



SANGHRAJKA & ASSOCIATES

CHARTERED ACCOUNTANTS

Independent Auditors' Report

To,
The Members of
Meerut Bio-Energy Systems Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Meerut Bio-Energy Systems Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2023, the Statement of Profit and Loss, the statement of cash flows for the year 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key Audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted Company.



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CHARTERED ACCOUNTANTS

Information other than the Financial Statements and Auditors' Report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the Financial Statements and our auditor's report thereon.

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

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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Financial Statements

The Company's board of directors are responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

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CHARTERED ACCOUNTANTS

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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SANGHRAJKA & ASSOCIATES

CHARTERED ACCOUNTANTS

2. 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. In our opinion, the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2021 specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

According to the information and explanations given to us, the Company has not paid any remuneration to its directors.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;



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SANGHRAJKA & ASSOCIATES

CHARTERED ACCOUNTANTS

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under Sub-Clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Sanghrajka & Associates

Chartered Accountants

ICAI Firm Registration No.: 144815W

CA Jay Sanghrajka

Partner

Membership No.: 168691

UDIN: 23168691BGYJVK6076



Place: Mumbai

Date: June 9, 2023



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CHARTERED ACCOUNTANTS

Annexure "A" to the Independent Auditor's Report*

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the members of **Meerut Bio-Energy Systems Private Limited** of even date)

i.	(a)	The Company does not have any Property, Plant and Equipment and Intangible Assets. Accordingly, the requirement to report on Clause 3(i)(a) of the Order is not applicable to the Company.
	(b)	The Company does not have any Property, Plant and Equipment. Accordingly, the requirement to report on Clause 3(i)(b) of the Order is not applicable to the Company.
	(c)	There is no immovable property held by the Company. Accordingly, the requirement to report on Clause 3(i)(c) of the Order is not applicable to the Company.
	(d)	The Company does not have any Property, Plant and Equipment and Intangible Assets. Accordingly, the requirement to report on Clause 3(i)(d) of the Order is not applicable to the Company.
	(e)	There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
ii.	(a)	The Company does not have any inventories. Accordingly, the requirement to report on Clause 3(ii)(a) of the Order is not applicable to the Company.
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on Clause 3(ii)(b) of the Order is not applicable to the Company.
iii.	(a)	During the year, the Company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on Clause 3(iii)(a) of the Order is not applicable to the Company.
	(b)	During the year, the Company has not made any investment, provided guarantees or given securities. Accordingly, the requirement to report on Clause 3(iii)(b) of the Order is not applicable to the Company.
	(c)	During the year, the Company has not granted any loans or advances in the nature of loans. Accordingly, the requirement to report on Clause 3(iii)(c) of the Order is not applicable to the Company.
	(d)	During the year, the Company has not granted any loans or advances in the nature of loans. Accordingly, the requirement to report on Clause 3(iii)(d) of the Order is not applicable to the Company.
	(e)	During the year, the Company has not granted any loans or advances in the nature of loans. Accordingly, the requirement to report on Clause 3(iii)(e) of the Order is not applicable to the Company.
	(f)	During the year, the Company has not granted any loans or advances in the nature of loans. Accordingly, the requirement to report on Clause 3(iii)(f) of the Order is not applicable to the Company.



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SANGHRAJKA & ASSOCIATES

CHARTERED ACCOUNTANTS

iv.		The Company has not made investments, provided any loans, guarantees and securities in respect of which provisions of Sections 185 and 186 of the Act are applicable.
v.		The Company has neither accepted any deposits from the public, nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on Clause 3(v) of the Order is not applicable to the Company.
vi.		The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
vii.	(a)	The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. The provisions relating to duty of excise, sales tax, service tax & value added tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
	(b)	There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, cess, and other statutory dues which have not been deposited on account of any dispute. The provisions relating to duty of excise, sales tax, service tax & value added tax are not applicable to the Company.
viii.		The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on Clause 3(viii) of the Order is not applicable to the Company.
ix.	(a)	The Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
	(b)	The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
	(c)	The Company did not have any term loans outstanding during the year. Accordingly, the, the requirement to report on Clause (ix)(c) of the Order is not applicable to the Company.
	(d)	The Company did not raise any funds on short term basis during the year. Accordingly, the requirement to report on Clause (ix)(d) of the Order is not applicable to the Company.
	(e)	The Company does not have its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on Clause (ix)(e) of the Order is not applicable to the Company.
	(f)	The Company does not have its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on Clause (ix)(f) of the Order is not applicable to the Company.
x.	(a)	The Company has not raised any money during the year by way of an initial public offer / further public offer (including debt instruments). Accordingly, the requirement to report on Clause 3(x)(a) of the Order is not applicable to the Company.
	(b)	The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the requirement to report on Clause 3(x)(b) of the Order is not applicable to the Company.



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CHARTERED ACCOUNTANTS

xi.	(a)	No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
	(b)	During the year, no report under Sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	(c)	As per information and explanation given to us by the management, Vigil mechanism / whistle blower policy is not applicable to the Company. Accordingly, the requirement to report on Clause 3(xi)(c) of the Order is not applicable to the Company.
xii.	(a)	The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on Clause 3(xii)(a) of the Order is not applicable to the Company.
	(b)	The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on Clause 3(xii)(b) of the Order is not applicable to the Company.
	(c)	The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on Clause 3(xii)(c) of the Order is not applicable to the Company.
xiii.		Transactions with the related parties are in compliance with Sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable Accounting Standards. The provisions of Section 177 are not applicable to the Company and accordingly the requirements to report under Clause 3(xiii) of the Order insofar as it relates to Section 177 of the Act is not applicable to the Company.
xiv.		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provision of Section 138 of the Companies Act, 2013 is not applicable to the Company. Accordingly, the requirement to report on Clause 3(xiv) of the Order is not applicable.
xv.		The Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the requirement to report on Clause 3(xv) of the Order is not applicable to the Company.
xvi.	(a)	The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on Clause (xvi)(a) of the Order is not applicable to the Company.
	(b)	The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on Clause (xvi)(b) of the Order is not applicable to the Company.
	(c)	The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on Clause 3(xvi) of the Order is not applicable to the
	(d)	There is no Core Investment Company as a part of the Group, hence, the requirement to report on Clause 3(xvi)(d) of the Order is not applicable to the Company.
xvii.		The Company has incurred cash losses of INR 4.77 Lakhs in the current year and INR 3.19 Lakhs in immediately preceding financial year.

101



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CHARTERED ACCOUNTANTS

xviii.		There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.
xix.		The Company has accumulated losses and its net worth is fully eroded. The Company has incurred a net loss and has not generated revenue during the current financial year. The above factors cast significant uncertainty on the Company's ability to continue as a going concern.
xx.	(a)	The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on Clause 3(xx)(a) of the Order is not applicable to the Company.
	(b)	The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on Clause 3(xx)(b) of the Order is not applicable to the Company.

For Sanghrajka & Associates

Chartered Accountants

ICAI Firm Registration No.: 144815W

CA Jay Sanghrajka

Partner

Membership No.: 168691

UDIN: 23168691BGYJK6076



Place: Mumbai

Date: June 9, 2023



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Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Meerut Bio-Energy Systems Private Limited of even date)

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 Meerut Bio-Energy Systems Private Limited (the "Company") as at March 31, 2023, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The board of directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 control system over financial reporting.



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CHARTERED ACCOUNTANTS

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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) 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 (iii) 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.

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 of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 Sanghrajka & Associates

Chartered Accountants

ICAI Firm Registration No.: 144815W

CA Jay Sanghrajka

Partner

Membership No.: 168691

UDIN: 23168691BGYJVK6076



Place: Mumbai

Date: June 9, 2023

Meerut Bio-Energy Systems Private Limited

CIN : U74999MH2017PTC298803

Balance Sheet as at March 31, 2023**(INR in Lakhs)**

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Equity and liabilities			
Shareholders' funds			
Share capital	4	1.00	1.00
Reserves and surplus	5	(22.35)	(17.58)
		(21.35)	(16.58)
Non-current liabilities			
Long-term borrowings	6	34.50	30.04
Other Long-term liabilities	7	-	-
		34.50	30.04
Current Liabilities			
Short-term borrowings	6	-	-
Other current liabilities	7	1.51	1.21
		1.51	1.21
Total		14.66	14.66
Assets			
Short-term loans and advances			
Property, Plant & Equipment and Intangible assets			
-Capital Work in Progress	8	13.98	13.98
		13.98	13.98
Current assets			
Cash and cash equivalents	9	0.68	0.68
		0.68	0.68
Total		14.66	14.66
Summary of significant accounting policies	3		

As per our report of even date.

For Sanghrajka & Associates

Chartered Accountants

Firm Registration No: 144815W

**Jay Sanghrajka**

Partner

Membership No.: 168691

Place: Mumbai

Date: June 09, 2023

**For and on behalf of the Board of Directors
Meerut Bio-Energy Systems Private Limited****Sarang Bhand**

Director

DIN : 01633419

Place: Mumbai

Date: June 09, 2023

**Kirit Sheth**

Director

DIN : 08005989

Place: Mumbai

Date: June 09, 2023



Meerut Bio-Energy Systems Private Limited
CIN : U74999MH2017PTC298803
Statement of Profit and Loss for the year ended March 31, 2023

(INR in Lakhs except earning per share)

Particulars	Notes	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Income			
Revenue from operations		-	-
Other income		-	-
Total Income (i)		-	-
Expenses			
Other expenses	10	4.77	3.19
Total expenses (ii)		4.77	3.19
Loss before exceptional and extraordinary item and tax (iii = i-ii)		(4.77)	(3.19)
Exceptional items (iv)		-	-
Loss before Extraordinary Item and tax (v= iii-iv)		(4.77)	(3.19)
Extraordinary Items (vi)		-	-
Loss before Tax (vii= v-vi)		(4.77)	(3.19)
Tax Expenses (viii)			
Current tax		-	-
Deferred tax		-	-
Short/(Excess) provision of tax of earlier years		-	-
Total tax expenses		-	-
Loss for the year (ix= vii-viii)		(4.77)	(3.19)
Earnings per equity share (in INR) [nominal value of INR 10 per share (March 31, 2022 - INR 10 per share)]	11		
Basic		(47.68)	(31.89)
Diluted		(47.68)	(31.89)
Summary of significant accounting policies	3		

As per our report of even date.

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

Jay Sanghrajka

Jay Sanghrajka
Partner
Membership No.: 168691

Place: Mumbai
Date: June 09, 2023



For and on behalf of the Board of Directors
Meerut Bio-Energy Systems Private Limited

Sarang Bhand

Sarang Bhand
Director
DIN : 01633419

Place: Mumbai
Date: June 09, 2023

Kirit Sheth

Kirit Sheth
Director
DIN : 08005989

Place: Mumbai
Date: June 09, 2023



Meerut Bio-Energy Systems Private Limited
CIN : U74999MH2017PTC298803
Cash Flow Statement for the year ended March 31, 2023

(INR in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Profit / (Loss) before Tax	(4.77)	(3.19)
Movement in working capital :		
Increase/ (Decrease) in Other liabilities	0.30	0.41
Cash generated from/(used in) operations	(4.46)	(2.78)
Direct Taxes paid (net of refunds)	-	-
Net cash flow from operating activities (A)	(4.46)	(2.78)
Cash flow from investing activities		
Purchase of property, plant and equipments including capital advances	-	-
Purchase of intangible asset including capital advances	-	-
Net cash used in investing activities (B)	-	-
Cash flow from financing activities		
Proceeds /(Repayment) from long-term borrowings including current maturity, net	4.46	2.46
Net cash used in financing activities (C)	4.46	2.46
Net increase/(decrease) in cash and cash equivalents (A + B + C)	-	(0.32)
Cash and Cash Equivalents at the beginning of the period	0.68	1.00
Cash and cash equivalents at end of the period	0.68	0.68
Components of cash and cash equivalents		
Cash in hand	0.68	0.68
Balances with banks:		
- on current accounts	-	-
Total cash & cash equivalents (Note 9)	0.68	0.68

Summary of significant accounting policies

As per our report of even date.

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



Jay Sanghrajka
Partner
Membership No.: 168691

Place: Mumbai
Date: June 09, 2023



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Meerut Bio-Energy Systems Private Limited



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DIN : 01633419

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1 Nature of Operation

Meerut Bioenergy Systems Private Limited ("the Company"), is involved in the Construction, Development and Maintenance of Municipal Solid Waste-to-Energy project at Meerut.

The Company has been promoted by Organic Recycling Systems Limited ("formerly known as Organic Recycling Systems Private Limited), which is the Holding company of the Company.

2 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year unless otherwise specified.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle, and other criteria set out in the schedule III to the companies Act, 2013. Based on the nature of product and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

Current-Non current classification

All assets and liabilities are classified into current and non-current as follows:

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has taken Operating cycle to be twelve months.

3 Summary of significant accounting policies

a. Presentation and disclosure

The Company has prepared the Financial Statements along with the relevant notes in accordance with the requirements of Schedule III of the Act.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and disclosure that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in current and future periods.

c. Cash and Cash Equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



3 Summary of significant accounting policies

d. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use less accumulated depreciation, amortization, impairment, discardation and compensation.

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

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f. Earnings Per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

g. Income taxes

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 is recognised subject to the consideration of prudence on timing differences , being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed depreciation and losses carried forward are recognised only to the extent there is a virtual certainty of its realization

h. Provisions and Contingencies

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.



	(INR in Lakhs)	
	Number of Shares March 31, 2023	As at March 31, 2022
4 Share capital		
Authorized share capital		
Equity shares of INR 10 each (Previous year : INR 10 each)	10,000	10,000
Total		1.00
Issued, subscribed and fully paid up share capital		
Equity shares of INR 10 each (Previous year : INR 10 each)	10,000	10,000
Total		1.00

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	March 31, 2023		March 31, 2022	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the period	10,000	1.00	10,000	1.00
Add: Shares issued during the period	-	-	-	-
Less: Shares Bought Back during the period	-	-	-	-
Outstanding at the end of the period	10,000	1.00	10,000	1.00

Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled for voting rights in proportion to its actual shareholding in the Company. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

Shares held by Holding Company

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	As at	Number of Shares	As at
Equity Shares held by Organic Recycling Systems Limited ("formerly known as Organic Recycling Systems Private Limited)	9,999	0.99	9,999	0.99

Details of Shareholders holding more than 5% Equity Shares

Name of shareholder	March 31, 2023		March 31, 2022	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited)	9,999	99.99%	9,999	99.99%

As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The company has not issued shares pursuant to any contract for consideration other than cash, Bonus shares and shares bought back during 5 preceding years.

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2023 is as follow:

Name of Promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited)	9,999	99.99%	9,999	99.99%	-

Disclosure of shareholding of Promoter as at March 31, 2022 is as follow:

Name of Promoter	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited)	9,999	99.99%	9,999	99.99%	-



5 Reserves and surplus	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the period	(17.58)	(14.40)
Add: Profit / (Loss) for the period	(4.77)	(3.19)
Balance as at the end of the period	(22.35)	(17.58)
Total reserves and surplus	(22.35)	(17.58)

6 Borrowings	(INR in Lakhs)			
	Short term		Long term	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Unsecured :				
From related parties (Refer Note 13)	-	-	34.50	30.04
Total	-	-	34.50	30.04

Unsecured loan taken from related parties :	(INR in Lakhs)			
	Short term		Long term	
Particular	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Holding company*	-	-	34.50	30.04
Total	-	-	34.50	30.04

Terms and conditions of unsecured borrowing :

*There is no specific repayment schedule of this long term loan. However as per the agreement executed, this loan will have to repaid on or after March 31, 2028 carries interest @ 0%.

7 Other Liabilities	(INR in Lakhs)			
	Current		Long-term	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Statutory dues including provident fund and tax deducted at source	0.14	-	-	-
Sundry Creditors for Expenses	0.73	0.28	-	-
Payable for Expenses	0.64	0.92	-	-
Total	1.51	1.21	-	-



(INR in Lakhs)		Amount
8 Capital Work in Progress		
Gross Value		
At April 01, 2021		13.98
Addition		-
Disposals		-
At March 31, 2022		13.98
Addition		-
Disposals		-
At March 31, 2023		13.98
Depreciation/Amortisation		
At April 01, 2021		-
Charge for the Year		-
Disposals		-
At March 31, 2022		-
Charge for the period		-
Disposals		-
At March 31, 2023		-
Net Book Value		
At March 31, 2022		13.98
At March 31, 2023		13.98

(a) For Capital-work-in progress, following ageing schedule shall be given:

	Amount in CWIP for a period of			Total
	(INR in Lakhs)			
	Less than 1 year	1-2 years	2-3 years	
CWIP				13.98
Projects temporarily suspended	-	-	-	-

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in			Total
	(INR in Lakhs)			
	Less than 1 year	1-2 years	2-3 years	
CWIP				13.98
Project I	-	-	-	-

(INR in Lakhs)		Amount
		As at
		March 31, 2022
		March 31, 2023
9 Cash and cash equivalents		
Cash and cash equivalents		
Cash on Hand		0.68
Bank Balances		-
- In current accounts		-
Total		0.68



Meerut Bio-Energy Systems Private Limited

CIN : U74999MH2017PTC298803

Notes to financial statements for the year ended March 31, 2023

	(INR in Lakhs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
10 Other expenses		
Rates and taxes	0.01	-
Legal and professional charges	1.59	1.30
Payment to auditor (Refer details below)	0.60	0.45
Travelling and conveyance expenses	0.81	0.61
Lodging and Boarding expenses	1.07	0.81
Interest and penalties	0.06	-
Office expenses	-	0.01
Miscellaneous expenses	0.63	-
Total	4.77	3.19
* Payment to Auditors		
As Auditors:		
Audit Fees	0.60	0.45
Other matters	-	-
Total	0.60	0.45



11. Earning Per Share

Net profit attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earning per share are as summarised below:

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Net profit for calculation of basic and diluted EPS (INR in Lakhs) (A)	(4.77)	(3.19)
Weighted average number of equity shares for calculating basic EPS, Nominal value of Shares Rs. 10 each (B)	10,000	10,000
Weighted average number of equity shares for calculating diluted EPS, Nominal value of Shares Rs. 10 each (C)	10,000	10,000
Basic Earning per Share (A/B)	(47.68)	(31.89)
Diluted Earning per Share (A/C)	(47.68)	(31.89)

12. Contingent Liabilities & Commitments

There is no contingent liability & Commitment as on March 31, 2023

13. Related party disclosures**Names of related parties and related party relationship****Related parties under AS 18**

Key Management Personnel	Sarang S. Bhand (Director)
Holding Company	Kirit Sheth (Director)
Entities in which Key Management Personnel exercise significant influence	Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited) Solapur Bioenergy Systems Private Limited Organic Waste (India) Private Limited Pune Urban Recyclers Private Limited Wachstum Trading Private Limited

i) Related Party transactions (including provisions and accruals)

Name of Related Party	Relationship	Nature of Transaction	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited)	Holding Company	Unsecured Loan Received	4.46	2.78
		Unsecured Loan Repaid	-	0.32

ii) Closing Balances of Related Parties (including provisions and accruals)

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
Organic Recycling System Limited ("formerly known as Organic Recycling Systems Private Limited)	Holding Company	Unsecured Loan Outstanding	34.50	30.04

14. Outflow in Foreign Currency

There were no foreign currency expenditure during the period (Previous Year INR Nil)



15. Inflow in Foreign Currency

There were no foreign currency earnings during the period (Previous Year INR Nil)

16. Going Concern

The company was formed as an SPV to execute the Concession Agreement dated 2 January 2017 entered between Organic Recycling Systems Pvt. Ltd. (holding company) and Nagar Nigam Meerut (NNM) for 800 TPD waste to energy plant at Meerut on DBOOT basis. The plant of 800 TPD was split into two phases – 2 plants of 400 TPD each. The award of the final agreement is subject to order of the Allahabad HC. The HC vide its order dated 5 Apr 2019 has directed the parties to maintain status quo till the matter is heard & decided. No hearing has happened on the matter till date. The company is pursuing the matter and is hopeful of a favourable order pending which the project is on hold. Therefore the company is still active and is a going concern.

17. Ratio Analysis

Particulars	Basis	As at March 31, 2023	As at March 31, 2022	Variance %
Current ratio	Current Assets Current Liabilities	0.45	0.56	-20.14%
Debt-Equity Ratio	Total Debt Shareholder's Equity	(1.62)	(1.81)	-10.79%
Debt Service Coverage Ratio	Earnings available for debt service*	NA	NA	-
Return on Equity Ratio	Debt Service** Net Profit after Tax - Preference Dividend	-25.13%	-21.28%	18.13%
Inventory turnover ratio	Average Shareholder's Equity Cost of Goods Sold	NA	NA	-
Trade Receivables turnover ratio	Average Inventory Net Credit Sales	NA	NA	-
Trade payables turnover ratio	Average Accounts Receivables Net Credit Purchases	NA	NA	-
Net capital turnover ratio	Average Trade Payables Net Sales	NA	NA	-
Net profit ratio	Average Working Capital Net Profit Net Sales	NA	NA	-
Return on Capital employed	Earning Before Interest and Tax Capital Employed***	-36.25%	-23.70%	52.94%
Return on investment	Interest on Investment Average Current Investments	NA	NA	-

17. Ratio Analysis

*Earning for debts Services = Net Profit Before Tax + Non Cash Operating Expenses + Interest + Other adjustment like loss on sale of property, plant and equipment etc.

**Debt Service = Interest + Principal Repayment

***Capital Employed = Tangible Net worth + Debts + Deferred Tax Liability

Explanations for significant variation (i.e. change of 25% or more as compared to FY 2021-22) in ratios:

(a) Return on Capital employed : The ratio has declined due to increase in losses before interest and tax in current year as compared to last year.



Meerut Bio-Energy Systems Private Limited

CIN : U74999MH2017PTC298803

Notes to financial statements for the year ended March 31, 2023

22. Balance under the head 'Other current liabilities' are shown as per books of accounts subject to confirmation by concerned parties and adjustments if any, on reconciliation thereof.

23. Previous year figure

Previous year's figures have been regrouped where necessary to confirm to current year's classification.

As per our report of even date.

For Sanghrajka & Associates

Chartered Accountants

Firm Registration No: 144815W



Jay Sanghrajka

Partner

Membership No.: 168691

Place: Mumbai

Date: June 09, 2023



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