy and management processes										
	a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Anti-corruption or anti-bribery policy, Ethical Policy	Supplier Code of conduct and Policy on Producer Responsibility	Social policy, Complaint Policy	Stakeholder Management Policy	Human Rights Policy and Social Policy	Environmental Policy	Policy on Responsible Advocacy	Corporate Social Responsibility Policy	Cyber Security and Data Privacy Policy
	b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		All policies have been approved by the Risk Management & Strategic Planning Committee of the Board.								
	c) Web Link of the Policies, if available	https://ganeshaecosphere.com/corporate-governance-policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4.	Name of the national and international codes /certifications/ labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 9001:2015 (Quality Management System), • ISO 14001:2015 (Environmental Management System), • ISO 45001:2018 (OH&S), • OEKO-TEX Standard 100 • Global recycled standard • Bureau of Indian Standards (BIS) • Ocean Bound Plastic (OBP) • Sedex 4 Pillar								

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Objectives and targets for Environmental Management System (EMS), Occupational Health and Safety (OHS) and Quality Management System (QMS) are being driven at individual factory locations, while there are no formal specific commitments, goals and targets at Company level.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Target achievement is tracked for EMS, OHS and QMS are being driven at individual factory locations, while at the Company level there is no formal mechanism to monitor the performance of specific commitments, goals and targets, if any.								

Governance, leadership and oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	“As the Director responsible for Business Responsibility, I am delighted to share our organization’s strides in tackling significant Environmental, Social, and Governance (ESG) challenges. Being a plastic waste recycler, we recognize our accountability towards the environment, society and the communities we serve. Our unwavering commitment to sustainability is a cornerstone of our business strategy, and we are proud to state that we are making remarkable strides in achieving our goals. We have accomplished significant milestones, such as reducing our carbon footprint and investing in local communities, through diverse initiatives. We remain committed to enhancing our ESG performance continually and are setting new benchmarks for the future. Our ultimate objective is to be a pioneer in sustainability, not only within our industry but also across all sectors. - Sharad Sharma, (Managing Director) DIN:00383178								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Risk Management & Strategic Planning Committee is responsible for implementation and oversight of the Business Responsibility policy(ies) with overall supervision of the Board.								

S. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details	Risk Management & Strategic Planning Committee has been tasked with decision-making authority on all aspects related to sustainability issues. Composition of Risk Management & Strategic Planning Committee:								
		Name			Designation			Role		
		Mr. Shyam Sunder Sharmma DIN: 00530921			Non-Executive Chairman			Chairman		
		Mr. Vishnu Dutt Khandelwal DIN: 00383507			Executive Vice Chairman			Member		
		Mr. Sharad Sharma DIN: 00383178			Managing Director & CEO			Member		
		Mr. Pradeep Kumar Goenka DIN: 00404746			Non- Executive Independent Director			Member		
		Mr. Abhilash Lal DIN: 03203177			Non- Executive Independent Director			Member		
		Mr. Narayanan Subramaniam DIN: 00166621			Non- Executive Independent Director			Member		

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Risk Management & Strategic Planning Committee									Annually								
	BR Head									Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with all the statutory requirements of principles to the extent applicable and review was undertaken by the Risk Management & Strategic Planning Committee.									Annually								

11. Independent assessment/ evaluation of the working of its policies by an external agency:

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No independent assessment/ evaluation has been carried out by an external agency.								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the principles and core element with key processes and decisions. The Company has disclosed all mandatory disclosures under the BRSR framework. The Company is in the process of disclosing leadership indicators from upcoming financial years.

PRINCIPLE

1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Updates relating to regulatory changes are given to the Board of Directors & KMP. The topics include:	100%
Key Managerial Personnel	(as part of Board Meetings)	• Corporate Governance; • Companies Act & SEBI Listing Regulations; • Business Process Improvements; • Code of Conduct; • Director's Independence criterion; • Insider Trading Regulations.	100%
Employees other than BOD and KMPs	39	• Awareness programmes on the Company Policies and Grievance Handling mechanism; • PPE, machine handling and electrical safety; • Fire Safety Equipment Training ; • Training on evacuation & emergency exit; • Awareness training on quality management; • Health and safety; • Environmental management, industrial pollution & protection; • Hazardous & non- hazardous waste, chemical waste handling	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Workers	37	• Training on the Company's Policies, Grievance Handling, Anti Sexual Harassment, Discrimination, Discipline & Employment Rules; • Refresher Training on Pay Roll System, Workers Right & Benefits • PPE, machine handling and electrical safety; • Training on first aid • Water & Energy Conservation; • Firefighting use of cylinders; • Health and safety, GRS, environmental management systems, Industrial pollution & protection; • Good housekeeping system; • Hazardous & non- hazardous waste, chemical waste handling.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement					
Compounding fee					
NON - MONETARY					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Not applicable.

4. Anti-corruption or Anti-bribery policy:

Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.	Yes, Ganesha has developed a comprehensive Anti-Corruption or Anti-Bribery Policy. The Policy serves as a testament to the Company's unwavering dedication towards upholding the ethical standards in all its business dealings. The Policy can be accessed at the given link: https://ganeshaecosphere.com/corporate-governance-policies
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5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Corrective Actions:

Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest	Not applicable
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8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	37	35

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	--	--
	b. Number of trading houses where purchases are made from	--	--
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	--	--
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	--	--
	b. Number of dealers / distributors to whom sales are made	--	--
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	--	--
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	9.76%	4.19
	b. Sales (Sales to related parties / Total Sales)	1.44%	0.12%

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.99%	99.92%
	d. Investments (Investments in related parties / Total Investments made)	81.84%	72.97%

PRINCIPLE

2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100%	100%	-
Capex	4.19%	100%	Efforts are taken to reduce the environmental impact by the installation of rooftop solar, energy efficient pumps, etc.

2. Sustainable sourcing:

a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)	Ganesha, as a plastic waste recycler, prioritizes environmental and social factors in its procurement process. The raw material sourcing is primarily being done domestically through road transport. Vendors and service providers are encouraged to adopt practices based on generally accepted standards regarding Environment, Health, and Safety. Adequate steps are taken for safety during transportation and optimization of logistics to mitigate the impact on climate.
a. If yes, what percentage of inputs were sourced sustainably?	

3. Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life:

Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.	With recycling plastic waste into useful products, we bring a real difference to businesses, environment & communities. The packaging waste, hazardous waste and e-waste are sold to authorised vendors for safe disposal.
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4. Extended Producer Responsibility (EPR) plan:

Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	Ganesha is registered as plastic waste processor under Extended Producer Responsibility (EPR) regulations.
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PRINCIPLE**3**

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS**1. A) Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	513	513	100%	513	100%	0	-	0	-	178	34.70 %
Female	7	7	100%	7	100%	0	-	0	-	0	-
Total	520	520	100%	520	100%	0	-	0	-	178	34.23 %
Other than Permanent employees											
Male	Nil	-	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-	-

B) Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1445	1445	100%	1445	100%	0	-	0	-	484	33.50 %
Female	412	412	100%	412	100%	412	100%	0	-	412	100%
Total	1857	1857	100%	1857	100%	412	22.19%	0	-	896	48.25%
Other than Permanent workers											
Male	164	164	100%	164	100%	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	164	164	100%	164	100%	0	-	0	-	0	-

Note: All workers are covered under ESI.

C) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) -

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.14 %	0.12 %

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	59.62%	76.90%	Yes	57.48%	84.23%	Yes
Gratuity	100%	100%	-	100%	100%	-
ESI	38.08%	88.15%	Yes	34.89%	93.45%	Yes
Others, please specify	-	-	-	-	-	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	The Company provides access to all offices and premises for all employees, including those with disabilities. We seek input from employees to improve and manage the mobility needs of individuals with disabilities and strive to ensure that our buildings, rooms, toilets, and recreational areas are securely accessible.
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4. Equal Opportunity Policy:

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.	Our "Social Policy" is committed to upholding and promoting equal opportunity for all, in accordance with the Rights of Persons with Disabilities Act 2016. The policy can be accessed at https://ganeshaecosphere.com/corporate-governance-policies
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5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Ganesha is committed to providing an inclusive and supportive work environment for all employees. It encourages employees to share their concerns with their reporting heads and HR. The Company has adopted a Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The Policy also outlines the provision of adequate safeguards for the employees.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	520	Nil	Nil	529	Nil	Nil
Male	513	Nil	Nil	522	Nil	Nil
Female	7	Nil	Nil	7	Nil	Nil
Total Permanent Workers	1857	Nil	Nil	2064	Nil	Nil
Male	1445	Nil	Nil	1616	Nil	Nil
Female	412	Nil	Nil	448	Nil	Nil

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	513	448	87.33%	400	77.97%	522	420	80.46%	373	71.46%
Female	7	4	57.14%	5	71.43%	7	5	71.43%	4	57.14%
Total	520	452	86.92%	405	77.88%	529	425	80.34%	377	71.27%
Workers										
Male	1445	1290	89.27%	1270	87.89%	1616	1360	84.16%	1190	73.64%
Female	412	300	72.82%	320	77.67%	448	351	78.35%	285	63.62%
Total	1857	1590	85.62%	1590	85.62%	2064	1711	82.90%	1475	71.46%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	513	513	100%	522	522	100%
Female	7	7	100%	7	7	100%
Total	520	520	100%	529	529	100%
Workers						
Male	1445	1445	100%	1616	1616	100%
Female	412	412	100%	448	448	100%
Total	1857	1857	100%	2064	2064	100%

10. Health and safety management system:

S. no	Particulars	Response
a)	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?	Yes, an Occupational Health and Safety Management System has been implemented which includes ISO 45001:2018 (OHSAS) and ISO 14001:2015 (EMS) certifications. The same extends to the entire organization.
b)	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Ganesha recognizes identifying work-related hazards and assessing risks is critical for ensuring the safety and well-being of employees. To achieve this, Unit wise trainings are conducted to mitigate the risk and processes are periodically reviewed to ensure safety at workplace.
c)	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes, Ganesha has processes in place for workers to report work-related hazards and to remove themselves from such risks. These processes include clear reporting channels and procedures for employees to report hazards, near-misses, and incidents, as well as the provision of training and resources to enable workers to identify and report potential hazards.
d)	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Ganesha offers its employees access to a range of non-occupational medical and healthcare services. These services encompass 24/7 ambulance availability, the establishment of dispensaries across various units and routine health check-ups.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	0.14
	Workers	0.3	0.36
Total recordable work-related injuries	Employees	Nil	1
	Workers	3	11
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Measures to ensure a safe and healthy workplace:

Describe the measures taken by the entity to ensure a safe and healthy workplace.	Ganesha prioritizes the health and safety of employees, clients, and visitors and have implemented various policies & procedures that comply with relevant regulations and standards. These measures include regular risk assessments, providing appropriate training and personal protective equipment, strict protocols for hazardous materials, regular cleaning and disinfection and encouraging employee reporting of any concerns. Ganesha will continue to review and improve its policies and procedures to maintain the highest standards of health and safety.
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13. Number of Complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	2	0	All complaints were resolved	3	0	All complaints were resolved
Health & Safety	--	--	--	7	0	All complaints were resolved

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Corrective Actions:

Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.	No significant risks or concerns were highlighted in the assessment.
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PRINCIPLE**4**

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS**1. Identification of stakeholders group:**

Describe the processes for identifying key stakeholder groups of the entity	The stakeholder identification process at Ganesha include the following: • Dependency – groups or individuals who are directly or indirectly dependent on the Company's activities, products/services or on whom the Company is dependent in order to operate. • Responsibility – groups or individuals to whom the Company has, or in the future may have, legal, commercial, operational or ethical/moral responsibilities. • Attention – groups or individuals who need immediate attention from the Company about financial, wider economic, social or environmental issues. • Influence – groups or individuals who can have an impact on the Company or a stakeholder's strategic or operational decision-making.
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2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	- Annual General Meeting & Shareholder Meetings - Emails, Stock Exchange (SE) intimations, - Annual report & - media releases etc.	Quarterly	Dividends, profitability and financial stability, growth prospects
Customers	No	- Customer feedback, - Grievance redressal - mechanism, - Brochures and catalogues	Daily	Product – related information, Grievance Redressal, Customer feedback
Employees and workers	No	- Regular performance review and feedback. - Programmes catered around overall wellbeing. - Emails, Notice- Board & Meetings	Daily	Employee concerns, communication, and feedback mechanisms
Government/ Regulatory Authorities	No	- E-mails and letters. - Regulatory filings.	Periodically	Regulatory compliance, workforce development, employment policies, and skill-building initiatives.
Community	No	- Collaboration with non- governmental organisations (NGOs). - CSR and sustainability initiatives.	Periodically	Water and natural resource management, community development, education/skill development, livelihood support, and sustainability reporting.
Professionals/ Consultants	No	- Emails. - Need based meetings. - Periodical Reports.	Quarterly and Requirement basis	Compliance to legal requirements, advice on business, legal, tax and other issues.

PRINCIPLE

5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	520	514	98.85%	529	479	90.55%
Other than permanent	0	0	-	0	0	-
Total Employees	520	514	98.85%	529	479	90.55%
Workers						
Permanent	1857	1445	77.81%	2064	1548	75%
Other than permanent	164	164	100%	174	134	77.01%
Total Workers	2021	1609	79.61%	2238	1682	75.16%

2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent										
Male	513	0	-	513	100%	522	0	-	522	100%
Female	7	0	-	7	100%	7	0	-	7	100%
Other than Permanent										
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-
Workers										
Permanent										
Male	1445	274	18.96%	1171	81.04%	1616	450	27.85%	1166	72.15%
Female	412	149	36.17%	263	63.83%	448	118	26.34%	330	73.66%
Other than Permanent										
Male	164	164	100%	0	-	174	0	-	174	100%
Female	0	0	-	0	-	0	0	-	0	-

3. Details of remuneration/salary/wages:**a. Median remuneration/wages:**

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakh)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakh)
Board of Directors (BoD)	7	30.30	1	7.30
Key Managerial Personnel	2	25.48	-	--
Employees other than BoD and KMP	511	3.36	7	2.88
Workers	1445	1.39	412	1.31

b. Gross wages paid to females as % of total wages paid by the entity:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	7.89%	7.25%

4. Focal point for addressing human rights:

Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Mr. Kamal Kumar Jain currently serving as the Vice- President (Admin & Legal) has been designated as the person responsible for addressing all aspects and practices related to Human Rights.

5. Internal mechanisms in place to redress grievances related to human rights issues:

Describe the internal mechanisms in place to redress grievances related to human rights issues.

Ganesha has implemented various internal mechanisms to address human rights grievances. Firstly, the company has established a confidential and accessible complaint system that allows individuals to report any concerns regarding human rights violations. These complaints are thoroughly investigated and any necessary remedial action is taken to address the grievances.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act ,2013:

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Not applicable	Not applicable
Complaints on POSH upheld	Not applicable	Not applicable

8. Prevention of discrimination and harassment cases:
Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

Ganesha prevents workplace harassment through a comprehensive mechanism of policies, guidelines and a code of conduct. This includes a confidential reporting system for incidents, followed by thorough investigations and corrective actions. Employees receive ongoing training to recognize and prevent harassment.

9. Human rights requirements forming part of your business agreements and contracts:
Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, wherever, there is a requirement of the business arrangement, the suitable conditions related to human rights requirement are incorporated in such contract/agreement.

10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

11. Corrective Actions to address significant risks / concerns arising from the assessments:
Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No such significant risk has been identified during the assessment.

PRINCIPLE

6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	115141.99 GJ	97874.22 GJ
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	--	--
Total energy consumed from renewable sources (A+B+C)	115141.99 GJ	97874.22 GJ
From non-renewable sources		
Total electricity consumption (D)	196710.93 GJ	225017.36 GJ
Total fuel consumption (E)	2965.47 GJ	3015.00 GJ
Energy consumption through other sources (F)	6313.52 GJ	5405.73 GJ
Total energy consumed from non-renewable sources (D+E+F)	205989.92 GJ	233438.10 GJ
Total energy consumed (A+B+C+D+E+F)	321131.92 GJ	331312.32 GJ
Energy intensity per rupee of turnover [Total energy consumed/ Revenue from operations in INR Lakh]	3.29	2.92
Energy intensity* per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total energy consumed/ Revenue from operations in INR Lakh adjusted for PPP]	73.75	64.84
*using PPP conversion rate in INR per international dollar i.e. 22.4 & 22.17 - (IMF website)		
Energy intensity in terms of physical output (Total Energy consumed / Production - GJ/MT)	2.84	2.88
Energy intensity (optional) – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Ganesha has not conducted any independent assessment/ evaluation by an external agency.

2. Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India:

This particular section is not applicable, as Ganesha has not been identified as designated consumer under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	214053.80	219548.2
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	214053.80	219548.2
Total volume of water consumption (in kilolitres)	214053.80	219548.2
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in INR Lakh)	2.19	1.94
Water intensity per rupee of turnover adjusted for purchasing Power Parity (PPP) [Total water consumption / Revenue from operations in INR Lakh adjusted for PPP] *using PPP conversion rate in INR per international dollar i.e. 22.4 & 22.17 - (IMF website)	49.16	42.97
Water intensity in terms of physical output [Total water consumption / Production -(KL / MT)]	1.89	1.91
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	--	--
- With treatment – through ETP/STP (Primary, Secondary & Tertiary)	73820	77778
(ii) To Groundwater		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(iii) To Seawater		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
iv) Sent to third-parties		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
(v) Others		
- No treatment	--	--
- With treatment – please specify level of treatment	--	--
Total water discharged (in kilolitres)	73820	77778

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

5. Mechanism for Zero Liquid Discharge:

Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Ganesha is endeavouring to introduce a Zero Liquid Discharge system within a water treatment process, ensuring that all wastewater undergoes purification and is subsequently reused. To achieve this, sewage and effluent treatment plants have been set up to effectively cleanse the waste water.

Each individual unit is outfitted with state-of-the-art Effluent Treatment Plants and pollution control devices.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format *:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	mg/m ³	-	-
SOx	mg/m ³	-	-
Particulate matter (PM)	mg/m ³	-	-
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – please specify	NA	-	-

*Data could not be compiled.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Units	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	46124.24	45243.64
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	46244.46	51845.20
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in INR Lakh)		0.95	0.86
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in INR Lakh adjusted for PPP) *using PPP conversion rate in INR per international dollar i.e. 22.4 & 22.17 - (IMF website)		21.21	19.00
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.82	0.84
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity		--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Tirkha Consultants & Advisors LLP.

8. Project related to reducing Green House Gas emission:

Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Ganesha recognizes the importance of reducing greenhouse gas emissions to mitigate environmental risks associated with excessive energy consumption. Ganesha uses energy-efficient technologies and renewable energy sources, such as solar panels, to reduce its carbon footprint and promote long-term sustainability. These measures not only reduce greenhouse gas emissions but also result in cost savings.

9. Provide details related to waste management by the entity:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0.45	6.39
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. -(Sludge, contaminated cloth, filter & burned/ skimmed oil) (G)	17.91	17.51
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	--	--
Total (A+ B + C + D + E + F + G + H)	18.36	23.90
Waste intensity per rupee of turnover [Total waste generated/ Revenue from operations in INR Lakh]	0.00019	0.00021
Waste intensity* per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations in INR Lakh adjusted for PPP) *using PPP conversion rate in INR per international dollar i.e. 22.4 & 22.17 - (IMF website)	0.00442	0.00468
Waste intensity in terms of physical output (Total Waste in MT / Total Production in MT)	0.00016	0.00021
Waste intensity (optional) – the relevant metric may be selected by the entity	--	--
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	18.36	23.90
Total	18.36	23.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Ganesha has not conducted any independent assessment/ evaluation/assurance by any external agency.

10. Waste management practices adopted in the establishment:

Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The main area of focus for Ganesha is centred on the processing of PET plastic waste. Consequently, Ganesha has taken measures to ensure that 100% of this category of waste is deemed suitable for recycling. This approach guarantees that there is negligible residual waste generated from the PET plastic processing activities.

Additionally, it follows a practice of processing all incoming materials to ensure that they are recyclable. Any waste generated during the processing of PET plastic is subjected to recycling as part of the company's operational procedures.

Furthermore, Ganesha conducts its operations without employing any hazardous chemicals during the PET plastic processing phase. This aspect aligns with the nature of Ganesha's business and its commitment to operate in an environmentally conscious manner.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			-

Ganesha does not have any offices or operational sites in the vicinity of any ecologically sensitive area.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Considering the nature of the Business, this particular section is not applicable to the Company.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

Yes.

PRINCIPLE**7**

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS**1. A) Affiliations with trade and industry chambers/ associations:**

Number of affiliations with trade and industry chambers/ associations.

Ganesha is affiliated with Six trade and industry chambers/associations.

B) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Indian Industries Association (IIA)	National
3.	All India Plastics Manufactures' Association (AIPMA)	National
4.	Material Recycling Association of India (MRAI)	National
5.	The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC)	National
6.	Kumaun Garhwal Chamber of Commerce and Industry	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

Not applicable.

PRINCIPLE

8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable as there were no projects that required SIA to be undertaken under Law.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable as there were no projects that required Rehabilitation and Resettlement (R&R)						

3. Community redressal mechanism:

Describe the mechanisms to receive and redress grievances of the community.

Ganesha closely collaborates with the community in key areas such as education, sustainable infrastructure, healthcare, hunger eradication, poverty alleviation, and training. It employs effective strategies to assess project success, including beneficiary consultations. Ganesha ensures beneficiary feedback through a robust grievance redressal mechanism in partnership with its CSR team, maintaining a strong record of addressing concerns and no significant grievances reported to date.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	0.31%	0.65%
Directly from within India	90.65%	93.94%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent /on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	38.27	37.65
Semi-Urban	-	-
Urban	31.30	30.48
Metropolitan	30.43	31.87

(Place to be categorized as per RBI Classification System – rural/semi-urban/urban/metropolitan)

PRINCIPLE

9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS:

1. Consumer Complaints and feedback:

Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Ganesha has put in place mechanisms to receive and respond to consumer complaints and feedback. The Marketing and Sales department is responsible for managing all complaints and can be contacted through both email and other informal communication channels. Upon receiving a complaint, the department assesses its credibility and nature before proceeding with appropriate action. If there is a mistake in the supply of the wrong-coloured recycled material or any other general supply issue, the department takes prompt action to resolve the complaint. Although quality concerns are infrequent, we take them seriously and work quickly to address and resolve them.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	As a B2B business primarily engaging with dealers and wholesalers, none of our products carry information on environmental and social parameters, including safe and responsible usage, recycling, and/or safe disposal. Therefore, the turnover percentage for such products is 0%.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Cyber security policy:

Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The cyber security policy at Ganesha Ecosphere is crucial for safeguarding its digital assets against cyber threats. It encompasses information systems, networks, and data security, roles and responsibilities, and incident response procedures. All employees, contractors, and interns are required to comply with this policy, which includes protecting confidential data, securing devices, adhering to safe email practices, properly managing passwords, ensuring secure data transfer, and reporting security breaches. The IT Team is responsible for installing security measures, providing training, and investigating breaches.

Ganesha Ecosphere's cyber security policy establishes the framework and guidelines for cyber security and risks associated with data privacy. The same can be accessed at : <https://ganeshaecosphere.com/corporate-governance-policies>

6. Corrective Actions:

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

7. Provide the following information relating to data breaches:

- Number of instances of data breaches: **Nil**
- Percentage of data breaches involving personally identifiable information of customers: **Not applicable.**
- Impact, if any, of the data breaches: **Not applicable.**

Independent Auditor's Report

To
The Members of
Ganesha Ecosphere Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Ganesha Ecosphere Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2024, and its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition (as described in note 2.d of the standalone financial statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, testing of cut-offs and performing analytical review procedures.
Evaluation of pending litigations (as described in note 30.2 of the standalone financial statements) The Company has pending litigations for demand in dispute under various statutes which involves significant judgment to determine the possible outcome of these disputes.	We have obtained the details of litigations under various statutes for the year ended March 31, 2024 from the management. We have reviewed the management's underlying assumptions in estimating the provisions in respect to the disputed matters and the possible outcome of the disputes. We have also reviewed the legal precedence, where available, and other documents provided for review by the management in evaluating its position in these matters. We have also reviewed the assumptions made by the management as at March 31, 2024 and evaluated whether any change was required on account of information and updates made available during the year.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial statements by the Directors of the Company, as aforesaid.

In preparing the standalone 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 unless the

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 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 standalone 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 content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in auditor's report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its director's during the year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - refer note 30.2;
 - ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024;
 - iv. (a) the management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner

- whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - refer note 49.0;
- (b) the management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - refer note 49.0;
- (c) based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement;
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: May 23, 2024
UDIN: 24087931BKENLF2203

Annexure ‘A’ to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading of ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the Members of Ganesha Ecosphere Limited (“the Company”) on the standalone financial statements as of and for the year ended March 31, 2024)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and right of use assets on the basis of available information.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the property, plant and equipment are physically verified by the management, according to a phased programme designed to cover all the items over a

period of three years, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of property, plant and equipment has been physically verified by the management during the year and as informed to us, no material discrepancies were noticed on such physical verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) as disclosed in the standalone financial statements and included in the property, plant and equipment are held in the name of the Company except the following :

Description of item of property	Gross carrying value (₹ in Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
Office Building	277.84	Vatika IT Parks Private Limited	No	March 18, 2023	The possession and original agreement to sale of the property is in the name of the Company. Title deed registration is held up due to some local regulations.

- (d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year, or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) As explained to us, the physical verification of inventory, except goods in transit, has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage and procedure of such verification by management is appropriate having regard to the size of the Company & nature of its operations. For stock held with third parties at the year end, if any, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verifications of inventories.
- (b) The Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks in which there are negligible differences when compared with the unaudited books of accounts of the respective quarters. (refer note 43.0).
- (iii) The Company has made investments and granted unsecured loans and guarantees to its wholly owned subsidiaries and other parties. However, the Company has not provided any advances in the nature of loans or security to any other party during the year.

- a) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to such loans, guarantees and securities to subsidiaries and other party are as per the table given below:

(₹ in Lakh)

Particulars	Loans	Guarantees
Aggregate amount granted/ provided during the year:		
- subsidiaries	21,323.88	39,063.65
- others	-	-
Balance outstanding as at the balance sheet date:		
- subsidiaries	29,148.88	39,063.65
- others	217.00	-

- b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees provided (including in earlier years) are, prima facie, not prejudicial to the interest of the Company.
- c) The schedule of repayment of principal and payment of interest on the above loans has been stipulated and the repayments are regular.
- d) There were no overdue amounts remaining outstanding as at the balance sheet date in respect of the above loans.
- e) There were no loans granted which has fallen due during the year and which have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- f) The Company has not granted any loans which are repayable on demand or without specifying any terms or period of repayment.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect to the loans given and investments made by it during the year.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income-tax, duty of customs and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable

- (b) According to the records of the Company, and as per the information and explanations given to us, there are no dues of provident fund, employees state insurance, duty of customs and goods and services tax, which have not been deposited on account of any dispute, the particulars of dues of income-tax, goods and services tax and value added tax as at March 31, 2024, which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of The Dues	Amount of demand (₹ in Lakh)	Amount paid under protest (₹ in Lakh)	Period to which the amount relates	Forum where dispute is pending
Uttarakhand Value Added Tax Act, 2005	Value Added Tax	1.25	0.21	Financial Year 2010-11	Joint Commissioner (Appeals) (First) Commercial Tax Haldwani Uttarakhand
Integrated Goods and Service Tax Act, 2017	Goods and Service Tax	188.96	0.00	Financial Year 2020-21	Joint Commissioner, Moradabad, Uttar Pradesh
Income Tax Act, 1961	Income Tax Demand u/s 143(3)	35.92	7.50	Financial Year 2015-16	Commissioner of Income Tax (Appeals), Kanpur
Integrated Goods and Service Tax Act, 2017	Goods and Service Tax	40.69	0.00	Financial Year 2019-20	Additional Commissioner Gr-2 (Appeal-2), Kanpur, Uttar Pradesh
Customs Act, 1962	Custom Duty	397.92	0.00	Financial Year 2017-18 and 2018-19	Customs, Excise & Service Tax Appellate Tribunal, Prayagraj

(viii) According to the information and explanations given to us, and based on our examination of the records of the Company, there are no transactions which have not been recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) Based on our audit procedures, and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) Based on our audit procedures, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(d) Based on our audit procedures, and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company during the year.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company doesn't have any associate or joint venture.

(f) Based on our audit procedures, and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the said Order is not applicable to the Company during the year.

(b) The Company has made private placement of shares through Qualified Institutional Placement during the year and according to the information and explanation given to us and based on our examination of records, the Company has complied with the requirement of section 42 of the Companies Act 2013. The amount raised that remains unutilized during the year has been parked in the bank account in the form of fixed deposits. (refer note 45.0)

Further, the company has also made allotment of fully convertible equity warrants to an entity belonging to promoter and promoter group of the company on preferential basis and according to the information and explanation given to us and based on our examination of records, the Company has complied with the requirement of section 42 of the Companies Act 2013. The Company has received an upfront amount against such issue and the total money so received has been utilized till 31 March 2024. (refer note 44.0)

Apart from above, the company has not made any other private placement of shares or debentures during the year.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us, we report that no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us, there are no whistle-blower complaints received by the Company during the year.

(xii) In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the said Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the internal auditor for the period under audit have been considered by us.

- (xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the reporting under Clause 3(xv) of the said Order is not applicable to the Company during the year.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the said Order are not applicable to the Company.
- (b) The Company has not conducted any non-banking financial/ housing finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of Clause 3(xvi)(c) of the said Order are not applicable to the Company.
- (d) According to the information and explanations given to us, there is one Core Investment Company as a part of the Group.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the said Order is not applicable to the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of financial ratios (refer note 40.0), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company (refer note 32.0).
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of standalone financial statements.

For Narendra Singhanian & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhanian
Partner
Membership No.: 087931

Place: New Delhi
 Date: May 23, 2024

UDIN: 24087931BKENLF2203

Annexure ‘B’ to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under the heading of ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the Members of Ganesha Ecosphere Limited on the standalone financial statements as of and for the year ended March 31, 2024)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Ganesha Ecosphere Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information, and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal

control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: May 23, 2024

UDIN: 24087931BKENLF2203

Standalone Balance Sheet

as at March 31, 2024

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3.1	24,779.52	25,770.15
(b) Capital work-in-progress	3.2	38.93	995.10
(c) Right of use assets (ROU)	3.3	118.52	120.14
(d) Intangible assets	4.1	17.48	46.34
(e) Financial assets:			
(i) Investment in subsidiaries	5.1	15,095.21	14,716.11
(ii) Investment in others	5.2	592.62	592.62
(iii) Loans	5.3	25,817.32	9,660.24
(iv) Others	5.4	587.64	744.17
(f) Other non-current assets	6.0	61.38	13.92
Sub-total		67,108.62	52,658.79
(2) Current assets			
(a) Inventories	7.0	20,600.65	22,090.77
(b) Financial assets:			
(i) Investments	8.1	2,756.48	4,858.95
(ii) Trade receivables	8.2	10,342.45	9,200.57
(iii) Cash and cash equivalents	8.3	3,877.34	112.14
(iv) Bank balances other than (iii) above	8.4	10,497.34	193.66
(v) Loans	8.5	3,552.00	1,090.38
(vi) Others	8.6	385.51	443.66
(c) Current tax assets (net)	10.0	-	348.04
(d) Other current assets	9.0	1,831.93	3,657.61
Sub-total		53,843.70	41,995.78
TOTAL ASSETS		1,20,952.32	94,654.57
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	11.1	2,534.70	2,182.94
(b) Other equity	11.2	1,06,380.52	63,152.19
Sub-total		1,08,915.22	65,335.13
(2) Liabilities			
(2A) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.0	243.97	1,711.36
(b) Deferred tax liabilities (net)	18.1	1,861.84	1,838.32
(c) Government grants	13.2	374.27	426.39
(d) Provisions	16.1	648.77	595.73
Sub-total		3,128.85	4,571.80
(2B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.0	56.02	13,971.06
(ii) Trade payables:			
Total outstanding dues of micro enterprises and small enterprises	14.1	5.64	199.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.1	5,117.89	6,252.07
(iii) Other financial liabilities	14.2	2,747.56	3,228.63
(b) Government grants	13.1	53.88	54.73
(c) Other current liabilities	15.0	422.82	650.80
(d) Provisions	16.2	424.08	390.61
(e) Current tax liabilities (net)	17.1	80.36	-
Sub-total		8,908.25	24,747.64
TOTAL EQUITY AND LIABILITIES		1,20,952.32	94,654.57
Material accounting policies	2.0		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma
Managing Director
DIN: 00383178

Bharat Kumar Sajnani
Company Secretary
FCS: 7344
Place: Kanpur
Date: 23rd May, 2024

Shyam Sunder Sharmma
Chairman
DIN: 00530921

Gopal Agarwal
Chief Financial Officer
FCA: 075080

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I INCOME			
Revenue from operations	19.0	97,534.03	1,13,285.92
Other income	20.0	2,575.72	1,643.67
Total income		1,00,109.75	1,14,929.59
II EXPENSES			
Cost of materials consumed		62,602.72	73,441.23
Purchases of stock-in-trade		1,756.51	3,559.39
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21.0	(791.61)	(2,825.22)
Employee benefits expenses	22.0	6,194.23	6,584.20
Finance costs	25.0	1,516.92	1,412.02
Depreciation and amortization expense	24.0	2,665.99	2,702.21
Other expenses	23.0	17,798.09	20,141.54
Total expenses		91,742.85	1,05,015.37
III Profit before tax (I-II)		8,366.90	9,914.22
IV Tax expense:	26.0		
Current tax		2,098.28	2,525.72
Deferred tax charge		21.09	56.57
Total tax expense		2,119.37	2,582.29
V Profit for the year (III-IV)		6,247.53	7,331.93
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit obligations		9.65	48.22
Less: Income-tax relating to above item	26.0	(2.43)	(12.14)
		7.22	36.08
VII Total comprehensive income for the year (V+VI)		6,254.75	7,368.01
VIII Earnings per share	28.0		
Basic (face value of ₹10 per equity share)		27.90	33.59
Diluted (face value of ₹10 per equity share)		27.90	33.59
Material accounting policies	2.0		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma
Managing Director
DIN: 00383178

Bharat Kumar Sajnani
Company Secretary
FCS: 7344
Place: Kanpur
Date: 23rd May, 2024

Shyam Sunder Sharma
Chairman
DIN: 00530921

Gopal Agarwal
Chief Financial Officer
FCA: 075080

Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities:			
Profit before tax as per statement of profit and loss		8,366.90	9,914.22
Adjustments for:			
Depreciation and amortization expense		2,665.99	2,702.21
Share based payment expenses		14.86	-
Profit on sale/ discard of property, plant and equipment (net)		(17.98)	(72.68)
Allowance for doubtful trade receivables and advances (net)		(6.62)	32.64
Liabilities no longer required written back		(2.79)	(16.27)
Loss on foreign currency fluctuations and translations (net)		4.45	5.54
Interest expense		1,435.73	1,269.71
Interest income		(1,951.87)	(1,271.23)
Profit on sale of investments		(92.85)	(21.73)
Fair value loss on financial assets		-	11.71
Fair value gain on preference shares		(379.10)	(181.56)
Dividend on preference shares		(65.00)	(30.78)
Amortization of Government grants		(54.81)	(53.56)
Operating profit before working capital changes		9,916.91	12,288.22
Movements in working capital:			
(Increase)/ decrease in trade receivables		(1,135.15)	2,391.56
Decrease in other receivables and prepayments		1,810.96	943.72
Decrease/ (increase) in inventories		1,490.11	(3,182.13)
(Decrease)/ increase in trade payables		(1,328.28)	211.25
Decrease in other payables		(630.70)	(275.94)
Increase in provisions		96.15	83.05
Cash generated from operations		10,220.00	12,459.73
Direct taxes paid (net of refunds)		(1,669.88)	(2,296.57)
Net cash flow generated from operating activities (A)		8,550.12	10,163.16
B. Cash flow from investing activities			
Purchase of property, plant and equipment		(806.00)	(2,006.85)
Purchase of intangible assets		(2.40)	(5.48)
Proceeds from sale of property, plant and equipment		35.65	135.56
Investment made in subsidiaries		-	(4,000.00)
Loan to subsidiaries		(18,623.89)	(6,780.00)
Loan to body corporates		-	(122.50)
Fixed deposits made		(10,131.68)	(49.67)
Fixed deposits matured		45.28	31.58
Interest received		2,023.07	1,139.54
Investments made		-	(677.23)
Proceeds from sale of investments		2,195.33	2,123.20
Net cash flow used in investing activities (B)		(25,264.64)	(10,211.85)

Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash flow from financing activities			
Proceeds from issue of share capital (including share premium thereon net of issue expenses)		33,997.07	-
Proceeds from equity warrants application money		3,750.00	-
Proceeds from non-current borrowings (other than related parties)		-	2,282.32
Repayment of non-current borrowings (other than related parties)		(2,274.19)	(3,255.13)
(Repayment of)/ proceeds from current borrowings (net) (other than related parties)		(12,906.81)	3,576.84
Repayment of borrowings to related parties (net)		(225.00)	(822.50)
Dividend paid to equity shareholders		(436.59)	(436.59)
Interest paid		(1,424.76)	(1,241.61)
Net cash flow generated from financing activities (C)		20,479.72	103.33
Net increase in cash and cash equivalents (A+B+C)		3,765.20	54.64
Cash and cash equivalents at the beginning of the year		112.14	57.50
Cash and cash equivalents at the end of the year	8.3	3,877.34	112.14
Notes:			
The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.			
Material accounting policies	2.0		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.**Chartered Accountants****Firm Reg. No. 009781N****Narendra Singhania****Partner****Membership No.: 087931**

Place: New Delhi

Date: 23rd May, 2024**For and on behalf of the Board of Directors****Sharad Sharma**

Managing Director

DIN: 00383178

Bharat Kumar Sajnani

Company Secretary

FCS: 7344

Place: Kanpur

Date: 23rd May, 2024**Shyam Sunder Sharmma**

Chairman

DIN: 00530921

Gopal Agarwal

Chief Financial Officer

FCA: 075080

Standalone Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

(₹ in Lakh)

As at April 1, 2022	2,182.94
Changes in equity share capital during the year	-
As at March 31, 2023	2,182.94
Changes in equity share capital during the year (refer note 45.0)	351.76
As at March 31, 2024	2,534.70

B. Other equity

(₹ in Lakh)

Particulars	Reserves and surplus							Total
	Capital redemption reserve	Capital reserve	Share based payment reserve	Securities premium	Convertible share warrants	General reserve	Retained earnings	
Balance as at April 1, 2022	450.00	225.28	-	13,952.72	-	264.13	41,328.64	56,220.77
Profit for the year	-	-	-	-	-	-	7,331.93	7,331.93
Other comprehensive income for the year	-	-	-	-	-	-	36.08	36.08
Total comprehensive income for the year	-	-	-	-	-	-	7,368.01	7,368.01
Dividend paid	-	-	-	-	-	-	(436.59)	(436.59)
Balance as at March 31, 2023	450.00	225.28	-	13,952.72	-	264.13	48,260.06	63,152.19
Allotment of equity shares	-	-	-	34,648.26	-	-	-	34,648.26
Application money against issue of convertible share warrants (refer note 44.0)	-	-	-	-	3,750.00	-	-	3,750.00
Share based payment expense (refer note 41.0)	-	-	14.86	-	-	-	-	14.86
Share issue expenses (refer Note 44.0 & 45.0)	-	-	-	(1,002.95)	-	-	-	(1,002.95)
Profit for the year	-	-	-	-	-	-	6,247.53	6,247.53
Other comprehensive income for the year	-	-	-	-	-	-	7.22	7.22
Total comprehensive income for the year	-	-	-	-	-	-	6,254.75	43,664.92
Dividend paid	-	-	-	-	-	-	(436.59)	(436.59)
Balance as at March 31, 2024	450.00	225.28	14.86	48,600.98	3,750.00	264.13	54,078.22	1,06,380.52

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Narendra Singhania & Co.

Chartered Accountants

Firm Reg. No. 009781N

Narendra Singhania

Partner

Membership No.: 087931

Place: New Delhi

Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma

Managing Director

DIN: 00383178

Bharat Kumar Sajnani

Company Secretary

FCS: 7344

Place: Kanpur

Date: 23rd May, 2024

Shyam Sunder Sharmma

Chairman

DIN: 00530921

Gopal Agarwal

Chief Financial Officer

FCA: 075080

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

1.0 Corporate information

Ganesha Ecosphere Limited ("the Company") is a public limited company, incorporated and domiciled in India, listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The address of the registered office is Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.). The Company is a leading PET Waste recycling company in India and is mainly engaged in the manufacturing of Recycled Polyester Staple Fibre (RPSF), Spun Yarn and Dyed Texturised Yarn.

2.0 Summary of Material Accounting Policies

a) Basis of preparation

(i) Compliance with Indian Accounting Standards

These Standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("IND AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

The accounting policies have been applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis under historical cost convention with the exception of certain financial assets and liabilities that are required to be carried at fair values at the end of each reporting period by Ind AS.

(iii) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criterion set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

b) Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions, based upon the best knowledge of current events and actions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of incomes and expenses during the reported period. Actual results may differ from those estimates. Any difference between the actual results and the estimates are recognized in the period in which the results are known/ materialised.

c) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee ("₹"), which is Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in the statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the statement of profit and loss. Exchange differences, in respect of foreign currency borrowings taken for acquiring qualifying assets included in property, plant and equipment, to the extent it is an adjustment to interest cost, has been capitalized. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2017 which are related to the acquisition of qualifying assets are adjusted in the carrying cost of such assets.

d) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

The specific criterion for each of the Company's activities has been stated below:

(i) Sale of goods

Revenue is recognized upon transfer of control of promised goods to customers (i.e. when performance obligation is satisfied) for an amount that reflects the consideration which the Company expects to receive in exchange for

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

those products. The Company does not expect to have any contracts where the period between the transfer of promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the value of money.

Revenue is measured based on transaction price, which is the consideration, adjusted for trade discounts such as cash discounts, volume discounts or any other price concession as may be agreed with the customers. Revenues also excludes Goods and Services Tax (GST) or any other tax collected from customers.

(ii) Job work receipts

Revenue from job work is recognized at the time of dispatch of material.

(iii) Export incentives

Export incentives under various schemes are accounted for in the year of export.

(iv) Recycling credits income

Income is recognized in the year in which the certificate is issued or when there is virtual certainty to realize the credits in subsequent period.

(v) Interest income

Interest income is recognized on time proportion accrual basis using the applicable/ effective interest rate.

(vi) Insurance claims

Insurance claims are accounted only when there is reasonable certainty of its ultimate collection. Insurance claim receivable is recognized as a separate asset, but only when the ultimate recovery is reasonably certain.

(vii) Dividend income on preference shares

Dividend income on investment in preference shares of subsidiary company is recognized on a time proportion accrual basis using the applicable coupon rate.

e) Government grants

Government grant/subsidies are measured at amounts receivable from the government and are recognized as income when there is a reasonable assurance that the subsidy will be received, amount is fairly ascertainable and all attached conditions will be complied with. When the subsidy relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, which are intended to be compensated, are expensed and it is classified under other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight line basis over the expected lives of related assets and are presented within other income.

Export Promotion Capital Goods ('EPCG') scheme allows import of certain capital goods at zero/ concessional duty subject to an export obligation for the duty saved. The duty saved on capital goods under EPCG scheme is treated as a Government grant and is recognised as income spread equally over the expected useful life of the related asset.

In case of interest free/ concessional loan provided by Government, the loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial fair value of the loan and the proceeds received. The loan or assistance is subsequently measured as per the accounting policy applicable to financial liabilities.

f) Taxes

(i) Current income-tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

(ii) Deferred income-tax

Deferred income-tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income-tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income-tax assets are realised or the deferred income-tax liabilities are settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to off set current tax assets and liabilities. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

g) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and a sale is considered as highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Asset classified as held for sale are presented separately in the Balance Sheet. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

h) Property, plant and equipment (including Capital work-in-progress)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with

the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment which are not ready for their intended use are disclosed under capital work-in-progress. Expenditure during construction period (including borrowing cost relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects/ assets, including trial run expenses (net of revenue) are treated as pre-operative expenses, pending allocation to the assets, and are included under capital work-in-progress. These expenses are apportioned to related property, plant and equipment on commencement of commercial production. Capital work-in-progress is stated at the amount expended up to the date of the balance sheet.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on Written Down Value Method ("WDV") except in respect of buildings and plant & equipment of Kanpur Unit and Temra (Bilaspur) Unit (excluding Rooftop Solar Panels, which are depreciated on WDV method) where depreciation is provided on Straight Line Method ("SLM").

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believes that the useful life of assets are same as those prescribed in Schedule II to the Act, except for certain plant & equipment, wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows:

Assets	Useful life
Buildings	30 – 60 years
Roads (capitalised under buildings)	10 years
Continuous process plant (plant & equipment)	18 years
Rooftop solar panels (part of plant & equipment)	10 years
Other plant & equipment	5-15 years
Furniture and fixtures	5-10 years
Office equipment (including computers, computers equipment and servers)	3-10 years
Vehicles	6-10 years

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

Residual value of tangible assets is considered to be not more than 5% of the cost of the asset.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairments, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Intangible assets which are not ready for their intended use are disclosed as intangible assets under development and are stated at the amount expended up to the date of the balance sheet.

The Company amortizes computer software and technical know-how using the straight line method over the period of 5 years.

The amortization period and the amortization method for an intangible asset are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

k) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets, which takes substantial period of time to get ready for its intended use, are capitalized. All other interest and borrowing costs are charged to the statement of profit and loss. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Lease

The Company assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases (that do not contain purchase option) and leases of low value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation/ amortization and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated/ amortized on a straight-line basis over the shorter of the lease term and estimated useful lives of the assets, as estimated by the management. Leasehold land has been amortized over the lease term of 90 years.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognized as expense (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate is implicit in the lease not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The lease payments on short-term leases and lease of low-value assets are recognized as expense on a straight-line basis over the lease term.

m) Inventories

(i) Measurement of Inventory

Inventories of raw material, stores & spares, work-in-progress, finished goods and stock-in-trade (including goods-in-transit) are stated at cost or net realizable value, whichever is lower. Waste & scrap is valued at net realizable value.

(ii) Cost of Inventories

Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of purchase of inventories comprise the purchase price, import duties and other non-recoverable taxes, and transport, handling and other costs directly attributable to the acquisition of inventory items. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The cost of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting material into finished goods.

Cost of inventories is ascertained on the 'weighted average' basis except stock-in-trade, where cost is ascertained on first-in-first-out (FIFO) basis.

iii) Net realizable value

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realizable value is ascertained for each item of inventories with reference to the selling prices of related finished products. Estimate of net realizable value of finished goods and stock-in-trade are based on the most reliable evidence, available at the time the estimates are made, of the amount the inventories are expected to realize. These estimates take into consideration fluctuations of price or cost directly relating to events

occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of the inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Amount of write down of the inventories below cost is recognized as an expense as and when the event occurs.

n) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognized in the statement of profit and loss. Non-financial assets that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

o) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resource is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit

The liabilities for earned leave, that are not expected to be settled wholly within 12 months, are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund, family pension fund and employee's state insurance

(a) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefits expenses in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined contribution plans

Defined contribution plans such as contributions to provident fund, family pension fund and employee's state insurance are made to the funds administered by the Government of India, and are recognized as an expense when employees have rendered service entitling them to the contributions.

(iv) Employee share based payments

The Company operates equity settled share-based plan for the employees (referred to as employee stock option scheme (ESOS). ESOS granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity shares that will eventually vest, with a corresponding increase in other equity (share based payment reserve). At the end of each reporting period, Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of profit and loss such that cumulative expense reflects the revision estimate, with a corresponding adjustment to the share based payment reserve.

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the option, expected volatility (based on weighted average historical volatility), expected life of the options, expected dividends and the risk free interest rate (based on government bonds).

q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at banks and on hand, bank overdrafts and short-term deposits with an original maturities of three months or less, which are subject to an insignificant risk of changes in value.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

r) Investment in subsidiaries

Non-current investment in equity shares of subsidiaries is recognized at cost, unless there are indications of a permanent diminution in the value of investment, as per Ind AS 27. Non-current investments in preference shares and compulsory convertible debentures of subsidiaries is recognized at fair value through profit and loss.

s) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed to statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date on which the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at FVTOCI (debt instrument)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets designated at fair value through OCI (equity instruments)

In the case of equity instruments which are not held for trading and where the Company has taken irrevocable election to present the subsequent changes in fair value in other comprehensive income, these elected investments are initially measured at fair value plus transaction costs and subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Equity instruments through other comprehensive income' under the head 'Other Equity'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL (equity instruments)

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

In case of equity instruments which are held for trading are initially measured at fair value plus transaction costs and subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized in the statement of profit and loss when the right of payment has been established.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impaired financial assets). The Company estimates cash flows by considering all contractual terms

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a 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-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company follows “simplified approach for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company’s financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition

as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 ‘Financial instruments’.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities at amortized cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

shareholders of the Company by the weighted average number of equity shares outstanding during the year.

(ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Company and weighted average number of equity shares outstanding during the year are adjusted for the effect of all potentially dilutive equity shares.

u) Recent pronouncements

The Company had applied the amendments of Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on financials.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules from time to time. However, for the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

3.1 Property, Plant and Equipment

(₹ in Lakh)

Particulars	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Total
Gross block							
As at April 1, 2022	1,256.61	9,366.01	36,473.77	122.73	358.77	413.67	47,991.56
Additions	-	357.45	1,547.85	8.18	54.91	65.51	2,033.90
Disposals	-	(3.26)	(41.82)	-	(34.82)	(0.49)	(80.39)
As at March 31, 2023	1,256.61	9,720.20	37,979.80	130.91	378.86	478.69	49,945.07
Additions	-	866.64	684.12	6.19	51.94	51.26	1,660.15
Disposals	-	-	(253.42)	-	(1.44)	(47.26)	(302.12)
As at March 31, 2024	1,256.61	10,586.84	38,410.50	137.10	429.36	482.69	51,303.10
Accumulated depreciation							
As at April 1, 2022	-	3,279.70	17,667.74	101.33	287.35	254.38	21,590.50
Charge for the year	-	321.00	2,233.17	5.91	36.45	53.16	2,649.69
Disposals	-	(3.10)	(28.49)	-	(33.22)	(0.46)	(65.27)
As at March 31, 2023	-	3,597.60	19,872.42	107.24	290.58	307.08	24,174.92
Charge for the year	-	311.90	2,206.30	6.21	44.49	64.21	2,633.11
Disposals	-	-	(238.97)	-	(1.37)	(44.11)	(284.45)
As at March 31, 2024	-	3,909.50	21,839.75	113.45	333.70	327.18	26,523.58
Net block							
As at March 31, 2023	1,256.61	6,122.60	18,107.38	23.67	88.28	171.61	25,770.15
As at March 31, 2024	1,256.61	6,677.34	16,570.75	23.65	95.66	155.51	24,779.52

3.2 Capital Work-In-Progress (CWIP)

(₹ in Lakh)

CWIP ageing schedule	Amount of CWIP for the period				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
As at March 31, 2023					
Projects in progress	915.82	79.28	-	-	995.10
As at March 31, 2024					
Projects in progress	-	38.93	-	-	38.93

3.3 Right Of Use Assets (ROU)

(₹ in Lakh)

Leasehold land	
Gross block:	
As at April 1, 2022	126.59
Additions	-
Disposals	-
As at March 31, 2023	126.59
Additions	-
Disposals	-
As at March 31, 2024	126.59

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

3.3 Right Of Use Assets (ROU) (Contd.)

(₹ in Lakh)

Accumulated amortization	
As at April 1, 2022	4.84
Charge for the year	1.61
Disposals	-
As at March 31, 2023	6.45
Charge for the year	1.62
Disposals	-
As at March 31, 2024	8.07
Net block as at March 31, 2023	120.14
Net block as at March 31, 2024	118.52

3.4 All property, plant and equipment as well as ROU assets are charged as security for the term loan and working capital loan facilities from banks, to secure their respective dues (refer notes 12.1 and 27.0).

3.5 Refer note 30.1 for contractual commitment for the acquisition of property, plant and equipment.

3.6 There is no impairment loss during the year ending March 31, 2024 and March 31, 2023.

3.7 All the title deeds for the immovable properties are in the name of the Company except the following:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value (₹ in Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Office building	277.84	Vatika IT Parks Private Limited	No	March 18, 2023	The possession and original agreement to sale of the property is in the name of the Company. Title deed registration is held up due to some local regulations.

3.8 Capital work-in-progress does not include any project work which is overdue or has exceeded its cost compared to its original plan.

3.9 There is no project which has temporarily been suspended.

4.0 Intangible Assets

(₹ in Lakh)

Particulars	Technical Knowhow	Software	Total
Gross block			
As at April 1, 2022	14.63	312.95	327.58
Additions	-	5.48	5.48
Disposals	-	-	-
As at March 31, 2023	14.63	318.43	333.06
Additions	-	2.40	2.40
Disposals	-	-	-
As at March 31, 2024	14.63	320.83	335.46

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

4.0 Intangible Assets (Contd.)

(₹ in Lakh)

Particulars	Technical Knowhow	Software	Total
Accumulated amortization			
As at April 1, 2022	14.63	221.18	235.81
Amortization for the year	-	50.91	50.91
Disposals	-	-	-
As at March 31, 2023	14.63	272.09	286.72
Amortization for the year	-	31.26	31.26
Disposals	-	-	-
As at March 31, 2024	14.63	303.35	317.98
Net block			
As at March 31, 2023	-	46.34	46.34
As at March 31, 2024	-	17.48	17.48

Net book value

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
4.1 Intangible assets	17.48	46.34

4.2 There is no intangible asset under development and hence, related disclosures are not applicable.

4.3 There is no impairment loss during the year ending March 31, 2024 and March 31, 2023.

5.0 Non-Current Financial Assets

5.1 Investment in subsidiaries*

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
Investment in equity instrument of subsidiary companies (unquoted, valued at cost)				
In equity shares of Rs 10 each fully paid up of Ganesha Ecopet Private Limited	1,50,00,000	1,500.00	1,50,00,000	1,500.00
In equity shares of Rs 10 each fully paid up of Ganesha Ecotech Private Limited	1,50,00,000	1,500.00	1,50,00,000	1,500.00
In equity shares of Nepali rupee 100 each fully paid up of Ganesha Overseas Private Limited	24,00,000	1,495.74	24,00,000	1,495.74
Investment in preference shares of subsidiary company (unquoted, valued at fair value through profit and loss)				
In 1% preference shares of Rs 100 each fully paid up of Ganesha Ecopet Private Limited	65,00,000	7,299.47	65,00,000	6,920.37
Investment in compulsory convertible debentures of subsidiary company (unquoted, valued at cost)				
In zero coupon compulsory convertible debentures of Rs 100 each fully paid of Ganesha Ecotech Private Limited	33,00,000	3,300.00	33,00,000	3,300.00
Total		15,095.21		14,716.11

* Aggregate amount of unquoted investments in subsidiaries ₹15,095.21 Lakh (March 31, 2023: ₹14,716.11 Lakh). There is no impairment loss in the value of investment.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

5.0 Non-current financial assets (Contd.)

5.2 Investment in others*

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
Investment in equity instrument of others (unquoted, valued at fair value through other comprehensive income)				
In equity shares of ₹10 each fully paid up of Amplus R.J. Solar Private Limited (under solar power purchase arrangement for captive consumption)	59,26,200	592.62	59,26,200	592.62
Total		592.62		592.62

*Aggregate amount of unquoted investments in others ₹592.62 Lakh (March 31, 2023: ₹592.62 Lakh). There is no impairment loss in the value of investment.

5.3 Loans

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
Loans to related parties				
Loan to subsidiaries*				
- Ganesha Ecopet Private Limited	16,318.01		2,443.25	
(Maximum amount outstanding during the year ₹17,868.01 Lakh) (March 31, 2023: ₹6.522.00 Lakh)				
- Ganesha Ecotech Private Limited	9,280.87	25,598.88	6,996.50	9,439.75
(Maximum amount outstanding during the year ₹12,480.87 Lakh) (March 31, 2023: ₹11,290.00 Lakh)				
Loan to Ganesha Employees Welfare Trust ^		217.00		217.00
(Maximum amount outstanding during the year ₹217.00 Lakh) (March 31, 2023: ₹284.50 Lakh)				
Loans to others				
Loans to employees		1.44		3.49
Total		25,817.32		9,660.24
Break-up:				
Loans considered good - secured		-		-
Loans considered good - unsecured		25,817.32		9,660.24
Loans which have significant increase in credit risk		-		-
Loans - credit impaired		-		-
		25,817.32		9,660.24
Less: Allowance for doubtful loans		-		-
Total		25,817.32		9,660.24

* Loans have been given for setting up of projects and meeting business requirements.

^ Loan has been given for buying equity shares of the Company under Employees Stock Option Scheme.

Refer note 36.0 for information about credit risk and market risk of loans.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

5.4 Others

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits with remaining maturity of more than twelve months*	53.01	274.54
Security deposits	395.95	395.95
Accrued dividend on preference shares	138.68	73.68
Total	587.64	744.17

*held as lien by banks against letter of credits, bank guarantees & other credit facilities amounting to ₹53.01 Lakh (March 31, 2023: ₹270.72 Lakh).

6.0 Other Non-Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	42.11	1.20
Prepaid expenses	19.27	12.72
Total	61.38	13.92

7.0 Inventories

(at lower of cost and net realisable value)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	7,027.06	9,319.22
Raw materials (in-transit)	16.92	16.44
Work-in-progress	1,131.86	915.26
Finished goods	8,910.48	7,656.93
Finished goods (in-transit)	900.00	1,092.06
Stock-in-trade	716.68	1,191.59
Stock-in-trade (in-transit)	35.67	47.23
Stores and spares	1,861.98	1,852.04
Total	20,600.65	22,090.77

Note : Cost of inventories amounting to ₹523.23 Lakh (March 31, 2023: ₹497.57 Lakh) in respect of write-downs of inventory to net realisable value has been expensed out in the statement of profit and loss.

8.0 Current Financial Assets

8.1 Investments

(carried at fair value through profit and loss)

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Units	Amount (₹)	No. of Units	Amount (₹)
a) Investment in mutual funds (unquoted):				
SBI Equity Hybrid Fund Direct Growth (units of ₹10 each)	-	-	2,70,140.493	582.22
Sub-total		-		582.22
b) Investment in bonds & debentures (unquoted):				
9.56% SBI Series I Perpetual Bond (units of Rs 10,00,000 each)	-	-	88.000	931.64
10.5% Indusind Bank Series III-2019 NCD Perpetual (units of ₹10,00,000 each)	-	-	35.000	350.00
9.15% PNB Perpetual Bond (units of ₹10,00,000 each)	-	-	25.000	238.61

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

8.0 Current Financial Assets *(Contd.)*

8.1 Investments

(carried at fair value through profit and loss)

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Units	Amount (₹)	No. of Units	Amount (₹)
7.74% SBI Series I Perpetual Bond (units of ₹10,00,000 each)	40.000	401.71	40.000	401.71
9.5% UBI Series XX Perpetual Bond (units of ₹10,00,000 each)	30.000	308.57	30.000	308.57
8.50% SBI Series II perpetual Bond (units of ₹10,00,000 each)	22.000	229.72	22.000	229.72
9.55% Canara Bank Perpetual Bond (units of ₹10,00,000 each)	50.000	522.35	50.000	522.35
8.50% Canara Bank Series III Perpetual Bond (units of ₹10,00,000 each)	50.000	510.35	50.000	510.35
9.04% Bank of India Series VI Perpetual Bond (units of ₹10,00,000 each)	50.000	509.56	50.000	509.56
8.30% Canara Bank Series II Perpetual Bond (units of ₹10,00,000 each)	27.000	274.22	27.000	274.22
Sub-total		2,756.48		4,276.73
Total		2,756.48		4,858.95

Refer note 35.0 and 36.0 for information about fair value measurement, credit risk and market risk of investments.

8.2 Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	10,430.81	9,290.12
Less: Allowance for doubtful trade receivables	(88.36)	(89.55)
Total	10,342.45	9,200.57
Break-up:		
Receivables considered good - secured	1,049.18	879.27
Receivables considered good - unsecured	9,293.27	8,321.30
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
Receivables considered doubtful - unsecured	88.36	89.55
	10,430.81	9,290.12
Less: Allowance for doubtful trade receivables	(88.36)	(89.55)
Total	10,342.45	9,200.57

Notes:

- Trade receivable represents the amount of consideration, in exchange for goods or services transferred to the customers, that is unconditional. There are no contract assets and contract liabilities.
- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivable of ₹699.01 Lakh (March 31, 2023: Nil) is due from a private company in which some directors of the Company are directors/members.
- Trade receivables include Nil (March 31, 2023: 0.04 Lakh) due from a subsidiary company.
- Refer note 35.0 & 36.0 for information about fair value measurement, credit risk and market risk of trade receivables.
- Refer note 38.0 for ageing schedule of trade receivables.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

8.0 Current Financial Assets (Contd.)

8.3 Cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- On current accounts	868.23	102.66
- Deposits with original maturity of less than three months	3,000.00	-
Cash on hand	9.11	9.48
Total	3,877.34	112.14

8.4 Bank balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividend (Earmarked)	51.18	55.43
Deposits with remaining maturity of less than twelve months*	10,446.16	138.23
Total	10,497.34	193.66

*held under lien with banks against letter of credits and with power distribution boards in lieu of security deposits amounting to ₹111.65 Lakh (March 31, 2023: ₹118.28 Lakh)

8.5 Loans

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
Loans to related parties				
Loans to subsidiaries*				
- Ganesha Ecopet Private Limited [^]	1,550.00		231.75	
- Ganesha Ecotech Private Limited [^]	2,000.00	3,550.00	853.50	1,085.25
Loans to others				
Loans to employees		2.00		5.13
Total		3,552.00		1,090.38
Break-up:				
Loans considered good - secured		-		-
Loans considered good - unsecured		3,552.00		1,090.38
Loans which have significant increase in credit risk		-		-
Loans - credit impaired		-		-
Total		3,552.00		1,090.38
Less: Allowance for doubtful loans		-		-
Total		3,552.00		1,090.38

* Loans have been given for setting up of projects and meeting business requirements.

[^] For maximum amount outstanding during the year, please refer Note 5.3 above.

Refer note 36.0 for information about credit risk and market risk of loans.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

8.0 Current Financial Assets *(Contd.)*

8.6 Other financial assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest receivable on fixed deposits and others	361.08	432.28
Security deposits	24.43	11.38
Total	385.51	443.66

9.0 Other Current Assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advances to Suppliers	4.05.57	323.49
Advances to employees and others	20.46	26.08
Prepaid expenses	257.67	185.52
Balances with Government authorities	626.75	446.31
Insurance claim receivable	-	2,500.21
Export incentives receivable	253.97	176.00
Pet recycling credits in hand	267.51	-
Sub-total	1,831.93	3,657.61
Unsecured, considered doubtful		
Advances to suppliers	26.34	26.03
Less: Allowance for doubtful advances	(26.34)	(26.03)
Sub-total	-	-
Total	1,831.93	3,657.61

10.0 Current Tax Assets (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Income-tax	-	384.04
Total	-	384.04

11.1 Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
3,40,00,000 (March 31, 2023: 3,40,00,000) equity shares of ₹10 each	3,400.00	3,400.00
21,50,000 (March 31, 2023: 21,50,000) preference shares of ₹100 each	2,150.00	2,150.00
Total	5,550.00	5,550.00
Issued, subscribed and fully paid up		
2,53,46,984 (March 31, 2023: 2,18,29,397) equity shares of ₹10 each	2,534.70	2,182.94
Total	2,534.70	2,182.94

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

11.1 Share Capital (Contd.)

Notes:

i) Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024	As at March 31, 2023
	(Nos.)	(Nos.)
Equity shares		
As at the beginning of the year	2,18,29,397	2,18,29,397
Add: Shares issued during the year (refer note 45.0)	35,17,587	-
As at the end of the year	2,53,46,984	2,18,29,397

ii) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

iii) Shares in the Company held by each shareholder holding more than five per cent:

Name of the shareholders	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹10/- each fully paid up				
SBI Mutual Fund	24,21,731	9.55	13,94,163	6.39
GPL Finance Limited	22,13,809	8.73	22,13,809	10.14
Shyam Sunder Sharmma	19,38,927	7.65	19,38,927	8.88
DSP Equity Fund	17,65,462	6.97	17,65,462	8.09
Rajesh Sharma	10,95,529	4.32	10,95,529	5.02

iv) Shares held by the promoters at the end of the year:

Name of the Promoters	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% change during the year*	No. of shares	% of total shares	% change during the year
Shyam Sunder Sharmma	19,38,927	7.65	(1.23)	19,38,927	8.88	0.00
Rajesh Sharma	10,95,529	4.32	(0.70)	10,95,529	5.02	0.00
Sharad Sharma	8,75,583	3.45	(0.56)	8,75,583	4.01	0.00
Vishnu Dutt Khandelwal	7,20,200	2.84	(0.46)	7,20,200	3.30	0.00
Vimal Sharma	4,91,738	1.94	(0.31)	4,91,738	2.25	0.00
Seema Sharma	3,03,560	1.20	(0.19)	3,03,560	1.39	0.00
Ratna Sharma	2,67,871	1.06	(0.17)	2,67,871	1.23	0.00
Shyam Sunder Sharmma HUF	1,07,000	0.42	(0.07)	1,07,000	0.49	0.00
Sandeep Khandelwal	2,04,501	0.81	(0.13)	2,04,501	0.94	0.00
Yash Sharma	1,32,445	0.52	(0.09)	1,32,445	0.61	0.00
Sharad Sharma HUF	94,731	0.37	(0.06)	94,731	0.43	0.00
Nirmal Khandelwal	46,875	0.18	(0.03)	46,875	0.21	0.00
Vishnu Dutt Khandelwal HUF	41,940	0.17	(0.02)	41,940	0.19	0.00
Rajesh Sharma HUF	23,250	0.09	(0.02)	23,250	0.11	0.00

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

11.1 Share Capital (Contd.)

Name of the Promoters	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% change during the year*	No. of shares	% of total shares	% change during the year
Harsh Sharma	1,17,498	0.46	(0.08)	1,17,498	0.54	0.00
Hemant Sharma	77,568	0.31	(0.05)	77,568	0.36	0.00
Charu Khandelwal	21,449	0.08	(0.02)	21,449	0.10	0.00
Naveen Sharma	10,002	0.04	(0.01)	10,002	0.05	0.00
Kunjika Kaushal	6,237	0.02	(0.01)	6,237	0.03	0.00
GPL Finance Ltd.	22,13,809	8.73	(1.41)	22,13,809	10.14	0.00
Sandeep Yarns Pvt Ltd	4,46,300	1.76	(0.28)	4,46,300	2.04	0.00
Total	92,37,013	36.44		92,37,013	42.31	

*change in holding of promoters is due to dilution in their stake post issue of new shares under QIP (refer note 45.0).

- v) The Company has neither issued shares for a consideration other than cash/ bonus shares nor bought back any shares during the period of five years immediately preceding the reporting date.

11.2 Other Equity

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	450.00	450.00
Capital reserve	225.28	225.28
Share based payment reserve	14.86	-
Securities premium	47,598.03	13,952.72
Application money against convertible share warrants	3,750.00	-
General reserve	264.13	264.13
Retained earnings	54,078.22	48,260.06
Total	1,06,380.52	63,152.19
(a) Capital redemption reserve		
Opening balance	450.00	450.00
Adjustment during the year	-	-
Closing balance	450.00	450.00
(b) Capital reserve		
Opening balance	225.28	225.28
Adjustment during the year	-	-
Closing balance	225.28	225.28
(c) Share based payment reserve		
Opening balance	-	-
Share based payment expenses (refer note 41.0)	14.86	-
Closing balance	14.86	-
(d) Securities premium		
Opening balance	13,952.72	13,952.72
Received during the year	34,648.26	-
Share issue expense incurred (refer note 44.0 & 45.0)	(1,002.95)	-
Closing balance	47,598.03	13,952.72

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

11.2 Other Equity (Contd.)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(e) Application money against convertible share warrants		
Opening balance	-	-
Issue of convertible share warrants during the year (refer note 44.0)	3,750.00	-
Closing balance	3,750.00	-
(f) General reserve		
Opening balance	264.13	264.13
Adjustment during the year	-	-
Closing balance	264.13	264.13
(g) Retained earnings		
Opening balance	48,260.06	41,328.64
Adjustment during the year:		
Net profit for the year	6,247.53	7,331.93
Other comprehensive income (net) for the year	7.22	36.08
Dividend paid	(436.59)	(436.59)
Closing balance	54,078.22	48,260.06
Total (a to g)	1,06,380.52	63,152.19

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve was created for redemption of preference share capital and it is a non-distributable reserve.

Capital reserve

Capital reserve represent capital subsidy received and amount received on forfeiture of shares of the Company. Capital reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

Share based payment reserve represents the fair value of the stock options granted by the Company under the Employees Stock Option Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Application money against convertible share warrants

Application money represents receipt of upfront payment being 25% of total consideration against the allotment of 14,49,000 convertible share warrants during the year to a promoter group company.

General reserve

General reserve is used to transfer profits from retained earnings for general purposes. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

12.0 Borrowings

(₹ in Lakh)

Particulars	Non-current		Current maturities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Non-current borrowings				
Term loans (secured):				
- from banks	-	1,449.22	0.76	782.69
- from State Government (refer footnote (iv) below)	243.97	248.20	26.76	22.00
- from others	-	13.94	-	6.06
Total	243.97	1,711.36	27.52	810.75
Current borrowings				
Working capital loans from banks				
- Rupee loans (secured)	-	12,906.81		
Current maturities of long-term borrowings	27.52	810.75		
Loans repayable on demand (unsecured):				
- from directors	-	185.50		
- from related parties & others	28.50	68.00		
Total	56.02	13,971.06		

Notes:

- Refer note 12.1 for the details of effective interest rate, repayment terms and security details for the borrowings.
- The carrying amount of financial and non financial assets as security for secured borrowings is disclosed in note 27.0.
- Refer note 36.0 for liquidity risk.
- Loans discounted to their present value using the average interest rate on borrowings and the differential loan amount has been disclosed as government grant.

v) Net debt reconciliation:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings (including current maturities)	299.99	15,682.42
Less: Cash and cash equivalents	(3,877.34)	(112.14)
Interest payable	9.77	22.36
Net debt	(3,567.58)	15,592.64

(₹ in Lakh)

Particulars	Current and non-current borrowings (including current maturities)	Cash and cash equivalents	Interest payable	Total
Net debt as at April 1, 2022	13,878.25	(57.50)	16.91	13,837.66
Cash flows	1,781.53	(54.64)	-	1,726.89
Other non-cash movements:				
- fair value adjustments	22.64	-	(22.64)	-
Interest expense	-	-	1,269.70	1,269.70
Interest paid	-	-	(1,241.61)	(1,241.61)
Interest paid				
Net debt as at March 31, 2023	15,682.42	(112.14)	22.36	15,592.64

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

12.0 Borrowings (Contd.)

(₹ in Lakh)

Particulars	Current and non-current borrowings (including current maturities)	Cash and cash equivalents	Interest payable	Total
Cash flows	(15,406.00)	(3,765.20)	-	(19,171.20)
Other non-cash movements:				
- fair value adjustments	23.57	-	(23.57)	-
Interest expense	-	-	1,435.74	1,435.74
Interest paid	-	-	(1,424.76)	(1,424.76)
Net debt as at March 31, 2024	299.99	(3,877.34)	9.77	(3,567.58)

12.1 a) Nature of security and terms of repayment for non-current borrowings (including their current maturities):

	Nature of security	Terms of repayment
1	Term loan from bank, balance outstanding amounting to ₹0.56 Lakh (March 31, 2023: ₹471.72 Lakh), is secured by way of first charge, on pari passu basis, on entire property, plant and equipment (present and future), including equitable mortgage of entire properties of the Company. The loan is further secured by way of extension of pari passu second charge on current assets of the Company, fixed deposit receipt of ₹211.00 Lakh (March 31, 2023: ₹211.00 Lakh) and personal guarantees of some of the executive directors of the Company and others	Repayable in 21 quarterly installments starting from March, 2022 and last installment falling due in March, 2027. Rate of interest 8.80% p.a. as at the year end (March 31, 2023: 9.40% p.a.).
2	Term loan from bank, balance outstanding amounting to ₹0.20 Lakh (March 31, 2023: ₹1,426.78 Lakh), is secured by way of first charge, on pari passu basis, on entire property, plant and equipment (present and future), including equitable mortgage of entire properties of the Company. The loan is further secured by way of extension of pari passu second charge on current assets of the Company, fixed deposit receipt of ₹211.00 Lakh (March 31, 2023: ₹211 Lakh) and personal guarantees of some of the executive directors of the Company and others.	Repayable in 17 quarterly installments starting from April 2022 and last installment falling due in April 2026. Rate of interest 8.80% p.a. as at the year end (March 31, 2023: 9.40% p.a.).
3	Term loan from bank, balance outstanding amounting to ₹Nil (March 31, 2023: ₹333.41 Lakh), was secured by way of exclusive charge on assets financed by loan. The loan was further secured by way of personal guarantees of the executive directors of the Company and others.	Fully repaid during the year.
4	Loan from U.P. Government, balance outstanding amounting to ₹111.72 Lakh (March 31, 2023: ₹111.72 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in March, 2029. The loan is interest free.
5	Loan from U.P. Government, balance outstanding amounting to ₹Nil (March 31, 2023: ₹23.04 Lakh), was secured by way of bank guarantee of equivalent amount.	Fully repaid during the year.
6	Loan from U.P. Government, balance outstanding amounting to ₹29.42 Lakh (March 31, 2023: ₹29.42 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in January 2025. The loan is interest free.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

12.0 Borrowings (Contd.)

	Nature of security	Terms of repayment
7	Loan from U.P. Government, balance outstanding amounting to ₹194.90 Lakh (March 31, 2023: ₹194.90 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in December 2025. The loan is interest free.
8	Term loan from other, balance outstanding amounting to ₹ Nil (March 31, 2023: ₹20 Lakh), was secured by way of exclusive charge on assets financed by loan.	Fully repaid during the year.

12.1 b) Nature of security and terms of repayment for current borrowings:

	Nature of security	Terms of repayment
1	Working capital loans from banks, balance outstanding amounting to ₹ Nil (March 31, 2023: ₹12,906.81 Lakh) are secured by hypothecation of current assets of the Company (both present and future), ranking pari passu inter-se. These loans are further secured by way of extension of pari-passu second charge on property, plant and equipment of the Company, fixed deposit receipt of ₹211.00 Lakh and personal guarantees of some of the executive directors of the Company and others.	Repayable on demand. Rate of interest is ranging from 7.80% to 9.45% p.a. over the tenure of the loans. (March 31, 2023: Rate of interest ranging from 7.25% to 9.85% p.a.)
2	Unsecured loans from directors and other related parties amounting to ₹28.50 Lakh (March 31, 2023: ₹253.50 Lakh).	Repayable on demand. Rate of interest 7.50% p.a. as at the year end (March 31, 2023: 6.50% p.a.).

12.2 The Company has not defaulted on any loans payable during the year and has satisfied all debt covenants prescribed in terms of the loans.

13.0 Government Grants

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	481.12	486.30
Received during the year*	1.84	48.38
Released to the statement of profit and loss	(54.81)	(53.56)
At the end of the year Total	428.15	481.12
13.1 Current	53.88	54.73
13.2 Non-current	374.27	426.39

*There is unfulfilled export commitments of ₹79.16 Lakh (March 31, 2023: ₹96.93 Lakh) as at the balance sheet date related to government grant received under the EPCG Scheme.

14.1 Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	5.64	199.74
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,117.89	6,252.07
Total	5,123.53	6,451.81

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

14.1 Trade Payables (Contd.)

Note:

- a) Refer note 36.0 for information about liquidity risk and market risk of trade payables.
b) Refer note 39.0 for ageing schedule of trade payables.

c) Dues to micro and small enterprises*:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	5.64	199.74
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

**This information has been determined to the extent such parties have been identified on the basis intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.*

14.2 Other Current Financial Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for capital expenditure	-	62.95
Interest accrued	9.77	22.36
Unclaimed dividends*	51.18	55.43
Mark to market of derivative financial instruments	4.42	0.17
Other payables	2,682.19	3,087.72
Total	2,747.56	3,228.63

** During the year, the Company has transferred ₹10.10 Lakh (March 31, 2023: ₹9.26 Lakh) to Investor Education and Protection Fund towards unclaimed dividend and there are no overdue amounts as at the balance sheet date.*

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

15.0 Other Current Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	249.60	221.86
Statutory dues payables	173.22	428.94
Total	422.82	650.80

16.0 Provisions

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits		
16.1 Non-current		
Leave obligations	84.49	78.20
Gratuity (refer note 29.1)	564.28	517.53
Total	648.77	595.73
16.2 Current		
Leave obligations	76.39	72.42
Gratuity (refer note 29.1)	347.69	318.19
Total	424.08	390.61

17.1 Current Tax Liabilities (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Income-tax	80.36	-
Total	80.36	-

18.1 Deferred Tax Liabilities (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	(346.21)	(328.22)
Deferred tax liabilities	2,208.05	2,166.54
Total	1,861.84	1,838.32

18.1.a Movement of deferred tax liabilities (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)		
As at the beginning of the year	1,838.32	1,769.62
Charge to statement of profit and loss*	23.52	68.70
Total	1,861.84	1,838.32

*Deferred tax on remeasurement of defined benefit obligation of ₹2.43 Lakh has been charged to other comprehensive income (March 31, 2023: ₹12.14 Lakh).

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

18.1.b Components of deferred tax (assets)/ liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liability		
Property, plant and equipment	1,971.94	1,996.34
Others	236.11	170.20
Sub-total	2,208.05	2,166.54
Deferred tax asset		
Expenses allowed in the year of payment	(317.34)	(299.13)
Provision for doubtful trade receivables and advances	(28.87)	(29.09)
Sub-total	(346.21)	(328.22)
Deferred tax liabilities (net)	Total 1,861.84	1,838.32

19.0 Revenue from operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products		
Finished goods (including process waste)	93,251.04	1,08,562.56
Stock-in-trade	2,379.75	3,202.78
Sub-total	95,630.79	1,11,765.34
Other operating revenues		
Sale of waste and scrap	288.27	360.83
Job work receipts	11.96	4.97
Insurance claims received	58.25	5.42
Export incentives	318.89	384.17
Recovery of bad & doubtful debts already provided for	6.93	3.25
Income from pet recycling credits	967.64	677.76
Liabilities no longer required written back	2.79	16.27
Others	248.51	67.91
Sub-total	1,903.24	1,520.58
Total	97,534.03	1,13,285.92

The Company offers, performance based discounts and other discounts as per the prevailing trade practices at the time of sale. A sale invoice is the de facto contract agreement with the Customers. Any credit notes for discounts issued thereafter are reduced from gross sales and net sales is shown in the statement of profit and loss. Details of the revenue from contracts with customers as it appears in the invoices raised on them and credit notes issued thereafter are as under.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with Customers	95,707.16	1,11,876.84
Less:		
Performance and price discounts	28.08	100.09
Other discounts	48.29	11.41
Revenue from sale of products	Total 95,630.79	1,11,765.34

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

20.0 Other Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income	1,951.87	1,271.23
Government grants	54.81	53.56
Gain on foreign currency fluctuations and translations (net)	6.99	-
Profit on sale of investments	92.85	21.73
Fair value gain on preference shares	379.10	181.56
Dividend on preference shares (accrued)	65.00	30.78
Profit on sale/ discard of property, plant and equipment (net)	17.98	72.68
Miscellaneous income	7.12	12.13
Total	2,575.72	1,643.67

21.0 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year*		
Finished goods	9,810.48	8,748.99
Stock-in-trade	752.35	1,238.83
Work-in-progress	1,131.86	915.26
Sub-total	11,694.69	10,903.08
Inventories at the beginning of the year*		
Finished goods	8,748.99	6,537.69
Stock-in-trade	1,238.83	586.91
Work-in-progress	915.26	953.26
Sub-total	10,903.08	8,077.86
Total	(791.61)	(2,825.22)

*including goods-in-transit.

22.0 Employee Benefits Expenses

(₹ in Lakh)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	5,594.07	6,050.24
Contribution to provident and other funds (refer note 29.2)	329.78	275.28
Gratuity expense (refer note 29.1)	147.78	131.52
Staff welfare expenses	107.74	127.16
Share based payment expenses (refer note 41.0)	14.86	-
Total	6,194.23	6,584.20

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

23.0 Other Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Manufacturing expenses		
Consumption of stores and spares	2,598.37	2,666.14
Power and fuel	8,859.80	9,786.46
Repairs and maintenance		
- Plant and machinery	504.28	475.52
- Buildings	125.84	50.84
Sub-total	12,088.29	12,978.96
Administrative expenses		
Rent (refer note 31.0)	133.78	110.44
Rates and taxes	16.13	13.64
Insurance	275.30	312.61
Repairs and maintenance - others	123.11	123.17
CSR expenditure (refer note 32.0)	155.05	147.50
Travelling and conveyance	243.33	193.76
Communication costs	45.63	50.57
Printing and stationery	47.91	44.99
Legal and professional fee	59.22	61.23
Cost auditors' remuneration	1.20	1.20
Directors' sitting fee	2.45	1.60
Payment to auditor (refer break-up provided below)	26.46	23.66
Allowances for doubtful trade receivables and advances	0.31	35.88
Fair value loss on financial assets	-	11.71
Miscellaneous expenses	173.75	164.49
Vehicle running and maintenance	102.14	102.65
Commission to non-executive directors	60.25	56.00
Security service charges	173.44	171.47
Loss on foreign currency fluctuations and translations (net)	-	32.73
Insurance claim settlement loss written off	-	509.64
Sub-total	1,639.46	2,168.94
Selling expenses		
Freight and forwarding charges	3,517.81	4,402.73
Other selling and distribution expenses	552.53	590.91
Sub-total	4,070.34	4,993.64
Total	17,798.09	20,141.54
Break up of payment to auditor:		
As auditor:		
- Audit fee	17.50	16.00
- Tax audit fee	2.75	2.50
- Limited review fee	5.75	4.50
In other capacity		
- Other services (certification fee)*	0.35	0.05
- Reimbursement of expenses	0.11	0.61
Total	26.46	23.66

*Certification fee of ₹18.05 Lakh (March 31, 2023: Nil) paid to auditors in respect of raising equity capital through QIP has been adjusted against security premium.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

24.0 Depreciation and Amortization Expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	2,633.11	2,649.69
Amortization of intangible assets	31.26	50.91
Amortization of ROU assets	1.62	1.61
Total	2,665.99	2,702.21

25.0 Finance Costs

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest	1,435.73	1,269.71
Exchange differences regarded as an adjustment to borrowing cost	-	49.70
Other borrowing costs (including bank charges)	81.19	92.61
Total	1,516.92	1,412.02

26.0 Tax Expense

26.1 The major components of income-tax expense are as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A) Profit and loss section		
Current tax		
In respect of current year	2,091.06	2,481.61
In respect of earlier years	7.22	44.11
Sub-total	2,098.28	2,525.72
Deferred tax		
Relating to origination and reversal of temporary differences	21.09	56.57
Sub-total	21.09	56.57
Income tax expense reported in the statement of profit and loss	Total	Total
	2,119.37	2,582.29
B) Other comprehensive income ('OCI') section		
Deferred tax related to items recognized in OCI during the year:		
Re-measurement gain on defined benefit obligations	(2.43)	(12.14)
Income-tax charged to OCI	Total	Total
	(2.43)	(12.14)

26.2 Reconciliation of tax expense and the accounting profit multiplied by applying the statutory income-tax rate to the profit before tax is as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before income-tax	8,366.90	9,914.22
Enacted income-tax rate applicable to the Company	25.168%	25.168%
Current tax expense on profit before tax at the enacted income-tax rate	2,105.78	2,495.21
Adjustments in respect of current income-tax of earlier years	7.22	44.11
Permanent disallowances	43.11	37.89
Difference due to different rate of tax	(36.07)	-
Others	(0.67)	5.08
Total income-tax expense	2,119.37	2,582.29

Consequent to reconciliation items shown above, the effective tax rate is 25.330% (March 31, 2023: 26.046%).

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

27.0 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
First charge		
Non-current assets		
Property, plant and equipment	24,779.52	25,770.15
Capital work-in-progress	38.93	995.10
Right of use assets	118.52	120.14
Non-current financial assets	26,266.28	10,330.73
Other non-current assets	61.38	13.92
Total non-current assets pledged as security	51,264.63	37,230.04
Second charge		
Current assets		
Financial assets		
Trade receivables	10,342.45	9,200.57
Cash and cash equivalents	3,877.34	112.14
Bank balances	10,446.16	138.23
Others	3,937.51	1,534.04
Non financial assets		
Inventories	20,600.65	22,090.77
Current tax assets	-	348.04
Others	1,831.93	3,657.61
Total current assets pledged as security	51,036.04	37,081.40
Total assets pledged as security	1,02,300.67	74,311.44

28.0 Earnings per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earning per share has been computed as under:		
Profit for the year (₹ in Lakh)	6,247.53	7,331.93
Weighted average number of equity shares outstanding (Numbers)	2,23,96,440	2,18,29,397
Earnings per share (₹) - Basic (face value of ₹10 per share)	27.90	33.59
Earnings per share (₹) - Diluted (face value of ₹10 per share)	27.90	33.59

29.0 Gratuity and other post-employment benefit plans

29.1 Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the numbers of years of services. The gratuity plan is an unfunded plan.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

29.0 Gratuity and other post-employment benefit plans *(Contd.)*

Movement in the present value of the defined benefit obligation for gratuity are as follows:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	835.72	807.44
Liability transferred to subsidiary company	-	(0.29)
Current service cost	87.61	85.90
Interest expense	60.17	45.62
Benefits paid	(61.88)	(54.73)
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.90)	(15.39)
Actuarial losses/ (gains) arising from changes in financial assumptions	1.90	(28.32)
Actuarial (gains) / losses arising from experience adjustments	(9.65)	(4.51)
Closing defined benefit obligation	911.97	835.72

Net liability recognized in balance sheet:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	911.97	835.72
Fair value of plan assets	-	-
Funded status (deficit)	(911.97)	(835.72)
Net liability recognized in balance sheet	911.97	835.72
Break-up of defined benefit obligation		
Current liability	347.69	318.19
Non-current liability	564.28	517.53
Total	911.97	835.72

Net defined benefit expense recognized in employee benefit expenses in the statement of profit and loss:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	87.61	85.90
Net interest cost	60.17	45.62
Total	147.78	131.52

Remeasurement (gain) / loss recognized in other comprehensive income:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.90)	(15.39)
Actuarial losses/ (gains) arising from changes in financial assumptions	1.90	(28.32)
Actuarial (gains) / losses arising from experience adjustments	(9.65)	(4.51)
Total	(9.65)	(48.22)

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

29.0 Gratuity and other post-employment benefit plans (Contd.)

The principal assumptions used in determining gratuity as shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.10%	7.20%
Salary escalation rate	7.00%	7.00%
Withdrawal rate (upto 58 years)	40.00%	40.00%
Withdrawal rate (above 58 years)	10.00%	10.00%
Mortality	Published rates under the Indian Assured Lives Mortality (2012-14) Ultimate table	Published rates under the Indian Assured Lives Mortality (2012-14) Ultimate table

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key assumptions is as under:

(₹ in Lakh)

Particulars	Year	Change in assumption	Change due to increase in assumption	Change due to decrease in assumption
Discount rate	March 31, 2024	1.00%	(18.57)	19.50
	March 31, 2023	1.00%	(16.65)	17.44
Salary escalation rate	March 31, 2024	1.00%	18.14	(17.70)
	March 31, 2023	1.00%	16.18	(15.85)
Mortality rate	March 31, 2024	1.00%	negligible	negligible
	March 31, 2023	1.00%		

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period. There is no change in the method of valuation for the prior periods.

Maturity profile of demand of defined benefit obligation is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Within 1 year	346.33	311.50
1 - 2 Year	207.10	194.89
2 - 3 Year	127.72	124.68
3 - 4 Year	84.09	72.13
4 - 5 Year	56.83	57.50
Above 5 years	89.90	75.02
Total	911.97	835.72

Fair value and changes in fair value of plan assets during the year ended March 31, 2024:

- Gratuity obligations are not funded.
- As per the policy of the Company, no gratuity is payable to the executive directors of the Company.
- The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

29.0 Gratuity and other post-employment benefit plans *(Contd.)*

29.2 Defined contribution plans

The Company also has certain defined contribution plans, such as provident fund, family pension fund and employee's state insurance for benefit of employees. Contributions are made to funds administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards contribution to defined contribution plans is ₹329.78 Lakh (March 31, 2023: ₹275.28 Lakh).

29.3 Leave obligation

The Company provides for leave obligations based on actuarial valuation carried at the year end using the projected unit credit method.

30.0 Commitments and contingencies (to the extent not provided for)

30.1 Commitments

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	57.16	6.47
b) Corporate guarantees given to banks for securing the amounts lent by them to the subsidiary companies	39,063.65	36,490.94
c) Undertaking given by the Company to fulfil quantified exports in respect of capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India.	79.16	10.63
Total	39,199.00	36,508.04

30.2 Contingent liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Matters with tax authorities		
- Income-tax matters	35.92	35.92
- GST matters	627.57	188.96
- VAT matters	1.25	2.61
b) 'Demand as environmental compensation has been raised by Uttarakhand Pollution Control Board ('UPCB') on its Rudrapur Unit in pursuance of a general order of Hon'ble National Green Tribunal ('NGT') dated November 14, 2019 ('Order'). On appeal, Hon'ble Supreme Court vide its order dated February 25, 2022 remanded back the matter to NGT with certain directions. NGT has given directions and basis for levying the penalties, vide its order dated August 29, 2022, to concerned pollution control boards. We have neither received any revocation order nor received any fresh demand from Uttarakhand Pollution Control Board after the aforesaid Order of NGT.	100.00	100.00
c) Bills discounted under letters of credit and outstanding	319.30	81.35
d) Claims against the Company not acknowledged as debt (interest thereon not ascertainable at present)	57.54	52.96
Total	1,141.58	461.80

31.0 Leases - short term leases

The Company has certain operating leases primarily consisting of leases for office premises, guest houses and warehouses having different lease terms. Such leases are generally with the option of renewal against increased rent and premature termination clause. Rental expense recorded for short-term leases and low value asset leases is ₹133.78 Lakh for the year ended March 31, 2024 (March 31, 2023: ₹110.44 Lakh).

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

The Company has taken certain land on long term lease for factory purposes (disclosed under “Right of use assets”). Since entire lease payments have been prepaid, the Company does not have any future lease liability towards the same.

For details pertaining to the carrying value of right of use asset and amortization charged thereon during the year, refer note 3.3 of the financial statements.

The Company does not have any lease liability and thus there are no liquidity risks.

32.0 Details of corporate social responsibility (CSR) expenditure

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross amount required to be spent by the Company during the year	155.05	147.50
Amount spent during the year on:		
a. Promoting Education among children, women & differently abled	92.03	23.07
b. Promoting Healthcare including preventive healthcare	38.10	61.21
c. Rural development	-	4.00
d. Ensuring Environmental Sustainability	10.17	-
e. Training to promote nationally recognized sports*		53.21
f. Contribution to Prime Minister's National Relief Fund	7.00	
g. Administrative Overheads	7.75	6.01
Total	155.05	147.50
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	Not Applicable	Not Applicable
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*Includes ₹ Nil of CSR expense pertaining to the ongoing projects as at March 31, 2024 (March 31, 2023: ₹53.21 Lakhs) which was transferred to the Unspent Corporate Social Responsibility Account of the Company within 30 days from end of financial year.

Note: The Company has not incurred any expenditure on construction/ acquisition of any asset.

33.0 Segment Information

33.1 Primary segment (by business segment):

Ind AS 108 establishes standards for the way that the Company report information about operating segments and related disclosures about products and services, geographic areas and major customers. The Company's operations comprises of only one segment i.e. sale of polyester staple fibre and polyester yarn which are mainly having similar risks and returns. Based on the “management approach” as defined in Ind AS 108, the management also reviews and measure the operating results taking the whole business as one segment (synthetic textile). In view of the same, separate primary segment information is not required to be given as per the requirements of Ind AS 108 on “Operating Segments”.

33.2 Secondary segment (by geographical demarcation):

Considering the nature of the business in which the Company operates, the Company deals with various customers in multiple geographies. The details of segment revenue based on geographical demarcation is as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from sale of products		
- India	86,494.09	99,690.26
- Outside India	9,136.70	12,075.08
Total	95,630.79	1,11,765.34

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

34.0 Related Party Disclosures

Name of related parties and nature of relationship:

34.1 Subsidiaries	
Ganesha Ecopet Private Limited	Wholly owned subsidiary, incorporated in India
Ganesha Ecotech Private Limited	Wholly owned subsidiary, incorporated in India
Ganesha Overseas Private Limited	Wholly owned subsidiary, incorporated in Nepal

34.2 A. Key management personnel

Shri Shyam Sunder Sharmma	Non-Executive Chairman
Shri Vishnu Dutt Khandelwal	Executive Vice Chairman
Shri Sharad Sharma	Managing Director
Shri Rajesh Sharma	Joint Managing Director
Shri Surendra Kumar Kabra	Independent Director (ceased to be a director due to his death on June 01, 2023)
Shri Pradeep Kumar Goenka	Independent Director
Shri Vishwa Nath Chandak	Independent Director (till September 30, 2022)
Shri Abhilash Lal	Independent Director
Smt. Shobha Chaturvedi	Independent Director
Shri Narayanan Subramaniam	Independent Director (w.e.f. August 24, 2023)
Shri Gopal Agarwal	Chief Financial Officer
Shri Bharat Kumar Sajnani	Company Secretary & Compliance Officer

B. Relatives of key management personnel

Smt. Vimal Sharma	Wife of Shri Shyam Sunder Sharmma
Shri Sandeep Khandelwal	Son of Shri Vishnu Dutt Khandelwal
Shri Yash Sharma	Son of Shri Sharad Sharma
Shri Harsh Sharma	Son of Shri Rajesh Sharma
Shyam Sunder Sharmma HUF	Shri Shyam Sunder Sharmma is Karta
Sharad Sharma HUF	Shri Sharad Sharma is Karta
Rajesh Sharma HUF	Shri Rajesh Sharma is Karta

C. Entities controlled by key management personnel or their relatives

Sandeep Yarns Private Limited
GPL Finance Limited
GESL Spinners Private Limited
Ganesha Ecoverse Limited

D. Entities over which key management personnel are able to exercise significant influence

Ganesha Employees' Welfare Trust
Ganesh Memorial Trust

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

34.3 Summary of transactions during the year

(₹ in Lakh)

Particulars	Year ended	Subsidiaries	Key management personnel	Relatives of key management personnel	Entities controlled by key management personnel or their relatives	Entities over which key management personnel are able to exercise significant influence
Investment in share capital	March 31, 2024	-	-	-	-	-
	March 31, 2023	4,000.00	-	-	-	-
Unsecured loan given	March 31, 2024	21,323.88	-	-	-	-
	March 31, 2023	14,707.00	-	-	-	190.00
Unsecured loan repaid	March 31, 2024	2,700.00	-	-	-	-
	March 31, 2023	7,927.00	-	-	-	67.50
Interest income	March 31, 2024	1,390.69	-	-	-	-
	March 31, 2023	837.18	-	-	-	-
Accrued dividend and fair value gain on preference shares	March 31, 2024	444.10	-	-	-	-
	March 31, 2023	212.34	-	-	-	-
Expenses incurred on reimbursable basis	March 31, 2024	0.33	-	-	-	-
	March 31, 2023	-	-	-	-	-
Sale of capital goods, products, general stores and management services	March 31, 2024	152.54	-	-	1,266.90	-
	March 31, 2023	205.24	-	-	5.63	-
Purchase of goods (including job work charges)	March 31, 2024	5,902.32	-	-	495.13	-
	March 31, 2023	3,395.47	-	-	-	-
Transfer of employees super annuation benefits on transfer of employees to subsidiaries	March 31, 2024	-	-	-	-	-
	March 31, 2023	0.39	-	-	-	-
Managerial remuneration	March 31, 2024	-	109.12	-	-	-
	March 31, 2023	-	746.62	-	-	-
Commission and sitting fee	March 31, 2024	-	62.70	-	-	-
	March 31, 2023	-	57.60	-	-	-
Salary and allowances	March 31, 2024	-	50.96	31.54	-	-
	March 31, 2023	-	45.56	26.65	-	-
Interest paid	March 31, 2024	-	8.76	-	2.22	-
	March 31, 2023	-	42.05	0.34	4.77	-
Contribution to trust for CSR Expenditure	March 31, 2024	-	-	-	-	69.68
	March 31, 2023	-	-	-	-	54.74
Unsecured loan accepted	March 31, 2024	-	206.00	-	7.50	-
	March 31, 2023	-	192.50	-	-	-
Unsecured loan repaid	March 31, 2024	-	391.50	-	9.00	-
	March 31, 2023	-	899.00	63.00	91.00	-
Amount outstanding at balance sheet date						
Unsecured loan payable	March 31, 2024	-	-	-	28.50	-
	March 31, 2023	-	185.50	-	30.00	-
Unsecured loan receivable	March 31, 2024	29,148.88	-	-	-	217.00
	March 31, 2023	10,525.00	-	-	-	217.00
Amounts payable	March 31, 2024	106.40	87.27	1.49	21.04	-
	March 31, 2023	53.53	162.33	0.97	0.43	-
Amounts receivable	March 31, 2024	302.67	-	-	699.01	-
	March 31, 2023	462.33	-	-	-	-
Outstanding corporate guarantees to banks (refer note 42.0)	March 31, 2024	39,063.65	-	-	-	-
	March 31, 2023	36,490.94	-	-	-	-

34.4 No amount has been written off or written back during the year in respect of debts due from or to related parties.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

35.0 Financial Instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values

- The fair values of derivatives such as forward/ derivative contracts are on mark to market basis as per bank.
- The Company has adopted effective interest rate for calculating interest expense. Processing fees and transaction costs relating to each loan has been considered for calculating effective interest rate. The fair values of non-current borrowings are classified as level 3 in the fair value hierarchy due to the use of unobservable inputs including own credit risk.
- Loans, investments and other non-current financial assets are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken into account for expected losses of these receivables. The fair value of loans, investments and other non-current financial assets has been considered as equal to their carrying amount. These fair values are classified as level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
- Fair values of cash and cash equivalents, trade receivables, bank balances, current investments, current loans, other current financial assets, trade payables, current borrowings and other financial liabilities are considered to be the same as their carrying amount due to short-term maturities of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial assets

(₹ in Lakh)

Particulars	Note reference as mentioned above	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
			Carrying amount	Fair value	Carrying amount	Fair value
1. Financial assets designated at fair value through profit and loss (FVTPL)						
Current investments	D	Level 2	2,756.48	2,756.48	4,858.95	4,858.95
Investment in subsidiaries (non-current)	C	Level 3	7,299.47	7,299.47	6,920.37	6,920.37
2. Financial assets designated at fair value through other comprehensive income (FVTOCI)						
Other investments	C	Level 3	592.62	592.62	592.62	592.62
3. Financial assets designated at amortized cost						
a) Trade receivables	D	Level 3	10,342.45	10,342.45	9,200.57	9,200.57
b) Cash and cash equivalents	D	Level 3	3,877.34	3,877.34	112.14	112.14
c) Other bank balances	D	Level 3	10,497.34	10,497.34	193.66	193.66
d) Loans	C, D	Level 3	29,369.32	29,369.32	10,750.62	10,750.62
e) Investment in subsidiaries	C	Level 3	7,795.74	7,795.74	7,795.74	7,795.74
f) Other financial assets	C, D	Level 3	973.15	973.15	1,187.83	1,187.83
Total			73,503.91	73,503.91	41,612.50	41,612.50

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2024

35.0 Financial Instruments (Contd.)

Financial liabilities

(₹ in Lakh)

Particulars	Note reference as mentioned above	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
			Carrying amount	Fair value	Carrying amount	Fair value
1. Financial liabilities designated at fair value through profit and loss						
Mark to market of derivative financial instruments	A	Level 2	4.42	4.42	0.17	0.17
2. Financial liabilities designated at fair value through other comprehensive income			-	-	-	-
3. Financial liabilities designated at amortized cost						
a) Borrowings	B, D	Level 3	299.99	299.99	15,682.42	15,682.42
b) Trade payables	D	Level 3	5,123.53	5,123.53	6,451.81	6,451.81
c) Other financial liabilities	D	Level 3	2,743.14	2,743.14	3,228.46	3,228.46
Total			8,171.08	8,171.08	25,362.86	25,362.86

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

36.0 Financial Risk Management

The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's senior management oversees the management of these risks.

The Company has exposure to the following risks (arising from financial instruments):

- Credit risk
- Liquidity risk
- Market risk

A. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk mainly from trade receivables, loans given and other financial assets.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition.

Trade receivables are typically unsecured and derived from revenue earned from customers located in India and abroad. Credit risk is managed by the Company through customer assessment, credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company measures the expected credit loss of trade receivables based on historical trend, industry practice and the business environment in which the entity operates. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, loans given and other financial assets.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

36.0 Financial Risk Management *(Contd.)*

The allowance for lifetime expected credit loss on trade receivables is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Allowance for expected credit loss		
Opening balance	89.55	58.41
Impairment loss recognized (net of reversals)	(1.19)	31.14
Closing balance	88.36	89.55

Loans given and other financial assets are considered to be of good quality and there is no significant credit risk.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

i) Financing arrangements

The Company believes that it has sufficient working capital to meet its current requirements. Accordingly, no liquidity risk is perceived. Further, the Company is having cash credit facilities from banks of ₹19,150.00 Lakh (March 31, 2023: ₹16,000.00 Lakh), repayable on demand which carry floating rate of interest.

ii) Contractual maturities of financial liabilities

(₹ in Lakh)

As at March 31, 2024	0-1 years	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings (including current maturities)	27.52	166.71	77.26	-	271.49
Current borrowings	28.50	-	-	-	28.50
Trade payables	5,123.53	-	-	-	5,123.53
Other financial liabilities	2,747.56	-	-	-	2,747.56
Total	7,927.11	166.71	77.26	-	8,171.08

As at March 31, 2023	0-1 years	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings (including current maturities)	810.75	652.95	986.63	71.78	2,522.11
Current borrowings	13,160.31	-	-	-	13,160.31
Trade payables	6,451.81	-	-	-	6,451.81
Other financial liabilities	3,228.63	-	-	-	3,228.63
Total	23,651.50	652.95	986.63	71.78	25,362.86

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e., currency rate, interest rate and other price related risks. Financial instruments affected by market risk include borrowings, loans given, deposits, foreign currency receivables and payables and derivative financial instruments such as forward contracts. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

36.0 Financial Risk Management (Contd.)

i) Foreign currency risk

The Company is exposed to foreign currency risk through operating and financing activities in foreign currency. The Company uses derivative financial instruments, such as foreign currency sale and purchase forward contracts and currency and interest rate swap contracts, to reduce foreign currency risk exposure and follows its risk management policies.

Derivative financial instruments outstanding as at the reporting date

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Nominal value of forward contracts		
Forward contracts to sell USD	1,205.91	440.27
Forward contracts to sell EURO	-	133.05
	1,205.91	573.32

Foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

The currency profile of financial assets and financial liabilities (unhedged foreign currency exposure) as at the balance sheet date is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	EURO	Total	USD	EURO	Total
Financial assets						
Trade receivables	-	33.18	33.18	308.63	235.35	543.98
Financial liabilities						
Trade and other payables	(98.22)	(12.67)	(110.89)	(130.69)	(116.75)	(247.44)
Net assets/ (liabilities)	(98.22)	20.51	(77.71)	177.94	118.60	296.54

Foreign currency risk sensitivity

1% increase and decrease in foreign exchanges rate will have the following impact on profit before tax:

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	1% increase	1% decrease	1% increase	1% decrease
USD	(0.98)	0.98	1.78	(1.78)
EURO	0.21	(0.21)	1.19	(1.19)
Increase / (decrease) in profit before tax	(0.78)	0.78	2.97	(2.97)

ii) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates.

Exposure to interest rate risk

Particulars	As at March 31, 2024		As at March 31, 2023	
	(₹ in Lakh)	% of total	(₹ in Lakh)	% of total
Fixed rate borrowings	299.23	99.75%	543.70	3.47%
Variable rate borrowings	0.76	0.25%	15,138.72	96.53%
Total	299.99	100.00%	15,682.42	100.00%

Note: The above amounts include current maturities of non-current borrowings

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

36.0 Financial Risk Management *(Contd.)*

Interest rate sensitivity on variable rate borrowings

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for whole of the year.

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
50 basis points increase would decrease the profit before tax by	(0.00)	(75.69)
50 basis points decrease would Increase the profit before tax by	0.00	75.69

37.0 Capital Risk Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor's, creditor's and market's confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure in consonance with its long term strategic plans.

The gearing ratio at the end of the reporting period is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings (including current maturities)	299.99	15,682.42
Debt (A)	299.99	15,682.42
Total equity (B)	1,08,915.22	65,335.13
Equity and debt (C =A+B)	1,09,215.21	81,017.55
Gearing ratio (A/C)	0.27%	19.36%

38.0 Trade Receivables Ageing Schedule

a. As at March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade rceivables							
- considered good	7,081.59	3,077.67	154.79	28.40	-	-	10,342.45
- considered doubtful	-	-	-	-	33.89	54.47	88.36
	7,081.59	3,077.67	154.79	28.40	33.89	54.47	10,430.81
Less: Allowance for doubtful debts							88.36
Total							10,342.45

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

38.0 Trade Receivables Ageing Schedule (Contd.)

b. As at March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	6,790.56	2,365.31	44.70	-	-	-	9,200.57
- considered doubtful	-	-	-	34.68	1.80	53.07	89.55
	6,790.56	2,365.31	44.70	34.68	1.80	53.07	9,290.12
Less: Allowance for doubtful debts							89.55
Total							9,200.57

39.0 Trade Payables Ageing Schedule

a. As at March 31, 2024

(₹ in Lakh)

Particulars		Outstanding for following periods from due date of payment					
		Not due	Less than one year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	0.15	5.49	-	-	-	5.64
ii)	Other than MSME	945.49	4,139.07	3.41	29.92	-	5,117.89
iii)	Disputed dues - MSME	-	-	-	-	-	-
iv)	Disputed dues - other than MSME	-	-	-	-	-	-
Total		945.64	4,144.56	3.41	29.92	-	5,123.53

b. As at March 31, 2023

(₹ in Lakh)

Particulars		Outstanding for following periods from due date of payment					
		Not due	Less than one year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	199.74	-	-	-	-	199.74
ii)	Other than MSME	688.60	5,502.28	58.12	2.22	0.85	6,252.07
iii)	Disputed dues - MSME	-	-	-	-	-	-
iv)	Disputed dues - other than MSME	-	-	-	-	-	-
Total		888.34	5,502.28	58.12	2.22	0.85	6,451.81

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

40.0 Analytical Ratios

Ratios	Numerator	Denominator	FY 2023-24	FY 2022-23	% variance	Reason for variance
a. Current ratio	Current assets	Current liabilities	6.04	1.70	256%	Basis repayment of short term borrowings
b. Debt-equity ratio	Total debt (borrowings)	Total Equity	0.003	0.24	-99%	Basis repayment of borrowings and capital raised during the year
c. Debt-service coverage ratio	Profit after tax + depreciation and amortization + finance costs + loss on sale/ discard of PPE	Finance costs + repayment of non-current borrowings	2.60	2.45	6%	
d. Return on equity	Profit after tax	Average total equity	7.17%	11.85%	-39%	Basis lower profits and higher equity due to raising of capital during the year
e. Inventory turnover ratio	Sale of products	Average inventory	4.48	5.45	-18%	
f. Trade receivables turnover ratio	Sale of products	Average trade receivables	9.79	10.73	-9%	
g. Trade payables turnover ratio	Consumption of materials#	Average trade payables	11.68	12.64	-8%	
h. Net capital turnover ratio	Revenue from operations	Net working capital (Current assets - current liabilities)	2.17	6.57	-67%	Basis lower turnover and higher net working capital on replacing borrowings with capital
i. Net profit ratio	Profit after tax	Revenue from operations	6.41%	6.47%	-1%	
j. Return on capital employed	Profit before tax and exceptional items + finance costs	Average capital employed (total equity + total borrowings)	10.39%	14.78%	-30%	Basis lower profits and higher capital employed on raising equity capital during the year
k. Return on investment	Income from treasury investments	Average funds invested in treasury investments	5.83%	7.26%	-20%	

Cost of materials consumed + Purchases of stock-in-trade + manufacturing expenses (excluding power & fuel)

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

41.0 Ganesha Ecosphere Employees' Stock Option Scheme-2021

The Company had introduced Ganesha Ecosphere Employees' Stock Option Scheme 2021 ("ESOP Scheme") to provide Employee Stock Options ("options") to all the eligible employees of the Company and its subsidiaries. The ESOP Scheme is administered by the Nomination and Remuneration Committee (NRC) of the Company and implemented through Ganesha Employees' Welfare Trust ("Trust"). The Trust had acquired 39,194 Equity Shares of the Company, in aggregate, from the secondary market under the ESOP Scheme.

During the year ended March 31, 2024, the NRC at its meeting held on March 7, 2024 has granted 39,194 options to the eligible employees of the Company and its Subsidiaries. Each option granted under the scheme entitles the holder to one equity share of the Company at an exercise price of ₹543/- per share. The entire granted options shall vest on March 7, 2025, i.e. after one year from the grant date. Options granted under the Scheme shall be exercisable within 3 years from the date of vesting.

The movement in options granted are as below:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Outstanding at the beginning of the year	-	-
Options granted during the year	39,194.00	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
Options expired during the year	-	-
Outstanding at the end of the year	39,194.00	-
Options exercisable at the end of the year	-	-
Weighted average exercise price per option (₹)	543.00	-

Fair value measurement

The weighted average remaining contractual life of the options outstanding as of March 31, 2024 is 2.50 years.

The fair value of the options is estimated on the date of grant using the Black-Scholes Model with the following inputs/ assumptions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
No of options granted	39,194.00	-
Vesting period	1 year	-
Dividend yield (%)	0.55	-
Volatility rate (%)	35.10	-
Risk free rate (%)	6.93	-
Expected life of options (years)	2.50	-
Weighted average fair value of options per share (₹)	553.48	-
Market Price at the time of grant of option (₹)	1,010.85	-

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions during the year recognised in profit or loss as part of employee benefit expense is ₹14.86 Lakh (March 31, 2023 ₹Nil).

42.0 Disclosures as per Section 186(4) of the Companies Act, 2013

The details of the loans, guarantees and investments under Section 186 of the Companies Act, 2013 are as follows:

- Details of investments made and loans given are provided under the respective heads.
- The Company has given corporate guarantees of ₹39,063.65 Lakh (March 31, 2023: ₹36,490.94 Lakh) to various banks for securing the amounts lent by them to Subsidiaries of the Company.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

43.0 Borrowings based on security of current assets

The Company has obtained borrowings from banks on the basis of security of current assets wherein the quarterly returns/ statements of current assets as filed with banks are in agreement with the books and comparative table is provided below:

(₹in Lakh)

Name of the Bank	Quarter ended	Securities	As per the books of accounts	As reported in quarterly returns	Difference	Reasons for material discrepancies
State Bank of India consortium	June 30, 2023	Inventories and trade receivables	32,598.32	32,598.38	-0.06	Negligible
State Bank of India consortium	September 30, 2023	Inventories and trade receivables	32,828.06	32,828.06	0.00	N.A.
State Bank of India consortium	December 31, 2023	Inventories and trade receivables	32,436.22	32,436.22	0.00	N.A.
State Bank of India consortium	March 31, 2024	Inventories and trade receivables	31,031.46	31,031.46	0.00	N.A.

44.0 On January 18, 2024, the Company has made an allotment of 14,49,000 Fully Convertible Equity Warrants at an issue price of ₹1,035/- (including a premium of ₹1,025/- per Equity Share aggregating to ₹14,997.15 Lakhs, on receipt of an upfront amount of ₹3,750.00 Lakhs, to an entity belonging to Promoter and Promoter Group of the Company, on preferential basis under Chapter V of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. The warrants so issued and allotted shall be convertible within a period of 18 months from the date of allotment of Warrants. An expenditure of ₹13.20 lakh was incurred towards issue of Equity Warrants, which has been adjusted from security premium. The proceeds received against such allotment have entirely been utilized towards stated purpose of the issue.

45.0 On February 02, 2024, the Company has made an allotment of 35,17,587 Equity Shares of face value of ₹10/- each at a price of ₹995/- per share (including premium of ₹985/- per share) aggregating to ₹34,999.99 Lakhs, to eligible Qualified Institutional Buyers under Chapter VI of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. Consequent to the said allotment, the total paid up Equity Share Capital of the Company stands increased to ₹2,534.70 Lakhs comprising of 2,53,46,984 Equity Shares. The Equity Shares issued & allotted as aforesaid rank pari-passu with the existing equity shares of the Company in all respect. An expenditure of ₹989.75 lakh was incurred towards issue and allotment of aforesaid equity shares, which has been adjusted from security premium. Out of the issue proceeds of ₹34,999.99 lakhs, ₹24,947.00 lakhs have been utilized towards the stated purposes and remaining ₹10,052.99 lakhs have been deposited with banks in fixed deposits.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

46.0 Events occurring after the balance sheet date

The Board of Directors of the Company have recommended dividend of ₹3.00 per fully paid up equity share of ₹10 each, aggregating to ₹760.41 Lakh for the financial year 2023-24 (March 31, 2023: ₹2.00 per fully paid up equity share of ₹10 each, aggregating ₹436.59 Lakh). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and the actual dividend amount will be dependent on the share capital outstanding as on the relevant record date/ book closure.

47.0 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with was noted in respect of accounting software.

48.0 The Uttar Pradesh State GST Authorities ('the SGST department') had conducted search activity during the month of March, 2024 at some of factory premises of the Company. The Company extended full co-operation to the SGST officials during the search and provided required details, clarifications, and documents. The Company deposited Rs 350.00 Lakh under protest with SGST authorities. As on the date of adoption of these financial statements, the Company has not received any demand or show cause notice from the SGST department regarding any demand or liability as a result of the search, therefore, the consequent impact on the standalone financial statements, if any, is not ascertainable. The Management, after considering all available records and facts known to it, is of the view that there is no material adverse impact on the financial position of the Company for the year ended March 31, 2024 in this regards..

49.0 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and the Rules made thereunder.
- (ii) The Company does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2024

- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961).
- (viii) The Company is regular in paying its dues and has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (ix) The Company is in compliance with the number of layers for its holding in downstream companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restrictions on number of Layers) rules, 2017.
- (x) The Company has not entered into any scheme of arrangement, during the year, which has any impact on financial results or position of the company.
- (xi) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) or intangible assets during the year.
- (xii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- (xiii) The Company has used the borrowings from banks for the purpose for which it was taken.

50.0 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date attached

For **Narendra Singhania & Co.**

Chartered Accountants

Firm Reg. No. 009781N

Narendra Singhania

Partner

Membership No.: 087931

Place: New Delhi

Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma

Managing Director

DIN: 00383178

Bharat Kumar Sajnani

Company Secretary

FCS: 7344

Place: Kanpur

Date: 23rd May, 2024

Shyam Sunder Sharmma

Chairman

DIN: 00530921

Gopal Agarwal

Chief Financial Officer

FCA: 075080

Independent Auditor's Report

To
The Members of
Ganesha Ecosphere Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Ganesha Ecosphere Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") comprising of the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at March 31, 2024, their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition (as described in note 2.e of the consolidated financial statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, testing of cut-offs and performing analytical review procedures.
Evaluation of pending litigations (as described in note 30.2 of the consolidated financial statements)	

Key Audit Matter	How our audit addressed the key audit matter
The Group has pending litigations for demand in dispute under various statutes which involves significant judgment to determine the possible outcome of these disputes.	We have obtained the details of litigations under various statutes for the year ended March 31, 2024 from the management. We have reviewed the management's underlying assumptions in estimating the provisions in respect to the disputed matters and the possible outcome of the disputes. We have also reviewed the legal precedence, where available, and other documents provided for review by the management in evaluating its position in these matters. We have also reviewed the assumptions made by the management as at March 31, 2024 and evaluated whether any change was required on account of information and updates made available during the year.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 the consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial

statements of which we are the independent auditors 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.

We also provide those charged with governance of the Parent with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance of the Parent, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a) We did not audit the financial statement of two subsidiaries included in the Statement, whose financial statement (before eliminating inter-company transactions) reflect total assets of ₹85,889.18 lakhs as at March 31, 2024 and total income of ₹28,388.14 lakhs, total net loss after tax of ₹1,833.27 lakhs, total comprehensive loss of ₹1,823.96 lakhs and cash inflow (net) of ₹242.57 lakhs for the year ended on that date, as considered in the Statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3)(i) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of other auditors.
- b) We also did not audit the financial statements of a subsidiary included in the Statement which is located outside India, whose financial statement (before eliminating inter-company transaction) reflect total assets of ₹4,496.96 lakhs as at March 31, 2024 and total income of ₹3,870.94 lakhs, net loss after tax of ₹266.96 lakhs, total comprehensive loss of ₹266.96 lakhs and cash outflows (net) of ₹93.94 lakhs for the year ended on that date, as considered in the Statement. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary and our report in terms of section 143(3)(i) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of other auditors.

- c) We also did not audit the financial statement of a Trust controlled by the Parent included in the Statement, whose financial statement (before eliminating inter-company transaction) reflect total assets of ₹218.45 lakhs as at March 31, 2024 and total income of ₹0.78 lakhs, total net profit after tax of ₹0.72 lakhs, total comprehensive profit of ₹0.72 lakhs and cash inflow (net) of ₹0.77 lakhs for the year ended on that date, as considered in the Statement. These financial statements have been audited by other auditors whose report has been

furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of aforesaid trust and our report in terms of section 143(3)(i) of the Act, in so far as it relates to the aforesaid trust, is based solely on the report of other auditors.

Our opinion on the Statements is not modified in respect of other matters paragraph stated in points (a), (b) and (c) above with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in Other Matters paragraph above, of companies included in the consolidated financial statements for the year ended March 31, 2024 and covered under the Act we report that:

Following are the observations reported by the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended March 31, 2024 for which such Order reports have been issued till date and made available to us:

S. No.	Name	CIN	Relation	Clause number of the CARO report of other auditors
1.	Ganesha Ecotech Pvt Ltd	U37100UP2020PTC138065	Subsidiary	ii(b)

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, as noted in the 'Other Matters' paragraph, we report to the extent applicable, that:

- (a) We/ the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on

record by the Board of Directors of the Parent and the reports of the other auditors, who are appointed under Section 139 of the Act, of its subsidiaries incorporated in India, none of the directors of the Parent and its subsidiaries incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Parent and its subsidiaries incorporated in India, refer to our separate report in "Annexure A" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in auditor's report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/ provided by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act. Further, as per the reports of the other auditors of the subsidiaries incorporated in India, no managerial remuneration has been paid by the subsidiaries during the year ended March 31, 2024.

(h) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries as noted in the "Other Matters" paragraph:

- i.) the Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - refer note 30.2;
- ii.) the Group has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii.) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2024.
- iv.) (a) the respective managements of the Parent and its subsidiaries incorporated in India and the other auditors of such subsidiaries whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries – refer note 49.0;
- (b) the respective managements of the Parent and its subsidiaries incorporated in India and the other auditors of such subsidiaries whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have

been received by the Group from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries – refer note 49.0;

- (c) based on such audit procedures performed by us and that performed by the other auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement.
- v.) The dividend declared or paid during the year by the parent company is in compliance with Section 123 of the Act.
- vi.) Based on our examination which included test checks, the Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For **Narendra Singhania & Co.**
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
 Date: May 23, 2024

UDIN: 24087931BKENLG2970

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of Ganesha Ecosphere Limited on the consolidated financial statements as of and for the year ended March 31, 2024)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Ganesha Ecosphere Limited** ("the Parent") and its subsidiaries incorporated in India (the Parent and its subsidiaries together referred to as "the Group") as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors or management of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiaries incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and

maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting of the Parent and its subsidiaries incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information, and according to the explanations given to us, and based on the consideration of the reports of other auditors of subsidiaries incorporated in India, the Parent and its subsidiaries incorporated in India have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to two subsidiaries incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India, whose reports have been furnished to us by the management.

Our opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting, of the Parent and its subsidiaries incorporated in India, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For **Narendra Singhania & Co.**
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: May 23, 2024

UDIN: 24087931BKENLG2970

Consolidated Balance Sheet

as at March 31, 2024

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3.1	76,919.63	51,160.86
(b) Capital work-in-progress	3.2	7,108.11	23,506.66
(c) Investment Property	3.3	947.36	947.36
(d) Right of use assets (ROU)	3.4	118.52	120.14
(e) Goodwill		13.46	13.46
(f) Intangible assets	4.1	23.38	50.05
(g) Financial assets:			
(i) Investment in equity	5.1	592.62	592.62
(ii) Loans	5.2	1.44	3.49
(iii) Others	5.3	613.40	776.09
(h) Other non-current assets	6.0	3,476.52	2,506.45
Sub-total		89,814.44	79,677.18
(2) Current assets			
(a) Inventories	7.0	30,135.22	28,046.42
(b) Financial assets:			
(i) Investment	8.1	2,756.48	4,858.95
(ii) Trade receivables	8.2	13,797.69	11,475.89
(iii) Cash and cash equivalents	8.3	4,341.32	426.72
(iv) Bank balances other than (iii) above	8.4	10,978.08	195.54
(v) Loans	8.5	2.00	5.13
(vi) Others	8.6	244.33	199.75
(c) Current tax assets	10.0	61.62	373.61
(d) Other current assets	9.0	10,321.34	7,041.20
Sub-total		72,638.08	52,623.21
TOTAL ASSETS		1,62,452.52	1,32,300.39
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	11.1	2,534.70	2,182.94
(b) Other equity	11.2	1,02,676.85	61,628.79
Sub-total		1,05,211.55	63,811.73
(2) Liabilities			
(2A) Non-current liabilities			
(a) Financial liabilities :			
(i) Borrowings	12.0	37,131.47	31,175.57
(b) Deferred tax liabilities (net)	18.1	1,497.51	1,757.77
(c) Government grants	13.2	2,268.51	1,663.84
(d) Provisions	16.1	700.50	647.50
Sub-total		41,597.99	35,244.68
(2B) Current liabilities			
(a) Financial liabilities :			
(i) Borrowings	12.0	2,747.56	19,370.78
(ii) Trade payables:			
Total outstanding dues of micro enterprises and small enterprises	14.1	24.82	199.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.1	7,434.23	7,158.46
(iii) Other financial liabilities	14.2	4,264.51	5,299.63
(b) Government grants	13.1	145.75	93.46
(c) Other current liabilities	15.0	505.23	722.83
(d) Provisions	16.2	440.52	399.08
(e) Current tax liabilities (net)	17.0	80.36	-
Sub-Total		15,642.98	33,243.98
TOTAL EQUITY AND LIABILITIES		1,62,452.52	1,32,300.39
Material accounting policies	2.0		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma
Managing Director
DIN: 00383178

Bharat Kumar Sajnani
Company Secretary
FCS: 7344
Place: Kanpur
Date: 23rd May, 2024

Shyam Sunder Sharmma
Chairman
DIN: 00530921

Gopal Agarwal
Chief Financial Officer
FCA: 075080

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I INCOME			
Revenue from operations	19.0	1,12,292.70	1,17,963.14
Other income	20.0	1,463.00	1,338.73
Total income		1,13,755.70	1,19,301.87
II EXPENSES			
Cost of materials consumed		69,489.06	74,670.08
Purchases of stock-in-trade		2,327.09	6,039.42
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21.0	(2,721.60)	(2,842.99)
Employee benefits expenses	22.0	7,502.94	6,720.20
Finance costs	25.0	4,490.04	1,693.78
Depreciation and amortization expense	24.0	4,868.20	2,915.08
Other expenses	23.0	21,909.08	20,608.84
Total expenses		1,07,864.81	1,09,804.41
III Profit before tax (I-II)		5,890.89	9,497.46
IV Tax expense	26.1		
Current tax		2,098.33	2,525.73
Deferred tax (credit)/ charge		(264.61)	25.75
Total tax expense		1,833.72	2,551.48
V Profit for the year (III-IV)		4,057.17	6,945.98
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit obligation		20.89	47.95
Less: Income-tax relating to above item	26.1	(4.36)	(12.09)
		16.53	35.86
VII Total comprehensive income for the year (V+VI)		4,073.70	6,981.84
VIII Earnings per share	28.0		
Basic (face value of ₹10 per equity share)		18.15	31.82
Diluted (face value of ₹10 per equity share)		18.15	31.82
Material accounting policies	2.0		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma
Managing Director
DIN: 00383178

Bharat Kumar Sajnani
Company Secretary
FCS: 7344
Place: Kanpur
Date: 23rd May, 2024

Shyam Sunder Sharmma
Chairman
DIN: 00530921

Gopal Agarwal
Chief Financial Officer
FCA: 075080

Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities:			
Profit before tax as per statement of profit and loss		5,890.89	9,497.46
Adjustments for:			
Depreciation and amortization expense		4,868.20	2,915.08
Share based payment expenses		14.86	-
Gain on sale/ discard of property, plant and equipment (net)		(19.78)	(134.90)
Allowance for doubtful trade receivables and advances (net)		(3.12)	32.64
Liabilities no longer required written back		(39.55)	(16.27)
Loss on foreign currency fluctuations and translations (net)		4.20	6.37
Interest expense		4,386.13	1,547.81
Interest income		(1,028.59)	(1,096.73)
Lease rental charges from investment property		(20.00)	(8.99)
Profit on sale of investments		(92.85)	(21.73)
Fair value loss on financial assets		-	11.71
Amortization of Government grants		(123.72)	(59.82)
Operating profit before working capital changes		13,836.67	12,672.63
Movements in working capital:			
(Increase)/ decrease in trade receivables		(1,843.10)	116.26
Increase in other receivables and prepayments		(3,477.51)	(1,089.79)
Increase in inventories		(2,088.84)	(8,376.41)
(Decrease)/ increase in trade payables		(370.87)	941.40
Decrease in other payables		(117.48)	(51.09)
Increase in provisions		115.33	109.75
Cash generated from operations		6,054.20	4,322.75
Direct taxes paid (net of refunds)		(1,705.98)	(2,297.85)
Net cash flow generated from operating activities (A)		4,348.22	2,024.90
B. Cash flow from investing activities			
Purchase of property, plant and equipment		(15,667.79)	(20,488.97)
Purchase of intangible assets		(6.15)	(5.48)
Proceeds from sale of property, plant and equipment		79.78	1,876.45
Purchase of investment property		-	(442.16)
Fixed deposits made		(10,639.38)	(49.67)
Fixed deposits matured		45.28	53.25
Interest received		1,257.59	965.04
Lease rental charges from investment property		20.00	8.99
Purchase of investments		-	(677.23)
Proceeds from sale of investments		2,195.33	2,123.20
Net cash flow used in investing activities (B)		(22,715.34)	(16,636.58)

Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash flow from financing activities			
Proceeds from issue of share capital (including share premium thereon net of issue expenses)		33,997.07	-
Proceeds from application money on convertible equity warrants		3,750.00	-
Purchase of treasury shares		-	(118.68)
Proceeds from non-current borrowings (other than related parties)		15,288.48	10,964.34
Repayment of non-current borrowings (other than related parties)		(9,286.33)	(3,513.60)
(Repayment of)/ proceeds from current borrowings (net) (other than related parties)		(16,485.97)	8,107.35
Repayment of borrowings to related parties (net)		(225.00)	(822.50)
Dividend paid to equity shareholders		(435.81)	(435.91)
Interest paid		(4,320.72)	(1,352.91)
Net cash flow generated from financing activities (C)		22,281.72	12,828.09
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		3,914.60	(1,783.59)
Cash and cash equivalents at the beginning of the year		426.72	2,210.31
Cash and cash equivalents at the end of the year	8.3	4,341.32	426.72
Notes:			
The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.			
Material accounting policies	2.0		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date attached

For Narendra Singhania & Co.**Chartered Accountants****Firm Reg. No. 009781N****Narendra Singhania****Partner****Membership No.: 087931**

Place: New Delhi

Date: 23rd May, 2024**For and on behalf of the Board of Directors****Sharad Sharma**

Managing Director

DIN: 00383178

Bharat Kumar Sajnani

Company Secretary

FCS: 7344

Place: Kanpur

Date: 23rd May, 2024**Shyam Sunder Sharmma**

Chairman

DIN: 00530921

Gopal Agarwal

Chief Financial Officer

FCA: 075080

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

(₹ in Lakh)

As at April 1, 2022	2,182.94
Changes in equity share capital during the year	-
As at March 31, 2023	2,182.94
Changes in equity share capital during the year (refer note 44.0)	351.76
As at March 31, 2024	2,534.70

B. Other equity

(₹ in Lakh)

Particulars	Reserves and surplus								Total
	Capital redemption reserve	Capital reserve	Share based payment reserve	Securities premium	Convertible share warrants	Treasury Shares	General reserve	Retained earnings	
Balance as at April 1, 2022	450.00	225.28	-	13,952.72	-	(93.86)	264.13	40,403.27	55,201.54
Profit for the year	-	-	-	-	-	-	-	6,945.98	6,945.98
Other comprehensive income for the year	-	-	-	-	-	-	-	35.86	35.86
Total comprehensive income for the year	-	-	-	-	-	-	-	6,981.84	6,981.84
Dividend paid	-	-	-	-	-	-	-	(435.91)	(435.91)
Shares purchased during the year	-	-	-	-	-	(118.68)	-	-	(118.68)
Balance as at March 31, 2023	450.00	225.28	-	13,952.72	-	(212.54)	264.13	46,949.20	61,628.79
Allotment of equity shares	-	-	-	34,648.26	-	-	-	-	34,648.26
Application money against issue of convertible share warrants (refer note 43.0)	-	-	-	-	3,750.00	-	-	-	3,750.00
Share based payment expense (refer note 42.0)	-	-	14.86	-	-	-	-	-	14.86
Share issue expenses (refer Note 43.0 & 44.0)	-	-	-	(1,002.95)	-	-	-	-	(1,002.95)
Profits for the year	-	-	-	-	-	-	-	4,057.17	4,057.17
Other comprehensive income for the year	-	-	-	-	-	-	-	16.53	16.53
Total comprehensive income for the year	-	-	-	-	-	-	-	4,073.70	41,483.87
Dividend paid	-	-	-	-	-	-	-	(435.81)	(435.81)
Balance as at March 31, 2024	450.00	225.28	14.86	47,598.03	3,750.00	(212.54)	264.13	50,587.09	1,02,676.85

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N

Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma
Managing Director
DIN: 00383178

Bharat Kumar Sajnani
Company Secretary
FCS: 7344
Place: Kanpur
Date: 23rd May, 2024

Shyam Sunder Sharmma
Chairman
DIN: 00530921

Gopal Agarwal
Chief Financial Officer
FCA: 075080

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

1.0 Corporate information

Ganesha Ecosphere Limited (“the holding/ the parent company”) is a public limited company, incorporated and domiciled in India, listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The address of the registered office of holding company is Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat (U.P.). The holding company is a leading PET Waste Recycling Group in India and is engaged in the manufacturing of Recycled Polyester Staple Fibre (RPSF), Polypropylene Staple Fibre, Recycled bottle and filament grade Chips, Recycled FDY, Recycled Spun Yarn and Dyed Texturised Yarn.

The consolidated financial statements as at March 31, 2024 relate to:

Holding company - Ganesha Ecosphere Limited

Subsidiaries - a) Ganesha Ecopet Private Limited

b) Ganesha Ecotech Private Limited

c) Ganesha Overseas Private Limited, Nepal

(the holding company holds 100% shareholding of these subsidiaries)

Entity controlled by the holding company- Ganesha Employees’ Welfare Trust.

(Above entities are collectively referred to as ‘The Group’).

2.0 Summary of Material Accounting Policies

a) Basis of preparation

(i) Compliance with Indian Accounting Standards

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (‘IND AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

The accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

(ii) Historical cost convention

The consolidated financial statements have been prepared on an accrual basis under historical cost convention, except certain financial assets and liabilities that are measured at fair values at the end of each reporting period by Ind AS.

(iii) Current versus non-current classification

All the assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criterion set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

(iv) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

b) Principles of consolidation

- (i) Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee entity.
- (ii) The financial statements of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the holding company.
- (iii) The financial statements of the holding company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

- (iv) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (v) The carrying amount of the parent's investment in subsidiaries is off set (eliminated against the parent's portion of equity in subsidiaries).

c) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions, based upon the best knowledge of current events and actions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of incomes and expenses during the reported period. Actual results may differ from those estimates. Any difference between the actual results and the estimates are recognized in the period in which the results are known/ materialised.

d) Foreign currency translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Indian rupee ('₹'), which is Group's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in the statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the statement of profit and loss. Exchange differences, in respect of foreign currency borrowings taken for acquiring qualifying assets included in property, plant and equipment, to the extent it is an adjustment to interest cost, has been capitalized. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2017 which are related to the acquisition of qualifying assets are adjusted in the carrying cost of such assets.

e) Revenue recognition

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

The specific criterion for each of the Group's activities has been stated below:

(i) Sale of goods

Revenue is recognized upon transfer of control of promised goods to customers (i.e. when performance obligation is satisfied) for an amount that reflects the consideration which the Group expects to receive in exchange for those products. The Group does not expect to have any contracts where the period between the transfer of promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the value of money.

Revenue is measured based on transaction price, which is the consideration, adjusted for trade discounts such as cash discounts, volume discounts or any other price concession as may be agreed with the customers. Revenues also excludes Goods and Services Tax (GST) or any other tax collected from customers.

(ii) Job work receipts

Revenue from job work is recognized at the time of dispatch of material.

(iii) Export incentives

Export incentives under various schemes are accounted in the year of export.

(iv) Recycling credits income

Income is recognized in the year in which the certificate is issued or when there is virtual certainty to realize the credits in subsequent period.

(v) Interest income

Interest income is recognized on time proportion accrual basis using the applicable/ effective interest rate.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

(vi) Insurance claims

Insurance claims are accounted only when there is reasonable certainty of its ultimate collection. Insurance claim receivable is recognized as a separate asset, but only when the ultimate recovery is reasonably certain.

(vii) Lease rental

Lease rental income is recognized on time proportion accrual basis.

f) Government grants

Government grant/subsidies are measured at amounts receivable from the government and are recognized as income when there is a reasonable assurance that the subsidy will be received, amount is fairly ascertainable and all attached conditions will be complied with. When the subsidy relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, which are intended to be compensated, are expensed and it is classified under other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight line basis over the expected lives of related assets and are presented within other income.

Export Promotion Capital Goods ('EPCG') scheme allows import of certain capital goods at zero/ concessional duty subject to an export obligation for the duty saved. The duty saved on capital goods under EPCG scheme is treated as a Government grant and is recognised as income spread equally over the expected useful life of the related asset.

In case of interest free/ concessional loan provided by Government, the loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial fair value of the loan and the proceeds received. The loan or assistance is subsequently measured as per the accounting policy applicable to financial liabilities.

g) Taxes

(i) Current income-tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

(ii) Deferred income-tax

Deferred income-tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements. Deferred income-tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income-tax assets are realised or the deferred income-tax liabilities are settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

h) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and a sale is considered as highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Asset classified as held for sale are presented separately in the Balance Sheet. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

i) Property, plant and equipment (including Capital work in progress)

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment which are not ready for their intended use are disclosed under capital work-in-progress. Expenditure during construction period (including borrowing cost relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects/ assets, including trial run expenses (net of revenue) are treated as pre-operative expenses, pending allocation to the assets, and are included under capital work-in-progress. These expenses are apportioned to related property, plant and equipment on commencement of commercial production. Capital work-in-progress is stated at the amount expended up to the date of the balance sheet.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on Written Down Value Method ('WDV') except in respect of followings, where depreciation is provided on Straight Line Method ('SLM'):

- Buildings and plant & equipment of Kanpur Unit and Temra (Bilaspur) Unit of holding company (excluding Rooftop Solar Panels in both the units, which are depreciated on WDV);
- Buildings and plant & equipment in subsidiary companies.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and the Group believes that the useful life of assets are same as those prescribed in Schedule II to the Act, except for certain plant & equipment, wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows:

Assets	Useful life
Buildings	30 – 60 years
Roads (capitalised under buildings)	10 years
Continuous process plant (plant & equipment)	18 years
Rooftop solar panels (part of plant & equipment)	10 years
Other plant & equipment	5-15 years
Furniture and fixtures	5-10 years
Office equipment (including computers, computers equipment and servers)	3-10 years
Vehicles	6-10 years

Residual value of tangible assets is considered to be not more than 5% of the cost of the asset.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

j) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairments, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Intangible assets which are not ready for their intended use are disclosed as intangible assets under development and are stated at the amount expended up to the date of the balance sheet.

The Group amortizes computer software and technical know-how using the straight line method over the period of 5 years.

The amortization period and the amortization method for an intangible asset are reviewed at each financial year end and adjusted prospectively, if appropriate.

k) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. The cost of the investment property comprises its purchase price and any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of classification.

Any gain or loss on disposal of an investment property is recognised in the Statement of profit and loss.

The fair value of investment property is disclosed in the notes accompanying these financial statements. Fair values are determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets, which takes substantial period of time to get ready for its intended use, are capitalized. All other interest and borrowing costs are charged to the statement of profit and loss. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Lease

The Group assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (that do not contain purchase option) and leases of low value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation/ amortization and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated/ amortized on a straight-line basis over the shorter of the lease term and estimated useful lives of the assets, as estimated by the management. Leasehold land has been amortized over the lease term of 90 years.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

(ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognized as expense (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate is implicit in the lease not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Lease payments on short-term leases and lease of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a systematic basis as per the lease terms.

o) Inventories

(i) Measurement of Inventory

Inventories of raw material, stores & spares, work-in-progress, finished goods and stock-in-trade (including goods-in-transit) are stated at cost or net realizable value, whichever is lower. Waste & scrap is valued at net realizable value.

(ii) Cost of Inventories

Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of purchase of inventories comprise the purchase price, import duties and other non-recoverable taxes, and transport, handling and other costs directly attributable to the acquisition of inventory items. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The cost of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting material into finished goods.

Cost of inventories is ascertained on the 'weighted average' basis except stock-in-trade, where cost is ascertained on first-in-first-out (FIFO) basis.

(iii) Net realizable value

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realizable value is ascertained for each item of inventories with reference to the selling prices of related finished products. Estimates of net realizable value of finished goods and stock-in-trade are based on the most reliable evidence, available at the time the estimates are made, of the amount the inventories are expected to realize. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of the inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Amount of write down of the inventories below cost is recognized as an expense as and when the event occurs.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

p) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognized in the statement of profit and loss. Non-financial assets that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

q) Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements unless the probability of outflow of resource is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

r) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit

The liabilities for earned leave, that are not expected to be settled wholly within 12 months, are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the consolidated statement of profit and loss.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund, family pension fund, and employee's state insurance

(a) Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefits expenses in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated balance sheet.

(b) Defined contribution plans

Defined contribution plans such as contributions to provident fund, family pension fund and employee's state insurance are made to the funds administered by the Government of India, and are recognized as an expense when employees have rendered service entitling them to the contributions.

(iv) Employee share based payments

The Group operates equity settled share-based plan for the employees (referred to as employee stock option scheme (ESOS). ESOS granted to the employees are measured at fair value of the stock options at the grant date. Such fair value of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity shares that will eventually vest, with a corresponding increase in other equity (share based payment reserve). At the end of each reporting period, Group revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of profit and loss such that cumulative expense reflects the revision estimate, with a corresponding adjustment to the share based payment reserve.

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the option, expected volatility (based on weighted average historical volatility), expected life of the options, expected dividends and the risk free interest rate (based on government bonds).

s) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at banks and on hand, bank overdrafts and short-term deposits with an original maturities of three months or less, which are subject to an insignificant risk of changes in value.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed to statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, financial assets are classified in four categories:

- a) Financial assets at amortized cost (debt instruments)
- b) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

- c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- d) Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at FVTOCI (debt instrument)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets designated at fair value through OCI (equity instruments)

In the case of equity instruments which are not held for trading and where the Group has taken irrevocable election to present the subsequent changes in fair value in other comprehensive income, these elected investments are initially measured at fair value plus transaction costs and subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Equity instruments through other comprehensive income' under the head 'Other Equity'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. The Group makes such election on an instrument-by-instrument basis.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL (equity instruments)

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

In case of equity instruments which are held for trading are initially measured at fair value plus transaction costs and subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group follows "simplified approach for recognition of impairment loss. The application of simplified approach does not require the Group to track changes in credit risk.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities at amortized cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

(ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Group and weighted average number of equity shares outstanding during the year are adjusted for the effect of all potentially dilutive equity shares.

u) Treasury shares

The Parent Company has created an employees benefit trust (trust) for providing share-based payment to employees of the Group. The Parent Company uses Trust as a vehicle for distributing shares to employees under the 'Ganesha Ecosphere Employees' Stock Option Scheme – 2021'. The Trust buys the equity shares of Parent Company from secondary market, for issuance to the employees on exercise of the granted stock options. The parent Company provides interest free loan for such purchase of equity shares. Financial statements of Trust is included in the consolidated financial statements of the Group and shares held by Trust on reporting date are treated as treasury shares. The treasury shares are recognized at cost and deducted from other equity. No gain or loss is recognized in the statement of profit or loss on the purchase, sale, issue or cancellation of treasury shares.

v) Recent pronouncements

The Company had applied the amendments of Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on financials.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules from time to time. However, for the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

3.1 Property, plant and equipment

(₹ in Lakh)

Particulars	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Total
Gross block							
As at April 1, 2022	4,500.18	9,366.01	36,640.06	126.62	444.22	456.20	51,533.29
Additions	583.39	3,615.41	20,722.11	16.99	165.95	147.04	25,250.89
Disposals	-	(3.26)	(31.23)	(0.32)	(38.94)	(0.49)	(74.24)
Transfer to Investment Property	(947.36)	-	-	-	-	-	(947.36)
As at March 31, 2023	4,136.21	12,978.16	57,330.94	143.29	571.23	602.75	75,762.58
Additions	199.66	7,963.57	23,183.56	21.86	87.35	64.60	31,520.60
Disposals/ adjustments*	-	-	(1,163.21)	-	(1.44)	(47.26)	(1,211.91)
As at March 31, 2024	4,335.87	20,941.73	79,351.29	165.15	657.14	620.09	1,06,071.27
Accumulated depreciation							
As at April 1, 2022	-	3,279.70	17,768.79	102.41	326.04	262.77	21,739.71
Charge for the year	-	340.34	2,410.27	7.40	81.58	84.34	2,923.93
Disposals	-	(3.10)	(25.15)	-	(33.21)	(0.46)	(61.92)
As at March 31, 2023	-	3,616.94	20,153.91	109.81	374.41	346.65	24,601.72
Charge for the year	-	576.17	4,058.08	9.73	97.18	92.60	4,833.76
Disposals	-	-	(238.36)	-	(1.37)	(44.11)	(283.84)
As at March 31, 2024	-	4,193.11	23,973.63	119.54	470.22	395.14	29,151.64
Net block							
As at March 31, 2023	4,136.21	9,361.22	37,177.03	33.48	196.82	256.10	51,160.86
As at March 31, 2024	4,335.87	16,748.62	55,377.66	45.61	186.92	224.95	76,919.63

* includes adjustment of ₹869.29 Lakh (March 31, 2023: Nil) towards interest and power subsidy receivable in its one of the subsidiary under industrial promotion scheme of Telangana State Government.

3.2 Capital work-in-progress (CWIP)

(₹ in Lakh)

CWIP ageing schedule	Amount of CWIP for the period				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
As at March 31, 2023					
Projects in progress	12,185.31	10,875.74	443.95	1.66	23,506.66
As at March 31, 2024					
Projects in progress	5,753.24	1,354.87	-	-	7,108.11

3.3 Investment Property

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Gross carrying amount as at March 31, 2023	947.36	-
Transfer from Property, plant and equipment (at cost)	-	-
- Freehold Land	-	947.36
Disposals during the year	-	-
Net carrying amount as at March 31, 2024	947.36	947.36

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

Notes:

- Title deeds of investment property are in the name of the Group.
- Land has been given on Operating lease of 29 years and is under mortgage, by deposit of title deeds, to the lenders of the lessee as per the terms of the lease.
- No borrowing cost has been capitalized and no impairment loss has been recognized in respect of the above investment property.
- Fair value of investment property is ₹1,230 Lakh (March 31, 2023: 1,230 Lakh).
- The amount recognized in the statement of profit & loss in respect of the investment property is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income from investment property	20.00	8.99
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income	-	-
Profit arising from investment properties	20.00	8.99

3.4 Right of use assets (ROU)

(₹ in Lakh)

Leasehold land	
Gross block:	
As at April 1, 2022	126.59
Additions	-
Disposals	-
As at March 31, 2023	126.59
Additions	-
Disposals	-
As at March 31, 2024	126.59
Accumulated amortization	
As at April 1, 2022	4.84
Charge for the year	1.61
Disposals	-
As at March 31, 2023	6.45
Charge for the year	1.62
Disposals	-
As at March 31, 2024	8.07
Net block as at March 31, 2023	120.14
Net block as at March 31, 2024	118.52

3.5 All property, plant and equipment as well as ROU assets are charged as security for the term loans and working capital loan facilities from banks, to secure their respective dues (refer notes 12.1 and 27.0).

3.6 Refer note 30.1 for contractual commitment for the acquisition of property, plant and equipment.

3.7 There is no impairment loss during the year ending March 31, 2024 and March 31, 2023.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

3.8 All the title deeds of the immovable properties are held in the name of the Group except the following:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value (₹ in Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Office building	277.84	Vatika IT Parks Private Limited	No	March 18, 2023	The possession and original agreement to sale of the property is in the name of the Holdings Company. Title deed registration is held up due to some local regulations.

3.9 There is no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

3.10 There is no project which has temporarily been suspended.

3.11 Group has capitalized borrowing cost of ₹3,418.79 Lakh (March 31, 2023: Rs 2,283.95 Lakh) during the year.

4.0 Intangible assets

(₹ in Lakh)

Particulars	Technical Knowhow	Software	Total
Gross block			
As at April 1, 2022	14.63	319.34	333.97
Additions	-	5.48	5.48
Disposals	-	-	-
As at March 31, 2023	14.63	324.82	339.45
Additions	-	6.15	6.15
Disposals	-	-	-
As at March 31, 2024	14.63	330.97	345.60
Accumulated amortization			
As at April 1, 2022	14.63	222.58	237.21
Amortization for the year	-	52.19	52.19
Disposals	-	-	-
As at March 31, 2023	14.63	274.77	289.40
Amortization for the year	-	32.82	32.82
Disposals	-	-	-
As at March 31, 2024	14.63	307.59	322.22
Net block			
As at March 31, 2023	-	50.05	50.05
As at March 31, 2024	-	23.38	23.38

Net book value

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
4.1 Intangible assets	23.38	50.05

4.2 There is no impairment loss during the year ending March 31, 2024 and March 31, 2023.

4.3 There is no intangible asset under development and hence, related disclosures are not applicable.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

5.0 Non-current financial assets

5.1 Investment in equity*

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
Investment in equity instrument of others (unquoted, valued at fair value through other comprehensive income)				
In equity shares of ₹10 each fully paid up of Amplus R.J. Solar Private Limited (under solar power purchase arrangement for captive consumption)	59,26,200	592.62	59,26,200	592.62
Total		592.62		592.62

* Aggregate amount of unquoted investments in equity of others ₹592.62 Lakh (March 31, 2023: ₹592.62 Lakh). There is no impairment loss in the value of investment.

5.2 Loans

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to others		
Loans to employees	1.44	3.49
Total	1.44	3.49
Break-up:		
Loans considered good - secured	-	-
Loans considered good - unsecured	1.44	3.49
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	1.44	3.49
Less: Allowance for doubtful loans	-	-
Total	1.44	3.49

Refer note 35.0 for information about credit risk and market risk of loans.

5.3 Others

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits with remaining maturity of more than twelve months*	81.85	274.54
Security deposits	531.55	501.55
Total	613.40	776.09

*held as lien by banks against letter of credits, bank guarantees & other credit facilities amounting to ₹81.85 Lakh (March 31, 2023: ₹270.72 Lakh).

6.0 Other non-current assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	3,442.91	2,473.10
Prepaid expenses	33.61	33.35
Total	3,476.52	2,506.45

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

7.0 Inventories

(at lower of cost and net realisable value)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	9,085.12	11,359.96
Raw materials (in-transit)	16.92	28.32
Work-in-progress*	1,258.76	1,005.50
Finished goods*	15,539.29	11,269.79
Finished goods (in-transit)	1,056.51	1,135.17
Stock-in-trade	736.58	1,191.59
Stock-in-trade (in-transit)	35.67	47.23
Stores and spares	2,406.37	2,008.86
Total	30,135.22	28,046.42

*Including trial run inventories of project running under trial production as at the end of the year

Note: Cost of inventories amounting to ₹523.23 Lakh (March 31, 2023: ₹495.57 Lakh) in respect of write-downs of inventory to net realisable value has been expensed out in the statement of profit and loss.

8.0 Current financial assets

8.1 Investments

(carried at fair value through profit and loss)

(₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Units	Amount	No. of Units	Amount
a) Investment in mutual funds (unquoted):				
SBI Equity Hybrid Fund Growth (units of ₹10 each)	-	-	2,70,140.493	582.22
Sub-total		-		582.22
b) Investment in bonds & debentures (unquoted):				
9.56% SBI Series I Perpetual Bond (units of Rs 10,00,000 each)	-	-	88.00	931.64
10.5% Indusind Bank Series III-2019 NCD Perpetual (units of ₹10,00,000 each)	-	-	35.000	350.00
9.15% PNB Perpetual Bond (units of ₹10,00,000 each)	-	-	25.000	238.61
7.74% SBI Series I Perpetual Bond (units of ₹10,00,000 each)	40.000	401.71	40.000	401.71
9.5% UBI Series XX Perpetual Bond (units of ₹10,00,000 each)	30.000	308.57	30.000	308.57
8.50% SBI Series II perpetual Bond (units of ₹10,00,000 each)	22.000	229.72	22.000	229.72
9.55% Canara Bank Perpetual Bond (units of ₹10,00,000 each)	50.000	522.35	50.000	522.35
8.50% Canara Bank Series III Perpetual Bond (units of ₹10,00,000 each)	50.000	510.35	50.000	510.35
9.04% Bank of India Series VI Perpetual Bond (units of ₹10,00,000 each)	50.000	509.56	50.000	509.56
8.30% Canara Bank Series II Perpetual Bond (units of ₹10,00,000 each)	27.000	274.22	27.000	274.22
Sub-total		2,756.48		4,276.73
Total		2,756.48		4,858.95

Refer note 34.0 and 35.0 for information about fair value measurement, credit risk and market risk of investments.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

8.2 Trade receivables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	13,886.05	11,565.44
Less: Allowance for doubtful trade receivables	(88.36)	(89.55)
Total	13,797.69	11,475.89
Break-up:		
Receivables considered good - secured	1,049.18	879.27
Receivables considered good - unsecured	12,748.51	10,596.62
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
Receivables considered doubtful - unsecured	88.36	89.55
	13,886.05	11,565.44
Less: Allowance for doubtful trade receivables	(88.36)	(89.55)
Total	13,797.69	11,475.89

Notes:

- 1) Trade receivable represents the amount of consideration, in exchange for goods or services transferred to the customers, that is unconditional. There are no contract assets and contract liabilities.
- 2) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Trade receivables of ₹700.71 Lakh (March 31, 2023: ₹1,497.45 Lakh) are due from firms/ private companies in which some director of the Group are a partners/directors/members (refer note 33.2)
- 3) No trade receivables are due from any other related party.
- 4) Refer note 34.0 & 35.0 for information about fair value measurement, credit risk and market risk of trade receivables.
- 5) Refer note 38.0 for ageing schedule of trade receivables.

8.3 Cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- On current accounts	929.61	401.03
- Deposits with original maturity of less than three months	3,400.00	-
Cash on hand	11.71	25.69
Total	4,341.32	426.72

8.4 Bank balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividend (earmarked)	51.18	55.43
Deposits with remaining maturity of less than twelve months*	10,926.90	140.11
Total	10,978.08	195.54

*held under lien with banks against letter of credits and with power distribution boards amounting to ₹590.51 Lakh (March 31, 2023: ₹118.28 Lakh)

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

8.5 Loans

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees	2.00	5.13
Total	2.00	5.13
Break-up:		
Loans considered good - secured	-	-
Loans considered good - unsecured	2.00	5.13
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	2.00	5.13
Less: Allowance for doubtful loans	-	-
Total	2.00	5.13

Note: Refer note 35.0 for information about credit risk and market risk of loans.

8.6 Other financial assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest receivable on fixed deposits and others	213.74	188.07
Security deposits	28.89	11.68
Receivable against statutory dues (related party)	1.70	-
Total	244.33	199.75

9.0 Other current assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advances to suppliers	669.47	437.97
Advances to employees and others	21.41	27.24
Prepaid expenses	357.66	265.61
Balances with Government authorities	4,562.71	3,622.18
Insurance claim receivable	-	2,512.20
Government incentives receivable	4,123.08	-
Export incentives receivable	265.53	176.00
Pet recycling credits in hand	321.48	-
Sub-total	10,321.34	7,041.20
Unsecured, considered doubtful		
Advances to suppliers	29.84	26.03
Less: Allowance for doubtful advances	(29.84)	(26.03)
Sub-total	-	-
Total	10,321.34	7,041.20

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

10.0 Current tax assets

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Income-tax deducted/collected at source	61.62	373.61
Total	61.62	373.61

11.1 Share capital

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
3,40,00,000 (March 31, 2023: 3,40,00,000) equity shares of ₹10 each	3,400.00	3,400.00
21,50,000 (March 31, 2023: 21,50,000) preference shares of ₹100 each	2,150.00	2,150.00
Total	5,550.00	5,550.00
Issued, subscribed and fully paid up		
2,53,46,984 (March 31, 2023: 2,18,29,397) equity shares of ₹10 each	2,534.70	2,182.94
Total	2,534.70	2,182.94

Notes:

i) Reconciliation of number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024 (Nos.)	As at March 31, 2023 (Nos.)
Equity shares		
As at the beginning of the year	2,18,29,397	2,18,29,397
Add: Shares issued during the year (refer note 44.0)	35,17,587	-
As at the end of the year	2,53,46,984	2,18,29,397

ii) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Group has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the group, after distribution of all preferential amounts, in proportion to their shareholding.

iii) Shares in the Company held by each shareholder holding more than five per cent:

Name of the shareholders	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
Equity shares of ₹10/- each fully paid up				
SBI Mutual Fund	24,21,731	9.55	13,94,163	6.39
GPL Finance Limited	22,13,809	8.73	22,13,809	10.14
Shyam Sunder Sharma	19,38,927	7.65	19,38,927	8.88
DSP Equity Fund	17,65,462	6.97	17,65,462	8.09
Rajesh Sharma	10,95,529	4.32	10,95,529	5.02

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

11.1 Share capital (Contd.)

iv) Shares held by the promoters at the end of the year:

Name of the Promoters	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% change during the year*	No. of shares	% of total shares	% change during the year
Shyam Sunder Sharmma	19,38,927	7.65	(1.23)	19,38,927	8.88	0.00
Rajesh Sharma	10,95,529	4.32	(0.70)	10,95,529	5.02	0.00
Sharad Sharma	8,75,583	3.45	(0.56)	8,75,583	4.01	0.00
Vishnu Dutt Khandelwal	7,20,200	2.84	(0.46)	7,20,200	3.30	0.00
Vimal Sharma	4,91,738	1.94	(0.31)	4,91,738	2.25	0.00
Seema Sharma	3,03,560	1.20	(0.19)	3,03,560	1.39	0.00
Ratna Sharma	2,67,871	1.06	(0.17)	2,67,871	1.23	0.00
Shyam Sunder Sharmma HUF	1,07,000	0.42	(0.07)	1,07,000	0.49	0.00
Sandeep Khandelwal	2,04,501	0.81	(0.13)	2,04,501	0.94	0.00
Yash Sharma	1,32,445	0.52	(0.09)	1,32,445	0.61	0.00
Sharad Sharma HUF	94,731	0.37	(0.06)	94,731	0.43	0.00
Nirmal Khandelwal	46,875	0.18	(0.03)	46,875	0.21	0.00
Vishnu Dutt Khandelwal HUF	41,940	0.17	(0.02)	41,940	0.19	0.00
Rajesh Sharma HUF	23,250	0.09	(0.02)	23,250	0.11	0.00
Harsh Sharma	1,17,498	0.46	(0.08)	1,17,498	0.54	0.00
Hemant Sharma	77,568	0.31	(0.05)	77,568	0.36	0.00
Charu Khandelwal	21,449	0.08	(0.02)	21,449	0.10	0.00
Naveen Sharma	10,002	0.04	(0.01)	10,002	0.05	0.00
Kunjika Kaushal	6,237	0.02	(0.01)	6,237	0.03	0.00
GPL Finance Ltd.	22,13,809	8.73	(1.41)	22,13,809	10.14	0.00
Sandeep Yarns Pvt Ltd	4,46,300	1.76	(0.28)	4,46,300	2.04	0.00
Total	92,37,013	36.44		92,37,013	42.31	

*change in holding of promoters is due to dilution in their stake post issue of new shares under QIP (refer note 44.0).

- v) The Group has neither issued shares for a consideration other than cash/ bonus shares nor bought back any shares during the period of five years immediately preceding the reporting date.

11.2 Other equity

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	450.00	450.00
Capital reserve	225.28	225.28
Share based payment reserve	14.86	-
Securities premium	47,598.03	13,952.72
Application money against convertible share warrants	3,750.00	-
Treasury Shares	(212.54)	(212.54)
General reserve	264.13	264.13
Retained earnings	50,587.09	46,949.20
Total	1,02,676.85	61,628.79

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

11.2 Other equity (Contd.)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Capital redemption reserve		
Opening balance	450.00	450.00
Adjustment during the year	-	-
Closing balance	450.00	450.00
(b) Capital reserve		
Opening balance	225.28	225.28
Adjustment during the year	-	-
Closing balance	225.28	225.28
(c) Share based payment reserve		
Opening balance	-	-
Share based payment expenses (refer note 42.0)	14.86	-
Closing balance	14.86	-
(d) Securities premium		
Opening balance	13,952.72	13,952.72
Received during the year	34,648.26	-
Share issue expense incurred (refer note 43.0 & 44.0)	(1,002.95)	-
Closing balance	47,598.03	13,952.72
(e) Application money against convertible share warrants		
Opening balance	-	-
Issue of convertible share warrants during the year (refer note 43.0)	3,750.00	-
Closing balance	3,750.00	-
(f) Treasury Shares		
Opening balance	(212.54)	(93.86)
Shares purchased during the year	-	(118.68)
Closing balance	(212.54)	(212.54)
(g) General reserve		
Opening balance	264.13	264.13
Adjustment during the year	-	-
Closing balance	264.13	264.13
(h) Retained earnings		
Opening balance	46,949.20	40,403.27
Adjustment during the year:		
Net profit for the year	4,057.17	6,945.98
Other comprehensive income (net) for the year	16.53	35.86
Dividend paid	(435.81)	(435.91)
Closing balance	50,587.09	46,949.20
Total (a to h)	1,02,676.85	61,628.79

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve was created for redemption of preference share capital and it is a non-distributable reserve.

Capital reserve

Capital reserve represent capital subsidy received and amount received on forfeiture of shares of the Holding Company. Capital reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

Share based payment reserve represents the fair value of the stock options granted by the Parent Company under the Employees Stock Option Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Application money against convertible share warrants

Application money represents receipt of upfront payment being 25% of total consideration against the Holding Company has allotted 14,49,000 convertible share warrants during the year to a Promoter Group Company.

Treasury shares

Treasury shares represents cost incurred by the parent Company to purchase its own equity shares from secondary market through the Group's Employee Welfare Trust for issuing the shares to the eligible employees on exercise of stock options granted under the Employees' Stock Option Scheme, 2021.

General reserve

General reserve is used to transfer profits from retained earnings for general purposes. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

12.0 Borrowings

(₹ in Lakh)

Particulars	Non-current		Current maturities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Non-current borrowings				
Term loans (secured):				
- from banks	36,887.50	30,913.43	1,740.31	1,645.78
- from State Government (refer footnote (iv) below)	243.97	248.20	26.76	22.00
- from others	-	13.94	-	6.06
Total	37,131.47	31,175.57	1,767.07	1,673.84
Current borrowings				
Working capital loans from banks				
- Rupee loans (secured)	951.99	17,443.44		
Current maturities of long-term borrowings	1,767.07	1,673.84		
Loans repayable on demand (unsecured):				
- from directors	-	185.50		
- from related parties & others	28.50	68.00		
Total	2,747.56	19,370.78		

Notes:

- i) Refer note 12.1 for the details of effective interest rate, repayment terms and security details for the borrowings.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

12.0 Borrowings (Contd.)

- ii) The carrying amount of financial and non financial assets as security for secured borrowings is disclosed in note 27.0.
- iii) Refer note 35.0 for liquidity risk.
- iv) Loans discounted to their present value using the average interest rate on borrowings and the differential loan amount has been disclosed as government grant.

v) Net debt reconciliation:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings (including current maturities)	39,879.03	50,546.35
Less: Cash and cash equivalents	(4,341.32)	(426.72)
Interest payable	86.97	184.09
Net debt	35,624.68	50,303.72

(₹ in Lakh)

Particulars	Current and non-current borrowings (including current maturities)	Cash and cash equivalents	Interest payable	Total
Net debt as at April 1, 2022	35,782.01	(2,210.31)	128.26	33,699.96
Cash flows	14,735.59	1,783.59	-	16,519.18
Other non-cash movements:				
- fair value adjustments	22.64	-	(22.64)	-
Interest expense	6.11	-	3,845.04	3,851.15
Interest paid	-	-	(3,766.57)	(3,766.57)
Net debt as at March 31, 2023	50,546.35	(426.72)	184.09	50,303.72
Cash flows	(10,708.82)	(3,914.60)	-	(14,623.42)
Other non-cash movements:				
- fair value adjustments	23.57	-	(23.57)	-
Interest expense (including borrowing cost capitalized)	17.93	-	5,187.67	5,205.60
Interest paid	-	-	(5,261.22)	(5,261.22)
Net debt as at March 31, 2024	39,879.03	(4,341.32)	86.97	35,624.68

12.1 a) Nature of security and terms of repayment for non-current borrowings (including their current maturities):

	Nature of security	Terms of repayment
1	Term loan from bank, having balance outstanding amounting to ₹0.56 Lakh (March 31, 2023: ₹471.72 Lakh), is secured by way of first charge, on pari passu basis, on entire property, plant and equipment (present and future), including equitable mortgage of entire properties of holding company. The loan is further secured by way of extension of pari passu second charge on current assets of Holding Company and fixed deposit receipt of ₹211.00 Lakh and personal guarantees of some of the executive directors of the Holding Company and others.	Repayable in 21 quarterly installments starting from March, 2022 and last installment falling due in March, 2027. Rate of interest 8.80% p.a. as at the year end (March 31, 2023: 9.40% p.a.).

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

	Nature of security	Terms of repayment
2	Term loan from bank, having balance outstanding amounting to ₹0.20 Lakh (March 31, 2023: ₹1,426.78 Lakh), is secured by way of first charge, on pari passu basis, on entire property, plant and equipment (present and future), including equitable mortgage of entire properties of Holding Company. The loan is further secured by way of extension of pari passu second charge on current assets of Holding Company, fixed deposit receipt of ₹211.00 Lakh and personal guarantees of some of the executive directors of Holding Company and others.	Repayable in 17 quarterly installments starting from April 2022 and last installment falling due in April 2026. Rate of interest 8.80% p.a. as at the year end (March 31, 2023: 9.40% p.a.).
3	Term loan from bank, having balance outstanding amounting to ₹Nil (March 31, 2023: ₹333.41 Lakh), was secured by way of exclusive charge on assets of Holding Company financed from loan. The loan was further secured by way of personal guarantees of the executive directors of Holding Company and others.	Fully repaid during the year.
4	Loan from U.P. Government, balance outstanding amounting to ₹111.72 Lakh (March 31, 2023: ₹111.72 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in March, 2029. The loan is interest free.
5	Loan from U.P. Government, balance outstanding amounting to ₹Nil (March 31, 2023: ₹23.04 Lakh), was secured by way of bank guarantee of equivalent amount.	Fully repaid during the year.
6	Loan from U.P. Government, balance outstanding amounting to ₹29.42 Lakh (March 31, 2023: ₹29.42 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in January 2025. The loan is interest free.
7	Loan from U.P. Government, balance outstanding amounting to ₹194.90 Lakh (March 31, 2023: ₹194.90 Lakh), is secured by way of bank guarantee of equivalent amount.	Repayable in December 2025. The loan is interest free.
8	Term loan from other, balance outstanding amounting to ₹Nil (March 31, 2023: ₹20 Lakh), was secured by way of exclusive charge on assets of Holding Company financed through this loan.	Fully repaid during the year.
9	Term loans from Banks, balance outstanding amounting to ₹33,914.79 Lakh (March 31, 2023: ₹27,598.56 Lakh), are secured by way of first charge, on pari passu basis, on entire tangible and intangible assets (present and future), including equitable mortgage of immovable properties, of the Group's Warangal projects. The loans are further secured by way of corporate guarantee of Holding Company and personal guarantees of two directors of the Group.	Term loans are repayable in quarterly installments starting from December, 2022 and last installment falling due in June, 2033. Rate of interest ranging from 7.80 - 9.85% p.a. (March 31, 2023: 7.80 - 9.75% p.a.)
10	Term loan from a Bank, balance outstanding amounting to ₹2,234.47 Lakh (March 31, 2023: Nil), is secured by way of exclusive charge on machineries financed of Group's one of the subsidiary at Warangal. The loan is further secured by way of letter of comfort of Parent Company and personal guarantees of two directors of the Group.	Term loans are repayable in quarterly installments starting from March, 2024 and last installment falling due in June, 2029. Rate of interest is 8.85% p. a. (March 31, 2023: N.A.)

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

	Nature of security	Terms of repayment
11	Term loan from Bank, balance outstanding amounting to ₹2,477.79 Lakh (March 31, 2023: ₹2,728.74 Lakh), are secured by way of first charge on entire tangible and intangible assets (present and future), including equitable mortgage of immovable property, of the Group's Nepal subsidiary. The loan is further secured by way of corporate guarantee of holding company.	Term loans are repayable in 24 quarterly installments starting from October, 2022 and last installment falling due in July, 2028. Rate of interest 12.11% p. a. (March 31, 2023: 10.62% p.a.)

12.1 b) Nature of security and terms of repayment for current borrowings:

	Nature of security	Terms of repayment
1	Working capital loans from banks, balance outstanding amounting to ₹951.99 Lakh (March 31, 2023: ₹17,443.44 Lakh) are secured by hypothecation of current assets of the Group (both present and future), ranking pari passu inter-se. These loans are further secured by way of extension of pari-passu second charge on property, plant and equipment of the Group, fixed deposit receipt of ₹211.00 Lakh and personal guarantees of some of the executive directors of the Group and others.	Repayable on demand. Rate of interest is ranging from 7.40% to 12.11% p.a. (March 31, 2023: Rate of interest ranging from 7.25% to 9.85% p.a.)
2	Unsecured loans from directors and other related parties amounting to ₹28.50 Lakh (March 31, 2023: ₹253.50 Lakh).	Repayable on demand. Rate of interest 7.50% p.a. as at the year end (March 31, 2023: 6.50% p.a.).

12.2 The Group has not defaulted on any loans payable during the year and has satisfied all debt covenants prescribed in terms of the loans.

13.0 Government grants

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	1,757.30	1,601.24
Received during the year*	780.68	215.87
Released to the statement of profit and loss	(123.72)	(59.81)
At the end of the year	2,414.26	1,757.30
13.1 Current	145.75	93.46
13.2 Non-current	2,268.51	1,663.84

*There are unfulfilled export commitments of ₹39,840.38 Lakh (March 31, 2023: ₹27,096.71 Lakh) as at the balance sheet date to government grant received under the EPCG Scheme.

14.1 Trade payables

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	24.82	199.74
- Total outstanding dues of creditors other than micro enterprises and small enterprises	7,434.23	7,158.46
Total	7,459.05	7,358.20

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

Note:

a) Refer note 35.0 for information about liquidity risk and market risk of trade payables.

b) Refer note 39.0 for ageing schedule of trade payables.

c) Dues to micro and small enterprises* :

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	24.82	199.74
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

* This information has been determined to the extent such parties have been identified on the basis intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

14.2 Other current financial liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for capital expenditure	542.90	1,548.67
Interest accrued	86.97	184.09
Unclaimed dividends*	51.18	55.43
Mark to market of derivative financial instruments	4.42	0.17
Other payables	3,579.04	3,511.27
Total	4,264.51	5,299.63

*During the year, the Group has transferred ₹10.10 Lakh (March 31, 2023: ₹9.26 Lakh) to Investor Education and Protection Fund towards unclaimed dividend and there are no overdue amounts as at the balance sheet date.

15.0 Other current liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	286.30	240.41
Statutory dues payables	218.93	482.42
Total	505.23	722.83

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

16.0 Provisions

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits		
16.1 Non-current		
Leave obligations	104.00	98.20
Gratuity (refer note 29.1)	596.50	549.30
Total	700.50	647.50
16.2 Current		
Leave obligations	89.69	79.31
Gratuity (refer note 29.1)	350.83	319.77
Total	440.52	399.08

17.0 Current tax liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Income-tax payable (net)	80.36	-
Total	80.36	-

18.1 Deferred tax liabilities (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	(1,879.94)	(774.17)
Deferred tax liabilities	3,377.45	2,531.94
Deferred tax liabilities (net)	Total 1,497.51	1,757.77

18.1.a Movement of deferred tax liabilities (net)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)		
As at the beginning of the year	1,757.77	1,719.94
(Credit)/ charge to statement of profit and loss*	(260.26)	37.83
Total	1,497.51	1,757.77

*Deferred tax on remeasurement of defined benefit obligation of ₹4.36 Lakh has been charged to other comprehensive income (March 31, 2023: ₹12.09 Lakh).

18.1.b Components of deferred tax liabilities / (assets)

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liability		
Property, plant and equipment	3,141.34	2,361.74
Others	236.11	170.20
Sub-total	3,377.45	2,531.94
Deferred tax asset		
Expenses allowed in the year of payment	(317.34)	(299.13)
Unabsorbed losses	(1,140.93)	(265.61)
Provision for doubtful trade receivables and advances	(28.87)	(29.09)
Others	(392.80)	(180.34)
Sub-total	(1,879.94)	(774.17)
Deferred tax liabilities (net)	Total 1,497.51	1,757.77

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

19.0 Revenue from operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products		
Finished goods (including process waste)	1,05,744.02	1,10,680.48
Stock-in-trade	2,379.75	5,701.60
Sub-total	1,08,123.77	1,16,382.08
Other operating revenues		
Sale of waste and scrap	383.10	367.31
Job work receipts	11.96	4.97
Insurance claims received	58.75	5.42
Export incentives	353.16	384.17
Allowance for doubtful trade receivables written back (net)	6.93	3.25
Income from pet recycling credits	1,155.52	731.76
Government incentives	1,892.64	-
Technical services receipt	35.00	-
Liabilities no longer required written back	42.71	16.27
Others	229.16	67.91
Sub-total	4,168.93	1,581.06
Total	1,12,292.70	1,17,963.14

The Group offers, performance based discounts and other discounts as per the prevailing trade practices at the time of sale. A sale invoice is the de facto contract agreement with the Customers. Any credit notes for discounts issued thereafter are reduced from gross sales and net sales is shown in the statement of profit and loss. Details of the revenue from contracts with customers as it appears in the invoices raised on them and credit notes issued thereafter are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with Customers	1,08,200.14	1,16,494.19
Less:		
Performance and price discounts	28.08	100.09
Other discounts	48.29	12.02
Revenue from sale of products	Total 1,08,123.77	1,16,382.08

20.0 Other income

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income	1,191.85	1,101.15
Government grants	123.72	59.82
Gain on foreign currency fluctuations and translations (net)	7.68	-
Profit on sale of investments	92.85	21.73
Profit on sale/ discard of property, plant and equipment (net)	19.78	134.90
Lease rental charges	20.00	8.99
Miscellaneous income	7.12	12.14
Total	1,463.00	1,338.73

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

21.0 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year*		
Finished goods	16,595.80	10,485.77
Stock-in-trade	772.25	1,238.83
Work-in-progress	1,258.76	973.16
Sub-total	18,626.81	12,697.76#
Inventories at the beginning of the year*		
Finished goods	10,485.77	6,540.00
Stock-in-trade	1,238.83	586.91
Work-in-progress	973.16	1,020.07
Sub-total	12,697.76	8,146.98
Inventories of trial run production		
Finished goods	3,170.39	1,656.20
Work-in-progress	37.06	51.59
Sub-total	3,207.45	1,707.79
Total	(2,721.60)	(2,842.99)

*including goods-in-transit

excluding trial run inventory of project running under trial production as at the end of the year.

22.0 Employee benefits expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	6,849.95	6,182.84
Contribution to provident and other funds (refer note 29.2)	340.36	276.01
Gratuity expense (refer note 29.1)	162.79	133.31
Staff welfare expenses	134.98	128.04
Share based payment expenses (refer note 42.0)	14.86	-
Total	7,502.94	6,720.20

23.0 Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Manufacturing expenses:		
Consumption of stores and spares	3,008.85	2,731.14
Power and fuel	11,237.98	10,052.53
Repairs and maintenance:		
- Plant and machinery	602.66	477.51
- Buildings	141.20	52.79
Sub-total	14,990.69	13,313.97
Administrative expenses		
Rent (refer note 31.0)	149.24	116.85
Rates and taxes	77.41	17.14
Insurance	364.79	320.50

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

23.0 Other expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Repairs and maintenance - others	138.03	123.56
CSR expenditure	155.05	147.50
Travelling and conveyance	316.27	200.43
Communication costs	56.02	50.81
Printing and stationery	61.48	45.82
Legal and professional fee	164.02	67.88
Cost auditors' remuneration	1.20	1.20
Directors' sitting fee	2.45	1.60
Payment to auditors (refer break-up provided below)	37.15	29.13
Allowances for doubtful trade receivables and advances	3.81	35.88
Fair value loss on financial assets	-	11.71
Miscellaneous expenses	221.88	182.64
Vehicle running and maintenance	115.76	102.76
Commission to non-executive directors	60.25	56.00
Security service charges	255.67	180.67
Loss on foreign currency fluctuations and translations (net)	0.68	33.37
Insurance claim settlement loss written off	-	509.64
Sub-total	2,181.16	2,235.09
Selling expenses		
Freight and forwarding charges	4,129.11	4,465.55
Other selling and distribution expenses	608.12	594.23
Sub-total	4,737.23	5,059.78
Total	21,909.08	20,608.84
Break up of payment to auditor:		
As auditor:		
- Audit fee	26.56	20.64
- Tax audit fee	3.75	3.00
- Limited review fee	6.25	4.80
In other capacity		
- Other services (certification fee)*	0.39	0.08
- Reimbursement of expenses	0.20	0.61
Total	37.15	29.13

*Certification fee of ₹18.05 Lakh (March 31, 2023: Nil) paid to auditors of Parent Company in respect of raising equity capital through QIP has been adjusted against security premium.

24.0 Depreciation and amortization expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	4,833.76	2,862.37
Amortization of intangible assets	32.82	51.10
Amortization of ROU assets	1.62	1.61
Total	4,868.20	2,915.08

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

25.0 Finance costs

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest	4,386.13	1,547.81
Exchange differences regarded as an adjustment to borrowing cost	-	49.70
Other borrowing costs (including bank charges)	103.91	96.27
Total	4,490.04	1,693.78

26.0 Tax expense

26.1 The major components of income-tax expense are as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A) Profit and loss section		
Current tax		
In respect of current year	2,091.06	2,481.61
In respect of earlier years	7.27	44.12
Sub-total	2,098.33	2,525.73
Deferred tax		
Relating to origination and reversal of temporary differences	(264.61)	25.75
Sub-total	(264.61)	25.75
Income tax expense reported in the statement of profit and loss	Total 1,833.72	2,551.48
B) Other comprehensive income ('OCI') section		
Deferred tax related to items recognized in OCI during the year:		
Re-measurement gain on defined benefit obligations	(4.36)	(12.09)
Income-tax charged to OCI	Total (4.36)	(12.09)

26.2 Reconciliation of tax expense and the accounting profit multiplied by applying the statutory income-tax rate to the profit before tax is as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before income-tax	5,890.89	9,497.46
Tax rate using the holding company's tax rate	25.168%	25.168%
Current tax expense on profit before tax at the enacted income-tax rate	1,482.62	2,390.32
Adjustments in respect of current income-tax of earlier years	7.27	44.12
Permanent disallowances	43.11	37.89
Difference due to different rate of tax	(36.07)	-
Impact of tax due to loss in components	600.30	50.71
Impact on tax for elimination adjustments in components	22.20	54.32
Recognition of net deferred tax assets	(285.70)	(31.57)
Others	-	5.69
Total income-tax expense	1,833.72	2,551.48

Consequent to reconciliation items shown above, the effective tax rate is 31.128% (March 31, 2023: 26.865%).

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

27.0 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
First charge		
Non-current assets		
Property, plant and equipment	76,919.63	51,160.86
Capital work-in-progress	7,108.11	23,506.66
Right of use assets	118.52	120.14
Intangible assets	5.90	3.71
Non-current financial assets	614.84	779.58
Other non-current assets	3,476.52	2,506.45
Total non-current assets pledged as security	88,243.52	78,077.40
Second charge		
Current assets		
Financial assets		
Investments	2,756.48	4,858.95
Trade receivables	13,797.69	11,475.89
Cash and cash equivalents	4,341.32	426.72
Bank balances	10,926.90	140.11
Others	246.33	204.88
Non financial assets		
Inventories	30,135.22	28,023.09
Current tax assets	61.62	373.61
Others	10,321.34	7,041.20
Total current assets pledged as security	72,586.90	52,544.45
Total assets pledged as security	1,60,830.42	1,30,621.85

28.0 Earnings per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earning per share has been computed as under:		
Profit for the year (₹ in Lakh)	4,057.17	6,945.98
Weighted average number of equity shares outstanding (Numbers)	2,23,57,246	2,18,29,397
Earnings per share (₹) - Basic (face value of ₹10 per share)	18.15	31.82
Earnings per share (₹) - Diluted (face value of ₹10 per share)	18.15	31.82

29.0 Gratuity and other post-employment benefit plans

29.1 Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the numbers of years of services. The gratuity plan is an unfunded plan.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

Movement in the present value of the defined benefit obligation for gratuity are as follows:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	869.07	828.40
Current service cost	100.19	102.13
Interest expense	62.60	47.02
Benefits paid	(63.65)	(54.73)
Actuarial (gains) / losses arising from changes in demographic assumptions	(13.55)	(15.38)
Actuarial losses / (gains) arising from changes in financial assumptions	2.37	(29.78)
Actuarial (gains) / losses arising from experience adjustments	(9.70)	(8.59)
Closing defined benefit obligation	947.33	869.07

Net liability recognized in balance sheet:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	947.33	869.07
Fair value of plan assets	-	-
Funded status (deficit)	(947.33)	(869.07)
Net liability recognized in balance sheet	947.33	869.07
Break-up of defined benefit obligation		
Current liability	350.83	319.77
Non-current liability	596.50	549.30
Total	947.33	869.07

Net defined benefit expense recognized as employee benefit expenses in the Statement of Profit & Loss :

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	100.19	87.69
Net interest cost	62.60	45.62
Total	162.79	133.31

Net defined benefit expense recognized in pre-operative expenses capitalized as well as pending allocation:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	-	14.44
Net interest cost	-	1.37
Total	-	15.81

Remeasurement (gain)/ loss recognized in other comprehensive income and in pre-operative expenses capitalized as well as pending allocation :

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses arising from changes in demographic assumptions	(13.55)	(15.38)
Actuarial losses / (gains) arising from changes in financial assumptions	2.37	(29.78)
Actuarial (gains) / losses arising from experience adjustments	(9.70)	(8.59)
Total	(20.88)	(53.75)

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

29.0 Gratuity and other post-employment benefit plans *(Contd.)*

The principal assumptions used in determining gratuity as shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.00% to 7.10%	7.20% to 7.30%
Salary escalation rate	7.00%	7.00%
Withdrawal rate (upto 58 years)	25% to 40%	30% to 40%
Withdrawal rate (above 58 years)	10.00%	10% to 15%
Mortality	Published rates under the Indian Assured Lives Mortality (2012-14) Ultimate table	Published rates under the Indian Assured Lives Mortality (2012-14) Ultimate table

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key assumptions is as under:

(₹ in Lakh)

Particulars	Year	Change in assumption	Change due to increase in assumption	Change due to decrease in assumption
Discount rate	March 31, 2024	1.00%	(20.15)	(23.68)
	March 31, 2023	1.00%	(18.88)	19.94
Salary escalation rate	March 31, 2024	1.00%	19.83	(18.11)
	March 31, 2023	1.00%	18.66	(18.11)
Mortality rate	March 31, 2024	1.00%	Negligible	Negligible
	March 31, 2023	1.00%		

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period. There is no change in the method of valuation for the prior periods.

Maturity profile of demand of defined benefit obligation is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Within 1 year	349.47	313.08
1 - 2 Year	209.41	197.21
2 - 3 Year	132.81	125.76
3 - 4 Year	89.94	75.43
4 - 5 Year	61.98	61.51
Above 5 years	103.72	96.08
Total	947.33	869.07

Fair value and changes in fair value of plan assets during the year ended March 31, 2024:

Gratuity obligations are not funded.

As per the policy of the Group, no gratuity is payable to the executive directors of the Group.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

29.0 Gratuity and other post-employment benefit plans (Contd.)

29.2 Defined contribution plans

The Group also has certain defined contribution plans, such as provident fund, family pension fund and employee's state insurance for benefit of employees. Contributions are made to funds administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized to statement of profit and loss during the year towards contribution to defined contribution plans is ₹340.36 Lakh (March 31, 2023: ₹276.01 Lakh) and expenses recognized to capital work-in-progress during the year is ₹Nil (March 31, 2023: ₹5.22 Lakh).

29.3 Leave obligation

The Group provides for leave obligations based on actuarial valuation carried at the year end using the projected unit credit method.

30.0 Commitments and contingencies (to the extent not provided for)

30.1 Commitments

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	1,838.73	9,075.62
b) Undertakings given by the Group to fulfil quantified exports in respect of capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India	39,840.38	27,010.41
c) Corporate guarantee provided to lenders of the lessee in respect of investment property (Land), which is restricted to the value of the land (refer note 33.2).	947.36	947.36
Total	42,626.47	37,033.39

30.2 Contingent liabilities

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Matters with tax authorities		
- Income-tax matters	35.92	35.92
- GST matters	627.57	188.96
- VAT matters	1.25	2.61
b) Demand as environmental compensation has been raised by Uttarakhand Pollution Control Board ('UPCB') on Group's Rudrapur Unit in pursuance of a general order of Hon'ble National Green Tribunal ('NGT') dated November 14, 2019 ('Order'). On appeal, Hon'ble Supreme Court vide its order dated February 25, 2022 remanded back the matter to NGT with certain directions. NGT has given directions and basis for levying the penalties, vide its order dated August 29, 2022, to concerned pollution control boards. Group have neither received any revocation order nor received any fresh demand from Uttarakhand Pollution Control Board after the aforesaid Order of NGT.	100.00	100.00
c) Bills discounted under letters of credit and outstanding	319.30	81.35
d) Claims against the Group not acknowledged as debt (interest thereon not ascertainable at present)	57.54	52.96
Total	1,141.58	461.80

31.0 Leases

The Group has certain operating leases primarily consisting of leases for office premises, guest houses and warehouses having different lease terms. Such leases are generally with the option of renewal against increased rent and premature termination clause. Rental expense recorded for short-term leases and low value asset leases is ₹150.64 Lakh for the year ended March 31, 2024 (March 31, 2023: ₹121.45 Lakh).

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

The Group has taken certain land on long term lease for factory purposes (disclosed under “Right of use assets”). Since entire lease payments have been prepaid, the Group does not have any future lease liability towards the same.

For details pertaining to the carrying value of right of use asset and amortization charged thereon during the year, refer note 3.4 of the financial statements.

The Group does not have any lease liability and thus there are no liquidity risks.

32.0 Segment information

32.1 Primary segment (by business segment):

Ind AS 108 establishes standards for the way that the Group report information about operating segments and related disclosures about products and services, geographic areas and major customers. The Group's operations comprises of only one segment i.e. sale of polyester staple fibre, polyester yarn and other polyester intermediates, which are mainly having similar risks and returns. Based on the “management approach” as defined in Ind AS 108, the management also reviews and measure the operating results taking the whole business as one segment. In view of the same, separate primary segment information is not required to be given as per the requirements of Ind AS 108 on “Operating Segments”.

32.2 Secondary segment (by geographical demarcation):

Considering the nature of the business in which the Group operates, the Group deals with various customers in multiple geographies. The details of segment revenue based on geographical demarcation is as under:

(₹ in Lakh)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Revenue from sale of products		
- India	98,199.74	1,04,307.00
- Outside India	9,924.03	12,075.08
Total	1,08,123.77	1,16,382.08

33.0 Related party disclosures

Name of related parties and nature of relationship:

33.1 A. Key management personnel

Shri Shyam Sunder Sharmma	Non-Executive Chairman
Shri Vishnu Dutt Khandelwal	Executive Vice Chairman
Shri Sharad Sharma	Managing Director
Shri Rajesh Sharma	Joint Managing Director
Shri Surendra Kumar Kabra	Independent Director (ceased to be a director due to his death on June 01, 2023)
Shri Pradeep Kumar Goenka	Independent Director
Shri Vishwa Nath Chandak	Independent Director (till September 30, 2022)
Shri Abhilash Lal	Independent Director
Smt. Shobha Chaturvedi	Independent Director
Shri Narayanan Subramaniam	Independent Director (w.e.f. August 24, 2023)
Shri Gopal Agarwal	Chief Financial Officer
Shri Bharat Kumar Sajnani	Company Secretary & Compliance Officer

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

33.0 Related party disclosures (Contd.)

B. Relatives of key management personnel

Smt. Vimal Sharma	Wife of Shri Shyam Sunder Sharmma
Shri Sandeep Khandelwal	Son of Shri Vishnu Dutt Khandelwal
Shri Yash Sharma	Son of Shri Sharad Sharma
Shri Hemant Sharma	Son of Shri Sharad Sharma
Shri Harsh Sharma	Son of Shri Rajesh Sharma
Shyam Sunder Sharmma HUF	Shri Shyam Sunder Sharmma is Karta
Sharad Sharma HUF	Shri Sharad Sharma is Karta
Rajesh Sharma HUF	Shri Rajesh Sharma is Karta

C. Entities controlled by key management personnel or their relatives

Sandeep Yarns Private Limited
GPL Finance Limited
GESL Spinners Private Limited
Ganesha Ecoverve Limited

D. Entities over which key managerial personnel are able to exercise significant influence

Ganesh Memorial Trust

33.2 Summary of transactions during the year

(₹ in Lakh)

Particulars	Year ended	Key management personnel	Relatives of key management personnel	Entities controlled by key management personnel or their relatives	Entities over which key management personnel are able to exercise significant influence
Managerial remuneration	March 31, 2024	109.12	-	-	-
	March 31, 2023	746.92	-	-	-
Commission and sitting fee	March 31, 2024	62.70	-	-	-
	March 31, 2023	57.60	-	-	-
Salary and allowances	March 31, 2024	79.51	58.86	-	-
	March 31, 2023	70.15	54.69	-	-
Interest paid	March 31, 2024	8.76	-	2.22	-
	March 31, 2023	42.05	0.34	4.77	-
Interest income	March 31, 2024	-	-	123.81	-
	March 31, 2023	-	-	-	-
Sale of capital goods, stock in trade and management services	March 31, 2024	-	-	1,266.90	-
	March 31, 2023	-	-	4,188.40	-
Purchase of goods	March 31, 2024	-	-	495.13	-
	March 31, 2023	-	-	-	-
Lease rent received on investment property	March 31, 2024	-	-	20.00	-
	March 31, 2023	-	-	8.99	-
IGST on notional fees on corporate guarantee	March 31, 2024	-	-	1.70	-
	March 31, 2023	-	-	-	-

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

33.0 Related party disclosures *(Contd.)*

33.2 Summary of transactions during the year

(₹ in Lakh)

Particulars	Year ended	Key management personnel	Relatives of key management personnel	Entities controlled by key management personnel or their relatives	Entities over which key management personnel are able to exercise significant influence
Contribution to trust for CSR expenditure	March 31, 2024	-	-	-	69.88
	March 31, 2023	-	-	-	54.74
Unsecured loan accepted	March 31, 2024	206.00	-	7.50	-
	March 31, 2023	192.50	-	-	-
Unsecured loan repaid	March 31, 2024	391.50	-	9.00	-
	March 31, 2023	899.00	63.00	91.00	-
Amount outstanding at balance sheet date					
Unsecured loan payable	March 31, 2024	-	-	28.50	-
	March 31, 2023	185.50	-	30.00	-
Amounts payable	March 31, 2024	88.85	3.32	21.04	-
	March 31, 2023	163.50	1.95	0.43	-
Amounts receivable	March 31, 2024	-	-	700.71	-
	March 31, 2023	-	-	1,497.45	-
Corporate guarantees given to banks*	March 31, 2024	-	-	947.36	-
	March 31, 2023	-	-	947.36	-

*A corporate guarantee has been given by Ganesha Ecotech Pvt. Ltd. (group company) to lender banks of GESL Spinners Pvt. Ltd. in respect to the Land given on lease to it. The guarantee amount is restricted to the value of land.

33.3 No amount has been written off or written back during the year in respect of debts due from or to related parties.

34.0 Financial instruments

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values

- The fair values of derivatives such as forward/ derivative contracts are on mark to market basis as per bank.
- The Group has adopted effective interest rate for calculating interest expense. Processing fees and transaction costs relating to each loan has been considered for calculating effective interest rate. The fair values of non-current borrowings are classified as level 3 in the fair value hierarchy due to the use of unobservable inputs including own credit risk.
- Loans, investments and other non-current financial assets are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken into account for expected losses of these receivables. The fair value of loans, investments and other non-current financial assets has been considered as equal to their carrying amount. These fair values are classified as level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
- Fair values of cash and cash equivalents, trade receivables, bank balances, current investments, current loans, other current financial assets, trade payables, current borrowings and other financial liabilities are considered to be the same as their carrying amount due to short-term maturities of these instruments.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

34.0 Financial instruments (Contd.)

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial assets

(₹ in Lakh)

Particulars	Note reference as mentioned above	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
			Carrying amount	Fair value	Carrying amount	Fair value
1. Financial assets designated at fair value through profit and loss (FVTPL)						
Current investments	D	Level 2	2,756.48	2,756.48	4,858.95	4,858.95
2. Financial assets designated at fair value through other comprehensive income (FVTOCI)						
Investment in equity	C	Level 3	592.62	592.62	592.62	592.62
3. Financial assets designated at amortized cost						
a) Trade receivables	D	Level 3	13,797.69	13,797.69	11,475.89	11,475.89
b) Cash and cash equivalents	D	Level 3	4,341.32	4,341.32	426.72	426.72
c) Other bank balances	D	Level 3	10,978.08	10,978.08	195.54	195.54
d) Loans	C, D	Level 3	3.44	3.44	8.62	8.62
e) Other financial assets	C, D	Level 3	857.73	857.73	975.84	975.84
Total			33,327.36	33,327.36	18,534.18	18,534.18

Financial liabilities

(₹ in Lakh)

Particulars	Note reference as mentioned above	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
			Carrying amount	Fair value	Carrying amount	Fair value
1. Financial liabilities designated at fair value through profit and loss						
Mark to market of derivative financial instruments	A	Level 2	4.42	4.42	0.17	0.17
2. Financial liabilities designated at fair value through other comprehensive income						
			-	-	-	-
3. Financial liabilities designated at amortized cost						
a) Borrowings	B, D	Level 3	39,879.03	39,879.03	50,546.35	50,546.35
b) Trade payables	D	Level 3	7,459.05	7,459.05	7,358.20	7,358.20
c) Other financial liabilities	D	Level 3	4,260.09	4,260.09	5,299.46	5,299.46
Total			51,602.59	51,602.59	63,204.18	63,204.18

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

35.0 Financial risk management

The Group realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's senior management oversees the management of these risks.

The Company has exposure to the following risks (arising from financial instruments):

- Credit risk
- Liquidity risk
- Market risk

A. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk mainly from trade receivables, loans given and other financial assets.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition.

Trade receivables are typically unsecured and derived from revenue earned from customers located in India and abroad. Credit risk is managed by the Group through customer assessment, credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group measures the expected credit loss of trade receivables based on historical trend, industry practice and the business environment in which the entity operates. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, loans given and other financial assets.

The allowance for lifetime expected credit loss on trade receivables is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Allowance for expected credit loss		
Opening balance	89.55	58.41
Impairment loss recognized (net of reversals)	(1.19)	31.14
Closing balance	88.36	89.55

Loans given and other financial assets are considered to be of good quality and there is no significant credit risk.

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

a) Financing arrangements

The Group believes that it has sufficient working capital to meet its current requirements. Accordingly, no liquidity risk is perceived. Further, the Group is having cash credit facilities from banks of ₹28,787.50 Lakh (March 31, 2023: ₹24,137.50 Lakh), repayable on demand which carry floating rate of interest.

b) Contractual maturities of financial liabilities

(₹ in Lakh)

As at March 31, 2024	0-1 years	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings (including current maturities)	1,767.07	2,334.18	12,848.14	21,949.15	38,898.54
Current borrowings	980.49	-	-	-	980.49
Trade payables	7,459.05	-	-	-	7,459.05
Other financial liabilities	4,264.51	-	-	-	4,264.51
Total	14,471.12	2,334.18	12,848.14	21,949.15	51,602.59

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

35.0 Financial risk management (Contd.)

As at March 31, 2023	0-1 years	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings (including current maturities)	1,673.84	2,057.55	7,098.32	22,019.70	32,849.41
Current borrowings	17,696.94	-	-	-	17,696.94
Trade payables	7,358.20	-	-	-	7,358.20
Other financial liabilities	5,299.63	-	-	-	5,299.63
Total	32,028.61	2,057.55	7,098.32	22,019.70	63,204.18

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e., currency rate, interest rate and other price related risks. Financial instruments affected by market risk include borrowings, loans given, deposits, foreign currency receivables and payables and derivative financial instruments such as forward contracts. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

i) Foreign currency risk

The Group is exposed to foreign currency risk through operating and financing activities in foreign currency. The Group uses derivative financial instruments, such as foreign currency sale and purchase forward contracts and currency and interest rate swap contracts, to reduce foreign currency risk exposure and follows its risk management policies.

Derivative financial instruments outstanding as at the reporting date

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Nominal value of forward contracts		
Forward contracts to sell USD	1,205.91	440.27
Forward contracts to sell EURO	-	133.05
Total	1,205.91	573.32

Foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

The currency profile of financial assets and financial liabilities (unhedged foreign currency exposure) as at the balance sheet date is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	EURO	Total	USD	EURO	Total
Financial assets						
Trade receivables	-	33.18	33.18	308.63	235.35	543.98
Financial liabilities						
Trade and other payables	(98.22)	(12.67)	(110.89)	(130.69)	(116.75)	(247.44)
Net assets/ (liabilities)	(98.22)	20.51	(77.71)	177.94	118.60	296.54

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

35.0 Financial risk management *(Contd.)*

Foreign currency risk sensitivity

1% increase and decrease in foreign exchanges rate will have the following impact on profit before tax: (₹ in Lakh)

Particulars	As at March 31, 2024		As at March 31, 2023	
	1% increase	1% decrease	1% increase	1% decrease
USD	(0.98)	0.98	1.78	(1.78)
EURO	0.21	(0.21)	1.19	(1.19)
Increase / (decrease) in profit before tax	(0.77)	0.77	2.97	(2.97)

ii) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligation at floating interest rates.

Exposure to interest rate risk:

Particulars	As at March 31, 2024		As at March 31, 2023	
	(₹ in Lakh)	% of total	(₹ in Lakh)	% of total
Fixed rate borrowings	2,533.70	6.35%	543.70	1.08%
Variable rate borrowings	37,345.33	93.65%	50,002.65	98.92%
Total	39,879.03	100.00%	50,546.35	100.00%

Interest rate sensitivity on variable rate borrowings

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for whole of the year.

Particulars	As at March 31, 2024	As at March 31, 2023
	(₹ in Lakh)	(₹ in Lakh)
50 basis points increase would decrease the profit before tax by	(186.73)	(250.01)
50 basis points decrease would Increase the profit before tax by	186.73	250.01

36.0 Capital risk management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor's, creditor's and market's confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure in consonance with its long term strategic plans.

The gearing ratio at the end of the reporting period is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings	39,879.03	50,546.35
Debt (A)	39,879.03	50,546.35
Total equity (B)	1,05,211.55	63,811.73
Equity and debt (C =A+B)	1,45,090.58	1,14,358.08
Gearing ratio (A/C)	27.49%	44.20%

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

37.0 Additional information on the entities forming part of consolidated financial statements as required under Schedule III of the Companies Act, 2013

As at and for the year ended March 31, 2024

Name of the entity in the Group	Net Assets, i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated profit or loss	Amount (₹ in Lakh)	As % of consolidated other comprehensive income	Amount (₹ in Lakh)	As % of consolidated total comprehensive income	Amount (₹ in Lakh)
Holding Company								
Ganesha Ecosphere Limited	103.52%	1,08,915.22	153.99%	6,247.53	43.68%	7.22	153.54%	6,254.75
Indian Subsidiaries								
Ganesha Ecopet Private Limited	0.18%	193.31	-31.23%	(1,267.08)	35.75%	5.91	-30.96%	(1,261.17)
Ganesha Ecotech Private Limited	2.18%	2,292.35	-13.96%	(566.19)	20.57%	3.40	-13.82%	(562.79)
Foreign Subsidiary								
Ganesha Overseas Private Limited	1.07%	1,128.02	-6.58%	(266.96)	0.00%	0.00	-6.55%	(266.96)
Total eliminations/ adjustments	-6.95%	(7,317.36)	-2.22%	(90.13)	0.00%	0.00	-2.21%	(90.13)
Total	100.00%	1,05,211.54	100.00%	4,057.17	100.00%	16.53	100.00%	4,073.70

As at and for the year ended March 31, 2023

Name of the entity in the Group	Net Assets, i.e. total assets less total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakh)	As % of consolidated profit or loss	Amount (₹ in Lakh)	As % of consolidated other comprehensive income	Amount (₹ in Lakh)	As % of consolidated total comprehensive income	Amount (₹ in Lakh)
Holding Company								
Ganesha Ecosphere Limited	102.42%	65,335.13	105.56%	7,331.93	100.61%	36.08	105.53%	7,368.01
Indian Subsidiaries								
Ganesha Ecopet Private Limited	2.28%	1,454.58	-0.24%	(16.88)	0.00%	0.00	-0.24%	(16.88)
Ganesha Ecotech Private Limited	4.48%	2,855.14	-1.16%	(80.89)	-0.61%	(0.22)	-1.16%	(81.11)
Foreign Subsidiary								
Ganesha Overseas Private Limited	2.19%	1,394.97	-1.05%	(72.89)	0.00%	0.00	-1.04%	(72.89)
Total eliminations/ adjustments	-11.37%	(7,251.32)	-3.10%	(215.29)	0.00%	0.00	-3.08%	(215.29)
Total	100.00%	63,788.50	100.00%	6,945.98	100.00%	35.86	100.00%	6,981.84

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

38.0 Trade receivables ageing schedule

a. As at March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	8,513.12	5,046.90	181.22	56.45	-	-	13,797.69
- considered doubtful	-	-	-	-	33.89	54.47	88.36
	8,513.12	5,046.90	181.22	56.45	33.89	54.47	13,886.05
Less: Allowance for doubtful debts							(88.36)
Total							13,797.69

b. As at March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	8,588.81	2,779.43	107.65	-	-	-	11,475.89
- considered doubtful	-	-	-	34.68	1.80	53.07	89.55
	8,588.81	2,779.43	107.65	34.68	1.80	53.07	11,565.44
Less: Allowance for doubtful debts							(89.55)
Total							11,475.89

39.0 Trade payables ageing schedule

a. As at March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	19.33	5.49	-	-	-	24.82
ii) Other than MSME	1,130.00	6,268.16	5.89	30.15	0.03	7,434.23
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - other than MSME	-	-	-	-	-	-
Total	1,149.33	6,273.65	5.89	30.15	0.03	7,459.05

b. As at March 31, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	199.74	-	-	-	-	199.74
ii) Other than MSME	723.09	6,373.70	58.49	2.33	0.85	7,158.46
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - other than MSME	-	-	-	-	-	-
Total	922.83	6,373.70	58.49	2.33	0.85	7,358.20

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

40.0 Government incentives

Group's Warangal manufacturing facilities are entitled for certain incentives in the form of capital subsidy, power and interest incentives under the industrial promotion scheme of the Telangana Government. Group has recognized the power and interest incentives receivable, being reasonably ascertained, during the year including the incentive entitlement for previous period. However, Capital subsidy amount is presently unascertained and will be accounted for as and when the amount could reasonably be ascertained upon sanction by the Government authorities.

41.0 Future lease rent receivable

The future minimum lease rent receivable under non-cancellable operating lease is as under:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	20.00	20.00
Later than one year but not later than five years	81.45	80.00
Later than five years	524.22	545.67

42.0 Ganesha Ecosphere Employees' Stock Option Scheme-2021

The Holding company had introduced Ganesha Ecosphere Employees' Stock Option Scheme 2021 ("ESOP Scheme") to provide Employee Stock Options ("options") to all the eligible employees of the Group. The ESOP Scheme is administered by the Nomination and Remuneration Committee (NRC) of the holding company and implemented through Ganesha Employees' Welfare Trust ("Trust"). The Trust had acquired 39,194 Equity Shares of the holding company, in aggregate, from the secondary market under the ESOP Scheme.

During the year ended March 31, 2024, the NRC of the holding company at its meeting held on March 7, 2024 has granted 39,194 options to the eligible employees of the group. Each option granted under the scheme entitles the holder to one equity share of the holding company at an exercise price of ₹543/- per share. The entire granted options shall vest on March 7, 2025, i.e. after one year from the grant date. Options granted under the Scheme shall be exercisable within 3 years from the date of vesting.

The movement in options granted are as below:

(₹ in Lakh)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Outstanding at the beginning of the year	-	-
Options granted during the year	39,194.00	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
Options expired during the year	-	-
Outstanding at the end of the year	39,194.00	-
Options exercisable at the end of the year	-	-
Weighted average exercise price per option (₹)	543.00	-

Fair value measurement

The weighted average remaining contractual life of the options outstanding as of March 31, 2024 is 2.50 years.

The fair value of the options is estimated on the date of grant using the Black-Scholes Model with the following inputs/ assumptions:

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

(₹ in Lakh)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
No of options granted	39,194.00	-
Vesting period	1 year	-
Dividend yield (%)	0.55	-
Volatility rate (%)	35.10	-
Risk free rate (%)	6.93	-
Expected life of options (years)	2.50	-
Weighted average fair value of options per share (₹)	553.48	-
Market Price at the time of grant of option (₹)	1,010.85	-

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions during the year recognised in profit or loss as part of employee benefit expense is ₹14.86 Lakh (March 31, 2023 ₹ Nil).

43.0 On January 18, 2024, the holding company has made an allotment of 14,49,000 Fully Convertible Equity Warrants at an issue price of ₹1,035/- (including a premium of ₹1,025/-) per Equity Share aggregating to ₹14,997.15 Lakhs, on receipt of an upfront amount of ₹3,750.00 Lakhs, to an entity belonging to Promoter and Promoter Group of the holding company, on preferential basis under Chapter V of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. The warrants so issued and allotted shall be convertible within a period of 18 months from the date of allotment of Warrants. An expenditure of ₹13.20 lakh was incurred towards issue of Equity Warrants, which has been adjusted from security premium. The proceeds received against such allotment have entirely been utilized towards stated purpose of the issue.

44.0 On February 02, 2024, the holding company has made an allotment of 35,17,587 Equity Shares of face value of ₹10/- each at a price of ₹995/- per share (including premium of ₹985/- per share) aggregating to ₹34,999.99 Lakhs, to eligible Qualified Institutional Buyers under Chapter VI of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. Consequent to the said allotment, the total paid up Equity Share Capital of the holding company stands increased to ₹2,534.70 Lakhs comprising of 2,53,46,984 Equity Shares. The Equity Shares issued & allotted as aforesaid rank pari-passu with the existing equity shares of the holding company in all respect. An expenditure of ₹989.75 lakh was incurred towards issue and allotment of aforesaid equity shares, which has been adjusted from security premium. Out of the issue proceeds of ₹34,999.99 lakhs, ₹24,947.00 lakhs have been utilized towards the stated purposes and remaining ₹10,052.99 lakhs have been deposited with banks in fixed deposits.

45.0 Events occurring after the balance sheet date

The Board of Directors of the holding company have recommended dividend of ₹3.00 per fully paid up equity share of ₹10 each, aggregating to ₹760.41 Lakh for the financial year 2023-24 (March 31, 2023: ₹2.00 per fully paid up equity share of ₹10 each, aggregating ₹436.59 Lakh). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and the actual dividend amount will be dependent on the share capital outstanding as on the relevant record date/ book closure.

46.0 The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with was noted in respect of accounting software.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

47.0 The Uttar Pradesh State GST Authorities ('the SGST department') had conducted search activity during the month of March, 2024 at some of factory premises of the holding company. Holding company extended full co-operation to the SGST officials during the search and provided required details, clarifications, and documents. Holding company deposited Rs 350.00 Lakh under protest with SGST authorities. As on the date of adoption of these financial statements, holding company has not received any demand or show cause notice from the SGST department regarding any demand or liability as a result of the search, therefore, the consequent impact on the financial statements, if any, is not ascertainable. The Management, after considering all available records and facts known to it, is of the view that there is no material adverse impact on the financial position of the group for the year ended March 31, 2024 in this regards.

48.0 Disclosures as per Section 186(4) of the Companies Act, 2013

The details of the loans, guarantees and investments under Section 186 of the Companies Act, 2013 are as follows:

- (i) Details of investments made and loans given are provided under the respective heads.
- (ii) One of the subsidiary company of the Group has given corporate guarantee of ₹947.36 lakh (March 31, 2023: ₹947.36 lakh) to the lenders of the lessee (a related party) in respect of investment property (Land) leased to them. The guarantee is restricted to the value of land and has been provided as per the terms of the lease.

49.0 Other statutory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and the Rules made thereunder.
- (ii) The Group does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Group does not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961).

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2024

- (viii) The Group is regular in paying its dues and has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (ix) The Group is in compliance with the number of layers for its holding in downstream companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restrictions on number of Layers) Rules, 2017.
- (x) The Group has not entered into any scheme of arrangement, during the year, which has any impact on financial results or position of the Group.
- (xi) The Group has not revalued any of its property, plant and equipment (including right-of-use assets) or intangible assets during the year.
- (xii) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- (xiii) The Group has used the borrowings from banks for the purpose for which it was taken.

50.0 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date attached

For **Narendra Singhania & Co.**

Chartered Accountants

Firm Reg. No. 009781N

Narendra Singhania

Partner

Membership No.: 087931

Place: New Delhi

Date: 23rd May, 2024

For and on behalf of the Board of Directors

Sharad Sharma

Managing Director

DIN: 00383178

Bharat Kumar Sajnani

Company Secretary

FCS: 7344

Place: Kanpur

Date: 23rd May, 2024

Shyam Sunder Sharmma

Chairman

DIN: 00530921

Gopal Agarwal

Chief Financial Officer

FCA: 075080

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Shyam Sunder Sharmma
Chairman

Shri Vishnu Dutt Khandelwal
Executive Vice Chairman

Shri Sharad Sharma
Managing Director & CEO

Shri Rajesh Sharma
Joint Managing Director

Shri Pradeep Kumar Goenka
Independent Director

Shri Abhilash Lal
Independent Director

Dr. Shobha Chaturvedi
Independent Director

Shri Narayanan Subramaniam
Independent Director

Chief Financial Officer
Shri Gopal Agarwal

Company Secretary
Shri Bharat Kumar Sajnani

Auditors
M/s. Narendra Singhanian & Co., Chartered
Accountants, New Delhi

Bankers
State Bank of India
Yes Bank Limited
Federal Bank Limited
Axis Bank Limited

Administrative office

113/216-B, Swaroop Nagar, Kanpur-208002,
Uttar Pradesh

Email: secretarial@ganeshaecosphere.com
Tel: +91-512-2555505-06

Registered Office

Raipur, (Rania), Kalpi Road,
Distt. Kanpur Dehat,
Uttar Pradesh – 209304.

Email : gesl@ganeshaecosphere.com
Tel: +91-9198708383

Works

Kanpur Unit

Raipur, (Rania), Kalpi Road,
Distt. Kanpur Dehat,
Uttar Pradesh – 209304.

Rudrapur Unit

Plot No. 6, Sector -2, Integrated Industrial
Estate, Pantnagar, Uttarakhand - 263153.

Bilaspur Units

- a. Khata No. 96 and 97,
Arazi Village Kotha, Ali Nagar,
Pargana and Tehsil Bilaspur,
Distt. Rampur, Uttar Pradesh - 244923.
- b. Gata No. 112, Village Temra,
Tehsil Bilaspur, Distt. Rampur,
Uttar Pradesh- 244923.

Website: www.ganeshaecosphere.com



GANESHA ECOSPHERE LTD.

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Kanpur - 208 002, Uttar Pradesh