



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
GANESHA ECOTECH PRIVATE LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ganesha Ecotech Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 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 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 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 31st March, 2024, and its Loss, total comprehensive loss, and 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 Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

The Company'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 financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 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 financial statements, including the disclosures, and whether the 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.



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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 sub-section (11) of section 143 of the Companies Act, 2013 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 account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e. On the basis of written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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";
 - 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, we report that during the year remuneration has not been paid by the Company to its directors;
 - 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 explanations given to us:



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- i. The Company does not have any pending litigations which would impact its financial position.
- ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or Ind AS, for material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2024.
- iv.
 - (a) The management has represented that, to the best of it's 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;
 - (b) The management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), 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; and
 - (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 (i) and (ii) of Rule 11(e) as provided under (a) & (b) above contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024, 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 the audit trail feature being tampered with in respect of the accounting software.

As proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per statutory requirement for record retention is not applicable for the financial year ended March 31, 2024.

Place: Kanpur
Dated: 22 MAY 2024

**FOR D SETH AND CO,
Chartered Accountants,
(Firm Registration No. 028869C)**



**(Deepak Seth)
Proprietor
Membership No. 073081**



UDIN : 24073081 BKFH QV 2363

Annexure-A to Independent Auditors' 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 Ecotech Private Limited on the financial statements as of and for the year ended 31st March 2024.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment 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 have been physically verified by the management during the year under regular program of verification, which in our opinion, is reasonable having regard to the size of the Company & nature of its assets. As informed, no material discrepancies were noticed on such 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 as disclosed in the financial statements and included in the Property, plant and equipment and also included in Investment Property, are held in the name of the Company.
 - (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) To the best of our knowledge and 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 in 2016) 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. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verifications of inventories.



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- (b) The Company has been sanctioned working capital limits in excess of Rs. 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 few differences when compared with the unaudited books of accounts of the respective quarters (refer note 41.0).
- (iii) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investment in or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited liability partnership or any other party during the year. The Company has provided guarantees and security of its land by depositing title deeds thereof to the lenders of a Company (a related party).
- (a) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to such guarantees provided and security given is Rs. 947.36 Lakh (refer note 3.3 and 34.3).
- (b) In our opinion and according to the information and explanation given to us, the guarantees provided and security given and the terms and conditions of guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments, to the parties covered under Section 185 and 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and 186 of the Act in respect of guarantees provided and security given by it.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3 (v) of the order is not applicable.
- (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.



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(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 regularly 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 disputed statutory dues in respect of statutory dues as referred to in sub- clause (a).

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961, during the year.

(ix)

(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The company has not been declared willful 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) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) In our opinion and according to the information and explanation given to us, the Company is not having any subsidiary, associates or joint ventures, hence clause 3(ix)(e) is not applicable to it.

(f) In our opinion and according to the information and explanation given to us, the Company is not having any subsidiary, associates or joint ventures, hence clause 3(ix)(f) is not applicable to it.



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(x)

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under audit. Accordingly, the reporting under Clause 3(x)(b) of the said Order is not applicable to the Company during the year.

(xi)

- (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the 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) To the best of our knowledge, no report under sub- section (12) of section 143 of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of such related party transactions have been disclosed in the 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.



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- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence reporting under clause 3(xv) of the order is not applicable to the Company.
- (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 no Core Investment Company as a part of the Group. Accordingly, the provisions of Clause 3(xvi)(d) of the said Order are not applicable to the Company.
- (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 of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 upto 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.



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(xx) The Company was incorporated on 17th November, 2020 and has, at aggregate level, net losses since incorporation and hence it is not required to spend any money under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable to the Company for the year.

**FOR D SETH AND CO,
Chartered Accountants,
(Firm Registration No. 028869C)**



**(Deepak Seth)
Proprietor
Membership No. 073081**



Place: Kanpur

Dated: 22 MAY 2024

UDIN: 24073081BKFH QV 2363

Annexure-B to Independent Auditors' 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 Ecotech Private Limited on the financial statements as of and for the year ended 31st March 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 Ecotech Private Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the 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 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 ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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



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on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were

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operating effectively as at 31st March 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 D SETH AND CO,
Chartered Accountants,
(Firm Registration No. 028869C)**



(Deepak Seth)

Proprietor

Membership No. 073081

UDIN: 24073081BKFHQV2363



Place: Kanpur

Dated: 22 MAY 2024

Balance Sheet as at March 31, 2024

(Rs. 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	19,092.57	20,544.04
(b) Capital work-in-progress	3.2	20.23	42.88
(c) Investment property	3.3	947.36	947.36
(d) Intangible assets	4.0	1.80	1.08
(e) Financial assets			
(i) Other financial assets	5.1	60.84	60.00
(f) Other non-current assets	6.0	103.42	30.08
(g) Deferred tax assets (net)	7.0	157.63	70.21
Sub-total		20,383.85	21,695.65
(2) Current assets			
(a) Inventories	8.0	2,212.71	3,438.81
(b) Financial assets			
(i) Trade Receivables	9.1	3,447.80	2,414.25
(ii) Cash and cash equivalents	9.2	28.40	10.52
(iii) Bank balances other than (ii) above	9.3	478.86	-
(iv) Other financial assets	9.4	9.13	2.64
(c) Other current assets	10.0	2,978.50	1,561.25
(d) Current Tax Assets (Net)	11.0	44.67	15.34
Sub-total		9,200.07	7,442.81
TOTAL ASSETS		29,583.92	29,138.46
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12.1	1,500.00	1,500.00
(b) Other equity	12.2	792.35	1,355.14
Sub-total		2,292.35	2,855.14
(2) Liabilities			
(2A) Non-current liabilities			
(a) Financial liabilities:			
- Borrowings	13.0	21,759.70	19,680.28
(b) Government grants	14.2	606.84	645.57
(c) Provisions	15.1	8.50	10.98
Sub-total		22,375.04	20,336.83
(2B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13.0	2,629.87	4,298.79
(ii) Trade payables	16.0		
- Total outstanding dues of micro enterprises and small enterprises		19.04	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,595.92	830.92
(iii) Other current financial liabilities	17.0	583.45	745.81
(b) Government grants	14.1	38.73	38.73
(c) Other current liabilities	18.0	45.12	30.42
(d) Provisions	15.2	4.40	1.82
Sub-total		4,916.53	5,946.49
TOTAL EQUITY AND LIABILITIES		29,583.92	29,138.46

Material accounting policies

2.0

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

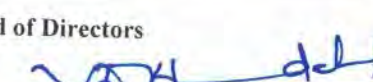
For D SETH AND CO
Chartered Accountants
Firm Reg. No. 028869C


Deepak Seth
Proprietor
Membership No.: 073081



For and on behalf of the Board of Directors


(Sharad Sharma)
Managing Director
DIN: 00383178


(Vishnu Dutt Khandelwal)
Chairman

DIN: 00383507
For GANESHA ECOTECH PRIVATE LIMITED

Statement of profit and loss for the year ended March 31, 2024

(Rs. 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	17,657.51	4,889.77
Other Income	20.0	207.38	81.34
Total income		17,864.89	4,971.11
II EXPENSES			
Cost of materials consumed		10,718.34	1,600.52
Purchase of stock-in-trade		1,030.55	2,480.03
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21.0	706.38	(49.35)
Employee benefits expenses	22.0	618.83	85.41
Finance costs	23.0	2,093.08	406.96
Depreciation and amortization expense	24.0	1,036.85	174.07
Other expenses	25.0	2,315.12	380.36
Total expenses		18,519.15	5,078.00
III Profit/(Loss) before tax (I-II)		(654.26)	(106.89)
IV Tax expense	26.0		
Current tax		0.05	0.07
Deferred tax (credit)		(88.12)	(26.07)
Total tax expense		(88.07)	(26.00)
V Profit/(Loss) for the year (III-IV)		(566.19)	(80.89)
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Re-measurement gain/ (loss) on defined benefit obligation		4.11	(0.27)
Less: Income -tax relating to above item	26.0	(0.71)	0.05
		3.40	(0.22)
VII Total comprehensive Income/(loss) for the year (V+VI)		(562.79)	(81.11)
VIII Earnings per share	27.0		
Basic (face value of Rs. 10/- per equity share)		(3.77)	(0.54)
Diluted (face value of Rs. 10/- per equity share)		(3.77)	(0.54)
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 D SETH AND CO

Chartered Accountants

Firm Reg. No. 028869C


Deepak Seth
Proprietor

Membership No.: 073081

Place: Kanpur

Date: 22 MAY 2024



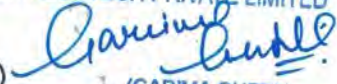
For and on behalf of the Board of Directors


(Sharad Sharma)
Managing Director
DIN: 00383178

(Vishnu Dutt Khandelwal)
Chairman
DIN: 00383507

(Prashant Khandelwal)
Chief Financial Officer
FCA: 077160

For GANESHA ECOTECH PRIVATE LIMITED


(GARIMA GUPTA)
COMPANY SECRETARY

Cash flow statement for the year ended March 31, 2024

Particulars	Note no.	Year ended March 31, 2024	(Rs. in Lakh) Year ended March 31, 2023
A. Cash flow from operating activities:			
(Loss) before tax as per statement of profit and loss		(654.26)	(106.89)
Depreciation and amortization expense		1,036.85	174.07
Allowance for doubtful advances		0.50	-
Loss on foreign currency fluctuations and translations (net)		(0.18)	0.83
Interest expense		2,081.16	405.18
Lease Rental income from Invesment property		(20.00)	(8.99)
Profit on sale of property, plant & equipment (under CWIP)		-	(62.22)
Amortization of government grants		(38.73)	(6.26)
Operating loss before working capital changes		2,405.34	395.72
Movements in working capital:			
Increase in trade receivables		(1,033.37)	(2,414.23)
Increase in other receivables and prepayments		(1,421.07)	(1,001.75)
(Increase)/Decrease in inventories		1,226.10	(2,985.75)
Increase in trade payables		784.04	662.04
Increase in other payables		120.69	242.20
Increase in provisions		4.21	7.57
Cash generated from/ (used in) operations		2,085.94	(5,094.20)
Direct taxes paid (net of refunds)		(29.38)	(9.08)
Net cash flow generated from /(used in) operating activities (A)		2,056.56	(5,103.28)
B. Cash flow from investing activities:			
Purchase of property, plant and equipment and CWIP (Net of Government incentives)		144.44	(5,494.11)
Purchase of intangible assets		(1.20)	-
Proceeds from sale of property, plant and equipment and CWIP		40.00	1,740.89
Purchase of investment property (freehold land)		-	(442.16)
Fixed deposits made with banks		(479.70)	-
Fixed deposits matured with banks		-	5.07
Lease rental charges from Invesment property		20.00	8.99
Net cash flow used in investing activities (B)		(276.46)	(4,181.32)
C. Cash flow from financing activities:			
Proceeds from non-current borrowings (other than related party)		-	1,452.18
Proceeds from current borrowings (net) (other than related parties)		(2,944.01)	3,235.49
Repayment of non-current borrowings (other than Related Party)		(204.32)	(69.60)
Proceeds from non-current borrowing (related party)		4,630.87	8,870.00
Repayment of non-current borrowing (related party)		(1,200.00)	(4,000.00)
Interest paid		(2,044.76)	(217.87)
Net cash flow (used in)/ generated from financing activities (C)		(1,762.22)	9,270.20
Net increase in cash and cash equivalents (A+B+C)		17.88	(14.40)
Cash and cash equivalents at the beginning of the year		10.52	24.92
Cash and cash equivalents at the end of the year (Refer Note 9.2)		28.40	10.52

Material accounting policies

2.0

Notes:

1. The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Additions to property, plant and equipment includes movement of capital work-in-progress during the year.
3. The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For D. SETH AND CO
Chartered Accountants
Firm Reg. No. 028869C

Deepak Seth
Proprietor
Membership No.: 073081
Place: Kanpur
Date: 22 MAY 2024

For and on behalf of the Board of Directors

(Sharad Sharma)
Managing Director
DIN: 00383178

(Vishnu Dutt Khandelwal)
Chairman
DIN: 00383507


(Prashant Khandelwal)
Chief Financial Officer
FCA: 077160

For GANESHA ECOTECH PRIVATE LIMITED



(GARIMA GUPTA)
COMPANY SECRETARY

Statement of changes in equity for the year ended March 31, 2024

A. Equity share capital		(Rs. in Lakh)
As at April 1, 2022		1,500.00
Shares issued during the year		-
As at March 31, 2023		1,500.00
Changes in equity share capital during the year		-
As at March 31, 2024		1,500.00

B. Other equity	(Rs. in Lakh)
-----------------	---------------

Particulars	Retained earnings	Equity component of compound financial instruments	Total
Balance as at April 1, 2022	(212.86)	1,649.11	1,436.25
Loss for the year	(80.89)	-	(80.89)
Other comprehensive loss for the year	(0.22)	-	(0.22)
Total comprehensive loss for the year	(81.11)	-	(81.11)
Balance as at March 31, 2023	(293.97)	1,649.11	1,355.14
Loss for the year	(566.19)	-	(566.19)
Other comprehensive income for the year	3.40	-	3.40
Total comprehensive loss for the year	(562.79)	-	(562.79)
Balance as at March 31, 2024	(856.76)	1,649.11	792.35

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For D SETH AND CO

Chartered Accountants

Firm Reg. No. 028869C

Deepak Seth

Deepak Seth

Proprietor

Membership No.: 073081

Place: Kanpur

Date: 22 MAY 2024



For and on behalf of the Board of Directors

(Signature)

(Sharad Sharma)

Managing Director

DIN: 00383178

(Signature)

(Vishnu Dutt Khandelwal)

Chairman

DIN: 00383507

(Signature)

(Prashant Khandelwal)

Chief Financial Officer

FCA: 077160

For GANESHA ECOTECH PRIVATE LIMITED

(Signature)

(GARIMA GUPTA)

COMPANY SECRETARY

GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

1.0 Corporate information

Ganesh Ecotech Private Limited is engaged into manufacturing of Washed pet flakes made from Pet bottle scrap and Polypropylene staple fibre. The address of the registered office is 113/216 A, Ground Floor, Swaroop Nagar, Kanpur (U. P.).

2.0 Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Basis of preparation

(i) Compliance with Indian Accounting Standards

These 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.

(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 Lakhs as per the requirement of Schedule III of 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 ('Rs.'), 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 recognised in the Statement of Profit and Loss.

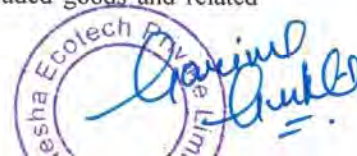
Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the statement of profit and loss.

d) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

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 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) 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.

(iv) Interest income

Interest income is recognized on time proportion accrual basis using the applicable/ effective interest rate.

(v) 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.

(vi) Lease rental

Lease rental income is recognized on time proportion accrual basis.

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 revenues.

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 custom 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.

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.



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

(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 offset 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.

Current and deferred tax is recognised 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) Property, plant and equipment

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 Straight Line Method ('SLM') except in respect of Furniture, Fixtures and Office Equipment where depreciation is provided on Written Down Value Method ('WDV').

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:



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

Assets	Useful life
Buildings	30 – 60 years
Roads (capitalised under buildings)	10 years
Continuous process plant (plant & equipment)	18 years
Other plant & equipment	5-15 years
Furniture and fixtures	5-10 years
Office equipment (including computers, computers equipment and servers)	3-10 years

Residual value of the 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.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment if any. Cost includes all expenditure necessary to bring the assets to its working condition for its intended use.

The company amortizes Computer Software using the straight-line method over the period of 5 years.

i) 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 values 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.

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.

l) Lease**Operating lease****As a lessee**

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Payments under operating lease are recorded in the Statement



GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

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.

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.



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

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 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 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 recognise 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.

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 benefits

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.



GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

(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.

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.

r) 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 amortised 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 amortised 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 recognised 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 recognised 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 amortised 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 amortised cost (debt instruments)

A 'financial asset' is measured at the amortised 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.



GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised 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 recognised 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 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 recognised 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 recognised 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 recognised in statement of profit and loss.



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

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 recognised 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 derecognised 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 recognising impairment loss on financial assets measured at amortised 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 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 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 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.

(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 recognised 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:



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GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

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 recognised in the statement of profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised 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 recognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) 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 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.

t) 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.



Parent



3.1 Property, Plant and Equipment

(Rs. in Lakh)

Particulars	Freehold land	Buildings	Plant & equipment	Furniture & Fixtures	Office Equipments	Total
Gross Block						
As at April 1, 2022	1,853.80	-	-	-	30.50	1,884.30
Additions during the year	513.44	2,436.88	16,838.92	0.55	18.82	19,808.61
Disposals during the year	-	-	-	(0.32)	(4.12)	(4.44)
Transfer to Investment Property	(947.36)	-	-	-	-	(947.36)
As at March 31, 2023	1,419.88	2,436.88	16,838.92	0.23	45.20	20,741.11
Additions during the year	100.33	231.71	156.57	1.55	4.03	494.19
Disposals/adjustments during the year*	-	-	(909.29)	-	-	(909.29)
As at March 31, 2024	1,520.21	2,668.59	16,086.20	1.78	49.23	20,326.01
Accumulated depreciation						
As at April 1, 2022	-	0.00	0.00	-	13.20	13.20
Charge for the year	-	13.53	157.98	-	12.36	183.87
Disposals	-	-	-	-	-	-
As at March 31, 2023	-	13.53	157.98	-	25.56	197.07
Charge for the year	-	83.95	941.99	0.31	10.12	1,036.37
Disposals	-	-	-	-	-	-
As at March 31, 2024	-	97.48	1,099.97	0.31	35.68	1,233.44
Net block						
As at March 31, 2023	1,419.88	2,423.35	16,680.94	0.23	19.64	20,544.04
As at March 31, 2024	1,520.21	2,571.11	14,986.23	1.47	13.55	19,092.57

* includes adjustment of Rs. 869.29 Lakh (March 31, 2023: Nil) towards interest and power subsidy receivable under industrial promotion scheme of Telangana State Government.

3.2 Capital work-in-progress (CWIP)

Particulars	Amount of CWIP for a period of				(Rs. in Lakh)
	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
As at March 31, 2023					
Project in progress*	-	42.88	-	-	42.88
As at March 31, 2024					
Project in progress*	20.23	-	-	-	20.23

*Completion stage is as per plan & is not overdue

3.3 Investment Property

(Rs. 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:

a) Title deeds of investment property are in the name of the Company.

b) 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.

c) No borrowing cost has been capitalized and no impairment loss has been recognized in respect of the above investment property.

d) Fair value of investment property is Rs. 1,230.00 Lakh (March 31, 2023: Rs. 1,230.00 Lakh)

e) The amount recognized in the Statement of profit & loss in respect of the investment property is as under:

(Rs. 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 Land of Warangal project was purchased from Telangana State Industrial Infrastructure Corporation Limited (TSIIC) at Kakatiya Mega Textile Park, Shyampet, Geesugonda Mandal, Warangal Rural District, Telangana under an "Agreement for sale" and as per terms of the agreement, final sale deed was to be executed after implementation of project and commencement of production. As the commercial production commenced on February 01, 2023, Sale deed was executed by TSIIC on January 25th, 2024 in favour of the Company.

3.5 All property, plant and equipment, intangible assets as well as capital work-in-progress are charged as security for the term loans from banks, to secure their respective dues (refer notes 13.0 and 28.0).

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.

3.8 Company has capitalized borrowing cost of Rs. 15.00 Lakh (March 31, 2023: Rs. 1,913.06 Lakh) during the year to the property, plant and equipment.

3.9 There is no project which has temporarily been suspended.

4.0 Intangible Assets

(Rs. in Lakh)

Particulars	Software	Total
Gross Block		
As at April 1, 2022	1.86	1.86
Additions during the year	-	-
Disposals during the year	-	-
As at March 31, 2023	1.86	1.86
Additions during the year	1.20	1.20
Disposals during the year	-	-
As at March 31, 2024	3.06	3.06
Accumulated amortisation		
As at April 1, 2022	0.41	0.41
Amortization for the year	0.37	0.37
Disposals	-	-
As at March 31, 2023	0.78	0.78
Amortization for the year	0.48	0.48
Disposals	-	-
As at March 31, 2024	1.26	1.26
Net block		
As at March 31, 2023	1.08	1.08
As at March 31, 2024	1.80	1.80

4.1 There is no impairment loss during the year ending March 31, 2024 and March 31, 2023.

4.2 There is no intangible asset under development and hence, related disclosures are not applicable.



Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits with remaining maturity of more than twelve months*	0.84	-
Security deposits	60.00	60.00
Total	60.84	60.00

*Deposits of Rs. 0.84 Lakh held as lien with bank against bank guarantee (March 31, 2023: Nil).

6.0 Other Non-current assets

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	96.78	20.27
Prepaid expenses	6.64	9.81
Total	103.42	30.08



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7.0 Deferred tax assets (net)

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liability		
Property, plant and equipment	(559.39)	(336.32)
Sub-total	(559.39)	(336.32)
Deferred tax asset		
Unabsorbed losses & depreciation	577.75	257.64
Expenses allowed in the year of payment & others	139.27	148.89
Sub-total	717.02	406.53
Deferred tax assets (net)*	Total	157.63
		70.21

*The Company has recognized net deferred tax assets considering that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

7.1 Movement of deferred tax assets (net)

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)		
As at the beginning of the year	70.21	44.09
Credit to statement of profit and loss	87.42	26.12
Total	157.63	70.21

8.0 Inventories

(At lower of cost and net realisable value)

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	1,046.15	1,677.02
Raw materials (in-transit)	-	5.93
Finished Goods	855.81	1,584.41
Finished goods (in-transit)	58.70	43.11
Stock-in-trade	1.20	-
Work-in-progress	63.33	57.90
Stores and spares	187.52	70.44
Total	2,212.71	3,438.81

9.0 Current Financial Assets**9.1 Trade Receivables**

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables*	3,447.80	2,414.25
Less: Allowance for doubtful trade receivables	-	-
Total	3,447.80	2,414.25
Break-up:		
Receivables considered good-secured	-	-
Receivables considered good-unsecured*	3,447.80	2,414.25
Receivables which have significant increase in credit risk	-	-
Receivables-credit impaired	-	-
Receivables considered doubtful-unsecured	-	-
	3,447.80	2,414.25
Less: Allowance for doubtful trade receivables	-	-
Total	3,447.80	2,414.25

* Includes Receivables of Rs. 2,651.63 Lakh (March 31, 2023: Rs. 1,915.60 Lakh) from a private company where directors are interested (refer note 34.0).

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) Refer note 35.0 & 36.0 for information about fair value measurement, credit risk and market risk of trade receivables.

3) Refer note 38.0 for ageing schedule of trade receivables.

Notes to the financial statements for the year ended March 31, 2024

9.2 Cash and cash equivalents		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Balances with banks:			
- On current accounts	27.62	9.52	
Cash on hand	0.78	1.00	
Total	28.40	10.52	

9.3 Bank balances other than cash and cash equivalents		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Deposits with remaining maturity of more than 3 months but less than 12 months*	478.86	-	
Total	478.86	-	

*held under lien with bank as Financial Collateral against the term loan.

9.4 Other financial assets		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Unsecured, considered good			
Interest receivable on security and bank deposits	7.43	2.64	
Receivable against statutory dues (related party)	1.70	-	
Total	9.13	2.64	

10.0 Other current assets		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Unsecured, considered good			
Advances to suppliers and others	217.56	72.50	
Advances to employees	0.29	0.19	
Prepaid expenses	27.12	29.77	
Balance with Government authorities	689.49	1,446.80	
Insurance claim receivable	-	11.99	
Export incentives receivable	2.72	-	
Pet recycling credits in hand	53.97	-	
Government incentives receivable	1,987.35	-	
Sub-total	2,978.50	1,561.25	
Unsecured, considered doubtful			
Advances to suppliers	0.50	-	
Less: Allowance for doubtful advances	(0.50)	-	
Sub-total	-	-	
Total	2,978.50	1,561.25	

11.0 Current tax assets (net)		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Income Tax deducted/ collected at source	44.67	15.34	
Total	44.67	15.34	



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Notes to the financial statements for the year ended March 31, 2024

12.1 Share capital

Particulars	(Rs. in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Authorised		
200,00,000 (March 31, 2023: 200,00,000) Equity shares of Rs. 10 each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
150,00,000 (March 31, 2023: 150,00,000) Equity shares of Rs. 10 each	1,500.00	1,500.00
Total	1,500.00	1,500.00

Notes:

i) Reconciliation of number of shares outstanding at the end of the year:

Particulars	(Nos.)	
	As at March 31, 2024	As at March 31, 2023
Equity shares		
As at the beginning of the year	15,000,000	15,000,000
Add: Shares issued during the year	-	-
As at the end of the year	15,000,000	15,000,000

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 Rs. 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 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 shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
Equity shares of Rs. 10/- each fully paid up				
Ganesh Ecosphere Limited (Holding Company) and its nominee	15,000,000	100.00%	15,000,000	100.00%

iv) Shareholding of Promoters

Shares held by Promoters at the end of the year

Ganesh Ecosphere Limited (Holding Company) and its nominee	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of total shares	No. of Shares	% of total shares
	15,000,000	100.00%	15,000,000	100.00%

Note: There is no change in holding during current as well as in previous year.

12.2 Other Equity

Particulars	(Rs. in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Retained earnings	(856.76)	(293.97)
Equity Component of financial liability	1,649.11	1,649.11
Total	792.35	1,355.14
(a) Retained earnings		
Opening balance	(293.97)	(212.86)
Adjustment during the year	(566.19)	(80.89)
Net loss for the year	3.40	(0.22)
Other comprehensive Income/ (loss) (net) for the year	(856.76)	(293.97)
Closing balance	(856.76)	(293.97)
(b) Equity component of financial liability (Refer note 13.0 (iv))		
Opening balance	1,649.11	1,649.11
Add: Equity Component of Unsecured Zero Coupon Compulsorily Convertible Debentures (Financial liability)	-	-
Closing balance	1,649.11	1,649.11
Total	792.35	1,355.14



Notes to the financial statements for the year ended March 31, 2024

13.0 Borrowings

(Rs. 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				
(1) Term Loans (Secured):				
Term Loans from Banks	10,557.77	10,891.55	338.40	204.32
(2) Unsecured Loans				
(a) Loan from parent company (related party)	9,280.87	6,996.50	2,000.00	853.50
(b) Unsecured Zero Coupon Compulsorily Convertible Debentures (Financial liability) (related Party) (refer note (iv) below)	1,921.06	1,792.23	-	-
Total	21,759.70	19,680.28	2,338.40	1,057.82
Current Borrowings				
(a) Working capital loans from banks (secured)	291.47	3,240.97		
(b) Current maturities of long-term borrowings	2,338.40	1,057.82		
Total	2,629.87	4,298.79	-	-

Notes:

(i) Nature of security and terms of repayment of term loans from banks

Term loans from Banks, balance outstanding amounting to Rs. 10,896.17 Lakh (March 31, 2023: Rs. 11,095.87 lakh), are secured by way of first charge, on pari passu basis, on entire tangible and intangible assets (present and future) of the Company, including equitable mortgage of immovable properties of the Company's project at Warangal. The loan is further secured by way of corporate guarantee of parent company and personal guarantees of two directors of the Company. Term loans are repayable in quarterly installments commenced from December, 2022 and last installment falling due in June, 2033. Rate of interest ranging from 7.8 - 8.8% p. a. (March 31, 2023: 7.8%-8.8% p.a.)

(ii) Nature of security and terms of repayment of working capital loans from banks

Working capital loans from Banks, balance outstanding amounting to Rs. 291.47 Lakh (March 31, 2023: 3,240.97 Lakh), are secured by hypothecation of current assets (both present and future) of the Company, 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's Warangal project and personal guarantees of two directors of the Company. Working capital loans are repayable on demand. Rate of interest ranging from 7.4 - 9.0% p. a. (March 31, 2023: 7.4% - 8.1% p.a.).

(iii) Terms of repayment of unsecured loan

Unsecured loan from parent company is repayable in quarterly installments starting from June 30, 2024 and last installment falling due on March 31, 2030. Rate of interest 7.5% p.a. payable quarterly (March 31, 2023: 7.5%).

(iv) Unsecured Zero Coupon Compulsorily Convertible Debentures

33,00,000 Unsecured Zero Coupon Compulsorily Convertible Debentures (CCDs) of Rs 100/- each issued by the Company on 25th January, 2022 to Parent Company - Ganesha Ecosphere Limited, have tenure of ten years and these CCDs shall be compulsorily converted into Equity shares of Rs. 10/- each at the discretion of the Company within a period not later than 10 years from the date of allotment and the number of equity shares that each CCD converts into and the price per equity share upon conversion of each CCD shall be determined at the time of conversion. Unsecured Zero Coupon Compulsorily Convertible Debentures, based on their terms of conversion not being fixed, have been recognised as compounded financial instrument as per IND AS-32 and accordingly classified between Financial Liability & Other Equity.

(v) Refer note 36.0 for liquidity risk.

(vi) The carrying amount of financial and non financial assets as security for secured borrowings is disclosed at note 28.0.

(vii) The Company has not defaulted on any loans payable during the year and has satisfied all debt covenants prescribed in terms of the loans.

(viii) Net debt reconciliation

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings	24,389.57	23,979.07
Less: Cash and cash equivalents	(28.40)	(10.52)
Interest payable	69.76	161.32
Net debt	24,430.93	24,129.87

Particulars	Cash and cash equivalents	Current & Non- current borrowings	Interest payable	Total
Net debt as at April 1, 2022	(24.92)	14,365.59	40.78	14,381.45
Cash flows	14.40	9,488.07	-	9,502.47
Other non-cash movements	-	-	-	-
- fair value adjustments	-	119.93	-	119.93
- equity component of financial liability	-	-	-	-
Interest expense (including borrowing cost capitalized)	-	5.48	1,613.76	1,619.24
Interest paid	-	-	(1,493.22)	(1,493.22)
Net debt as at March 31, 2023	(10.52)	23,979.07	161.32	24,129.87
Cash flows	(17.88)	282.54	-	264.66
Other non-cash movements:	-	-	-	-
- fair value adjustments	-	128.83	-	128.83
Interest expense (including borrowing cost capitalized)	-	(0.87)	1,967.32	1,966.45
Interest paid	-	-	(2,058.88)	(2,058.88)
Net debt as at March 31, 2024	(28.40)	24,389.57	69.76	24,430.93



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14.0 Government grants*		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
At the beginning of the year	684.30	641.45	
Received during the year	-	49.11	
Released to the statement of profit and loss	(38.73)	(6.26)	
At the end of the year	645.57	684.30	
14.1 Current	38.73	38.73	
14.2 Non-current	606.84	645.57	

*There are unfulfilled export commitments of Rs. 13,759.86 Lakhs (March 31, 2023: Rs. 14,093.73 Lakhs) as at the balance sheet date related to Government grant received under the EPCG Scheme.

15.0 Provisions		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Employee benefits			
15.1 Non-current			
Leave obligations	4.34	4.52	
Gratuity (refer note 29.1)	4.16	6.46	
Total	8.50	10.98	
15.2 Current			
Leave obligations	3.60	1.55	
Gratuity (refer note 29.1)	0.80	0.27	
Total	4.40	1.82	

16.0 Trade payables		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Trade payables			
- Total Outstanding dues of micro enterprises and small enterprises	19.04	-	
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,595.92	830.92	
Total	1,614.96	830.92	

Note:

i). Refer note 36.0 for information about liquidity risk and market risk of trade payables.

ii). Refer note 39.0 for ageing schedule of trade payables.

iii). **Dues to micro and small enterprises:**

The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act')* are as follows:

		(Rs. 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	19.04	-	
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	-	-	
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest			
f) 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.

17.0 Other current financial liabilities		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Creditors for capital expenditure	122.56	299.35	
Interest accrued	69.76	161.32	
Other payables	391.13	285.14	
Total	583.45	745.81	

18.0 Other Current Liabilities		(Rs. in Lakh)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Advances from customers	28.50	7.31	
Statutory dues payables	16.62	23.11	
Total	45.12	30.42	



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19.0 Revenue from Operations

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Product		
Finished goods (including process waste)	15,251.45	2,325.28
Stock-in-trade	1,029.32	2,498.82
Sub-total	16,280.77	4,824.10
Other operating revenues		
Sale of waste and scrap	39.28	6.47
Job work receipts	3.09	5.20
Insurance claim received	0.50	-
Export incentives	21.93	-
Income from pet recycling credits	187.88	54.00
Government incentives (refer note 42.0)	1,118.06	-
Liabilities no longer required written back	3.16	-
Others	2.84	-
Sub-total	1,376.74	65.67
Total	17,657.51	4,889.77

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
a. Revenue from contracts with Customers	16,280.77	4,824.71
Less:		
b. Performance and price discounts	-	-
c. Other discounts	-	0.61
Revenue from sale of products	16,280.77	4,824.10

20.0 Other income

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income	148.51	3.86
Government grants	38.73	6.26
Gain on foreign currency fluctuations and translations (net)	0.14	-
Lease rental charges from investment property	20.00	8.99
Profit on sale of property, plant & equipment (under CWIP)	-	62.22
Miscellaneous income	-	0.01
Total	207.38	81.34

21.0 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. 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	914.51	1,627.52
Stock-in-trade	1.20	-
Work-in-progress	63.33	57.90
Sub-total	979.04	1,685.42
Inventories at the beginning of the year*		
Finished goods	1,627.52	-
Work-in-progress	57.90	-
Sub-total	1,685.42	-
Inventories of trial run production		
Finished goods	-	1,584.48
Work-in-progress	-	51.59
Sub-total	-	1,636.07
Total	(706.38)	49.35

*including goods-in-transit.



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Notes to the financial statements for the year ended March 31, 2024

22.0 Employee benefits expenses

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	604.26	82.42
Contribution to provident and other fund	5.55	0.73
Gratuity expense	2.33	1.79
Staff welfare expenses	6.69	0.47
Total	618.83	85.41

23.0 Finance costs

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest *	2,081.16	405.18
Other Borrowing Cost (Including Bank Charges)	11.92	1.78
Total	2,093.08	406.96

*Including amortisation cost of Rs. 128.83 Lakh (March 31, 2023: Rs. 20.51 Lakh) in respect of Unsecured Zero coupon compulsorily convertible Debentures (CCDs) recognised as compounded financial instrument as per IND AS-32

24.0 Depreciation and amortisation expenses

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	1,036.37	174.01
Amortization of intangible assets	0.48	0.06
Total	1,036.85	174.07

25.0 Other expenses

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Manufacturing expenses		
Consumption of stores and spares	239.63	51.54
Power and fuel	1,466.51	227.59
Repair and maintenance:		
-Plant and machinery	81.01	1.49
-Buildings	4.19	0.70
Sub-total	1,791.34	281.32
Administrative expenses		
Rent (refer note 31.0)	2.48	2.71
Rate and taxes	21.58	3.47
Insurance	29.50	2.95
Repairs and maintenance - others	5.00	0.17
Travelling and conveyance	50.76	5.93
Communication costs	0.20	0.01
Printing & stationary	4.71	0.66
Legal and professional fee	12.33	4.52
Payment to auditor (refer break-up of payment provided below)	4.27	2.68
Miscellaneous expenses	17.10	4.81
Vehicle running and maintenance	0.06	0.04
Allowances for doubtful advances	0.50	-
Security service charges	42.62	7.42
Loss on foreign currency fluctuations and translations (net)	-	0.64
Sub-total	191.11	36.01
Selling expenses		
Freight and forwarding charges	325.69	62.82
Other selling and distribution expenses	6.98	0.21
Sub-total	332.67	63.03
Total	2,315.12	380.36
Break-up of payment to auditor:		
As auditor:		
- Audit fee	3.50	2.00
- Tax audit fee	0.50	0.50
- Limited review fee	0.25	0.15
In other capacity		
- Other services (certification fee)	0.02	0.03
Total	4.27	2.68

Notes to the financial statements for the year ended March 31, 2024

26.0 Tax expense

The major components of income-tax expense are as under:

(Rs. 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	-	-
In respect of earlier years	0.05	0.07
Sub-total	0.05	0.07
Deferred tax		
Relating to origination and reversal of temporary differences	(88.12)	(26.07)
Sub-total	(88.12)	(26.07)
Income tax expense reported in the statement of profit and loss	Total	(88.07)
		(26.00)
B) Other comprehensive income ('OCI') section		
Deferred tax related to items recognised in OCI during the year:		
Re-measurement (gain)/ loss on defined benefit obligation	(0.71)	0.05
Income-tax charged to OCI	Total	(0.71)
		0.05

Reconciliation of tax expense and the accounting profit multiplied by applying the statutory income-tax rate to the profit before tax is as under:

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting loss before income-tax	(654.26)	(106.89)
Enacted income-tax rate applicable to the Company*	17.160%	17.160%
Current tax expense on profit before tax at the enacted income-tax rate	-	-
Adjustments in respect of current income-tax of earlier years	0.05	0.07
Recognition of net deferred tax assets	(88.12)	(26.07)
Total income-tax expense	(88.07)	(26.00)

Because of losses in current and earlier years, there is no tax liability and hence effective tax rate is Nil.

*Company has opted alternate tax regime as per the provisions of Section 115BAB of Income Tax Act, 1961 and accordingly concessional tax rate is applicable.

27.0 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:		
Loss for the year (Rs. in Lakh)	(566.19)	(80.89)
Weighted average number of equity shares outstanding (Numbers)	15,000,000	15,000,000
Earnings per share (Rs.) - Basic (face value of Rs. 10 per share)	(3.77)	(0.54)
Earnings per share (Rs.) - Diluted (face value of Rs. 10 per share)	(3.77)	(0.54)



Notes to the financial statements for the year ended March 31, 2024

28.0 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
First charge		
Non-current assets		
Property, plant and equipment	19,092.57	20,544.04
Capital work-in-progress	20.23	42.88
Intangible assets	1.80	1.08
Other financial assets	60.84	60.00
other non-current assets	103.42	30.08
Total non-current assets pledged as security	19,278.86	20,678.08
Current assets		
Financial assets		
Trade receivables	3,447.80	2,414.25
Cash and cash equivalents	28.40	10.52
Bank Balances other than cash and cash equivalents	478.86	-
Other financial assets	9.13	2.64
Non-financial assets		
Inventories	2,212.71	3,438.81
Other current assets	2,978.50	1,561.25
Total current assets pledged as security	9,155.40	7,427.47
Total assets pledged as security	28,434.26	28,105.55

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.

Movement in the present value of the defined benefit obligation for gratuity are as follows:

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	6.73	3.00
Current service cost	1.84	4.11
Interest expense	0.49	0.20
Benefits paid	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	(3.67)	0.01
Actuarial (gains) / losses arising from changes in financial assumptions	0.04	(0.31)
Actuarial (gains) / losses arising from experience adjustments	(0.47)	(0.28)
Closing defined benefit obligation	4.96	6.73

Net liability recognized in balance sheet:

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	4.96	6.73
Fair value of plan assets	-	-
Funded status (deficit)	(4.96)	(6.73)
Net liability recognized in balance sheet	4.96	6.73
Break-up of defined benefit obligation		
Current liability	0.80	0.27
Non-current liability	4.16	6.46
Total	4.96	6.73

Net defined benefit expense recognized as employee benefit expenses in the Statement of Profit & Loss:

(Rs. in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	1.84	4.11
Net interest cost	0.49	0.20
Total	2.33	4.31



Notes to the financial statements for the year ended March 31, 2024

Remeasurement (gain) / loss recognized in other comprehensive income:

(Rs. 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	(3.67)	0.01
Actuarial (gains) / losses arising from changes in financial assumptions	0.03	(0.31)
Actuarial (gains) / losses arising from experience adjustments	(0.47)	(0.28)
Total	(4.11)	(0.58)

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%	7.30%
Salary escalation rate	7.00%	7.00%
Withdrawal rate	35.00%	15.00%
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:**

(Rs. 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%	(0.18)	0.19
	March 31, 2023	1.00%	(0.47)	0.53
Salary escalation rate	March 31, 2024	1.00%	0.19	(0.18)
	March 31, 2023	1.00%	0.53	(0.48)
Withdrawal 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:

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Within 1 year	0.80	0.27
1 - 2 Year	0.52	0.26
2 - 3 Year	0.36	0.22
3 - 4 Year	0.98	0.48
4 - 5 Year	0.85	0.85
Above 5 years	1.45	4.65
Total	4.96	6.73

Fair value and changes in fair value of plan assets during the year ended March 31, 2024:

- Gratuity obligations are not funded.
- The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

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 Rs. 5.55 Lakh (March 31, 2023: Rs. 2.65 Lakh).



Notes to the financial statements for the year ended March 31, 2024

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)

(Rs. in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
30.1 Commitments		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	463.43	45.27
b) 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.	13,759.86	14,093.73
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 34.3).	947.36	947.36
30.2 Contingent liabilities	-	-

31.0 Leases - short term leases

The Company has certain operating leases primarily consisting of leases for office premise and staff guest house 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 Rs. 2.48 Lakh for the year ended March 31, 2024 (March 31, 2023: Rs. 4.90 Lakh).

The Company does not have any lease liability and thus there are no liquidity risks.

32.0 Details of corporate social responsibility (CSR) expenditure

Provisions of Section 135 of the Companies Act, 2013 are not applicable in view of losses since inception of the Company.

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. processing and sale of 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".

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:

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from sale of products		
-India	15,920.47	4,824.10
-Outside India	360.30	-
Total	16,280.77	4,824.10



GANESHA ECOTECH PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2024

34.0 Related party disclosures
34.1 Name of related parties and description of relationship:

A. Key management personnel	
Shri Vishnu Dutt Khandelwal	Non-Executive Chairman
Shri Sharad Sharma	Managing Director
Shri Rajesh Sharma	Director
Shri Prashant Khandelwal	Chief Financial Officer (CFO)
Ms. Garima Gupta	Company Secretary
B. Relatives of key management personnel	
Mr. Yash Sharma	Son of Shri Sharad Sharma, Director
Mr. Hemant Sharma	Son of Shri Sharad Sharma, Director
C. Parent Company	
Ganesha Ecosphere Limited	
D. Fellow Subsidiary	
Ganesha Ecopet Private Limited	
E. Entities controlled by key management personnel or their relatives	
GESL Spinners Pvt Ltd.	

34.2 Summary of transactions:

(Rs. in Lakh)

Particulars	Period ended	Key management personnel	Relatives of Key management personnel	Parent Company	Fellow Subsidiary	Entities controlled by key management personnel or their relatives
Transaction during the year						
Salary	March 31, 2024	19.14	26.14	-	-	-
	March 31, 2023	16.17	19.82	-	-	-
Reimbursement of expenditure (net)	March 31, 2024	-	-	0.21	0.55	-
	March 31, 2023	-	-	-	-	-
Interest paid	March 31, 2024	-	-	720.93	-	-
	March 31, 2023	-	-	577.58	-	-
Interest received	March 31, 2024	-	-	-	-	123.81
	March 31, 2023	-	-	-	-	-
Payment for management services	March 31, 2024	-	-	12.00	-	-
	March 31, 2023	-	-	24.00	-	-
Purchase of raw material	March 31, 2024	-	-	56.87	10.13	-
	March 31, 2023	-	-	17.37	-	-
Purchase of traded goods	March 31, 2024	-	-	1.20	-	-
	March 31, 2023	-	-	-	-	-
Purchase of general stores	March 31, 2024	-	-	0.09	-	-
	March 31, 2023	-	-	-	-	-
Sale of finished goods, traded goods and raw materials	March 31, 2024	-	-	688.91	11,560.52	-
	March 31, 2023	-	-	933.78	2,987.42	-
Job work receipt	March 31, 2024	-	-	3.09	-	-
	March 31, 2023	-	-	5.20	-	-
Sale of property, plant & equipment	March 31, 2024	-	-	-	-	-
	March 31, 2023	-	-	-	-	1,740.89
Sale of stock in trade	March 31, 2024	-	-	-	-	-
	March 31, 2023	-	-	-	-	2,441.88
Lease rent income from investment property	March 31, 2024	-	-	-	-	20.00
	March 31, 2023	-	-	-	-	8.99
Unsecured loan accepted	March 31, 2024	-	-	4,630.87	-	-
	March 31, 2023	-	-	8,870.00	-	-
Unsecured loan repaid	March 31, 2024	-	-	1,200.00	-	-
	March 31, 2023	-	-	4,000.00	-	-
Corporate guarantees given to banks (refer Note 34.3)	March 31, 2024	-	-	-	-	947.36
	March 31, 2023	-	-	-	-	947.36
IGST on notional fees on corporate guarantee	March 31, 2024	-	-	-	-	1.70
	March 31, 2023	-	-	-	-	-
Amount outstanding at balance sheet date						
Unsecured Zero Coupon Compulsorily convertible Debentures	March 31, 2024	-	-	3,300.00	-	-
	March 31, 2023	-	-	3,300.00	-	-
Unsecured loan outstanding	March 31, 2024	-	-	11,280.87	-	-
	March 31, 2023	-	-	7,850.00	-	-
Interest payable	March 31, 2024	-	-	69.75	-	-
	March 31, 2023	-	-	157.20	-	-
Amounts payable	March 31, 2024	1.38	1.83	-	-	-
	March 31, 2023	0.52	0.78	0.04	-	-
Amount receivable	March 31, 2024	-	-	18.67	2,651.63	1.70
	March 31, 2023	-	-	-	418.15	1,497.45

34.3 Corporate guarantee given 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 the land.

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 financial statements 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

A. The fair values of derivatives such as forward/ derivative contracts are on mark to market basis as per bank.

B. 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.

C. 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.

D. Fair values of cash and cash equivalents, bank balances, current loans, other current financial assets, trade payables and other current 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

(Rs. 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)			-	-	-	-
2. Financial assets designated at fair value through other comprehensive income (FVTOCI)			-	-	-	-
3. Financial assets designated at amortized cost						
a) Trade receivables	D	Level 3	3,447.80	3,447.80	2,414.25	2,414.25
b) Cash and cash equivalents	D	Level 3	28.40	28.40	10.52	10.52
c) Bank balances other than (b) above	D	Level 3	478.86	478.86	-	-
d) Other financial assets	C, D	Level 3	69.97	69.97	62.64	62.64
Total			4,025.03	4,025.03	2,487.41	2,487.41

Financial liabilities

(Rs. 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	B	Level 3	1,921.06	1,921.06	1,792.23	1,792.23
2. Financial liabilities designated at fair value through other comprehensive income			-	-	-	-
3. Financial liabilities designated at amortized cost						
a) Borrowings	B, D	Level 3	22,468.51	22,468.51	22,186.84	22,186.84
b) Trade payables	D	Level 3	1,614.96	1,614.96	830.92	830.92
c) Other financial liabilities	D	Level 3	583.45	583.45	745.81	745.81
Total			26,587.98	26,587.98	25,555.80	25,555.80

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.



Notes to the financial statements for the year ended March 31, 2024

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 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 and other financial assets.

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 difficulty 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.

a) Financing arrangements

The Company believes that it has sufficient working capital to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company is having cash credit facilities from banks of Rs. 4,200 Lakh (March 31, 2023: Rs. 7,700 Lakh), repayable on demand which carry floating rate of interest.

b) Contractual maturities of financial liabilities

(Rs. 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)	2,338.40	2,838.72	9,275.75	9,645.23	24,098.10
Current borrowings	291.47	-	-	-	291.47
Trade payables	1,614.96	-	-	-	1,614.96
Other financial liabilities	583.45	-	-	-	583.45
Total	4,828.28	2,838.72	9,275.75	9,645.23	26,587.98
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)	1,057.82	1,908.40	6,335.76	11,436.12	20,738.10
Current borrowings	3,240.97	-	-	-	3,240.97
Trade payables	830.92	-	-	-	830.92
Other financial liabilities	745.81	-	-	-	745.81
Total	5,875.52	1,908.40	6,335.76	11,436.12	25,555.80

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,

i) **Foreign currency risk**

Company does not have any foreign currency borrowings and also not having any long term contracts in foreign currency and hence no significant exposure to this risk.

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	
	(Rs. in Lakh)	% of total	(Rs. in Lakh)	% of total
Fixed rate borrowings	13,201.93	54.13%	8,788.73	36.65%
Variable rate borrowings	11,187.64	45.87%	15,190.34	63.35%
Total	24,389.57	100.00%	23,979.07	100.00%

Note: The above amounts include current maturities of non-current borrowings

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	(Rs. in Lakh)	
	As at March 31, 2024	As at March 31, 2023
50 basis points increase would decrease the profit before tax by	(55.94)	(75.95)
50 basis points decrease would increase the profit before tax by	55.94	75.95

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:

Particulars	(Rs. in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Current and non-current borrowings (including current maturities)	24,389.57	23,979.1
Debt (A)	24,389.57	23,979.1
Total equity (B)	2,292.35	2,855.14
Equity and debt (C = A+B)	26,681.92	26,834.21
Gearing ratio (A/C)	91.41%	89.36%

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Ganesh Ecotech Private Limited

Notes to the financial statements for the year ended March 31, 2024

38.0 Trade receivables ageing schedule

As at 31.03.2024

(Rs. In Lakh)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	2,935.34	510.11	0.31	2.04	-	-	3,447.80
- considered doubtful	-	-	-	-	-	-	-
	2,935.34	510.11	0.31	2.04	-	-	3,447.80
Less: Allowance for doubtful debts							-
Total							3,447.80

b. As at 31.03.2023

(Rs. In Lakh)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	1,966.35	447.90	-	-	-	-	2414.25
- considered doubtful	-	-	-	-	-	-	-
	1,966.35	447.90	-	-	-	-	2414.25
Less: Allowance for doubtful debts							-
Total							2414.25

39.0 Trade payables ageing schedule

As at 31.03.2024

(Rs. In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	
MSME		19.04	-	-	-	19.04
Other than MSME		232.29	1,363.63	-	-	1,595.92
Disputed dues - MSME		-	-	-	-	-
Disputed dues - other than MSME		-	-	-	-	-
Total		251.33	1,363.63	-	-	1,614.96

As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	
MSME		-	-	-	-	-
Other than MSME		65.32	765.60	-	-	830.92
Disputed dues - MSME		-	-	-	-	-
Disputed dues - other than MSME		-	-	-	-	-
Total		65.32	765.60	-	-	830.92



40.0 Analytical ratios

Ratios	Numerator	Denominator	FY 2023-24	FY 2022-23	% variance	Reason for variance
a. Current ratio	Current assets	Current liabilities	1.87	1.25	50%	# Refer Note
b. Debt-equity ratio*	Total debt (borrowings)	Total Equity	5.33	4.77	12%	
c. Debt-service coverage ratio	Profit after tax + depreciation and amortization + finance costs + profit on sale of PPE	Finance costs + repayment of non-current borrowings	0.73	0.10	630%	# Refer Note
d. Return on equity @	Profit after tax	Average total equity	N.A.	N.A.		
e. Inventory turnover ratio	Sale of products	Average inventory	5.76	2.48	132%	# Refer Note
f. Trade receivables turnover ratio	Sale of products	Average trade receivables	5.55	4.00	39%	# Refer Note
g. Trade payables turnover ratio	Consumption of materials + purchase of stock-in-trade	Average trade payables	9.87	8.27	19%	
h. Net capital turnover ratio	Revenue from operations	Net working capital (Current assets - current liabilities)	4.12	3.27	26%	# Refer Note
i. Net profit ratio @	Profit after tax	Revenue from operations	N.A.	N.A.		
j. Return on capital employed	Profit before tax and exceptional items + finance costs	Average capital employed (total equity + total borrowings)	5.38%	1.36%	295%	# Refer Note
k. Return on investment	Income from investment property	Average funds invested in investment property	2.11%	0.95%	122%	# Refer Note

* Unsecured Zero coupon compulsorily convertible debentures, allotted to parent company and classified as compounded financial instrument as per Ind AS 32 to the extent of Rs. 1,921.06 lakhs (March 31, 2023: 1,792.23 Lakhs), have been excluded from borrowings and added to total equity for calculation of debt-equity ratio.

@ These ratios are not applicable in view of losses incurred during the year.

Company's commercial operations started from February 01, 2023 and hence, operational period was only for 2 months during FY 22-23. While Company's plant was operational for entire 12 months' period in FY23-24. Hence, ratios are not comparable between the two periods.

41.0 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 except the followings:

Name of Bank	Quarter ended	Securities	As per the books of accounts	As reported in quarterly returns	Difference	Reasons for material discrepancies
Federal Bank, Axis Bank and Yes Bank	June 30, 2023	Inventories and trade receivables	6333.61	6333.61	0.00	
Federal Bank, Axis Bank and Yes Bank	September 30, 2023	Inventories and trade receivables	5702.75	5740.50	(37.75)	negligible
Federal Bank, Axis Bank and Yes Bank	December 31, 2023	Inventories and trade receivables	6219.77	6219.77	0.00	
Federal Bank, Axis Bank and Yes Bank	March 31, 2024	Inventories and trade receivables	5660.51	5660.51	0.00	

42.0 Government incentives

Company's Warangal manufacturing facility is entitled for certain incentives in the form of capital subsidy, power and interest incentives under the industrial promotion scheme of the Telangana Government. Company 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 not ascertainable fairly and so it will be accounted for as and when the amount could reasonably be ascertained upon sanction by the Government authorities.

43.0 The future minimum lease rent receivable under non-cancelable operating lease as under:

Particulars	(Rs. in Lakh)	
	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

44.0 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.

45.0 Disclosures as per Section 186(4) of the Companies Act, 2013

The Company has given corporate guarantee of Rs. 947.36 lakh (March 31, 2023: Rs. 947.36 Lakh) to the lenders of the lessee 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.

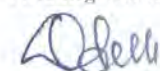
46.0 Other statutory information

- (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 (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 Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (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 on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any transactions which are 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 has not entered into any scheme of arrangement, during the year, which has any impact on financial results or position of the company.
- (x) The Company has not revalued any of its property, plant and equipment or intangible assets during the year.
- (xi) 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.
- (xii) The Company has used the borrowings from banks for the purpose for which it was taken.

47.0 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 D SETH AND CO
Chartered Accountants
Firm Reg. No. 028869C



Deepak Seth
Proprietor
Membership No.: 073081
Place: Kanpur
Date: 22 MAY 2024



For and on behalf of the Board of Directors



(Sharad Sharma)
Managing Director
DIN: 00383178



(Vishnu Dutt Khandelwal)
Chairman
DIN: 00383507


(Prashant Khandelwal)
Chief Financial Officer
FCA: 077160

For GANESHA ECOTECH PRIVATE LIMITED


(GARIMA GUPTA)
COMPANY SECRETARY