

ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019
(CIN No.- U40106MH2008PTC186309)

Particulars	Note No.	As at	As at
		31st March 2019	31st March 2018
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	4,577,820	4,374,370
Reserves and surplus	3	399,856,205	451,360,246
Non-Current liabilities			
Long-term borrowings	4	55,632,832	74,355,495
Long-term provisions	5	2,413,811	1,863,107
Other long-term liabilities	6	225,000,000	225,000,000
Current liabilities			
Short-term borrowings	7	429,637,343	345,934,602
Trade payables	8	58,888,839	-
Other current liabilities	9	128,639,093	183,911,115
Short-term provisions	10	917,498	8,016,964
TOTAL		1,305,563,441	1,294,815,899
ASSETS			
Non-current assets			
Fixed assets			
11			
Tangible assets			
Tangible assets		796,054,880	462,018,129
Intangible assets (Goodwill - AS 21)		10,484,671	10,484,671
Other Intangible assets		270,566	15,755
Intangible assets under development		2,469,676	3,079,596
Capital work in progress		221,255,759	582,405,421
Non-current investments			
Non-current investments	12	15,000	15,000
Deferred tax asset		74,855,301	74,855,301
Long-term loans and advances	13	47,249,488	39,226,934
Current assets			
Inventories	14	24,769,314	28,281,803
Cash and bank balance	15	35,726,013	39,156,321
Short-term loans and advances	16	13,594,032	16,080,818
Trade receivable		56,615,641	17,751,435
Other current assets	17	22,203,100	21,444,715
TOTAL		1,305,563,441	1,294,815,899

Significant Accounting Policies

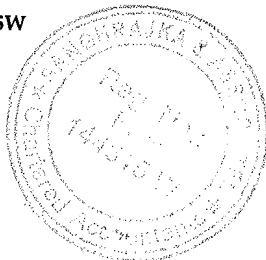
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The accompanying Notes are an integral part of the Financial Statements

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W



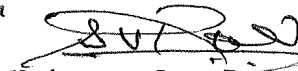
Jay Sanghrajka
Partner
Membership no. 168691



For and on behalf of Board of Directors of Organic Recycling Systems Private Limited



Sarang Bhand
Director
DIN No: 01633419



Venkateswara Suram Rao
Director
DIN No: 03138031



Place : Mumbai
Date : 30th September, 2019

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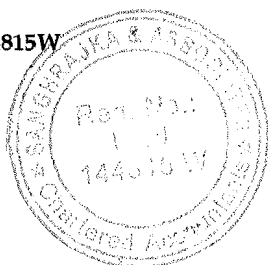
ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019
(CIN No.- U40106MH2008PTC186309)

Particulars	Note No.	Year ended	Year ended
		31st March 2019	31st March 2018
		₹	₹
INCOME			
Revenue from operations	18	83,154,714	48,939,282
Other income	19	6,958,464	1,948,994
Total revenue		90,113,178	50,888,276
EXPENSES			
Direct Expenses	20	42,989,304	11,028,289
Site related expenses and other direct costs	21	58,850,512	34,794,181
Change in inventories of work in progress	22	3,512,489	3,212,547
Employee benefits expense	23	41,897,212	48,559,559
Finance costs	24	30,018,685	22,096,006
Depreciation and amortization expense	11	49,486,370	44,931,473
Other expenses	25	36,729,198	46,506,094
Total expenses		263,483,769	211,128,149
Profit before tax		(173,370,591)	(160,239,873)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit / (loss) for the period		(173,370,591)	(160,239,873)
Earnings per equity share:	26		
Basic		(12,609)	(11,654)
Diluted		(12,609)	(11,654)

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no. 168691



Place : Mumbai
Date : 30th September, 2019

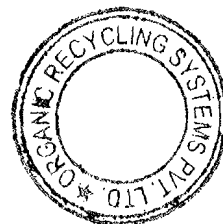
For and on behalf of Board of Directors of Organic Recycling
Systems Private Limited

Sarang Bhand

Sarang Bhand
Director
DIN No: 01633419

Venkateswara Suram Rao

Venkateswara Suram Rao
Director
DIN No: 03138031



Place : Mumbai
Date : 30th September, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(CIN No.- U40106MH2008PTC186309)

Particulars	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
Operating activities		
Profit before tax from continuing operations	(173,370,591)	(160,239,873)
Add:		
Depreciation	49,486,370	44,931,473
Interest costs	30,018,685	22,096,006
Interest income	(3,557,009)	(1,948,994)
Balance w/ off	-	8,000
	(97,422,545)	(95,153,388)
Adjustments :		
Increase/ (decrease) in long term provisions	550,704	149,307
Increase/ (decrease) in short term provisions	(7,099,466)	(7,431,526)
Increase/ (decrease) in other current liabilities	(55,272,022)	16,292,133
Increase/ (decrease) in trade payables	58,888,839	-
(Increase)/ decrease in balance written off	-	(8,000)
(Increase)/ decrease in inventories	3,512,489	3,212,547
(Increase)/ decrease in trade receivable	(38,864,206)	12,156,688
(Increase)/ decrease in short term loans and advances	2,486,786	(4,721,825)
(Increase)/ decrease in other current assets	(758,384)	(7,744,239)
(Increase)/ decrease in long term loans and advances	(8,022,554)	(489,061)
Taxes	-	(810,179)
Net cash flows from/ (used in) operating activities	(142,000,359)	(84,547,543)
Investing activities		
Purchase of assets (including CWIP)	(403,758,489)	(55,490,328)
(Increase)/ decrease in other non current assets	-	(5,000)
(Increase)/ decrease in our investment value	-	(1,875,000)
(Increase)/ decrease in margin money	2,275,000	-
(Increase)/ decrease in deposits for bank guarantee	2,500,000	-
Interest income	3,557,009	187,873
Sale of fixed assets	-	178,419
Net cash flows from/ (used in) investing activities	(395,426,480)	(141,551,579)
Financing activities		
Net proceeds from issue of share capital	203,450	320,000
Increase/ (decrease) in securities premium	121,866,550	159,680,000
Net proceeds from long term borrowings	(18,722,663)	(40,395,127)
Net proceeds from short term borrowings	83,702,741	66,826,840
Interest expense	(30,018,685)	(25,014,653)
Net proceeds from term loan	381,740,138	(18,929,433)
Net cash flows from/ (used in) financing activities	538,771,532	142,487,628
Net increase/ (decrease) in cash and cash equivalents	1,344,692	936,046
Cash and cash equivalents at 31st March, 2018	2,406,321	1,470,276
Cash and cash equivalents at 31st March, 2019	3,751,013	2,406,321

Cash & Cash Equivalents comprises of:

Particulars	As on 31st March 2019	As on 31st March 2018
	₹	₹
Cash in hand	365,665	178,380
Balances with bank	3,385,348	2,227,941
Total	3,751,013	2,406,321

Other bank balances forming part of investing activities:

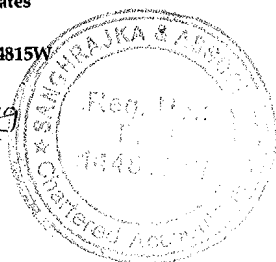
Particulars	As on 31st March 2019	As on 31st March 2018
	₹	₹
Fixed deposits	31,250,000	31,250,000
Margin money deposit	725,000	3,000,000
Deposits for bank guarantee	-	2,500,000
Total	31,975,000	36,750,000

For Sanghrajka & Associates
Chartered Accountants
Firm Registration No: 144815W

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership no. 168691

Place : Mumbai
Date : 30th September, 2019



For and on behalf of Board of Directors of
Organic Recycling Systems Private Limited

Sarang Bhand

Sarang Bhand
Director
DIN No: 01633419

Place : Mumbai
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Venkateswara Suram Rao

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Director
DIN No: 03138031



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
(CIN No.- U40106MH2008PTC186309)

Notes to Accounts

1 (a) NATURE OF OPERATIONS

Organic Recycling Systems Private Limited ("the Company") is involved in the Construction, development and maintenance of Waste-to-Energy projects, particularly in the Municipal Solid Waste sector, through various Special Purpose Vehicles ("SPVs").

The Company has commenced its operations in the form of bidding for waste management projects and has been awarded three contracts by the Municipal Corporations currently being executed by the SPVs specifically formed for the purpose, viz. Solapur Bioenergy Systems Private Limited, Pune Urban Recyclers Private Limited, Organic Waste (India) Private Limited and Meerut Bioenergy Systems Private Limited.

1 (b) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

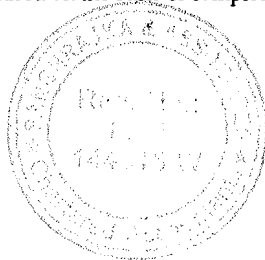
The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements are prepared in accordance with the principles and procedures required for preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, 'Consolidated Financial Statements'. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, combined on a line by line basis by adding together book values of the items of assets, liabilities, income and expenses after eliminating intra group balances. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

(b) Use of Estimates

The preparation of financial statements in conformity with GAAP, which requires the management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in the current and future periods.

(c) Revenue Recognition

- (i) Sales revenue is recognized on transfer of significant risk and rewards of the ownership of the goods to the buyer.
- (ii) Interest income is recognised on accrual basis.
- (iii) Service income is recognised on the basis of completion of service method.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
(CIN No.- U40106MH2008PTC186309)

(d) Fixed Assets

Fixed assets are capitalized at acquisition or construction cost, including directly attributable cost such as freight, insurance, brokerage and specific installation charges for bringing the assets to its working condition for use.

Administration and other general overhead expenses are usually excluded from the cost of fixed assets because they do not relate to a specific fixed asset. However, in some circumstances, where such expenses are specifically attributable to construction of a project or to the acquisition of a fixed asset for bringing it to its working condition, these may be included as part of the cost of the construction project or as a part of the cost of the fixed asset.

Expenditure directly relating to construction activity for the installation of the remaining IMW is capitalised. Other indirect expenditure incurred during the construction period which is not related to the construction activity nor is incidental thereto and are majorly towards the commercial activity is expensed out in the profit and loss account.

Fixed assets are eliminated from financial statements, either on disposal or when retired from active use. Generally such retired assets are disposed of soon thereafter.

(e) Intangible assets

Intangible assets are measured at purchase price/ cost less accumulated amortisation and impairment losses.

Technology Development:

Expenditure incurred during research and development phase is charged to revenue when no intangible asset arises from such research.

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical, financial and other resources required to complete the development and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Company has filed its patent for 'DRYAD' Technology during the year.

Goodwill

Goodwill comprises the excess of purchase consideration over the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made.

(f) Depreciation and Amortisation

Depreciation on tangible fixed assets is provided on the written down value method at the calculated rates on the basis of the useful life specified in Part C and in the manner prescribed under Schedule II of the Companies Act, 2013.

During the year, depreciation is provided at 100% on the written down value of assets which have retired from active use.

The Company has amortized the Technology Development cost over its estimated life over 10 years.

Goodwill has not been amortised because management is of the view that future economic benefits would be realised from the investment made in the subsidiaries.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
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(g) Impairment of assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using pre tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

(h) Valuation of Inventories

Inventories are stated at lower of cost or net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises cost of raw materials, direct labour, other direct costs and related production overheads. Net realisable 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.

(i) Investments

Long term investments are stated at cost less provision for diminution in value, other than temporary, if any. Current investments are stated at lower of cost and fair value.

(j) Retirement and Other Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are debited to the Profit and Loss statement of the year when the contributions to the respective fund are due.

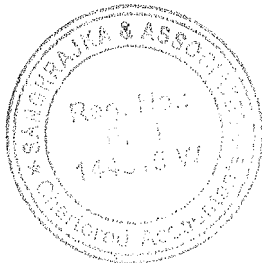
The Group provides for gratuity liability as a defined benefit plan towards retirement benefits, covering substantially all employees. The benefit is unfunded. The cost of providing benefits under the defined benefit plan is determined using the Project Unit Credit Actuarial Valuation Method. Actuarial gains or losses are recognised immediately in the Profit and Loss statement and are not deferred.

(k) Leases

Lease arrangements under the Group where risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense in the statement of Profit and Loss as per terms of lease agreement.

(l) Foreign Currency transactions

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange rate difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
(CIN No.- U40106MH2008PTC186309)

(m) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset in accordance with AS 16.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset are determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

(n) Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessment/ appeals.

Deferred tax assets are recognized only if there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(o) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognized in the financial statements when the Company has a present obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The provisions are determined on the basis of a reliable estimate of expected outflows of economic benefits after considering the risk specific to the liability.

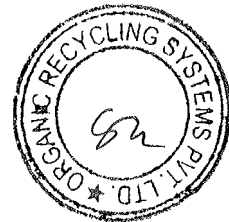
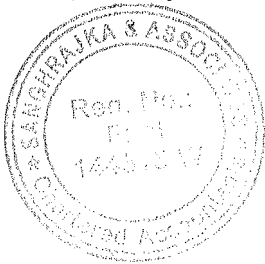
Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent asset is neither recognized nor disclosed in the financial statements.

(p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(q) Earning Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. During reporting period, the company does not have any dilutive potential equity shares.



ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
(CIN No.- U40106MH2008PTC186309)

2 Share Capital

Particulars	As at 31st March	
	2019	2018
	₹	₹
Authorised		
40,000 (Previous year : 40,000) Equity shares of Rs.10 each	400,000	400,000
300,000 (Previous year : 3,00,000) 0% Optionally convertible preference shares of Rs.10 each	3,000,000	3,000,000
1,60,000 (Previous year : 1,10,000) 0% Non-cumulative redeemable preference shares of Rs.10 each	1,600,000	1,600,000
	5,000,000	5,000,000
Issued, subscribed & fully paid up		
13,750 (Previous year : 13,750) Equity shares of Rs.10 each	137,500	137,500
2,86,400 (Previous Year : 2,86,400) 0% Optionally convertible preference shares of Rs.10 each	2,864,000	2,864,000
1,57,632 (Previous Year : 1,37,287) 0% Non-cumulative redeemable preference shares of Rs.10 each	1,576,320	1,372,870
	4,577,820	4,374,370

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	2018-19		2017-18	
	Number	₹	Number	₹
Equity shares				
Shares at the beginning of the year	13,750	137,500	13,750	137,500
Changes during the year	-	-	-	-
Shares at the end of the year	13,750	137,500	13,750	137,500
Optionally convertible preference shares				
Shares at the beginning of the year	286,400	2,864,000	286,400	2,864,000
Changes during the year	-	-	-	-
Shares at the end of the year	286,400	2,864,000	286,400	2,864,000
Redeemable preference shares				
Shares at the beginning of the year	137,287	1,372,870	105,287	1,052,870
Changes during the year	20,345	203,450	32,000	320,000
Shares at the end of the year	157,632	1,576,320	137,287	1,372,870

(b) Rights, preferences and restrictions attached to Shares

(i) Equity shares

- The Company has one class of equity shares having a par value of Rs 10/- per share.
- Each shareholder is eligible for one vote per share held.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in 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.

(ii) Optionally Convertible Preference shares (OCPS)

- Conversion and/ or redemption of OCPS shall be as per the terms contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- Transferability of OCPS is subject to the terms contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- OCPS holder shall be entitled to rights and privileges as are contained in the Share Subscription Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- No dividend is payable on the OCPS of the Company.



(iii) 0% Non-Cumulative Redeemable Preference shares (Preference shares)

- Preference shareholders shall be entitled to rights and privileges as are contained in the Preference Share Agreement dated 16th September, 2013 and any subsequent addendums thereof subject to the Companies Act, 1956 and any subsequent re-enactments thereof.
- Preference Shares are redeemable / transferable in accordance with the terms contained in the Preference Share Agreement dated 16th September, 2013 and any subsequent addendums thereof.
- No dividend is payable on the preference shares of the Company.

(c) Shares in the company held by Each Shareholder holding more than 5% shares

(i) Equity shares

Name of shareholder	As on 31.03.19		As on 31.03.18	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sarang Bhand	5,000	36.36%	5,000	36.36%
Vipul Modi	2,062	15.00%	2,062	15.00%
Leena Modi	2,063	15.00%	2,063	15.00%
Mahendra Modi	2,062	15.00%	2,062	15.00%
Niketa Modi	2,063	15.00%	2,063	15.00%

(d) Information regarding issue of shares in the last five years

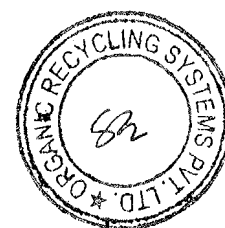
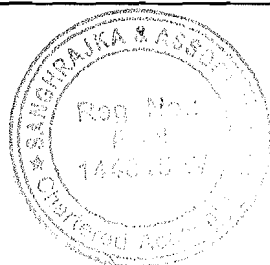
- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy-back of shares.

3 Reserves & Surplus

Particulars	As at 31st March	
	2019	2018
Securities premium		
Opening balance	884,316,130	724,636,130
(+) Premium on shares issued during the year	121,866,550	159,680,000
Closing balance	1,006,182,680	884,316,130
Surplus in the statement of Profit and Loss		
Opening balance	(432,955,884)	(272,716,011)
(+) Net profit/(Net loss) for the current year	(173,370,591)	(160,239,873)
Closing balance	(606,326,475)	(432,955,884)
Total	399,856,205	451,360,246

4 Long term borrowings

Particulars	As at 31st March	
	2019	2018
	₹	₹
From Banks		
Term Loans (Secured) - Non- Current Portion		
Term Loan-3	1,769,859	16,437,770
Term Loan-4	42,991,000	46,421,384
Other Loan (Secured)	866,974	1,486,119
	45,627,832	64,345,273
Inter-Corporate Deposit		
Unsecured	10,005,000	10,010,222
	10,005,000	10,010,222
	-	-
Total	55,632,832	74,355,495



(a) Security against Loans

(i) Term loans are secured by hypothecation of furniture & fittings, office equipments, movable machineries at Tuljapur, Solapur (both present & future), equitable mortgage of Land & Building of the factory premises, personal guarantee of Mr. Sarang Bhand (Director), Corporate guarantee of M/s. Organic Recycling Systems Pvt. Ltd, pledge of shares of M/s. Solapur Bioenergy Systems Pvt. Ltd. held by M/s Organic Recycling Systems Pvt Ltd., pledge of Fixed Deposit Receipt of Rs. 312.5 lacs by M/S Organic Recycling Systems Pvt Ltd. and equitable mortgage of property from M/s. Vision Corporation Ltd. to the extent of Rs. 262.90 lacs.

(ii) Car loan is secured by hypothecation of the vehicle financed by the bank.

(b) Interest on Loans

(i) Interest on Term loans is applicable at 4% above Base rate applicable at the time of loan sanction with monthly rests.

(ii) Interest on Car loan is applicable at 9.45% p.a.

(c) Terms of Repayment

(i) Term Loan-3 is repayable in 28 quarterly instalments commencing from Mar-2013 under balloon payment system. Annual repayment details under Term Loan-3 are as under:

Financial Year	Rs. in lacs	Financial Year	Rs. in lacs
2012-13	6.09	2016-17	103.53
2013-14	30.45	2017-18	127.89
2014-15	54.81	2018-19	152.24
2015-16	79.17	2019-20	127.82

(ii) Term Loan-4 is repayable in 84 monthly instalments commencing from July, 2017. Annual repayment details under Term Loan-4 are as under:

Financial Year	Rs. in lacs	Financial Year	Rs. in lacs
2017-18	7.78	2021-22	86.78
2018-19	23.36	2022-23	109.56
2019-20	28.57	2023-24	136.26
2020-21	46.72	2024-25	50.58

(iii) Car Loan is repayable in 60 EMI of Rs. 56,157/- each. Repayment of EMI has commenced from March 2016.

(iv) Vehicle Loan is repayable in 48 EMI of Rs. 10,740/- each. Repayment of EMI has commenced from March 2018.

(d) Repayment of Term Loans and interest outstanding as on Balance sheet date

The following amounts have become due as on 31st March 2019 and are unpaid on that date

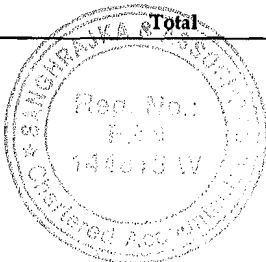
(i) Interest amounting to Rs.8,67,757/- On Term Loan 3 (P.Y. Rs. 7,61,262/-)

(ii) Installments on Term Loan 3 Rs.42,62,000/- (P.Y Rs. 30,45,000/-) for quarter ended 31st March 2018.

However all the installments have been paid as on June 2019. As on date of signing of the financial statements, no installments of FY 2018-19 are overdue.

5 Long term provisions

Particulars	As at 31st March	
	2019	2018
Provision for employee benefits		
Gratuity (unfunded)	2,413,811	1,863,107
Total	2,413,811	1,863,107



6 Other Long term Liabilities

Particulars	As at 31st March	
	2019	2018
	₹	₹
Other Long term Liabilities	225,000,000	225,000,000
Total	225,000,000	225,000,000

The Company has received sum of Rs 775 lacs from West Coast India Pvt Ltd and Rs 75 lacs from Sunlet Systems (West Coast Group) aggregating to Rs 850 lacs as part of their equity contribution as per MOU dated 10th Nov 2014.

Its subsidiary, Organic Waste India Private Limited had received an amount of Rs. 2.75 crores from Sunlet Systems & Ventures India Limited and Rs. 4.75 crores from its holding company, West Coast India Pvt Ltd towards development of the project.

Similarly, its subsidiary Pune Urban Recyclers Private Limited had received an amount of Rs. 650 lacs from its holding company, Organic Recycling Systems Private Limited on behalf of West Coast Ventures (India) Private Limited towards development of the project in Pune in accordance with the said MOU.

As per the said MOU West Coast Group was required to infuse Rs 4300 lacs towards development of projects on BOOT basis.

However, due to breach of the contract terms by West Coast Group to contribute the entire portion of equity, the company has initiated arbitration proceedings. Further the Company has claimed damages arising out of breach of contractual obligation by West Coast Group. Accordingly, the said amount of Rs 2250 lacs is treated as a part of non-current liabilities.

7 Short Term Borrowings

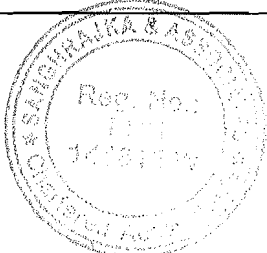
Particulars	As at 31st March	
	2019	2018
	₹	₹
Loans repayable on demand		
Bank of Baroda - Cash Credit A/c	19,364,969	19,793,854
From parties other than related parties		
Unsecured	344,687,475	318,720,229
Loans and advances from related parties *		
Unsecured	5,119,077	7,420,519
Bank O/D		
Standard Chartered Bank C.A/c No.22506160498	60,465,822	-
Total	429,637,343	345,934,602

Note:

- Out of the above, cumulative loan amounting to approx. Rs 7.86 crores carries an interest rate of 12%. Loan amounting to Rs 1.5 crores carries an interest rate of 9%.
- Cash Credit taken from Bank of Baroda is Hypothecated by stock and books debts.

8 Trade payables

Particulars	As at 31st March	
	2019	2018
	₹	₹
Trade payables - IOCL	-	2,178,132
Trade payables - Pilot plant	-	260,369
Trade payables - Yasasu	38,994,953	-
Trade payables - others	19,893,886	-
Total	58,888,839	2,438,501

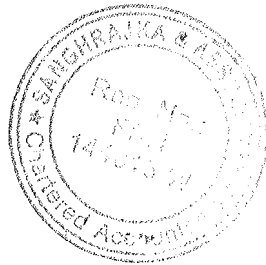


9 Other Current Liabilities

Particulars	As at 31st March	
	2019	2018
	₹	₹
Current maturities of long-term debt		
Term loans	18,340,000	45,850,871
Other loans	83,863	619,146
Car Loan	2,285,229	-
Interest accrued and due on borrowings	867,757	2,167,208
Other payables		
Duties & taxes	43,647,323	41,319,214
Creditors for expenses	302,503	13,577,000
Creditors for fixed assets & capital WIP	45,437,749	51,281,259
Payable to employees	4,885,694	4,287,628
Advance from debtors	-	1,200,000
Other Payables	2,212,185	2,852,298
Trade Deposits	3,500,000	15,550,000
Accrual for expenses	7,076,790	2,767,990
Total	128,639,093	181,472,614

10 Short Term Provisions

Particulars	As at 31st March	
	2019	2018
	₹	₹
Provision for employee benefits		
Gratuity (unfunded)	902,498	808,205
Provision for expenses	15,000	7,208,759
Total	917,498	8,016,964



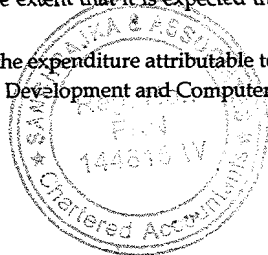
ORGANIC RECYCLING SYSTEMS PRIVATE LIMITED
Notes to the consolidated financial statements for the year ended March 31, 2019
(CIN No.- U40106MH2008PTC186309)

11 Fixed Assets

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	Net Block
	Balance as at 1 April 2018	Additions	Deduction	Balance as at 31 March 2019	Balance as at 1 April 2018	Depreciation for the year	On disposals	Balance as at 31 March 2019	Balance as at 31 March 2019	Balance as at 31 March 2019
Tangible Assets (Not under lease)										
Plant & machinery	526,624,822	332,665,825	-	859,290,647	166,964,004	36,588,911	-	203,552,915	655,737,732	359,660,81
Building	151,747,695	48,307,741	-	200,055,436	52,038,689	10,812,772	-	62,851,462	137,203,974	99,709,00
Motor Vehicle	4,560,459	2,038,071	-	6,598,530	2,627,780	1,277,335	-	3,905,115	2,693,415	1,932,67
Office Equipments	3,091,185	26,912	17,500	3,100,597	2,886,920	82,100	-	2,969,020	131,577	204,26
Computers	2,236,585	12,204	-	2,248,789	2,188,093	18,390	-	2,206,483	42,306	48,45
Furniture & Fixtures	5,322,617	-	-	5,322,617	4,859,748	216,993	-	5,076,741	245,876	462,86
	693,583,363	383,050,753	17,500	1,076,616,616	231,565,234	48,996,501	-	280,561,735	796,054,880	462,018,12
Intangible Assets (Not under lease)										
Computer Software	1,351,414	281,840	-	1,633,254	1,335,659	27,029	-	1,362,688	270,566	15,75
	1,351,414	281,840	-	1,633,254	1,335,659	27,029	-	1,362,688	270,566	15,75
Intangible Asset under Development										
Technology Development *	6,099,191	-	-	6,099,191	3,019,596	609,919	-	3,629,515	2,469,676	3,079,59
	6,099,191	-	-	6,099,191	3,019,596	609,919	-	3,629,515	2,469,676	3,079,59
Capital Work in Progress										
Plastic-to-Fuel Project	10,666,037	-	-	10,666,037	-	-	-	-	10,666,037	10,666,03
Bangalore Project	136,281,215	373,559	-	136,654,774	-	-	-	-	136,654,774	136,281,21
Pune Project	72,536,912	-	-	72,536,912	-	-	-	-	72,536,912	72,536,91
Solapur Plant	361,630,489	20,092,149	381,722,638	-	-	-	-	-	-	361,630,48
Meerut project	1,290,768	107,267	-	1,398,035	-	-	-	-	1,398,035	1,290,76
	582,405,421	20,572,975	381,722,638	221,255,759	-	-	-	-	221,255,759	582,405,42
Total	1,263,439,389	403,905,568	381,740,138	1,305,604,820	235,920,489	49,633,449	-	285,553,939	1,020,050,881	1,047,518,90

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical, financial and other resources required to complete the development

and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Company has filed its patent for 'DRYAD' Technology during the year. The Company has amortized the Technology Development and Computer Software cost over its estimated life of 10 years and 3 years respectively.



12 Investments

Particulars	As at	As at
	31.03.2019	31.03.2018
	₹	₹
Investment in Equity shares of FEEV	10,000	10,000
Investment in Equity shares of PBESPL	5,000	5,000
Total	15,000	10,000

Details of Non-Current Investments

Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No of shares/Units	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs)		Basis of valuation
					2019	2018	2019	2018	
(1)	(2)	(3)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Investment in Equity Instruments of :									
- Five Elements Environment Ventures Pvt Ltd	Common Control	1,000	Unquoted	Fully paid up	10%	10%	10,000	10,000	At par
- Pune Bioenergy Systems Pvt Ltd	Others	500	Unquoted	Fully paid up	5%	5%	5,000	5,000	At par



13 Long Term Loans and Advances

Particulars	As at 31st March	
	2019	2018
	₹	₹
Capital Advances		
Unsecured, considered good	21,017,099	20,993,115
	21,017,099	20,993,115
Security Deposits		
Unsecured, considered good	5,645,735	5,051,235
	5,645,735	5,051,235
Loans and advances to related parties *		
Unsecured, considered good		
Loans to related parties	-	-
	-	-
Other loans and advances		
Unsecured, considered good		
TDS receivable	3,611,037	3,425,021
Advance taxes	1,913,485	2,221,848
VAT refund receivable	6,017,369	7,469,895
GST Credit	9,019,763	35,820
Tender deposits	25,000	25,000
Deposits with sales tax	-	5,000
	20,586,654	13,182,584
Total	47,249,488	39,226,934

14 Inventories

Particulars	As at 31st March	
	2019	2018
	₹	₹
Closing stock of work-in-progress	10,020,000	11,788,300
Consumables Stock	14,090,319	16,257,628
Closing stock of finished goods	658,995	235,875
Total	24,769,314	28,281,803

15 Cash & bank balances

Particulars	As at 31st March	
	2019	2018
	₹	₹
Cash and cash equivalents		
Balances with banks	3,385,348	2,227,941
Cash in hand	365,665	178,380
	3,751,013	2,406,321
Other Bank Balances		
Fixed deposits*	31,250,000	31,250,000
Margin money deposit	725,000	3,000,000
Deposits for bank guarantee **	-	2,500,000
	31,250,000	34,175,000
Total	33,811,242	36,581,321

* Mortgaged against term loan of wholly owned subsidiary company, Solapur Bioenergy Systems Private Limited



16 Short Term Loans and Advances

Particulars	As at 31st March	
	2019	2018
	₹	₹
Loans and Advances to related parties *		
Unsecured, considered good		
Advance against salary	1,593,122	1,593,122
Advance against expenses	3,418,100	2,794,460
	5,011,222	4,387,582
Other loans and advances		
Unsecured, considered good		
Advance to creditors	2,480,577	3,985,021
Advance against salary	98,413	76,413
Advance against expenses	3,976,261	3,594,906
Advance against guest house rent	-	144,000
Loan to staff	335,388	585,000
Income tax paid under dispute	1,000,000	1,000,000
Prepaid expenses	441,421	290,897
Tender deposits	250,750	2,017,000
	8,582,810	11,693,236
Total	13,594,032	16,080,818

17 Other current assets

Particulars	As at 31st March	
	2019	2018
	₹	₹
Trade deposit	16,351,029	17,400,058
	16,351,029	17,400,058
Interest accrued	135,152	4,044,657
Fixed Deposit	5,716,919	-
Margin money - Meerut	-	-
Total	22,203,100	21,444,715

18 Revenue from operations

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Modular electricity to waste plant	48,489,794	-
Mobilisation fee towards EPC contract	8,482,905	-
Sales - Modular Plants	-	35,954,544
Sales - Compost	21,908,983	12,179,603
Sales - Electricity	4,273,032	805,135
Total	83,154,714	48,939,282

19 Indirect Income

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Creditors written back	3,401,455	-
Interest income	3,211,649	1,883,232
Miscellaneous Income	345,360	65,762
Total	6,958,464	1,948,994



20 Direct expenses

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Direct Purchases	42,989,304	-
Total	42,989,304	-

21 Site Related Expense

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Electricity Charges	-	529,897
Installation Expenses	-	1,676,223
Labour Charges	7,882,732	6,456,495
Travelling /Conveyance Expenses	-	1,350,855
Transportation	366,655	1,666,205
Other direct expenses	691,712	2,656,610
Packing material	2,266,962	1,537,964
Repairs & maintenance	18,339,848	-
Royalty	1,237,500	-
Power & fuel	12,805,660	8,960,272
Oil & chemical	751,511	435,983
Rent - plant & machinery	12,172,412	7,386,646
Security expenses	2,335,521	2,137,031
Total	58,850,513	2,206,120

22 Changes in inventories

Particulars	As at 31st March	
	2019	2018
	₹	₹
(a) Stock in Process		
WIP at the beginning of the year	11,788,300	7,560,000
WIP at the end of the year	(10,020,000)	(10,020,000)
	1,768,300	17,580,000
(b) Consumables		
Consumables at the beginning of the year	235,875	235,875
Consumables at the end of the year	(658,995)	(658,995)
	(423,120)	(894,870)
(b) Consumables		
Consumables at the beginning of the year	16,257,628	16,220,500
Consumables at the end of the year	(14,090,319)	(14,090,319)
	2,167,309	(30,310,819)
Total	3,512,489	3,212,547



23 Employee Benefit Expense

Particulars	As at 31st March	
	2019	2018
	₹	₹
Salary	38,228,880	41,257,110
Contributions to -	-	-
(i) Provident fund	1,418,307	1,697,039
(ii) ESIC	337,261	363,417
(iii) Group gratuity plan	902,498	769,459
Leave Encashment - Employees	160,661	63,549
Salary Incentive	233,436	30,863
Staff Welfare Expenses	596,510	636,278
Employee training expenses	4,552	-
Salary - Overtime	8,870	23,380
Recruitment Expenses	6,238	12,070
Total	41,897,212	44,853,164

24 Finance Costs

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Interest on car and tractor loan	289,021	209,412
Interest on unsecured loan	11,695,479	4,623,171
Interest on term loans	-	13,877,173
Interest on secured loan	11,614,235	-
Interest on working capital loan	6,419,951	3,386,250
Total	30,018,686	22,096,006

25 Other Expenses

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Payment to auditors	253,500	255,000
Bank charges	84,694	689,656
Business development & promotion expenses	5,918,571	6,575,416
Computer expenses	477,198	471,470
Consultancy charges	1,686,090	1,350,595
Demo plant expenses	-	403,789
Director's Sitting Fee	120,000	-
Donation	250,000	500,000
Electricity Charges	571,895	534,005
Insurance	277,451	289,459
Interest and penalty	29,827	95,723
Legal & professional fees	6,361,745	10,672,069
Office expenses	239,225	182,675
Lodging & boarding expenses	993,264	830,261
Printing & Stationery Expenses	29,464	-
Rent, Rates & taxes	6,875,936	4,285,740
Repairs & Maintenance - other than machine	1,048,580	7,165,286
Prior Period Expenses	232,100	-
Royalty	-	1,237,500
Other project related expenses	-	82,630
ROC fees	9,961	14,750
Statutory expenses	6,618	236,250
Telephone expenses	179,617	261,994
Travelling Expenses	971,440	950,475
Vehicle expenses	589,249	627,974
Miscellaneous Expenses	3,399,303	3,622,690



Selling & distribution expenses		
Carriage outward	6,030,027	4,966,694
Other selling & distribution expenses	93,443	203,993
Total	36,729,198	46,506,094

25.1 Payment to Auditors

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Audit Fees	253,500	255,000
Total	253,500	255,000

26 Earnings Per Share

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Basic Earning Per Share (°)*	(12,608.77)	(11,653.81)
Profit After Tax as Per Profit and Loss Account (°)	(173,370,591)	(160,239,873)
Weighted Average Number of Equity Shares Outstanding (Nos)	13,750	13,750
Nominal Value Per Equity Share (°)	10	10

On account of losses of the company, the potential equity shares on account of conversion of preference shares will decrease the loss per share resulting to Anti-dilution for which it has not been considered in the calculation of Diluted EPS for the specified year, the Diluted EPS will be same as Basic EPS.

27 Leases

The Company has entered into operating lease for leasehold land, the future minimum lease payments in respect of which as at March 31, 2019 are as follows:

Particulars	Year ended 31st March	
	2019	2018
Not later than 1 year	36,423	38,923
Later than 1 year but not later than 5 years	145,692	155,692
Later than 5 years	546,345	573,845
Total	728,460	768,460

28 Related Party Disclosures:

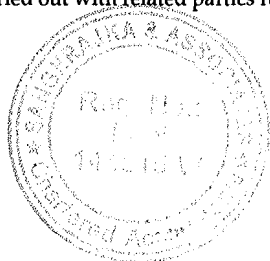
a) KEY MANAGERIAL PERSONNEL AND RELATIVES:

Sarang S. Bhand	Director
Ashok Kapoor	Director (uptil 28.2.2019)
Suhas Bhand	Relative of Director
Smita Bhand	Relative of Director
Yashas Bhand	Relative of Director

b) ENTERPRISES THAT ARE UNDER COMMON CONTROL

Five Elements Environment Ventures Private Limited

Note: Related party relationship is as identified by the Management and relied upon by the Auditors. Transactions carried out with related parties referred in above in the ordinary course of business.



Related Party Transactions during the year:

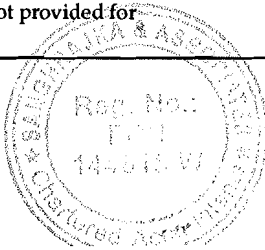
Particulars	(a)	(b)
	₹	₹
Unsecured Loan received/ (refunded)/ (adjusted)		
Current Year	(2,301,442)	-
Previous Year	(2,621,176)	-
Unsecured Loan given/ (adjusted)		
Current Year	-	-
Previous Year	-	-
Trade deposit given		
Current Year	-	1,996,676
Previous Year	-	4,698,542
Investment in Equity shares		
Current Year	-	-
Previous Year	-	-
Consultancy Charges given		
Current Year	50,000	-
Previous Year	612,000	-
Advances given		
Current Year	623,640	-
Previous Year	590,894	-

Balance at the end of the year:

Particulars	(a)	(b)
	₹	₹
Unsecured Loan received/ (refunded)/ (adjusted)		
Current Year	5,119,077	-
Previous Year	7,420,519	-
Investment in Equity shares		
Current Year	-	10,000
Previous Year	-	10,000
Trade Deposit Given		
Current Year	-	16,351,029
Previous Year	-	14,354,353
Consultancy Charges Payable		
Current Year	139,500	-
Previous Year	189,500	-
Advances given		
Current Year	5,011,222	-
Previous Year	4,387,582	-

29 Contingent Liabilities

Particulars	Year ended 31st March	
	2019	2018
	₹	₹
Contingent Liabilities		
(i) Guarantees given by the Company for Term Loans taken by 100% subsidiary Solapur Bioenergy Systems Pvt Ltd	408,200,000	408,200,000
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	12,938,574
Total	408,200,000	421,138,574



30 Details of foreign currency earnings and expenditure

a) Expenditure in foreign currency

There were no foreign currency expenditure during the year (Previous Year Nil).

b) Earnings in foreign currency

There were no foreign currency earnings during the year (Previous Year Rs. nil).

31 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006; consequently disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been given.

32 In the opinion of the Board, the provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.

33 In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

34 The figures for the previous year have been regrouped, rearranged and reclassified, wherever necessary, to correspond with the current year classification/ disclosure.

For Sanghrajka & Associates

Chartered Accountants

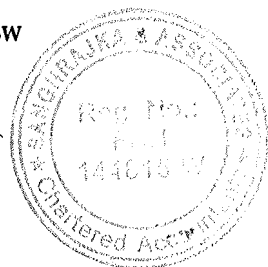
Firm Registration No: 144815W



Jay Sanghrajka

Partner

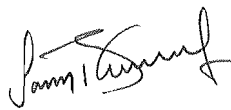
Membership no. 168691



Place : Mumbai

Date : 30th September, 2019

For and on behalf of Board of Directors of Organic Recycling Systems Private Limited



Sarang Bhand

Director

DIN No: 01633419

Place : Mumbai

Date : 30th September, 2019



Venkateswara Suram Rao

Director

DIN No: 03138031

