



SANGHRAJKA & ASSOCIATES

CHARTERED ACCOUNTANTS

Independent Auditors' Report

To,
The Members of
Solapur Bioenergy Systems Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Solapur Bioenergy 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

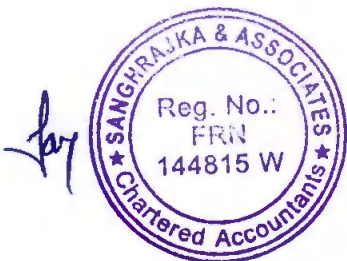
We conducted our audit in accordance with the standards on auditing specified under Section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Financial Statements Section of our report. We are independent 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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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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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.



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Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure "A", a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 has disclosed the impact of pending litigations on its financial positions in its Financial Statements – Refer Note No. 7 to the Financial Statements.
 - 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.



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- 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.
- (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 Sangbrajka
Partner
Membership No.: 168691
UDIN: 23168691BGYJVN5616



Place: Mumbai
Date: June 09, 2023



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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 Solapur Bioenergy Systems Private Limited of even date)

i.	(a)	(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. (B) The Company has maintained proper records showing full particulars of Intangible assets.
	(b)	Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
	(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties disclosed in the Financial Statement is held in the name of the Company.
	(d)	The Company has not revalued its Property, Plant and Equipment and Intangible assets during the year ended March 31, 2023.
	(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 inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
	(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 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.

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	(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.										
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)	<p>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, except:</p> <table border="1"><thead><tr><th>Name of the Statute</th><th>Nature of Dues</th><th>Amount (INR in Lakhs)</th><th>Period</th><th>Due Date</th></tr></thead><tbody><tr><td>Income Tax</td><td>TCS Payable</td><td>0.015</td><td>August 2022</td><td>September 07,2022</td></tr></tbody></table>	Name of the Statute	Nature of Dues	Amount (INR in Lakhs)	Period	Due Date	Income Tax	TCS Payable	0.015	August 2022	September 07,2022
Name of the Statute	Nature of Dues	Amount (INR in Lakhs)	Period	Due Date								
Income Tax	TCS Payable	0.015	August 2022	September 07,2022								
	(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 has utilised the money raised by way of term loan for the purposes for which they were obtained.										
	(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.										

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	(e)	The Company does not have its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on Clause 3(ix)(e) of the Order is not applicable.
	(f)	The Company does not have its subsidiaries, associates or joint ventures. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable.
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.
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, 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. Accordingly, the requirement 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 to the Company.
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.



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	(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 Company.
	(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 not incurred cash losses in the current year but has incurred cash losses of INR 122.22 Lakhs in immediately preceding financial year.
Xviii		There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
xix		On the basis of the Financial ratios disclosed in note 31 to the Financial statements, ageing and expected dates of realization of Financial assets and payment of Financial liabilities, other information accompanying the Financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
xx	(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: 23168691BGYJVN5616



Place: Mumbai

Date: June 09, 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 Solapur Bioenergy 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 Solapur Bioenergy 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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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.: 144815 W

CA Jay Sanghrajka

Partner

Membership No.: 168691

UDIN: 23168691BGYJVN5616



Place: Mumbai

Date: June 09, 2023

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Solapur Bioenergy Systems Private Limited

CIN : U40108MH2005PTC298301

Balance Sheet as at March 31, 2023

(INR in Lakhs)

Particulars	Notes	As at	
		March 31, 2023	March 31, 2022
Equity and liabilities			
Shareholders' funds			
Share capital	4	1,733.00	1,733.00
Reserves and surplus	5	(946.85)	(855.88)
		786.15	877.12
Non-current liabilities			
Long-term borrowings	6	6,628.07	6,295.65
Other Long-term liabilities	7	12.00	12.00
Long-term provisions	8	15.59	14.22
		6,655.66	6,321.87
Current Liabilities			
Short-term borrowings	6	269.41	141.85
Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		15.23	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		118.36	125.01
Other current liabilities	7	350.80	370.87
Short-term provisions	8	0.89	0.76
		754.69	638.49
Total		8,196.50	7,837.48
Assets			
Non-current assets			
Property, Plant & Equipment and Intangible assets			
-Property, Plant & Equipment	10	5,882.86	6,290.61
-Intangible assets	10	0.50	0.75
-Intangible assets under development	10	362.12	174.20
Non-current investments	9	-	-
Deferred Tax Assets	11	713.50	713.50
Long-term loans and advances	12	0.05	55.73
Other non current assets	13	19.43	19.29
		6,978.47	7,254.09
Current assets			
Investments	14	89.70	120.36
Trade receivables	15	1,064.97	276.81
Cash and cash equivalents	16	6.34	4.63
Short-term loans and advances	12	56.27	181.57
Other current assets	13	0.75	0.04
		1,218.03	583.40
Total		8,196.50	7,837.48

Summary of significant accounting policies

As per our report of even date.

For Sanghrajika & Associates
Chartered Accountants
ICAI Firm Registration No: 144815W

Jay Sanghrajika
Jay Sanghrajika
Partner
Membership No.: 168691

Place: Mumbai
Date: June 09, 2023



For and on behalf of the Board of Directors
Solapur Bioenergy Systems Private Limited

Sarang Bhand
Yashin Bhand
Sarang Bhand
Director
DIN : 01633419
Yashin Bhand
Director
DIN : 07118419

Place: Mumbai
Date: June 09, 2023

Zinal Shah
Zinal Shah
Company Secretary

Place: Mumbai
Date: June 09, 2023



(INR in Lakhs except carrying per share)

Particulars	Notes	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Income			
Revenue from operations	17	1,166.99	529.76
Other income	18	2.90	106.58
Total Income (I)		<u>1,169.89</u>	<u>636.34</u>
Expenses			
Direct expense	19	357.59	385.48
Change in inventories of finished goods and work in progress	20	28.00	(16.83)
Employee benefits expense	21	120.62	70.14
Depreciation and amortisation expense	22	469.86	573.83
Finance costs	23	59.19	55.90
Other expenses	24	225.60	263.88
Total expenses (II)		<u>1,260.86</u>	<u>1,332.19</u>
Loss before exceptional and extraordinary item and tax (iii - I-II)		<u>(90.97)</u>	<u>(696.05)</u>
Exceptional items (iv)		-	-
Loss before Extraordinary item and tax (iv - iii-iv)		<u>(90.97)</u>	<u>(696.05)</u>
Extraordinary items (v)		-	-
Loss before Tax (vii- v-vi)		<u>(90.97)</u>	<u>(696.05)</u>
Tax Expenses (viii)			
Current tax		-	-
Deferred tax		-	-
Short/Excess provision of tax of earlier years		-	-
Total tax expenses		<u>-</u>	<u>-</u>
Loss for the year (ix= vii-viii)		<u>(90.97)</u>	<u>(696.05)</u>
Earnings per equity share (in INR) (nominal value of INR 10 per share)	25		
(March 31, 2022 - INR 10 per share)			
Basic		(0.59)	(7.81)
Diluted		(0.12)	(1.08)

Summary of significant accounting policies

8

As per our report of even date.

For Saughrjika & Associates
 Chartered Accountants
 ICAI Firm Registration No: 144815W

Jay Saughrjika
 Partner
 Membership No.: 16869

Place: Mumbai
 Date: June 09, 2023



For and on behalf of the Board of Directors
 Solepur Bioenergy Systems Private Limited

Sarang Bhand
 Director
 DIN: 01633419

Place: Mumbai
 Date: June 09, 2023

Yashika Bhand
 Director
 DIN: 07118419

Place: Mumbai
 Date: June 09, 2023

Zinal Shah
 Company Secretary

Place: Mumbai
 Date: June 09, 2023



Solapur Bienergy Systems Private Limited
 CIN : L40108MH2004PTC298301
 Cash Flow Statement for the year ended March 31, 2023

Particulars	(INR in Lakhs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Profit/(Loss) before Tax	(90.97)	(696.06)
Adjustment to reconcile profit before tax to net cash flow		
Depreciation and amortisation	469.86	573.83
Finance cost	99.19	55.90
Gain on sale of property, plant and equipment	(0.64)	(7.79)
Interest income	(0.31)	(0.46)
Bad debts and Balance written off	1.33	92.12
Sundry balance written back	(1.94)	(97.82)
Operating profit before working capital changes	437.12	(98.17)
Movement in working capital :		
Increase/ (Decrease) in Trade payables	10.32	(58.47)
Increase/ (Decrease) in Other liabilities	23.37	(19.61)
Increase/ (Decrease) in Provisions	1.50	1.24
Decrease/ (Increase) in Loans and advances	123.97	85.78
Decrease/ (increase) in Inventories	30.66	(13.60)
Decrease/ (Increase) in Trade receivables	(788.16)	(69.96)
Decrease/ (Increase) in Other current / non current assets	(0.00)	(1.55)
Cash generated from/used in operations	(161.63)	(186.33)
Direct Taxes paid (net of refunds)	-	-
Net cash flow from operating activities (A)	(161.63)	(186.33)
Cash flow from investing activities		
Purchase of property, plant and equipments including capital advances	(122.89)	(292.92)
Purchase of intangible asset including capital advances	-	(0.75)
Intangible Asset Under Development	(115.49)	(82.30)
Sale of property, plant and equipment	0.16	11.31
Term Deposit	-	(3.00)
Interest received	(0.55)	-
Net cash used in investing activities (B)	(239.17)	(367.66)
Cash flow from financing activities		
Proceeds/(Repayment) from long-term borrowings including current maturity, net	427.60	584.47
Proceeds/(Repayment) from short-term borrowings, net	32.38	(14.17)
Interest paid	(58.07)	(55.90)
Net cash used in financing activities (C)	401.91	514.39
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1.31	(9.60)
Cash and Cash Equivalents at the beginning of the year	1.63	11.23
Cash and cash equivalents at end of the year	2.94	1.63
Components of cash and cash equivalents		
Cash in hand	1.51	1.63
Balances with banks:		
- on current accounts	1.42	-
Total cash & cash equivalents (Note 16)	2.94	1.63
Summary of significant accounting policies		

As per our report of even date.

For Sanghrajika & Associates
 Chartered Accountants
 ICAI Firm Registration No: 144815W

Jay Sanghrajika
 Jay Sanghrajika
 Partner
 Membership No: 168691



Place: Mumbai
 Date: June 09, 2023

For and on behalf of the Board of Directors
 Solapur Bienergy Systems Private Limited

Sarang Bhand
 Sarang Bhand
 Director
 DIN : 01633419

Yashraj Bhand
 Yashraj Bhand
 Director
 DIN : 07118419

Place: Mumbai
 Date: June 09, 2023

Zinat Shah
 Zinat Shah
 Company Secretary

Place: Mumbai
 Date: June 09, 2023



1 Corporate information

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

The company has been promoted by Organic Recycling Systems Limited ("formerly known as Organic Recycling System 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 in conformity with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis. 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 products 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:

a. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realised within 12 months after the reporting date; or

d. 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:

a. It is expected to be settled in the company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within 12 months after the reporting date; or

d. 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.

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 purpose of cash flow statement comprise cash on hand and short-term investments with an original maturity of three months or less.

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.



2 Summary of significant accounting policies**a. Property, Plant and Equipment**

Property, Plant & Equipments 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.

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 statement of profit and loss account.

Property, Plant & Equipments are derecognised from financial statements, either on disposal or when retired from active use. Generally such retired assets are disposed of soon thereafter.

f. Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. Intangible assets are recognized only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

g. Intangible assets under development

Intangible Assets under Development is stated at cost, net of accumulated impairment losses, if any. The cost comprises of direct cost, salary and depreciation incurred for development of phosphate rich Organic Manure (PROM), Activated Carbon, Sugar King/Sugarcane Plus-Products, Co-digestion of Agri residue and other foodstock/ HRT Reactor / Pre-treatment of mixed biomass or waste, H2S and Moisture scrubber Technology and Biochar to Brick/tila application.

h. Depreciation & Amortisation

Depreciation on Property, Plant & Equipment 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, as under

Property, Plant & Equipment	Useful Life
Office Equipments	5 years
Furniture & Fixtures	10 years
Computers	3 years
Vehicles	8 years
Building	30 years
Plant and Machinery	35 years

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

Intangible assets in the nature of softwares are amortised on a Straight Line Method over their useful lives of 3 years.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial period and the amortisation method is revised to reflect the changed pattern, if any.

i. Revenue Recognition

Revenue is recognised when there is a transfer of significant risks and rewards of ownership in goods to the buyer.

Interest income is recognised on time proportion basis taking into account amount outstanding and the applicable interest rate.

j. 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.

k. Leases

Lease arrangements 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 recognised as expense in the statement of Profit and Loss as per the terms of lease agreement, except where the lease payment relates to construction activity in which case it is charged to the cost of construction of the project.



3. Summary of significant accounting policies

1. Retirement and other employee benefits

Short Term Employee Benefits:

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.

Post-Employment Benefits:

Company's contribution for the period paid/payable in defined contribution retirement benefit schemes are charged to statement of Profit and Loss. Company's liability towards defined benefit plan viz. gratuity is determined using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date. The benefit is unfunded. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

m. Borrowing Cost

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. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period 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.

o. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

p. Impairment of Assets

At each Balance Sheet date, the company assesses as to whether there is any indication that an asset is impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. However, as per the assessment made by the company as on the balance sheet date, there is no such indication of any impairment of any asset during the year under report and therefore there is no effect of impairment loss in the financial statements for the year under report.



3 Summary of significant accounting policies

q. Provisions and Contingencies

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



4. Share capital	Number of Shares		As at		INR in Lakhs	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2022	As at
Authorised capital						
Equity shares of INR 10 each (Previous year: INR 10 each)	15,400,000	15,400,000	1,540.00	1,540.00	1,540.00	1,540.00
0% Non-voting convertible preference shares of INR 10 each (Previous year: INR 10 each)	2,000,000	2,000,000	200.00	200.00	200.00	200.00
Total			1,740.00	1,740.00	1,740.00	1,740.00

INR 10 each and fully paid up share capital
 Equity shares of INR 10 each (Previous year: INR 10 each)
 0% Non-voting convertible preference shares of INR 10 each (Previous year: INR 10 each)
 Total authorised, subscribed and fully paid up share capital

(A) Equity Share Capital

(a) 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 year	15,400,000	1,540.00	15,400,000	1,540.00
ADD: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Outstanding at the end of the year	15,400,000	1,540.00	15,400,000	1,540.00

Tranche/Right 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 to one vote per share. 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 holder of shares will be entitled to receive remaining assets of the company, after distribution of all preferred assets.
 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
Share: Shares held by Organic Recycling Systems Limited ("Smarsh known as Organic Recycling Systems Private Limited")	15,399,999	1,539.999	15,399,999	1,539.999

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 Systems Limited ("Smarsh known as Organic Recycling Systems Private Limited")	15,399,999	99.99%	15,399,999	99.99%

As per the records of the company, including its register of shareholders/members and other declarations 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 subscription other than cash, bonus shares and shares bought back during 2 preceding years.

Disclosure of Shareholding of Promoters

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

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	
Share: Organic Recycling Systems Limited ("Smarsh known as Organic Recycling Systems Private Limited")	15,399,999	99.99%	15,399,999	99.99%	99.99%



4 Share capital

(INR in Lakhs)

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 Systems Limited (Chemicals known as Organic Recycling System Private Limited)	13,379,599	99.97%	8,199,599	99.95%	-

(B) 6% Non-Cumulative Redeemable Preference Shares

Reconciliation of 6% non-cumulative redeemable preference shares outstanding at the beginning and at the end of the reporting period:

Particulars	March 31, 2022		March 31, 2021		% change during the year
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs	
At the beginning of the year	1,930,000	151.00	-	-	151.00
Additional Shares issued during the year	-	-	-	-	-
Less: Shares Bought Back during the year	-	-	-	-	-
Outstanding at the end of the year	1,930,000	151.00	-	-	151.00

Terms/Rights attached to 6% non-cumulative redeemable preference shares
 Preference shareholders shall be entitled to rights and privileges as are available under the Companies Act, 2013
 Preference Shares are redeemable on or before 15 years from the date of allotment.
 Preference Shares will be redeemed at INR 100 per share, i.e. Face Value of INR 10 and Premium of INR 90 per share.
 No dividend will be paid on the Preference shares of the Company.

Shares held by Holding Company

Particulars	March 31, 2022		March 31, 2021		% change during the year
	Number of Shares	As at March 31, 2022	Number of Shares	As at March 31, 2021	
Organic Recycling Systems Limited (Chemicals known as Organic Recycling System Private Limited)	1,930,000	151.00	1,930,000	151.00	-

Details of Shareholders holding more than 5% non-cumulative redeemable preference shares

Name of shareholder	March 31, 2022		March 31, 2021		% of Holding
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Organic Recycling Systems Limited (Chemicals known as Organic Recycling System Private Limited)	1,930,000	100.00%	1,930,000	100.00%	-

As per the records of the company, including its register of shareholders/members and other designations mentioned from shareholders/members 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.

Disclosures of Shareholding of Promoters

Disclosures of Shareholding of Promoter as at March 31, 2022 is as follows:

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 Systems Limited (Chemicals known as Organic Recycling System Private Limited)	1,930,000	100.00%	1,930,000	100.00%	-

Disclosures of Shareholding of Promoter as at March 31, 2022 is as follows:

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 Systems Limited (Chemicals known as Organic Recycling System Private Limited)	1,930,000	100.00%	1,930,000	100.00%	-



	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
5. Reserves and surplus		
Shareholders provision account		
Balance as at the beginning of the year	6,417.69	6,417.00
ADD: Provision on shares issued during the year	-	-
Balance as at the end of the year	6,417.69	6,417.00
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	(7,273.86)	(6,576.83)
ADD: Profit/(Loss) for the year	(95.77)	(696.65)
Balance as at the end of the year	(7,369.63)	(7,273.48)
Total reserves and surplus	(945.94)	(855.48)

	(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
6. Borrowings				
Secured :				
Term loans	171.46	86.39	260.93	434.42
From Banks	53.34	51.55	-	-
Loans receivable on demand	268.41	141.85	260.93	434.42
From Banks	-	-	-	-
Unsecured :				
From Related Party (Note 27)	-	-	6,064.04	5,903.21
Other Corporate Deposit	-	-	300.00	365.00
	-	-	6,364.04	6,268.21
Total	339.87	148.24	6,624.97	6,702.63



6. Borrowings

(INR in Lakhs)

(A) Nature of Security and terms of requirement for secured borrowing:

(i) Nature of Security

- (a) Term Loan from Bank of Baroda:
- Term (loan are secured by)
 - Hypothecation of Stock and Book Debt (Both Present and Future).
 - Hypothecation of Plant and Machinery of the Company.

- Equitable Mortgage of the Leasehold land and Building situated at Survey No. 68(1) (Old) & Survey No. 74(1) (New), Situating at Manje Salpur, Talajpur Kosal, Talaji and District Salpur administrative area 09 Acres.

- Cash margin on bank Operative Bill.

- Equitable Mortgage on commercial Office premises situated at office No. 2, 2nd floor in Building No. 3 of CDP Mall, Link Road, Chhivara, Link Road Andam West, Mumbai belonging to Vitara Corporation Limited.

- Hold of 14,80,000 redeemable preference shares (DRR) 10 per share of Salpur Bio Energy System Private Limited owned by Organic Recycling System Private Limited*.

- Hold of 37,00,000 fully paid up equity shares (DRR) 10 per share of Salpur Bio Energy System Private Limited owned by Organic Recycling System Private Limited*.

The above credit facility will further secured by Personal/Corporate Guarantees of the following individuals/ organizations:

1. Suresh Bhand
2. Organic Recycling System Limited (formerly known as Organic Recycling System Private Limited*)
3. Vitara Corporation Limited
4. Five Elements Environment Venture Private Limited

(B) Terms of Borrowment with Interest

(a) Term Loan from Bank of Baroda

- (i) As per Original sanction letter, loan is repayable in 60 monthly instalment. As per revised Sanction letter dated October 20, 2021, the loan is repayable in 48 monthly instalment including moratorium period. Interest at BBLR + 2.25% spread.

P.A. Spread is to meet liability to credit rating of the work on completion of 24 months (including moratorium) from date of implementation of restructuring. Terms of repayment are as follow:

Financial Year	EMEI (DRR in Lakhs)
2021-22	2.49
2022-23	34.37
2023-24	137.41
2024-25	156.01
2025-26	47.80



Terms and Conditions of the Short term Borrowings:

- (i) Loans repayable as demand;
- (ii) Cash Credit drawn from Bank of Baroda for working capital requirement.
- (iii) Margins - 25% of Stock and 40% on bank debt up to 90 days.
- (iv) Rate of Interest - 6.00% over BBLER + plus margin premium.
- (v) Interest is payable with monthly reset and subject to change in credit rating of the account/Books guidelines issued from time to time.
- (vi) Security / Document - I. Declinative list charge by the way of supplementary Hypothecation of entire Stock and Book Debt of company, both present and future.
 ii. Irrevocable Power of Attorney for Book Debt.

Details of liability regarding dues to lender

Name of Bank and Quarter	Particulars of Accounts/Accounts Payable	Amount as per Books of Accounts (₹ Lakhs)	Amount as reported in quarterly re-statement (₹ Lakhs)	Amount of Difference (₹ Lakhs)	Reason for Reported discrepancy
Bank of Baroda - June 2022	Inventory	123.33	123.33	-	
	Trade Receivable	159.23	37.90	81.23	The amount given to bank does not include trade receivable more than 90 days.
	Trade Payable	114.85	3.45	111.40	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include OMR Creditive
Bank of Baroda - September 2022	Inventory	123.33	123.33	-	
	Trade Receivable	84.56	20.92	63.63	The amount given to bank does not include trade receivable more than 90 days.
	Trade Payable	812.93	6.27	306.66	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include OMR Creditive
Bank of Baroda - October 2022	Inventory	127.62	127.62	-	
	Trade Receivable	782.68	40.51	702.15	The amount given to bank does not include trade receivable more than 90 days.
	Trade Payable	125.66	19.24	103.75	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include OMR Creditive
Bank of Baroda - March 2023	Inventory	89.76	89.76	-	
	Trade Receivable	1,004.97	1,007.38	(2.42)	The amount given to bank was based on the original books of accounts.
	Trade Payable	183.59	13.68	118.91	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include OMR Creditive



	(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
7 Other Liabilities				
Trade Advances				
Others			12.00	12.00
Employee benefits payable	53.93	66.99	-	-
Statutory dues including provident fund and tax deducted at source	36.18	15.12	-	-
Sundry Creditors for Capital Goods*	137.83	182.39	-	-
Sundry Creditors for Expenses	68.29	42.60	-	-
Advances From Customer	0.13	-	-	-
Payable for expenses	32.71	34.57	-	-
Interest Accrued but not due on Term Loan	1.12	-	-	-
Other Payable	20.61	28.80	-	-
Total	350.80	370.87	12.00	12.00

*Out of the total payable, INR 59.13 Lakhs (PY INR 59.13 Lakhs) is under dispute. Out of the total amount under dispute, INR 18.02 Lakhs (P.Y. INR 18.02 Lakhs) is under arbitration at Mumbai which is at its final stage. Remaining amount of INR 41.11 Lakhs (P.Y. INR 41.11 Lakhs) is under dispute under the MSME law at Pune and is at its initial stage.

	(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
8 Provisions				
Provision for employee benefits	0.89	0.76	15.59	14.22
Provision for gratuity (Note 23)				
Total	0.89	0.76	15.59	14.22



9 Trade payables	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer ageing schedule below)	132.23	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	118.96	125.01
Total	133.59	125.01

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Particulars	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Principal amount due and remaining unpaid	15.23	-
Interest accrued and due on above and the unpaid interest	7.51	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
	22.74	-

Trade Payable ageing schedule for current year:

Particulars	(INR in Lakhs)		
	Less than 1 year	1-2 years	more than 2-3 years
MISME	3.62	-	11.61
Others	26.49	16.06	10.76
Disputed dues- MISME	-	-	-
Disputed dues- Others	-	-	-
Total	30.11	16.06	10.76
			76.66
			133.59

Trade Payable ageing schedule for previous year:

Particulars	(INR in Lakhs)		
	Less than 1 year	1-2 years	more than 2-3 years
MISME	34.56	12.75	27.50
Others	-	-	-
Disputed dues- MISME	-	-	-
Disputed dues- Others	-	-	-
Total	34.56	12.75	27.50
			49.79
			125.01



Solapur Bioenergy Systems Private Limited

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

Note - 10 - Property, Plant & Equipment and Intangible assets

Particulars	Property, Plant & Equipment					Total Property, Plant & Equipment	Total Intangible Assets
	Furniture & Fixtures	Buildings	Computers	Vehicles	Office Equipments		
At April 01, 2021	14.44	2,000.55	6.81	39.85	10.25	8,641.12	18,712.33
Addition	0.22	-	0.23	-	1.02	168.66	178.13
Disposals	-	-	-	(33.81)	-	-	(33.81)
At March 31, 2022	14.66	2,000.55	6.24	6.05	11.27	8,809.78	10,848.55
Addition	0.46	18.78	0.39	6.61	1.45	106.34	134.82
Disposals	-	-	-	(2.37)	-	-	(2.37)
At March 31, 2023	15.12	2,019.33	6.63	10.28	12.72	8,916.12	10,980.20
Depreciation/Amortisation							
At April 01, 2021	13.25	879.99	5.78	33.75	8.97	3,072.56	4,014.31
Charge for the Year	0.34	107.89	0.10	1.66	0.72	463.12	573.83
Disposals	-	-	-	(30.20)	-	-	(30.20)
At March 31, 2022	13.59	987.88	5.89	5.21	9.69	3,535.68	4,557.94
Charge for the Year	0.12	97.91	0.16	1.49	1.16	440.79	541.64
Disposals	-	-	-	(2.25)	-	-	(2.25)
At March 31, 2023	13.71	1,085.79	6.05	4.45	10.85	3,976.47	5,097.33
Net Book Value							
At March 31, 2021	1.07	1,012.67	0.35	0.84	1.59	5,274.18	6,290.61
At March 31, 2023	1.41	933.54	0.57	5.83	1.86	4,939.65	5,882.87

(INR in Lakhs)	
Computer Software	0.75
Coagulator	0.25
Intangible Assets	0.75
Property, Plant & Equipment	0.75
Total	0.75





Note - 16 - Intangible Asset Under Development (INR in Lakhs)

Particular	Amount
Gross Value	
At April 01, 2021	91.90
Additions	82.30
Disposals	-
At March 31, 2022	174.20
Additions	187.92
Disposals	-
At March 31, 2023	362.12
Depreciation/Impairment	
At April 01, 2021	-
Additions	-
Disposals	-
At March 31, 2022	-
Additions	-
Disposals	-
At March 31, 2023	-
Net Carrying Value	
At March 31, 2022	174.20
At March 31, 2023	362.12

Intangible Assets under Development completion schedule : (INR in Lakhs)

Intangible Assets under Development	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 year	More than 2-3 years	
Project in progress	187.92	82.30	91.90	362.12

Above cost comprise of Direct Cost of INR 33.35 Lakhs, Salary of INR 82.54 Lakhs and Depreciation of INR 72.03 Lakhs (P.Y. Salary of INR 82.10 Lakhs) have been incurred for development of phosphate Riser/Organic Absorber (PROM) and Activated Carbon, Sugar King Sugarcane Plus-Products, Co-digestion of Agri residue and other feedstock/ HRT Reactor / Pre-treatment of animal biomass or waste, H2S and Moisture scrubber Technology and Biochar to Brick/Viles application.



	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
11 Deferred Tax Assets (Net)		
Deferred tax liability		
Property, Plant and Equipment - Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,055.93	1,134.45
Gross deferred tax liability (B)	1,055.93	1,134.45
Deferred tax assets		
Provision for employee benefits expenses	4.29	3.89
On account of disallowance of expenses	-	-
On unabsorbed depreciation and business loss	3,055.19	3,067.76
Gross deferred tax assets (A)	3,059.47	3,071.65
Net deferred tax assets (A-B)	2,003.54	1,947.20
Deferred Tax Assets to be extent recognised (refer note below)	713.50	713.00

According to the Accounting Standard AS-22, deferred tax assets should be recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Due to huge accumulated losses, the Company has not recognized deferred tax assets during the year and the same will be recognized in coming year after making profits.

	(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	As at March 31, 2023	As at March 31, 2022
12 Loans and Advances						
Other Loans & Advances						
Advance to Employees for Expenses	1.08	0.88	-	-	-	-
Advance to vendors	24.77	26.65	-	-	-	-
Capital advance	-	-	-	-	0.05	-
Reimbursable from related parties (Refer Note 27)	-	4.98	-	-	-	55.73
Balance with Government Authorities *	23.91	143.92	-	-	-	-
Loan to Employees	1.65	-	-	-	-	-
Advance against salary	4.87	-	-	-	-	-
Prepaid expenses	56.37	181.87	-	-	-	-
Total	118.65	358.20	0.05	0.05	0.05	55.73

* Balance with Government Authorities includes VAT Refund amounting to INR 23.38 Lakhs. The statement order has been passed by VAT authorities in the month of June 2022.

	(INR in Lakhs)					
	Current		Non-Current			
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
13 Other Assets						
Security Deposits	-	-	15.31	-	15.31	-
Marginal Money for Bank Guarantee- for MPCB	-	-	2.25	-	2.25	-
Interest accrued but not due on term deposits	0.75	0.64	1.87	-	1.72	-
Total	0.75	0.64	19.43	15.31	19.29	15.31
14 Inventories						
Work in progress	51.60	15.66	85.60	85.60	85.60	85.60
Finished goods	-	-	9.66	9.66	9.66	9.66
Stores and spares	22.44	25.10	25.10	25.10	25.10	25.10
Total	74.04	40.36	120.36	120.36	120.36	120.36



	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
15 Trade receivables	1,064.97	276.81
Unsecured considered good	1,064.97	276.81
Total		

Trade Receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				(INR in Lakhs)	
	less than 6 month	6 months- 1 year	1-2 years	2-3 years	more than 3 years	As at March 31, 2023
Undisputed Trade receivables- considered good	1,060.75	-	-	0.82	-	1,064.97
Undisputed Trade receivables- considered doubtful	-	4.67	-	-	0.73	-
Disputed Trade receivables- considered good	-	-	-	-	-	-
Disputed Trade receivables- considered doubtful	-	-	-	-	-	-
Total	1,060.75	4.67	-	0.82	0.73	1,064.97

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				(INR in Lakhs)	
	less than 6 month	6 months- 1 year	1-2 years	2-3 years	more than 3 years	As at March 31, 2022
Undisputed Trade receivables- considered good	268.35	-	-	5.64	-	276.81
Undisputed Trade receivables- considered doubtful	-	2.82	-	-	-	-
Disputed Trade receivables- considered good	-	-	-	-	-	-
Disputed Trade receivables- considered doubtful	-	-	-	-	-	-
Total	268.35	2.82	-	5.64	-	276.81

16 Cash and Bank Balance

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	1.51	1.60
Bank Balance	1.82	-
- In current accounts		
Other Bank Balance	3.00	1.00
Term Deposit with bank with maturity less than 12 months	6.34	4.63
Total		



(INR in Lakhs)

17 Revenue from operations	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue from operation		
Sale of Products	362.56	525.14
Other Operating Income		
Technology Licence*	540.00	-
Business Consultancy Services	250.00	-
Sale of Scrap	14.43	4.62
Total	1,166.99	529.76

*Income received for use of Company's Operational and Technical know-how by other company in developing Agro Waste processing plant.

Details of Sale of Products

Compost	340.93	511.50
Electricity	21.62	13.61
Total	362.56	525.14

(INR in Lakhs)

18 Other income	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest Income :		
- On Fixed Deposit	0.31	0.46
- On Others	0.61	0.61
Profit on Sale of Property, Plant and Equipment	0.04	7.70
Sundry balance written back (Refer Note 34)	1.94	97.82
Total	2.90	106.59

(INR in Lakhs)

19 Direct expense	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Purchase	4.53	-
Labour Charges	61.14	66.28
Packing and Forwarding Charges	14.42	19.34
Power and Fuel	135.01	154.22
Plant and Machinery - Hiring Charges	120.34	126.04
Transportation Charges	1.78	5.11
Loading and Unloading Charges	1.04	1.49
Testing and Laboratory Expenses	1.55	3.89
Other Direct Cost	9.71	7.86
Diesel Generator - Hiring Charges	-	0.65
Total	357.59	385.48

(INR in Lakhs)

20 (Increase)/Decrease in Inventories	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Work in Progress		
Stock in process at the beginning of the year	85.60	71.10
Less : Stock in process at the end of the year	51.60	85.60
	34.00	(14.50)
Finished Goods		
Finished goods at the beginning of the year	9.66	7.31
Less : Finished goods at the end of the year	15.66	9.66
	(6.00)	(2.35)
Total	28.00	(16.85)



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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
21 Employee benefits expense		
Salaries, wages and bonus	90.10	50.21
Contributions to provident and other funds	17.98	10.51
Gratuity	2.89	1.81
Recruitment Expenses	-	1.40
Staff Training Expenses	0.01	0.55
Staff welfare expenses	9.64	5.66
Total	120.62	70.14

(INR in Lakhs)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
22 Depreciation and amortization expense		
Depreciation on Property, Plant & Equipment	469.61	573.83
Amortisation of intangible assets	0.25	-
Total	469.86	573.83

(INR in Lakhs)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
23 Finance costs		
Interest on term loans	49.39	47.37
Interest on cash credit	9.80	7.29
Other borrowing cost	-	1.24
Total	59.19	55.90

(INR in Lakhs)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
24 Other expenses		
Bank Charges	0.71	1.26
Rent	3.35	2.15
Rates and taxes	32.53	32.35
Insurance charges	7.46	6.51
Interest on MSME	7.51	3.73
Carriage Outward	27.01	31.73
Selling & Distribution	2.57	0.62
Repairs & Maintenance		
-Building	7.31	0.54
-Plant and Machinery	8.17	5.67
Consumption of Stores and spares	39.01	27.62
Donation	0.38	0.15
Brokerage & Commission	0.10	0.14
Legal and professional charges	46.15	20.52
ROC Fees	6.15	3.08
Payment to auditor (Refer details below)	2.00	1.35
Travelling and conveyance expenses	7.02	12.40
Lodging and Boarding expenses	4.05	5.10
Interest and penalties	7.34	7.44
Office expenses	13.99	7.52
Bad debts and Balance written off (Refer Note 35)	1.33	92.12
Telephone Expense	0.92	0.82
Miscellaneous expenses	0.53	1.06
Total	225.60	263.88

*** Payment to Auditors**

As Auditors:		
Audit Fees	2.00	1.35
Tax Matters	-	-
Others	-	-
Total	2.00	1.35



27. Related party disclosures

i) Related Party transactions (including provisions and accruals)

Name of Related Party	Relationship	Nature of Transaction	(INR in Lakhs)	
			For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Sarang Bhand	Director	Consultancy Charges	23.33	-
Organic Recycling Systems Limited ("formerly known as Organic Recycling System Private Limited")	Holding Company	Loan Received	665.15	840.79
		Loan Converted into Equity shares	-	650.00
		Loan Repaid	158.34	308.33
Organic Waste (India) Private Limited	Entities in which Key Management Personnel exercise significant influence	Reimbursement of expenses	-	4.98
		Reimbursement expenses Received	4.98	-

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

Name of Related Party	Relationship	Nature of Transaction	(INR in Lakhs)	
			As at March 31, 2023	As at March 31, 2022
Sarang Bhand	Director	Consultancy Charges Payable	3.05	-
Organic Recycling Systems Limited ("formerly known as Organic Recycling System Private Limited")	Holding Company	Loan payable	6,068.04	5,561.23
		Preference Share Capital	193.00	193.00
		Equity Share Capital	1,540.00	1,540.00
Organic Waste (India) Private Limited	Entities in which Key Management Personnel exercise significant influence	Reimbursement receivable	-	4.98



Notes to financial statements for the year ended March 31, 2023**28. Gratuity**

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

a. Statement of Profit and Loss**Net employee benefit expense recognized in the employee cost**

Particulars	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Current service cost	2.51	2.25
Interest cost on benefit obligation	1.11	0.94
Expected Gain on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Loss / (Gain)	(0.72)	(1.38)
Recognised Past Service Cost - Vested	-	-
Recognised Past Service Cost - Unvested	-	-
Net benefit expense	2.89	1.81

b. Balance Sheet

Particulars	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Net Defined Benefit Liability	16.48	14.98

c. Reconciliation of Net Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present Value of funded defined benefit obligation (i)	16.48	14.98
Fair Value of Plan Assets(ii)	-	-
Net Benefit Liability	16.48	14.98

c (i) . Reconciliation of defined benefit obligation

Particulars	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Opening Defined Benefit Obligation	14.98	13.74
Transfer in / (out) obligation	-	-
Current Service Cost	2.51	2.25
Interest cost on benefit obligation	1.11	0.94
Actuarial Loss / (Gain)	(0.72)	(1.38)
Past Service Cost	-	-
Benefits paid	(1.39)	(0.57)
Present Value of Defined Benefit Obligation	16.48	14.98



c. (ii). Reconciliation of plan assets

Particulars	As at March 31, 2023	(INR in Lakhs) As at March 31, 2022
Opening Value of Plan Assets	-	-
Transfer in / (out) plan assets	-	-
Expected Return	-	-
Actuarial Gain / (Loss)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Fair Value of Plan Assets	-	-

d. Bifurcation of Current - Non Current Liability

Particulars	As at March 31, 2023	(INR in Lakhs) As at March 31, 2022
Current Liability	0.89	0.76
Non Current Liability	15.59	14.22
Total	16.48	14.98

e. Composition of Plan Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Policy of Insurance	0.00%	0.00%
Total	0.00%	0.00%

f. Principal Assumptions for determining Gratuity Plan

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.34%	6.98%
Rate of Salary Increase	5.00%	5.00%
Attrition rate		
For service 4 years and below	15.00%	15.00%
For service 5 years and above	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Ultimate)	Indian Assured Lives Mortality 2012-14 (Urban)

The discount rate is based on the prevailing market yields of Government Securities as at the balance sheet date for the estimated terms of the obligations.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.



29. Expense/share in Foreign Currency

Particulars	(INR in Lakhs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Staff Training Expenses*		
Total		0.55
* The payment was made by a director on behalf of the Company		0.55

30. Income in Foreign Currency

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

31. Ratio Analysis

Particulars	As at March 31, 2023	As at March 31, 2022	Variance %
Current ratio	1.61	0.91	76.63%
Debt-Equity Ratio	8.77	7.34	19.54%
Debt Service Coverage Ratio	3.30	(0.43)	-868.70%
Return on Equity Ratio	-10.94%	-77.23%	83.89%
Inventory turnover ratio	3.40	3.39	0.30%
Trade Receivables turnover ratio	1.74	1.99	-12.57%
Trade payables turnover ratio	2.77	2.63	5.10%
Net capital turnover ratio	5.72	(3.65)	287.26%
Net profit ratio	(0.08)	(1.31)	94.07%
Return on Capital employed	-0.41%	-8.75%	95.27%
Return on investment	NA	NA	



3). 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 variations (i.e. change of 25% or more as compared to FY 2021-22) in ratios.

(a) Current Ratio : The ratio has improved due to increase in current assets in current year as compared to last year.

(b) Debt Service Coverage Ratio : The ratio has improved due to earnings available for debt service in current year as compared to last year.

(c) Return on Equity Ratio : The ratio has improved due to decrease in loss in current year as compared to last year.

(d) Net Capital turnover ratio : The ratio has improve due to increase in revenue and average working capital in current year as compared to last year.

(e) Net Profit Ratio : The ratio has improved due to decrease in loss and increase in revenue in current year as compared to last year.

(f) Return on Capital Employed : The ratio has improved due to reduction in loss before Interest and tax in current year as compared to last year.

32. Segment Reporting

The company is operating in single business segment i.e. solid waste management. Hence AS-17 - "Segment Reporting" is not applicable.

33. Other Disclosures

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Registration of charges or satisfaction with Registrar of Companies

(d) Willful default

(e) Transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

34. Write Back of Liabilities

The Company has written back balances of certain vendors to whom payments were not due and payable amounting to INR. 1.94 Lakhs (P.Y. INR 97.82 Lakhs). There has been issues with respect to quality of works. Considering the period of limitation and also the fact that none of these vendors have obtained the balances from the company till date.



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CIN : U40108MH2006PTC296301

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

35. Bad debts and sundry balance written off

The Company has written off following balances because they are outstanding since long period and not recoverable :

Particular	(INR in Lakhs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Trade Payable	0.85	41.64
Trade Receivable	-	48.91
Advances	0.48	1.30
Security Deposits	-	0.27
Total	1.33	92.12

36. Balance confirmation

Balance under the head "Trade Receivables", "Trade Payables", "Trade Advances", "Advance to Vendor", "Sundry Creditors for capital goods", "Sundry creditors for expenses", "Capital Advance" are subject to confirmation by concerned parties and consequent adjustments, if required.

37. In the opinion of the Board, the provision for all the known liabilities is adequate

38. 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 Saagartraj & Associates

Chartered Accountants

ICAI Firm Registration No. 144815W

Ajay Sanghvi

Jay Sanghvi

Partner

Membership No.: 168691

Place: Mumbai

Date: June 09, 2023

For and on behalf of the Board of Directors

Solegar Biorenergy Systems Private Limited

Surendra Bhand

Surendra Bhand

Director

DIN : 01633419

Place: Mumbai

Date: June 09, 2023

Yashraj Bhand

Yashraj Bhand

Director

DDN : 07118419

Place: Mumbai

Date: June 09, 2023

Zahid Shah

Zahid Shah

Company Secretary

Place: Mumbai

Date: June 09, 2023

