



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GANESHA ECOPET PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ganesha Ecopet Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the period then ended, and notes to the financial statements, including a summary of significant 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 March 31, 2020, and its Loss (financial performance including other comprehensive income), its cash flows and changes in equity for the period 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.

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

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



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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.

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 explaining 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.



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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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('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, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, 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 period remuneration has not been paid by the Company to its directors.

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- 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:
- 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 period ended 31st March 2020.

Place: Kanpur

Dated: 22 JUN 2020

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



(Deepak Seth)
Proprietor
Membership No. 073081



UDIN 20073081 AAAA A19029

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 Ecopet Private Limited on the financial statements as of and for the period ended 31st March 2020.

- (1)
 - (i) The Company is maintaining proper records showing full particulars including quantitative details & situation of Property, Plant and Equipment on the basis of available information.
 - (ii) As explained to us, the Property, Plant and Equipment have been physically verified by the management during the period 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.
 - (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the period, the Company has purchased Land under an 'Agreement for Sale' which has been executed and registered in its name and possession of Land has also been obtained but sale deed will be executed and registered only after implementing the project and commencement of commercial production.
- (2) In our opinion, there is no physical inventory of the company in existence during the period and at the end of the period. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- (3) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties as covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (5) According to the information and explanations given to us, the Company has not accepted any deposit from the public, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified.

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- (6) Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148 (1) of the Companies Act, 2013 in respect of its products.
- (7)
- (i) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been regularly depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods & service tax 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.
 - (ii) 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 income tax, duty of customs or goods and service tax.
- (8) The Company has not taken any loan from any financial institution, bank, government and also not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (9) 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. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- (10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.
- (11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided during the period any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

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- (13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. 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 Companies Act, 2013.
- (14) During the period the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kanpur

Dated: 22 JUN 2020

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



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



UDIN 2007308/AAAAA19029

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 Ecopet Private Limited on the financial statements as of and for the period ended 31st March 2020.

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 Ecopet Private Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the period 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 2020, 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)**

Place: Kanpur

Dated: 22 JUN 2020



(Deepak Seth)

Proprietor

Membership No. 073081

UDIN 20073081AAAAA19029



GANESHA ECOPET PRIVATE LIMITED

Balance Sheet as at March 31, 2020

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2020
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	3.1	1,245.71
(b) Capital work-in-progress	3.3	11.15
(c) Other non-current assets	4.0	715.55
(d) Deferred tax assets (net)	5.2	-
Sub-total		1,972.41
(2) Current assets		
(a) Financial assets		
- Cash and cash equivalents	6.1	17.42
(b) Other current assets	6.2	0.01
Sub-total		17.43
TOTAL ASSETS		1,989.84
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	7.1	1,000.00
(b) Other equity	7.2	(10.75)
Sub-total		989.25
(2) Liabilities		
(2A) Non-current liabilities		
Financial liabilities		
-Borrowings	8.0	990.00
Sub-total		990.00
(2B) Current liabilities		
(a) Financial liabilities		
-Other financial liabilities	9.1	9.43
(b) Other current liabilities	9.2	1.16
Sub-Total		10.59
TOTAL EQUITY AND LIABILITIES		1,989.84
Significant 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 JUN 2020

For and on behalf of the Board of Directors



Sharad Sharma
 Chairman
 DIN: 00303178


Bharat Kumar Sajjani
 Company Secretary


Gopal Agarwal
 Chief Financial Officer

GANESHA ECOPET PRIVATE LIMITED

Statement of Profit and Loss for the period ended March 31, 2020

(Rs. In Lakh)

Particulars	Note No.	For the period ended March 31, 2020
I INCOME		
Revenue from operations		-
Total income		-
II EXPENSES		
Finance costs	10	0.01
Other Expenses	11	10.74
Total expenses		10.75
III Profit/(Loss) before tax (I-II)		(10.75)
IV Tax expense		
Current tax		-
Deferred tax		-
Total tax expense		-
V Profit/(Loss) for the period (III-IV)		(10.75)
VI Other comprehensive income		-
VII Total comprehensive income/(loss) for the period (V+VI)		(10.75)
VIII Earnings per share		
Basic (face value of Rs. 10/- per equity share)	12	(0.11)
Diluted (face value of Rs. 10/- per equity share)		(0.11)
Significant accounting policies	2	

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 JUN 2020

For and on behalf of the Board of Directors


Sharad Sharma
Chairman
DIN: 00303178


Bharat Kumar Sajjani
Company Secretary


Gopal Agarwal
Chief Financial Officer

GANESHA ECOPET PRIVATE LIMITED
Cash Flow Statement for the period ended March 31, 2020

(Rs. In Lakh)

Particulars	Period ended March 31, 2020
A. Cash flow from operating activities:	
Profit/(Loss) before tax as per statement of profit and loss	(10.75)
Operating profit/(Loss) before working capital changes	(10.75)
Movements in working capital:	
Increase in other receivables and prepayments	(0.01)
Increase in other payables	10.58
Cash generated from operations	(0.18)
Net cash flow generated from operating activities (A)	(0.18)
B. Cash flow from investing activities	
Purchase of property, plant and equipment	(1,972.40)
Net cash flow used in investing activities (B)	(1,972.40)
C. Cash flow from financing activities	
Proceeds from issue of equity shares (related party)	1,000.00
Proceeds from non-current borrowings (related party)	990.00
Net cash flow generated from/ (used in) in financing activities (C)	1,990.00
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	17.42
Cash and cash equivalents at the end of the period (Refer Note 6.1)	17.42

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.
- Additions to property, plant and equipment includes movement of capital work-in-progress during the period.

Significant accounting policies (Note-2)

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

For and on behalf of the Board of Directors


Deepak Seth
Proprietor
Membership No.: 073081



Place: Kanpur

Date:

22 JUN 2020


Bharat Kumar Sajani
Company Secretary


Sharad Sharma
Chairman
DIN: 00383178


Gopal Agarwal
Chief Financial Officer

GANESHA ECOPET PRIVATE LIMITED**Statement of Changes in equity for the period ended 31st March, 2020****(Rs. In Lakh)****A. Equity share capital****Balance as at 19th November 2019**

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Shares issue during the period1,000.00**As at March 31, 2020**1,000.00**B. Other equity**

Particulars	Retained earnings	Total
Profit/(Loss) for the period	(10.75)	(10.75)
Other comprehensive income/(Loss) for the period	-	-
Total comprehensive income/(Loss) for the period	(10.75)	(10.75)
Balance as at March 31, 2020	(10.75)	(10.75)



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

1.0 Corporate information

Ganesha Ecopet Private Limited has been incorporated on 19th November, 2019 under the provisions of Companies Act, 2013 with the object of manufacturing of Recycled Pet Resin, chips, granules, Pet preforms and other plastic recycled products made from plastic scrap and waste. The address of the registered office is 113/216 A, Ground Floor, Swaroop Nagar, Kanpur (U. P.).

2.0 Significant Accounting Policies

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 a historical cost basis with the exception of certain assets and liabilities that are required to be carried at fair value 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

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 recognised in the Statement of Profit and Loss.

d) Revenue recognition

The Company has not yet commenced its operations and according to its objects, it shall derive revenue primarily from sale of manufactured goods, traded goods and related services after commencement of operations.



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

e) Taxes

(i) Current income-tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

(ii) Deferred income-tax

Deferred income-tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income-tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income-tax assets are realised or the deferred income-tax liabilities are settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to 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.

f) 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.

g) Borrowings



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

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 recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

h) 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.

i) 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 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.

j) 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.

k) 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.

l) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash at banks which are subject to an insignificant risk of changes in value.

m) Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue



GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

of financial assets and financial liabilities that are not measured at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for using the trade date accounting.

ii. Classification and subsequent measurement

Financial assets

a. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition

Financial assets

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

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

iv. Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

v. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

n) 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.



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

3.1 Property, plant and equipment	(Rs. In Lakh)	
	Freehold land	Total
Additions during the period	1,245.71	1,245.71
Disposals during the period	-	-
As at March 31, 2020	1,245.71	1,245.71
Charge for the period	-	-
Disposals	-	-
As at March 31, 2020	-	-

Net block

As at March 31, 2020	1,245.71	1,245.71
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- 3.2 During the period, land has been purchased from Telangana State Industrial Infrastructure Corporation Limited at Kakatiya Mega Textile Park, Shyampet, Geesukanda Mandal, Warangal Rural District, Telangana under an "Agreement for sale" executed and possession has also been taken. As per agreement executed, Sale Deed will be executed and registered after implementing the project and commencement of commercial Production.

3.3 Capital work-in-progress	(Rs. In Lakh)
As at March 31, 2020	11.15
(includes Preoperative Expenses amounting to Rs. 10.40 lakh comprising of borrowing Costs Rs. 9.49 lakh & other expenses Rs. 0.91 lakh)	

4.0 Other non-current assets

Particulars	As at March 31, 2020
Capital advances	715.55
Total	715.55



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GANESHA ECOPET PRIVATE LIMITED
Notes to the financial statements for the period ended March 31, 2020
(Rs. In Lakh)
5.1 Current tax liabilities (net)

Particulars	As at March 31, 2020
Income-tax	-
Total	-

5.2 Deferred tax assets/ (liabilities) (net)

Particulars	As at March 31, 2020
Deferred tax assets	-
Deferred tax liabilities	-
Deferred tax assets (net)*	Total -

5.2.a Movement of deferred tax assets/ (liabilities) (net)

Particulars	As at March 31, 2020
Deferred tax assets/ (liabilities) (net) (Charge)/ credit to statement of profit and loss*	-
Total	-

5.2.b Components of deferred tax assets/ (liabilities)

Particulars	As at March 31, 2020
Deferred tax liability	-
Sub-total	-
Deferred tax asset	
Unabsorbed Losses	0.28
Others	1.40
Sub-total	1.68
Deferred tax assets/ (liabilities) (net)*	Total 1.68

*Deferred tax assets amounting to Rs.1.68 lakh has not been recognised since it is not probable that future taxable amounts will be available to utilise those temporary differences & losses.

6.0 Current financial assets
6.1 Cash and cash equivalents

Particulars	As at March 31, 2020
Balances with banks:	
- On current accounts	17.42
Total	17.42

6.2 Other current assets

Particulars	As at March 31, 2020
Unsecured, considered good	
Balances with Government authorities	0.01
Total	0.01



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

7.1 Share capital		(Rs. In Lakh)
Particulars		As at March 31, 2020
Authorised		
100,00,000 Equity shares of Rs. 10 each		1,000.00
	Total	1,000.00
Issued, subscribed and fully paid up		
100,00,000 Equity shares of Rs. 10 each		1,000.00
	Total	1,000.00

Notes:

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

	As at March 31, 2020 (Nos.)
Equity shares	
Shares issued during the period	10,000,000
As at the March, 2020	10,000,000

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) 1,00,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 1000.00 lakh are held by the holding company, Ganesha Ecosphere Limited and its nominee as at March 31, 2020.

iv) Shares in the Company held by each shareholder holding more than five per cent:

Name of the shareholder	As at March 31, 2020	
	Nos.	% holding
Equity shares of Rs. 10/- each fully paid up		
Ganesha Ecosphere Limited	9,999,999	99.99%

7.2 Other equity

Particulars	As at March 31, 2020
Retained earnings	
Profit/(Loss) for the period	(10.75)
Other comprehensive income/(loss) (net) for the period	-
Closing balance	(10.75)



GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

8.0 Borrowings

(Rs. In Lakh)

Particulars	Non-current	Current maturities
	As at March 31, 2020	As at March 31, 2020
Non-current borrowings		
Loan from Parent company/ Ganesha Ecosphere Limited (related party) (unsecured)	990.00	-
	990.00	-

Notes:

- i) Loan from parent company, Ganesha Ecosphere Limited is repayable in 20 equal quarterly instalments commencing w.e.f. 30/09/2022. Rate of interest 9% p.a. payable quarterly
 ii) Refer note 17 for liquidity risk.
 iii) Net debt reconciliation

	As at March 31, 2020
Cash and cash equivalents	(17.42)
Non-current borrowings	990.00
Interest payable	8.54
Net debt	981.12

	Cash and cash equivalents	Non-current borrowings	Interest payable	Total
Cash flows	(17.42)	990.00	-	972.58
Other non-cash movements - fair value adjustments	-	-	-	-
Interest expense(borrowing cost capitalized)	-	-	9.49	9.49
Interest paid	-	-	(0.95)	(0.95)
Net debt as at March 31, 2020	(17.42)	990.00	8.54	981.12

9.1 Other financial liabilities

Particulars	As at March 31, 2020
Creditors for capital expenditure	0.01
Other payables	9.42
Total	9.43

9.2 Other current liabilities

Particulars	As at March 31, 2020
Statutory dues payables	1.16
Total	1.16



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

(Rs. In Lakh)

10.0 Finance costs

Particulars	For the period ended March 31, 2020
Bank Charges	0.01
Total	0.01

11.0 Other expenses

Particulars	For the period ended March 31, 2020
Administrative expenses	
Rent (office)	
(Note: The company has taken an office on operating lease basis (short term) which is cancellable by either party.)	1.05
Printing and stationery	0.04
Legal and professional fee	8.99
Electricity expenses (office)	0.08
Payment to auditor (refer details below)	0.51
Miscellaneous expenses	0.07
Total	10.74

Break up of payment to auditor:

As auditor:

- Audit fee	0.50
- Limited review fee	0.01
Total	0.51

12.0 Earnings per share

Particulars	For the period ended March 31, 2020
Earning per share has been computed as under:	
Profit/(Loss) for the period	(10.75)
Weighted average number of equity shares outstanding (Numbers)	10000000
Earnings per share (Rs.) - Basic (face value of Rs. 10 per share)	(0.11)
Earnings per share (Rs.) - Diluted (face value of Rs. 10 per share)	(0.11)



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

13.0 Commitments and contingencies (to the extent not provided for)

(Rs. In Lakh)

Particulars	As at March 31, 2020
Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances)	4,226.88
Contingent liabilities	Nil

14.0 Segment information**14.1 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 has yet to commence its operations hence disclosure regarding primary business segment is not required under IND AS-108 on "Operating Segments".

14.2 Secondary segment (by geographical demarcation):

Since the company has not yet started its operations and in absence of revenues, it is not applicable.

15.0 Related party disclosures**15.1 Name of related parties and description of relationship:****A. Key management personnel**

Shri Rajesh Sharma	Managing Director
Shri Vishnu Dutt Khandelwal	Additional Director
Shri Sharad Sharma	Director
Shri Gopal Singh Shekhawat	Additional Director
Shri Gopal Agarwal	Chief Financial Officer
Shri Bharat Kumar Sajani	Company Secretary

B. Parent Company

Ganesha Ecosphere Limited

15.2 Summary of transactions:

(Rs. In Lakh)

Particulars	Period ended	Key management personnel	Parent Company
Transaction during the period			
Reimbursement of capital & other expenditure	March 31, 2020	-	210.53
Interest paid(borrowing cost)	March 31, 2020	-	9.49
Equity share capital subscription received	March 31, 2020	-	1,000.00
Unsecured loan accepted	March 31, 2020	-	990.00
Amount outstanding at balance sheet date			
Unsecured loan outstanding	March 31, 2020	-	990.00
Amounts payable	March 31, 2020	-	8.57

15.3 The Company has not given/ provided any guarantee/ collaterals for and on behalf of the aforementioned related parties.

15.4 No amount has been written off or written back during the period in respect of debts due from or to related parties.



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GANESHA ECOPET PRIVATE LIMITED

Notes to the financial statements for the period ended March 31, 2020

16.0 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.

17.0 Financial risk management

The Company has been incorporated during the year and not yet commenced operations fully. The management realizes that risks are inherent and integral aspect of any business. 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.

18.0 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 and creditor's confidence and to sustain future development and growth of its business.

19.0 The company has been incorporated on 19th November 2019 hence disclosure of previous year figures is not applicable to it.

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 JUN 2020

For and on behalf of the Board of Directors



Sharad Sharma
Chairman
DIN: 00383178


Bharat Kumar Sajani
Company Secretary


Gopal Agarwal
Chief Financial Officer