



ORGANIC RECYCLING SYSTEMS LIMITED

CLEANTECH | INNOVATION | ENGINEERING

September 4, 2024

To

BSE Limited

Department of Corporate Services

Listing Department

P J Towers

Dalal Street

Mumbai – 400001

Scrip Code: 543997

Dear Sir/Madam,

Sub: Annual Report of Organic Recycling Systems Limited ('Company') for Financial Year 2023-24

This is to inform you that the 16th Annual General Meeting ("**AGM**") of the Company scheduled to be held on Friday, September 27, 2024 at 11.30 a.m. (IST) through Video Conference/Other Audio-Visual Means to transact the ordinary businesses as set out in the Notice of the AGM, in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder ("**Act**"), and General circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, and December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as 'MCA Circulars') and applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and SEBI Circular dated October 7, 2023 read together with circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 05 2023 (collectively referred to as 'SEBI Circulars')

Pursuant to provision of section 101 and 136 of the Act and MCA Circulars and SEBI Circular, the Annual Report for Financial Year 2023-24 including the Notice convening the AGM of the Company have been sent electronically, to the members of the Company, whose e-mail address is registered with the Company / Registrar and Share Transfer Agent, Maashitla Securities Private Limited ("Maashitla") / Depository Participant(s).

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report including the Notice convening the AGM of the Company.

Organic Recycling Systems Ltd

Registered / Corporate Address : 1003, The Affaires, Plot No.19, Sector-17, Sanpada, Navi Mumbai – 400705.

Tel: + 91 22 4170 2222 Fax: +91 22 4170 2200 22 00 | www.organicrecycling.co.in | info@organicrecycling.co.in

CIN L40106MH2008PLC186309



**ORGANIC RECYCLING
SYSTEMS LIMITED**

CLEANTECH | INNOVATION | ENGINEERING

The Annual Report including Notice of AGM is also available on our website at the link:
<https://organicrecycling.co.in/annual-report/>.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Organic Recycling Systems Limited

Ms. Seema Gawas
Company Secretary & Compliance Officer

Encl.: as above

Organic Recycling Systems Ltd

Registered / Corporate Address : 1003, The Affaires, Plot No.19, Sector-17, Sanpada, Navi Mumbai – 400705.

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16TH ANNUAL 
REPORT 2023-24



Organic Recycling Systems Limited

CIN: L40106MH2008PLC186309

16TH ANNUAL REPORT 2023-24

BOARD OF DIRECTORS

Mr. Rakesh Mehra (DIN : 00035812)	:	Chairman (Independent and Non-executive Director)
Mr. Sarang Bhand (DIN : 01633419)	:	Managing Director
Mr. Yashas Bhand (DIN : 07118419)	:	Whole Time Director and CEO
Mr. Amit Vijay Karia (DIN : 06846654)	:	Independent and Non-executive Director
Mrs. Janaki Sarang Bhand (DIN : 07118415)	:	Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Jigar Suresh Gudka

COMPANY SECRETARY

Ms. Zinal Mukund Shah	:	Resigned w.e.f. 7 th November, 2023
Ms. Seema Gawas	:	Appointed w.e.f. 8 th November, 2023

EXTERNAL COMPANY SECRETARY

M/S. VKMG & ASSOCIATES LLP

Company Secretaries,
Mumbai

STAUTORY AUDITORS

M/S. JAYESH SANGHRAJKA & CO. LLP

Chartered Accountants,
Mumbai

REGISTRAR AND SHARE TRANSFER AGENT

MAASHITLA SECURITIES PRIVATE LIMITED

451, Krishna Apra Business Square,
Netaji Subhash Place, Pitampura,
New Delhi - 110 034
Contact Number: 011-45121795-6
Email: rta@maashitla.com

REGISTERED OFFICE

1003, 10th Floor, The Affaires Plot No 9,
Sector No 17, Sanpada, Navi Mumbai
Thane - 400705

BANKERS

Bank of Baroda
Standard Chartered Bank
ICICI Bank

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Managing Director's Speech



Dear Valued Shareholders,

Financial year 2023-24 has been an exciting year for us at Organic Recycling Systems Limited ("ORSL") as we began our pivoting journey with our public listing in Sept 2023 a milestone event in company's history.

The company was successful in developing an indigenous decentralized system to treat agro-biomass with high lignin content to recover organic carbon for various end-use applications ranging from green charcoal to activated carbon. The company launched its proprietary Sanjeevak carbonization system in Decemeber 2023 and has successfully secured and executed orders for the same. This has opened up a new opportunity for the company to provide cost effective solutions for agro-biomass wastes.

As an innovation driven company, we have been continuously striving to work on development of new technologies and our recent collaborations with universities like WALCHAND INSTITUTE OF TECHNOLOGY, University of Petroleum and Energy Studies & institutes like Council of Scientific & Industrial Research-Indian Institute of Petroleum (CSIR-IIP), Sardar Swaran Singh National Institute of Bio-Energy (SSS-NIBE), is testament to our commitment. Through our continuous R&D efforts we are building a portfolio of complementary technologies & products enabling waste valorization. Upon commercialization, these technologies under development will enable us to increase our revenues from product vertical.

The company has also faired well on its project execution capability and has nearly completed 100 TPD waste processing plant for Kalyan Dombivali Municipal Corporation. The plant is expected to be commissioned shortly. This shall give us access to execute more such similar projects for municipal corporations in near future.

As we look ahead, we are optimistic for our growth, as there is a strong policy level enablers being introduced by Government of India in Compressed biogas sector and we believe with our project execution and operational experience spanning over last decade, the company will be able to secure more EPC projects being developed by PSU's and large corporates in the Oil & gas sector.

The company has also been successful in extending consulting and engineering services to private and public companies alike and is confident of securing more consulting opportunities in near future.

We will continue to allocate investments towards innovation, strategic acquisitions to enable our consolidation of complementary technologies, building manufacturing capabilities while exploring opportunities to create an innovation led engineering company.

I extend my heartfelt gratitude to our team members, esteemed customers, vendors, advisors and valued shareholders for their continued support. I also extend my heartfelt thanks to our board members and independent directors for their professional contribution and their guidance from time to time.

It is with immense pleasure and gratitude we are bringing forth this annual report for financial year 2023-24 for your perusal. Thank you for being part of our journey and I hope our association will continue for years to come.

Sincerely,

Sarang Bhand
Managing Director

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting (“**AGM**”) of the Members of **Organic Recycling Systems Limited** (the “**Company**”) will be held on Friday, September 27, 2024, at 11.30 a.m. through Video Conferencing / Other Audio-Visual Means (“**VC/OVAM**”) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

“**RESOLVED THAT** the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

2. To appoint Mr. Yashas Bhand (DIN: 07118419), who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

Notes :

1. The Ministry of Corporate Affairs (‘MCA’) has, vide its circular dated September 25, 2023 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, and December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as ‘MCA Circulars’), permitted convening the Annual General Meeting (‘AGM’ / ‘Meeting’) through Video Conferencing (‘VC’) or Other Audio Visual Means (‘OAVM’), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (‘the Act’) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Yashas Bhand (DIN:07118419), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.”

By Order of the Board of Directors
For Organic Recycling Systems Limited

Seema Gawas

Company Secretary & Compliance Officer

Place: Mumbai

Date : 30.08.2024

Registered office:

Organic Recycling Systems Limited

1003, 10th Floor, The Affaires,

Plot No 9, Sector No 17,

Sanpada, Navi Mumbai,

Thane - 400705

Tel.: 022 41702222

Website: <https://organicrecycling.co.in/>

Email: cs@organicrecycling.co.in

has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and the Route Map of the venue of the Meeting are not annexed hereto.

3. In terms of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Yashas Bhand (DIN:07118419), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Director has furnished the requisite declaration for his re-appointment. The Board of Directors of the Company recommends his re-appointment.

Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the ‘Annexures’ to the Notice.

4. The Securities and Exchange Board of India (‘SEBI’) also, vide its Circular Nos. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 read together with other circulars dated 12th May, 2020, 15th January, 2021, 13th May, 2022 and 5th January, 2023 (‘SEBI Circulars’), has dispensed with the requirement of printing and dispatch of annual reports by the companies to their

shareholders.

5. Pursuant to the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with Rule 18 of Companies (Management and Administration) Rules, 2014 and Rule 11 of Companies (Accounts) Rules, 2014, Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail Id either with the Company or the Registrar and Share Transfer Agent of the Company (“**Registrar and Share Transfer Agent**”) or with the Depository Participants. Accordingly, in terms of aforesaid provision and MCA Circulars and SEBI Circulars electronic copy of the Notice along with the Annual Report for the financial year ended March 31, 2024, consisting of financial statements including Board’s Report, Auditors’ Report and other documents required to be attached therewith, is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company’s website www.organicrecycling.co.in, on the websites of the Stock Exchanges, i.e. BSE Limited at www.bseindia.com, and on the website of NSDL, agency for providing the Remote e-voting facility at <https://www.evoting.nsdl.com/>.
6. (a) Members holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company www.organicrecycling.co.in) duly filled and signed along with requisite supporting documents to Maashitla Securities Pvt Limited at 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi - 110 034,
- (b) Members holding shares in dematerialised mode, who have not registered / updated their e-mail address are requested to register / update the same with the Depository Participant(s) where they maintain their demat accounts.
- (c) Further, in terms of MCA Circulars, the Company has made arrangements with Maashitla for registration of email addresses for the limited purpose of receiving the Notice of the AGM and Annual Report (including remote e-voting instructions) electronically. Therefore, the members of the Company, who have not registered their email addresses are requested to get their email addresses registered by following the process given under remote E-voting & Joining General Meeting instruction of this Notice. Accordingly, the Company shall send the Notice of the AGM and Annual Report to such members whose e-mail ids get registered along with the User ID and the Password to enable e-voting.
7. The Company has enabled the Members to participate at the AGM through the VC/OAVM facility provided by National Securities Depository Limited (NSDL). The instructions for participation at the AGM through VC/OAVM by members are given in instruction part of this Notice.

As per the provisions under the MCA Circulars, Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. The Company shall be providing the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting system (“**Insta Poll**”) during the AGM. The process of remote e-voting with necessary user id and password is given in the instruction part of this Notice. Such remote e-voting facility is in addition to voting that will take place at the AGM being held through VC/OAVM.

11. In terms of MCA Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system (“**Insta Poll**”) during the meeting while participating through VC/OAVM facility.
12. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting system (“Insta Poll”) at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again. If a Member cast votes by both modes i.e., e-voting system (“Insta Poll”) at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
13. Voting rights of the members (for voting through remote e-voting or e-voting system (“Insta Poll”) at the AGM) shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 20, 2024. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories, as on the cut-off date, shall only be entitled to avail the facility of remote e-voting or e-voting system (“Insta Poll”) at the AGM.
14. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorized representative(s), to the Company at cs@organicrecycling.co.in with a copy to evoting@nsdl.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_ EVENT NO”. Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM.
15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and other relevant documents shall be made available only in electronic form for inspection during the AGM.
17. All relevant documents referred to in the Notice and Explanatory Statement would be made available for inspection by the members through electronic mode up to the date of AGM and at the AGM. Members seeking to inspect such documents can send an e-mail to cs@organicrecycling.co.in
18. As mandated by the Securities and Exchange Board of India (‘SEBI’), securities of the Company can be transferred / traded only in dematerialised form. Members holding shares in physical form are advised to avail the facility of dematerialisation.
19. SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (‘SEBI Circulars’) mandated furnishing of Permanent Account Number (‘PAN’), KYC details viz. Contact Details (Postal Address, Mobile Number and e-mail), Bank Details, Nomination etc. by holders of physical securities. The Company had sent letters for furnishing the required details. Any service request shall be entertained by Maashitla only upon registration of the PAN, KYC details and the nomination. Further, in absence of the above information on or after October 1, 2023, the folio(s) shall be frozen by Maashitla in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by Maashitla / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.
20. Members are requested to intimate / update changes, if any, in postal address, e-mail address, mobile number, PAN, nomination, bank details such as name of the bank and branch, bank account number, IFS Code etc., as per instructions set out below:
 - For shares held in electronic form: to their Depository Participant and changes intimated to the Depository Participant will then be automatically reflected in the Company’s records which will help the Company and Maashitla to provide efficient and better service to the Members. NSDL has provided a facility for registration / updation of e-mail address through the link: <https://eservices.nsdl.com/kyc-attributes/#/loginandopt-in/opt-out> of nomination through the link: <https://eservices.nsdl.com/instademat-kyc-nomination/#/login>.
 - For shares held in physical form: Pursuant to SEBI circulars, members are requested to

furnish PAN, postal address, e-mail address, mobile number, specimen signature, bank account details and nomination by submitting to Maashitla the forms given below along with requisite supporting documents:

Sr. No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes / updation thereof	ISR -1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

The aforesaid forms can be downloaded from the Company's website at <https://organicrecycling.co.in/wp-content/uploads/2024/04/INFO-SHARES-IN-PHYSICAL-FORM.pdf>

21. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:-
- Change in their residential status on return to India for permanent settlement;
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
22. Members may please note that the Listing Regulations mandates transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, members are requested to make service requests for issue of duplicate securities certificate; renewal / exchange of securities certificate etc., by submitting a duly filled and signed Form ISR-4 along with requisite

supporting documents to Maashitla as per the requirement of the aforesaid circular.

The aforesaid form can be downloaded from the Company's website at <https://organicrecycling.co.in/wp-content/uploads/2024/04/Form-ISR-4-Request-for-issue-of-Duplicate-Certificate-and-other-Service-Requests.pdf>

All aforesaid documents/requests should be submitted to Maashitla, at the address mentioned below:

Mr. Mukul Agrawal
Maashitla Securities Private Limited
(Unit: Organic Recycling Systems Limited)
451, Krishna Apra Business Square,
Netaji Subhash Place, Pitampura,
Delhi-110034
Cont. No.: 01145121795-96 (from 9:00 a.m. (IST) to 7:00 p.m. (IST) on all working days).
E-mail: compliance@maashitla.com,
rtabackoffice@maashitla.com

23. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is providing facility to exercise votes on resolutions proposed to be passed in the Meeting by electronic means, to members holding shares as on Friday, September 20, 2024 (as at the end of the business hours) being the cut-off date for the purpose of Rule 20(4) (vii) of the rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL from a place other than the venue of the Meeting (remote e-voting).

The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 9.00 a.m. (IST) on Monday, September 23, 2024 and end of remote e-voting: Up to 5.00 p.m. (IST) on Thursday, September 26, 2024.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by National Securities Depository Limited (NSDL) upon expiry of aforesaid period.

24. The Board of Directors has appointed Mr. Anish Gupta or falling him Mr. Manish Rajnarayan Gupta, partners of M/s. VKMG & Associates LLP, Practicing Company Secretaries as the "Scrutinizer" for

the purpose of scrutinizing the process of remote e-voting and e-voting system (“Insta Poll”) at the Meeting in a fair and transparent manner.

25. The Scrutinizer shall after the conclusion of voting at the general meeting, count the votes cast at the meeting through e-voting (“Insta Poll”) and votes cast through remote e-voting and shall make, not later than two working Days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
26. The results declared along with the report of the scrutinizer shall be placed on the Company’s website at <https://organicrecycling.co.in/> and on the website of NSDL - www.evoting.nsdl.com immediately after the declaration of the results and simultaneously communicated to the Stock Exchanges, where the shares of the Company are listed. The result will be displayed on the notice board of the Company at its Registered Office.
27. The Company does not have any amount, which is required to be transferred, in terms of Section 124 of the Companies Act, 2013, to Investor Education and Protection Fund of the Central Government, during the financial year 2023-2024.
28. In case of any general queries or information regarding the Annual Report, the Members may write to cs@organicrecycling.co.in to receive an email response. However, queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to cs@organicrecycling.co.in at least seven days in advance of the meeting so that the answers of the same may be replied suitably by the Company or may be made readily available at the meeting.
29. After the conclusion of AGM, the recorded transcript of the AGM shall as soon as possible be made available on the website of the Company at <https://organicrecycling.co.in/>.
30. The resolutions shall be deemed to be passed on the date of the general meeting, subject to receipt of sufficient votes.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, September 23, 2024 at 09:00 A.M. and ends on September 26, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting

thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 20, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 20, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of share-holders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of share-holders	Login Method
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="288 1435 754 1704" style="border: 1px solid black; padding: 5px; text-align: center;"> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p>

Type of share-holders	Login Method
	<p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Share-holders (holding securities in demat mode) log-in through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to team@vkmq.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode or shareholders who have not registered their e-mail addresses or a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut off date for E-voting, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@organicrecycling.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@organicrecycling.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@organicrecycling.co.in. The same will be replied by the company suitably.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- I. **Speaker Registration** : The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views as speakers for the AGM to express their views at least 7 days before the AGM mentioning their name, demat account number/folio number, email id, mobile number at cs@organicrecycling.co.in. The members who have registered themselves as a speaker will only be allowed to express their views.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting may send their questions in advance at least 7 days before AGM mentioning their name, demat account/folio number, e-mail id, mobile no. at cs@organicrecycling.co.in
- III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

Annexure to the Notice

Details of the Directors seeking re-appointment at the 16th Annual General Meeting

[Pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting]

ANNEXURE A

Name of the Director	Mr. Yashas Bhand
DIN	07118419
Date of Birth	19/03/1990
Age	34 Years
Date of First Appointment on the Board	22 nd October, 2020
Qualification	M. Tech in (Biotechnology) with post graduate diploma in Business law and entrepreneurship from the West Bengal National University of Juridical Sciences, Kolkata.
Brief Resume, Experience and Expertise in Functional Area	Mr. Yashas Bhand, Whole-time Director & CEO, is a seasoned professional who has been pivotal in leading the company's in-house R&D activities. Since 2016, he has spearheaded the Technology Development and Operations departments, driving innovation in decentralized biogas technology. Mr. Bhand also oversees the engineering and business development functions, ensuring the alignment of technical aspects across the company. Additionally, he is instrumental in developing training modules and conducting workshops for stakeholders in the waste management sector.
Terms and Conditions of Re-appointment	In terms of Section 152 (6) of the Companies Act, 2013, Mr. Yashas Bhand, who retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
Number of Meetings of the Board attended during the year	During the year he has attended 7 (Seven) Board Meetings.
Remuneration last drawn	24,00,000 p.a for FY 2023-2024
Remuneration sought to be paid	24,00,000 p.a
List of Listed Companies and/ or Bodies Corporate in which Directorships Held	Mr. Yashas Bhand does not hold any directorship in any other Listed Company. Details of other companies and body corporates are as under: <ol style="list-style-type: none"> 1. Solapur Bioenergy Systems Private Limited 2. Organic Waste (India) Private Limited 3. Five Elements Research Foundation 4. Five Elements Environment Ventures Private Limited
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	NIL
Shareholding in the Company including as a beneficial owner	NIL
Relationship with other Directors and Key Managerial Personnel of the Company	Mr. Yashas Bhand is brother of Mr. Sarang Bhand who is Promoter & Managing Director of the Company.
Listed entities from which the Director has resigned in the past three years	NIL

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 16th Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended March 31, 2024 (the "Report").

1. FINANCIAL RESULTS:

The summarized financial results of the Company for the financial year ended March 31, 2024 are presented below:

(INR in Lakhs)

Particulars	Standalone		Consolidated	
	2023-2024	2022-2023	2023-2024	2022-2023
Revenue from Operations	1812.84	1304.94	2748.73	2471.93
Other Income	29.03	58.97	30.29	62.18
Total Revenue	1841.87	1363.91	2779.02	2534.10
Profit/(Loss) before Finance Cost & depreciation	520.11	727.14	1063.52	1149.45
Less: Finance Cost	76.76	128.76	130.03	187.95
Less: Depreciation	15.55	25.96	265.68	495.82
Profit/(Loss) Before Tax	427.80	572.42	667.81	465.68
Less: Current Tax	119.11	82.56	119.11	82.56
Less/Add: Deferred Tax	(6.12)	17.73	(228.45)	17.73
Less/Add: short/(excess) provision of tax of earlier years	0.25	-	0.25	-
Profit/(Loss) After Tax	314.56	472.12	776.90	365.38

Note: The above figures are extracted from the standalone and consolidated financial statements 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 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.

2. STATE OF COMPANY'S AFFAIRS, BUSINESS OVERVIEW AND FUTURE OUTLOOK

Organic Recycling Systems Limited (ORS) is a pioneering engineering firm specializing in environmental solutions, offering comprehensive waste management solutions across various waste types and the entire value chain. Established in

2008, ORS focuses on developing robust, cost-effective, and eco-friendly technologies. With proven expertise, ORS operates India's premier Waste to Energy (WTE) plant, leveraging patented anaerobic biometanation technology, recognized by the Government of India's National Master Plan. Additionally, ORS operates a Municipal Solid Waste (MSW) processing plant in Solapur, Maharashtra, converting waste into electricity and compost since 2013. Recognized as a leader in best practices under the Swachh Bharat Mission, ORS is now positioned for EPC opportunities nationwide. ORS operates through three main business verticals: Project development & Technology Licensing, Product Vertical, and Consulting Vertical, providing a comprehensive range of services and solutions in the environmental sector. Through ongoing R&D initiatives and intellectual property development, ORS continues to innovate with new products and technologies, further expanding its presence and impact across the waste value chain.

On Standalone basis, the Revenue from operations has increased by approx 38.92% on annual basis to 1812.84 lakhs in the financial year ended March 31, 2024, as compared to 1304.94 lakhs in the financial year ended March 31, 2023.

On Standalone basis, the Company's Operating Earnings/(Loss) Before Interest, Depreciation and Taxes (EBITDA) margin stands at 28.69% of the operating income in the financial year ended March 31, 2024. The profit before tax of the current financial year on standalone basis stand at 427.80 lakhs as compared to before tax 572.42 lakhs for the preceding financial year.

The net profit after tax of the current financial year on a standalone basis decreased to 314.56 lakhs as compared to net profit 472.12 lakhs for the preceding financial year, after making provision of taxation and deferred tax.

During the year, there were no changes in the nature of business of the Company, the detailed discussion on Company's overview and future outlook has been given in the section on 'Management Discussion and Analysis' (MDA).

3. INITIAL PUBLIC OFFER:

The Directors are pleased to inform the Company's has successfully completed Initial Public Offering (IPO) of 25,00,200 Equity Shares of face value of Rs.10/- each (Rupees Ten Only) at an issue price of Rs. 200/- per equity share including a share premium of Rs. 190/- per equity share. The

Issue was opened on 21st September 2023 and closed on 26th September 2023. The allotment of 25,00,200 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 190/- per share aggregating to Rs.5000.40 Lakhs under the said IPO was made on 28th September, 2023. Subsequent to the completion of IPO, the paid-up equity shares capital of the Company got increased from Rs. 519.91 Lakhs to Rs 769.93 Lakhs. The Equity Shares of the Company were listed on BSE SME Platform w.e.f October 6, 2023.

The success of IPO reflects the trust, faith and confidence that customers, business partners and markets have reposed in your Company.

The details of utilisation of proceeds of IPO, net of estimated IPO expenses of INR 202.00 Lakhs are as follows:

(INR in Lakhs)

Particulars	Projected utilization of proceeds as per the offer document	During the period October 06, 2023 to March 31, 2024
Repayment of Debt	3,750.40	3,750.40
General Corporate Purpose	1,048.00	823.86
Total	4,798.40*	4,574.26

The Unutilised amount of INR 220 Lakhs is in bank as Fixed Deposit and INR 5 Lakhs is kept with Merchant Banker as a deposit.

Particulars	Net proceeds as per prospectus (Amount Rs. In Lakhs)
Gross proceeds from the Issue	5,000.40
Less: Issue related expenses	202.00
Net Proceeds of the Issue	4,798.40

4. DIVIDEND

With a view to conserve resources for expansion of business, the Board of Director have not recommended any dividend for the financial year 2023-2024 under review.

As per Regulation 43A of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 (the Listing Regulations), the top 1000 listed Companies shall formulate a Dividend Distribution Policy. The Company does not come under the category of top 1000 listed Companies based on the market capitalization, however for Good Corporate Governance practice, the Company has

formulated its Dividend Distribution Policy, which is available on the website of the Company and may be viewed at <https://organicrecycling.co.in/wp-content/uploads/2023/10/Dividend-Distribution-Policy.pdf>

5. TRANSFER TO RESERVES

The Company has not transferred any amount to the reserves during the financial year under review. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2024, please refer to the Note No. 5 of the Standalone Financial Statement of the Company.

6. DEPOSITS

During the year, your Company has not accepted any deposits within the meaning of sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, hence there are no details to disclose as required under Rule 8 (5) (v) and (vi) of the Companies (Accounts) Rules, 2014.

However, during the year, the Company has taken unsecured loan from director of an amount of Rs.17.95 lakhs, the balance of unsecured loan from director as on March 31, 2024, stood at Rs.21.18 lakhs.

7. DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES

Subsidiary Company: -

The Company has 4 (Four) wholly owned subsidiary company namely Solapur Bioenergy Systems Private Limited, Organic Waste (India) Private Limited, Meerut Bio-Energy Systems Private Limited, Pune Urban Recyclers Private Limited.

Solapur Bioenergy Systems Private Limited and Organic Waste (India) Private Limited are material subsidiaries of the Company.

Associate Company: -

Your Company has 2(two) Associate Company namely Blue Planet Kannur Waste Solution Private Limited and Blue Planet Palakkad Waste Solution Private Limited.

During the year under review, neither any other Company was formed nor ceased as Subsidiary, Associate or Joint Venture of the Company.

Pursuant to requirements of Regulation 16(1)(c) of the Listing Regulations, the Company has formulated "Policy on determining Material Subsidiaries" which is posted on website of the Company and may be

viewed at <https://organicrecycling.co.in/wp-content/uploads/2023/10/Policy-for-Determining-Material-Subsidiary.pdf>

8. CONSOLIDATED FINANCIAL STATEMENT

A statement providing the highlights of performance of subsidiaries & associates companies and their contribution to the overall performance of the company during the period under report, are provided in note 35 of the consolidated financial statement and therefore, not repeated in this Report to avoid duplication

The consolidated financial statement represents those of the Company and its Subsidiaries and i.e., Solapur Bioenergy Systems Private Limited, Organic Waste (India) Private Limited, Meerut Bio-Energy Systems Private Limited, Pune Urban Recyclers Private Limited and its Associate Companies i.e. Blue Planet Palakkad Waste Solution Private Limited and Blue Planet Kannur Waste Solution Private Limited.

The Consolidated Financial Statements required pursuant to section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules, 2021 have been prepared in accordance with the relevant accounting standards as per the Companies (Accounting Standard) Rules as amended. The audited consolidated financial statement is provided along with the Standalone Financial Statement.

The Audited Financial Statements for the year ended March 31, 2024 of Solapur Bioenergy Systems Private Limited, Organic Waste (India) Private Limited, Meerut Bio-energy Systems Private Limited and Pune Urban Recyclers Private Limited, Subsidiary Companies are available on website of the Company and may be viewed at <https://organicrecycling.co.in/financial-statement-of-subsubsidiary-joint-venture-and-associate-company/>

9. SHARE CAPITAL

- During the year under review, there was no change in the Authorized Share Capital of the Company.
- As stated above, Subsequent to the completion of IPO, the paid-up equity shares capital of the Company got increased from Rs. 519.91 Lakhs to Rs 769.93 Lakhs.
- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise, during the period under review.

- The Company has not issued any sweat equity shares to its directors or employees, during the period under review.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board as on March 31, 2024 comprised of 5 (Five) Directors out of which 2 (Two) are Independent Directors, 1 (One) is Non-Executive and 2 (Two) are Executive Directors out of which one is Managing Director and one is Whole Time Director and CEO.

Mr. Sarang Bhand (DIN 01633419), Managing Director, Mr. Yashas Bhand (DIN 07118419), Whole-time Director & CEO, Mr. Jigar Gudka, CFO and Ms. Seema Gawas, Whole-time Company Secretary are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and rules made there under.

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of company by the Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

a. Appointments and Resignations of Directors and Key Managerial Personnel

During the period under review, following changes have been occurred:

- Mrs. Janaki Bhand (DIN:07118415), appointed as a Director liable to retire by rotation at the 15th Annual General Meeting of the members of the Company held on August 25, 2023.
- Ms. Zinal Shah has been resigned from the position of Company Secretary and Compliance Officer w.e.f. closure of working hours of 7th November, 2023.
- Ms. Seema Gawas has been appointed as a Company Secretary and Compliance Officer w.e.f. from 8th November, 2023.

b. Director Liable to Retire by Rotation

In terms of Section 152 of the Companies Act, 2013, Mr. Yashas Bhand (DIN:- 07118419), Whole-time Director, being Director liable to retire by rotation shall retire at the ensuing Annual General Meeting and being eligible for re-appointment, offers himself for re-appointment.

The information as required to be disclosed in relation to the aforesaid re-appointment under Regulation 36 of Listing Regulations

and Secretarial Standard on General Meetings (“SS-2”) will be provided in the notice of next General Meeting.

c. Independent Directors

The Company has received declarations/ confirmations from each Independent Directors under section 149(7) of the Companies Act, 2013 and regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence as laid down in the Companies Act, 2013 and the Listing Regulations.

The Company has also received requisite declarations from Independent Directors of the Company as prescribed under rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014.

All Independent Directors have affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013.

In the opinion of the Board, Independent Directors of the Company possess requisite qualifications, experience and expertise and hold the highest standards of integrity. Further in terms of the rule 6(1) of Companies (Appointment and Qualification of Directors) rules, 2014, as amended all the Independent Directors of the Company have registered their names in the online databank of Independent Directors maintained by Indian Institute of Corporate Affairs. Further, out of the two Independent Directors as on March 31, 2024, one Independent Director Mr. Rakesh Mehra on the basis of his experience has got exemption from giving online proficiency self-assessment test as prescribed under Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014 and Mr. Amit Karia, Independent Directors has already passed the online proficiency self-assessment test.

The Independent Directors are provided with all necessary documents/reports and internal policies to enable them to familiarise with the Companies procedures and practices.

11. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

7 (Seven) meetings of the Board of Directors of the Company were held during the year under review.

12. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, the Directors hereby confirm and state that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee (‘NRC’) works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner. The Company has in place a Policy on appointment & removal of Directors (‘Policy’).

The salient features of the Policy are:

- It acts as a guideline for matters relating to appointment and re-appointment of Directors.
- It contains guidelines for determining qualifications, positive attributes for Directors and independence of a Director.

- It lays down the criteria for Board Membership
- It sets out the approach of the Company on board diversity
- It lays down the criteria for determining independence of a Director, in case of appointment of an Independent Director.

The Nomination and Remuneration Policy is posted on website of the Company and may be viewed at <https://organicrecycling.co.in/wp-content/uploads/2023/10/Nomination-and-Remuneration-Policy.pdf>

14. PERFORMANCE EVALUATION OF THE BOARD

The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its Committees and individual directors including Independent Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, based on the predetermined templates designed as a tool to facilitate evaluation process, the Board has carried out the annual performance evaluation of its own performance, the Individual Directors including Independent Directors and its Committees on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

COMMITTEES OF THE BOARD

The Company has several committees, which have been established as part of best corporate governance practices and comply with the requirements of the relevant provisions of applicable laws and statutes:

The Committees and their Composition as on March 31, 2024, are as follows:

► **Audit Committee**

1. Mr. Rakesh Mehra - Chairman

2. Mr. Amit Karia - Member
3. Mr. Sarang Bhand - Member

► **Nomination and Remuneration Committee**

1. Mr. Amit Karia - Chairman
2. Mr. Rakesh Mehra - Member
3. Mrs. Janaki Bhand - Member

► **Stakeholders Relationship Committee**

1. Mr. Amit Karia - Chairman
2. Mr. Sarang Bhand - Member
3. Mr. Yashas Bhand - Member

Further, during the year, there are no such cases where the recommendation of any Committee of Board including Audit Committee, have not been accepted by the Board, which is required to be accepted as per the law.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 134 and 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the disclosure about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year and Annual Report on CSR Activities forms part of this Report as an **Annexure-1**.

16. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Listing Regulations is presented in a separate section and forming part of this Report.

17. CORPORATE GOVERNANCE

The Company is listed in BSE SME Platform, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

18. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has in place Whistle Blower Policy ("the Policy"), to provide a formal mechanism to its directors and employees for communicating instances of breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts

resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected/actual fraud and criminal offences. The Policy provides for a mechanism to report such concerns to the Chairman of the Audit Committee through specified channels. The framework of the Policy strives to foster responsible and secure whistle blowing. In terms of the Policy of the Company, no employee including directors of the Company has been denied access to the chairman of Audit Committee of the Board. During the year under review, no concern from any whistle blower has been received by the Company. The whistle blower policy is available at the link <https://organicrecycling.co.in/wp-content/uploads/2023/10/Whistle-Blower-Policy.pdf>

19. STATEMENT ON RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks, to key business objectives on a continuing basis.

The Audit Committee oversees enterprise risk management framework to ensure execution of decided strategies with focus on action and monitoring risks arising out of unintended consequences of decisions or actions and related to performance, operations, compliance, incidents, processes, systems and transactions are managed appropriately.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of loans given, investments made and guarantee/security provided by the Company under the provision of section 186 of the Companies Act, 2013 are provided in Note 11, 13, 28 & 29 of the Standalone Financial Statement.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contract or arrangements or transactions entered into by the Company with related parties, which falls under the provisions of sub-section (1) of section 188 of the Companies Act, 2013, though that transactions are on arm's length basis, forms part of this report in Form No. AOC-2 is annexed as an **Annexure-2** to this report.

During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with provision of Listing Regulations and the policy of the Company on materiality of related party transactions.

The statement showing the disclosure of transactions with related parties in compliance with applicable provision of AS, the details of the same are provided in note no. 29 of the Standalone Financial Statement. All related party transactions were placed before the Audit Committee and the Board for approval.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available at the link: <https://organicrecycling.co.in/wp-content/uploads/2023/10/Policy-on-Materiality-of-Related-Party-Transactions-and-Dealing-with-Related-Party-Transactions.pdf>

22. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has in place adequate standards, processes and structures to implement internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. In addition to above, the Company has in place Internal Audit carried out by independent audit firm to continuously monitor adequacy and effectiveness of the internal control system in the Company and status of its compliances.

23. LISTING REGULATIONS, 2015

The Equity Shares of the Company are listed on BSE Limited (BSE) SME platform

The Company has formulated following Policies as required under the Listing Regulations, the details of which are as under:

"Documents Preservation & Archival Policy" as per Regulation 9 and Regulation 30 which may be viewed at <https://organicrecycling.co.in/wp-content/uploads/2023/10/Documents-Preservation-Archival-Policy.pdf>

"Policy for determining Materiality of events/information" as per Regulation 30 which may be viewed at <https://organicrecycling.co.in/wp-content/uploads/2024/07/Policy-for-Determining-Materiality-of-Information-or-Events.pdf>

24. AUDITORS

(a) Statutory Auditor

M/s. Jayesh Sanghrajka & Co. LLP, (Firm Registration No. 104184W/W100075) were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, from the conclusion of 13th Annual General Meeting till the conclusion of the 18th

Annual General Meeting of the Company. Your Company has received necessary confirmation from them stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013.

The report of the Statutory Auditor forms part of the Annual Report. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

(b) Secretarial Auditor

Secretarial Auditor Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Anish Gupta, partner of **M/s. VKMG & Associates LLP**, Practicing Company Secretaries, as the Secretarial Auditors of the Company to undertake Secretarial Audit for the financial year ended March 31, 2024. The Secretarial Audit Report for the financial year ended March 31, 2024, is annexed herewith and marked as an '**Annexure-3**' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

(c) Internal Auditor

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Company had appointed M/s. K R A H & Associates, Chartered Accountants to undertake Internal Audit for financial year ended March 31, 2024.

25. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors of the Company have not reported to the Audit Committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its Officers or Employees, the details of which would need to be mentioned in the Board's Report.

26. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the financial year of the Company, i.e. March 31, 2024 till the date of this Directors' Report.

27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

There were no other significant and material orders passed by the regulators/ courts/ tribunals, which may impact the going concern status and the Company's operations in future.

28. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

(a) The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as an '**Annexure-4**'.

(b) In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in a separate annexure forming part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. In terms of Section 136, the said annexure is open for inspection by the members through electronic mode. Any member interested in obtaining such particulars may write to the Company Secretary of the Company at cs@organicrecycling.in. The said particulars shall be open for inspection by the Members at the registered office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. upto the date of AGM.

29. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any unpaid/unclaimed amount which is required to be transferred, under the provisions of Companies Act, 2013 into the Investor Education and Protection Fund (IEPF) of the Government of India.

30. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information required under Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 by the Company are as under:

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

Though business operation of the Company is not energy-intensive, the Company, being a responsible corporate citizen, makes conscious efforts to reduce its energy consumption. Some of the measures undertaken by the Company on a continuous basis, including during the year, are listed below:

- a) Use of LED Lights at office spaces.
- b) Rationalization of usage of electricity and electrical equipment air conditioning system, office illumination, beverage dispensers, desktops.
- c) Regular monitoring of temperature inside the buildings and controlling the air-conditioning system.
- d) Planned Preventive Maintenance schedule put in place for electromechanical equipment.
- e) Usage of energy efficient illumination fixtures

(ii) Steps taken by the company for utilizing alternate sources of energy:

The business operation of the Company is not energy-intensive, hence apart from steps mentioned above to conserve energy, there is no requirement to utilize the alternate source of energy.

(iii) The capital investment on energy conservation equipment:

There is no capital investment on energy conservation equipment, during the year under review.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

The Company has been taking every step to use Indigenous Modern Technology for efficient management of existing business as well as new services, designs, frameworks, processes and methodologies.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has been benefited immensely by usage of Indigenous Technology for their operations and management, which saved a sizeable amount of funds.

- (iii) The Company has not imported any technology during last year from the beginning of the financial year.
- (iv) The expenditure incurred on Research and Development :

The cost amounting to INR 199.65 Lakhs comprises of salary cost incurred in the development of In-vessel composting, Activated Carbon to Mesh Membrane development for Water/Gas purification application, Bio grinder, Sanjeevak Carbonisation System & emission control device.

(C) Foreign Exchange Earnings and Outgo :

(INR in Lakhs)

Particulars	Current Year (2023-2024)	Previous Year (2022-2023)
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo		
Value of Imports on CIF basis	123.93	NIL
Total	123.93	NIL

31. ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return of the Company as on March 31, 2024 is available on the Company's website and can be accessed at <https://organicrecycling.co.in/annual-report/>

32. SECRETARIAL STANDARD OF ICSI

The Company has complied with the Secretarial Standards on Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India (ICSI).

33. MAINTENANCE OF COST RECORDS

Maintenance of cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act 2013 is not applicable to the Company.

34. PREVENTION OF SEXUAL HARASSMENT

Your Company is fully committed to uphold and maintain the dignity of women working in the Company and has zero tolerance towards any actions which may fall under the ambit of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, during the year Internal Complaints Committee of the Company has not received any case related to sexual harassment.

The policy framed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules framed thereunder may be viewed at <https://organicrecycling.co.in/wp-content/uploads/2023/10/Policy-Against-Sexual-Harassment.pdf>

35. DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME

During the year under review, the Company has not issued or offered any shares under any Employee Stock Option / Purchase Scheme and also does not have any plans to introduce the same.

36. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions for the same during the year under review:

- the Managing Director nor the Whole-time Directors of the Company apart from receiving director remuneration does not receive any commission from the Company,
- Issue of debentures/bonds/warrants/any other convertible securities.

- Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Instance of one-time settlement with any Bank or Financial Institution.
- Application or proceedings under the Insolvency and Bankruptcy Code, 2016.

37. ACKNOWLEDGEMENTS

Your Directors take the opportunity to express our deep sense of gratitude to all users, vendors, government and non-governmental agencies and bankers for their continued support in Company's growth and look forward to their continued support in the future.

Your Directors would also like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company.

**By Order of the Board of Directors
For Organic Recycling Systems Limited**

Sarang Bhand **Yashas Bhand**
Managing Director **Whole Time Director & CEO**
DIN : 01633419 **DIN:- 07118419**

Place : Navi Mumbai

Date : 27-05-2024

Registered office:

Organic Recycling Systems Limited
CIN: L40106MH2008PLC186309
1003, 10th Floor, The Affaires Plot No 9,
Sector No 17, Sanpada, Navi Mumbai
Thane MH 400705 IN

Annual Report on Corporate Social Responsibility (CSR) Activities of the Company

1. Brief outline on CSR Policy of the Company.

The CSR policy encompasses Organic Recycling Systems Limited (ORS) philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare and sustainable development of the community at large. Corporate Social Responsibility is the commitment of the Company to improve the quality of life, value education and women empowerment. ORS believes in undertaking business in such a way that it leads to overall development of all stake holders and the society. The CSR policy shall apply to all CSR initiatives and activities taken up by ORS for the benefit of different segments of the society.

The Objective of CSR policy are as under:

- Uplift the communities around its areas of operation, thereby creating a positive impact in the community;
- Identify interventions to ensure sustainable social development after considering the immediate and long-term socio-environmental consequences; and
- Generate community goodwill for the Company through its CSR initiatives and help reinforce a positive image of the Company as a socially responsible corporate entity.

2. Composition of CSR Committee:

As per the provision of section 135(9) of the Companies Act, 2013, "Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company". Accordingly, the Board has not formulated the CSR committee of the Company and the functions of CSR Committee provided under CSR policy of the Company and under Section 135 shall be discharged by the Board of Directors of the company.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: <https://organicrecycling.co.in/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.):

Not Applicable

5. (a)	Average net profit of the company as per sub-section (5) of section 135.	Rs. 3,14,94,980/-
(b)	Two percent of average net profit of the company as per section 135(5)	Rs.6,29,900/-
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
(d)	Amount required to be set off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year (5b+5c-5d).	Rs.6,29,900/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - Nil

(b) Amount spent in Administrative Overheads. – Nil

(c) Amount spent on Impact Assessment, if applicable – Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - Nil

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Nil	1,00,000/- 5,30,000/-	29.04.2024 30.04.2024		Nil	

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs.6,29,900/-
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2022-2023	NA	NA	NA	NA	NA	NA
2.	2021-2022	NA	NA	NA	NA	NA	NA
3.	2020-2021	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					(1)	(2)	(3)
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: The Management of the Company has searched various CSR projects and out of which identified one ongoing project of construction of Old Age Home and Hostel for persons with disability in Safale, Palghar, Maharashtra and allocated an amount of INR 6.30 lakhs towards such project, however due to some procedural work and documentation said amount could not spent during the year and therefore transferred such amount in an "Unspent CSR Account" of the Company in two tranches of INR 1.00 Lakh and INR 5.30 Lakhs on April 29, 2024 and April 30, 2024 respectively, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules. The said amount of INR 6.30 lakhs shall be spent in compliance with provisions of Section 135(6) of the Companies Act, 2013 and rules made thereunder.

**By Order of the Board of Directors
For Organic Recycling Systems Limited**

Sarang Bhand
Managing Director
DIN : 01633419

Yashas Bhand
Whole Time Director & CEO
DIN:- 07118419

**Place : Navi Mumbai
Date : 27-05-2024**

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis: (Not Applicable)**
2. **Details of material contracts or arrangement or transactions at arm's length basis**

SN	Particulars	1
(a)	Name(s) of the related party and nature of relationship	Mr. Suhas Bhand (Father of Mr. Sarang Bhand, Managing Director)
(b)	Nature of contracts/arrangements / Transactions	Consultancy Charges
(c)	Duration of the contracts / arrangements/ transactions	One-time contract to obtain consultancy as per business requirement
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Consultancy Charges paid of an amount of Rs. 30 Lakhs during FY 2023-2024
(e)	date(s) of approval by the Board	28-06-2022
(f)	Amount paid as advances, if any	NA
(g)	Justification of the Board	Looking at the experience and expertise, the Board of Directors of the Company are of view that the Company should take business consultancy from Mr. Suhas Bhand in professional capacity for business growth, strategies and expansion of the Company.

**By Order of the Board of Directors
For Organic Recycling Systems Limited**

Sarang Bhand
Managing Director
DIN : 01633419

Yashas Bhand
Whole Time Director & CEO
DIN:- 07118419

Place : Navi Mumbai

Date : 27-05-2024

Form No. MR-3

SECRETARIAL AUDIT REPORT OF ORGANIC RECYCLING SYSTEMS LIMITED

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Organic recycling Systems Limited
Office No. 1003, 10th Floor, the Affaires,
Plot No.9, Sector 17, Sanpada,
Navi Mumbai - 400705

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Organic Recycling Systems Limited (“the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

(i)	The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii)	The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
(iii)	The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv)	The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period)
(v)	The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
(a)	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b)	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c)	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(d)	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
(e)	The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(f)	The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
(g)	The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);

(h)	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021(Not Applicable to the Company during the Audit Period); and
(i)	The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021(Not Applicable to the Company during the Audit Period).

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all Directors to schedule the Board and Committee meetings and the agenda and detailed notes on agenda were sent at least seven days in advance, except for the meeting where directors confirm to receive the agenda and detailed notes on agenda at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the year under report:

- The Company's has successfully completed Initial Public Offering (IPO) of 25,00,200 Equity Shares of face value of Rs.10/- each (Rupees Ten Only) at an issue price of Rs. 200/- per equity share including a share premium of Rs. 190/- per equity share. The Issue was opened on 21st September 2023 and closed on 26th September 2023. The allotment of 25,00,200 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 190/- per share aggregating to Rs.5000.40 Lakhs under the said IPO was made on 28th September, 2023. Subsequent to the completion of IPO, the paid-up equity shares capital of the Company got increased from Rs. 519.91 Lakhs to Rs 769.93 Lakhs. The Equity Shares of the Company were listed on BSE SME Platform w.e.f October 6, 2023.

For VKMG & Associates LLP
Company Secretaries
FRN: L2019MH005300

Anish Gupta
Partner
FCS-5733
CP No. - 4092
PRN:5424/2024

Date: May 27, 2024

Place: Mumbai

UDIN: F005733F000463731

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Organic recycling Systems Limited
Office No. 1003, 10th Floor, the Affaires,
Plot No.9, Sector 17, Sanpada,
Navi Mumbai - 400705

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test-check basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For VKMG & Associates LLP
Company Secretaries
FRN: L2019MH005300

Anish Gupta
Partner
FCS-5733
CP No. - 4092
PRN:5424/2024

Date: May 27, 2024
Place: Mumbai
UDIN: F005733F000463731

ANNEXURE – 4

Details required as per sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) **the Ratio of the Remuneration of each Director to the median employee’s remuneration, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Director/Key Managerial Personnel and Designation	Remuneration of Director/KMP (Rs. In Lakhs)	% increase in remuneration on FY 2023-2024	Ratio of Remuneration of each Director to median Remuneration of employee
SARANG SUHAS BHAND	42.00	- 2.03%	1 : 8.44
YASHAS SUHAS BHAND	24.00	33.33 %	1 : 4.82
RAKESH MEHRA (Appointment w.e.f 4 th October, 2022)	0.50	NA*	1:0.096
AMIT KARIA (Appointment w.e.f 4 th October, 2022)	0.40	NA*	1:0.077
JANAKI BHAND (Appointment w.e.f 1 st September, 2022)	0.60	NA*	1:0.115
JIGAR SURESH GUDKA	27.50	11.21 %	1 : 5.53
ZINAL SHAH (Ceased w.e.f 7 th November, 2024)	2.47	NA*	1 : 2.01
SEEMA GAWAS (Appointed w.e.f 8 th November, 2024)	6.00	NA*	1 : 1

* The percentage increase in remuneration is not comparable as such persons not in service of the Company for full FY 2022-23 & 2023-24.

- (ii) **the percentage increase in the median remuneration of employees in the financial year: : 5.23%**

- (iii) **the number of permanent employees on the rolls of the Company:**

As on March 31, 2024, the Company has 44 permanent employees (including 2 executive directors) on its rolls.

- (iv) **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in the salaries of employees other than managerial personnel in the financial year 2023-24 was 39.00%, whereas the increment in Managerial remuneration for the same financial year was 8.43 % as stated above, as per Industry level.

- (v) **the key parameters of any variable component of remuneration availed by the directors: Not Applicable**

It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

**By Order of the Board of Directors
For Organic Recycling Systems Limited**

**Sarang Bhand
Managing Director
DIN : 01633419**

**Yashas Bhand
Whole Time Director & CEO
DIN:- 07118419**

Place : Navi Mumbai

Date : 27-05-2024

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS :

Industry Overview

Current State of the Waste Management Industry in India ([Reference](#))

India's waste management industry is facing significant challenges and opportunities as the country continues to urbanize rapidly. The generation of Municipal Solid Waste (MSW) in India is substantial, with approximately 277 million tonnes of waste produced annually. Urban areas alone are responsible for generating around 62 million tonnes of waste per year. As cities expand and populations increase, this figure is expected to rise sharply.

Methane emissions accounted for about 14.5 percent of India's total GHG emissions. The agriculture sector accounts for most of the methane emissions with about 74 percent, followed by waste at about 15 percent, and remaining from energy and industrial processes. 13 In the agriculture sector, the two predominant sources of methane emissions are enteric fermentation and paddy cultivation. The waste sector — solid waste and wastewater — is responsible for 18 percent of global anthropogenic methane emissions, with municipal solid waste (MSW) contributing 11 percent to the total emissions. In India too, the MSW contributes to the major share of methane emissions from the waste sector.

Overview of the Biomethanation Process and Its Relevance in the Indian Context

Biomethanation is an anaerobic digestion process where organic waste is broken down by bacteria in the absence of oxygen, producing biogas and digestate. The biogas primarily consists of methane and carbon dioxide and can be used as a renewable energy source, while the digestate can be used as a bio-fertilizer.

In the Indian context, where a significant portion of MSW is organic (about 50-60%), biomethanation presents a highly relevant and sustainable waste management solution. The process not only helps in reducing the volume of organic waste but also contributes to renewable energy production and promotes sustainable agriculture through the use of bio-fertilizers. Given India's ambitious renewable energy targets and the need for sustainable waste management practices, biomethanation is increasingly being recognized as a critical component of the waste management industry.

The **Swachh Bharat Mission (SBM) 2.0** has reinforced the role of biomethanation as a key technology in India's waste-to-energy framework. SBM 2.0, with its emphasis on sustainable waste management practices, has

identified biomethanation as a vital process for treating organic waste.

The waste-to-energy sector importantly waste to CBG is a cornerstone of India's sustainable waste management strategy, providing a vital solution to the country's growing waste challenges by converting waste into valuable energy. Within this sector, biomethanation plays a significant role by efficiently processing organic waste to produce biogas and bio-fertilizers, thus contributing to both waste reduction and renewable energy generation. The introduction and renewal of the Swachh Bharat Mission (SBM) 2.0 have been instrumental in advancing the biomethanation industry, offering policy support, incentives, and a clear mandate to expand waste management practices. SBM 2.0 has significantly influenced the growth and development of the biomethanation industry in India by creating a favorable environment for its expansion. The mission's focus on complete waste processing, rather than mere collection and disposal, has led to increased investment in biomethanation projects. Additionally, SBM 2.0 has facilitated the development of new biomethanation plants and the upgrading of existing facilities through government incentives, subsidies, and technical assistance. This has not only enhanced the capacity of the biomethanation sector but also improved its efficiency and scalability, making it a more viable option for waste management in India. The ongoing support under SBM 2.0 is expected to continue driving innovation and expansion in the biomethanation industry, ensuring it remains a central component of India's waste management and renewable energy strategies.

Compressed biogas (CBG) provides an alternate domestic renewable fuel that reduces natural gas import dependency. It drives resource efficiency, while simultaneously reducing air pollution as it replaces fossil fuels, mitigates GHG emissions including methane and creates new economic value chains. Foremost, it contributes to curbing air pollution by creating an alternate monetary stream for the waste that otherwise is burnt in open fields or sent to landfills. CBG offers a sustainable, renewable energy alternative; displacing fossil fuel particularly natural gas consumption in key sectors such as transportation and industry. It further lowers GHG emissions where feedstocks are sourced. CBG is produced by anaerobic decomposition of organic waste including agricultural waste, municipal waste, and other industrial waste streams such as sugarcane press mud. It can be used as a fuel for automobiles²⁰ or co-mingled with natural gas in the city gas distribution (CGD) network.

The waste management industry in India is now at a critical juncture, where the need for sustainable and

efficient waste management solutions is more pressing than ever. As awareness of the environmental impact of poor waste management practices grows, there is increasing pressure on municipalities, businesses, and individuals to adopt better waste management practices.

Opportunities : Strategic Outlook towards EPC Services in the Waste to Compressed Biogas space

The waste-to-Compressed Biogas (CBG) sector is emerging as a critical component of India's renewable energy landscape. With the growing emphasis on sustainability and reducing reliance on fossil fuels, CBG has gained prominence as a viable and environmentally friendly alternative. The sector not only contributes to waste management by utilizing organic waste but also plays a significant role in reducing greenhouse gas emissions, aligning with India's broader goals of achieving energy security and environmental sustainability. Additionally, the diversification of feedstocks beyond Municipal Solid Waste (MSW) to include agro-biomass has further boosted the sector, opening new avenues for biogas production and enhancing the overall viability of CBG projects.

Engineering, Procurement, and Construction (EPC) services are pivotal in the successful implementation of CBG projects. The complexity and scale of these projects demand comprehensive planning, efficient procurement, and seamless execution—all areas where EPC service providers bring their expertise. In the waste-to-CBG sector, EPC services are critical for integrating diverse technologies, ensuring project viability, and meeting regulatory standards. The inclusion of different feedstocks like agro-biomass, in addition to MSW, has expanded the scope and potential of the sector. This diversification presents both opportunities and challenges, as it requires tailored approaches to process varying types of biomass effectively. Current trends indicate a rising demand for CBG plants across India, driven by government incentives and increasing awareness of sustainable waste management practices.

As the waste-to-CBG sector continues to evolve, **ORSL** is strategically positioning itself to capitalize on these emerging opportunities. By leveraging our expertise in EPC services, we are focused on delivering innovative, cost-effective solutions that meet the growing demand for sustainable energy. The inclusion of diverse feedstocks with MSW like agro-biomass allows us to explore new project opportunities, expanding our market reach and contributing to a more robust CBG industry. **ORSL's**

commitment to implement challenging projects with quality and efficiency positions us as a key player in the sector, ready to support India's transition towards a cleaner and more sustainable energy future.

Opportunities : Key Policies Shaping the Waste-to-CBG Sector

India's government has introduced a series of progressive policies and mandates to accelerate the development of the waste-to-Compressed Biogas (CBG) sector. Key among these is the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative, which aims to establish 5,000 CBG plants across the country by 2025, offering long-term procurement agreements and price support to producers. Additionally, the National Policy on Biofuels and the Swachh Bharat Mission (SBM) 2.0 further incentivize the sector by promoting the use of organic waste for energy production and supporting infrastructure development. The Goods and Services Tax (GST) benefits and capital subsidies for CBG plants also play a crucial role in making investments in this sector more attractive.

These policies are significantly shaping the waste-to-CBG industry by providing a robust framework for its growth and encouraging the adoption of CBG technologies. The SATAT initiative, in particular, has spurred a wave of new project announcements and investments, while the supportive biofuel and waste management policies have driven technological advancements and increased the viability of CBG projects across the country. The policy-driven push towards CBG not only aligns with India's renewable energy targets but also fosters a circular economy by turning waste into a valuable resource.

For companies operating in the waste-to-CBG space, these policies are pivotal to business growth and sustainability. They provide a clear and supportive regulatory environment that reduces financial risk and encourages innovation. Leveraging these policies allows companies to scale operations, secure long-term contracts, and contribute meaningfully to India's clean energy transition. The continued government focus on CBG underscores the strategic importance of aligning business operations with national priorities, ensuring both profitability and positive environmental impact.

A. Direct Policies, Mandates, and Schemes Supporting the Waste-to-CBG Sector:

1. Sustainable Alternative Towards Affordable Transportation (SATAT) Initiative ([Reference](#))

- ▶ **Overview:** Launched by the Ministry of Petroleum and Natural Gas in 2018, SATAT aims to establish 5,000 CBG plants across India by 2025. It provides long-term procurement agreements and price support to CBG producers, encouraging investment in the sector.
 - ▶ **Significance:** SATAT is a cornerstone policy driving the expansion of the CBG sector, offering a clear market for CBG through tie-ups with Oil Marketing Companies (OMCs).
- 2. National Policy on Biofuels – 2018 (Amended) ([Reference](#))**
- ▶ **Overview:** This policy supports the production of biofuels, including biogas and CBG, from various feedstocks, such as agricultural waste and municipal solid waste (MSW). The policy aims to reduce import dependency on fossil fuels and promote cleaner energy alternatives.
 - ▶ **Significance:** The policy incentivizes the use of organic waste for energy production, making CBG a viable alternative fuel.
- 3. Swachh Bharat Mission (SBM) 2.0 ([Reference](#))**
- ▶ **Overview:** The second phase of SBM, launched in 2021, continues to focus on solid waste management, emphasizing waste-to-energy solutions, including CBG. It supports infrastructure development for waste processing and biogas production.
 - ▶ **Significance:** SBM 2.0 provides a supportive framework for the CBG sector by promoting the segregation and processing of organic waste at the source.
- 4. Scheme for Development of Pipeline Infrastructure (DPI) for Injection of Compressed Biogas (CBG) into City Gas Distribution (CGD) Network ([Reference](#))**
- ▶ **Overview:** This scheme supports the creation of pipeline infrastructure for the injection of CBG into existing CGD networks, facilitating the integration of CBG into the national gas grid.
 - ▶ **Significance:** The scheme ensures grid connectivity for CBG producers, enhancing the marketability and distribution of CBG.
- 5. Goods and Services Tax (GST) Benefits for CBG Plants**
- ▶ **Overview:** CBG plants enjoy favorable GST rates and exemptions on the procurement of raw materials and machinery, reducing the overall cost of setting up and operating CBG facilities.
 - ▶ **Significance:** GST benefits make CBG production more economically viable, encouraging more players to enter the market.
- 6. Capital Subsidies for CBG Plants**
- ▶ **Overview:** The government offers capital subsidies to CBG plant developers to offset the high initial investment costs. These subsidies are critical for promoting the establishment of new CBG facilities across the country.
 - ▶ **Significance:** Capital subsidies lower the financial barriers to entry for the CBG sector, accelerating its growth.
- B. Indirect Policies, Mandates, and Schemes Supporting the Waste-to-CBG Sector (via Compost):**
- 1. Fertilizer Control Order (FCO) – 1985 (Amended)**
- ▶ **Overview:** The FCO includes city compost as a recognized fertilizer, setting quality standards to ensure safe usage in agriculture.
 - ▶ **Significance:** This policy enhances the marketability of compost produced from the CBG process, creating additional revenue streams for CBG plants.
- 2. Market Development Assistance (MDA) for Compost (GOBARDHAN)**
- ▶ **Overview:** Provides a subsidy of ₹1,500 per metric ton for city compost, incentivizing its production and sale to the agricultural sector.
 - ▶ **Significance:** The MDA scheme makes compost production from CBG more profitable, supporting the financial viability of CBG projects.
- 3. Public Procurement Policy for City Compost ([Reference](#))**
- ▶ **Overview:** Mandates the use of city compost in government and public sector agricultural operations.

- ▶ **Significance:** This policy guarantees a market for compost, ensuring steady demand for the by-product of CBG plants.

4. Goods and Services Tax (GST) Exemptions for Compost

- ▶ **Overview:** Reduces the GST rate on compost to 5%, making it more affordable for end-users.
- ▶ **Significance:** GST exemptions make compost from CBG plants more competitive, enhancing its market potential.

Initiatives like the Sustainable Alternative Towards Affordable Transportation (SATAT) scheme and the National Policy on Biofuels are reinforcing this growth by providing financial incentives, infrastructure support, and long-term procurement agreements for biogas producers. Together, these technological and policy developments are expected to improve resource recovery rates, reduce operational costs, and promote a more sustainable and circular economy. Strategically, these trends are set to reshape the industry landscape, opening up new opportunities for **ORSL** ensuring continued growth and leadership in the evolving market.

Risks and Concerns : New Emerging competition

The Waste-to-Compressed Biogas (CBG) sector in India is witnessing a significant influx of emerging competition, particularly from dynamic startups and new market entrants eager to capitalize on the growing demand for renewable energy solutions. These new players are bringing fresh perspectives and innovative approaches, often backed by cutting-edge technologies such as advanced anaerobic digestion processes, real-time data analytics, and decentralized CBG production models. These innovations are not only enhancing efficiency and scalability but also challenging traditional business models, potentially disrupting the market for established companies. In this evolving landscape, **ORSL** is strategically positioning itself to address these competitive threats by investing in R&D, forming strategic partnerships, and adopting flexible business strategies that leverage technological advancements. By staying agile and innovative, **ORSL** aims to not only withstand the competitive pressures but also continue to lead in the sector, ensuring sustained growth and market leadership.

Future outlook:

As a key player in the biomethanation and waste management sectors in India, **ORSL** is strategically positioned at the forefront of the industry's transformation. Leveraging its robust portfolio of innovative technologies, such as bespoke segregation line, MARUT drum, and the Sanjeevak Carbonisation System, **ORSL** is uniquely

equipped to address the critical challenges of waste management and renewable energy production. As market trends and regulatory frameworks continue to evolve, **ORSL** is poised to capitalize on significant growth opportunities, particularly in expanding its footprint in waste-to-energy projects and enhancing the efficiency of waste processing. **ORSL**'s deep expertise in delivering end-to-end Engineering, Procurement, and Construction (EPC) services is crucial for the successful implementation of EPC and selective BOOT CBG projects, particularly as the sector expands to include diverse feedstocks like agro-biomass in addition to Municipal Solid Waste (MSW). As the demand for CBG plants accelerates, bolstered by entrance of large corporates, favourable government incentives and supportive policies the company is well-poised to capitalize on future growth opportunities. These opportunities will be driven by favourable rapid technological advancements through strategic collaborations, and an evolving regulatory environment, including initiatives like the SATAT scheme and SBM 2.0. **ORSL**'s unwavering commitment to innovation and sustainability ensures that it will continue to provide Best-in-Industry services and eco-friendly solutions that meet the industry's growing demands. Looking ahead, **ORSL** envisions playing a pivotal role in the development of the future of waste management in India, contributing to India's circular economy and renewable energy goals, while consistently delivering value to its stakeholders through continued innovation and a steadfast commitment to sustainable development.

The current scenario of waste segregation in India faces significant challenges, primarily due to inconsistent enforcement of waste segregation policies. These issues have led to inefficient waste management practices, where mixed waste often ends up at the processing facilities hampering efforts to recover the organic fraction and generate renewable energy. The basic and pressing need for effective segregation solutions is evident as proper separation of organic and inorganic waste is crucial for improving overall waste management outcomes and enhancing the efficiency of downstream processes like biomethanation.

In response to these challenges, **ORSL** has developed a bespoke segregation line i.e OD-Segregator and the MARUT drum, specifically designed to recover organic fractions from Mixed Municipal Solid Waste (MSW). The bespoke segregation line is engineered to handle large volumes of mixed waste, utilizing sorting technologies to efficiently separate organic materials from other waste streams. The MARUT drum, with its robust design and optimized rotation speeds, ensures maximum recovery of organic fractions, which are then suitable for further processing, including biomethanation.

These products not only address the critical need for improved waste segregation but also significantly

contribute to the biomethanation industry by ensuring a higher quality of feedstock, leading to increased biogas production and reduced contamination. By integrating these innovative solutions into waste management operations, the company is strategically positioning itself to meet the growing demand for advanced waste processing technologies in India. These developments align with our broader objectives of promoting sustainability, enhancing resource recovery, and driving the transition towards a circular economy.

In India, the generation of agro biomass, particularly from the food processing industry, represents a significant yet underutilized resource. With large quantities of biomass waste, such as coconut shells, cashew nut shells, and date seeds among other biomass being produced annually, there is immense potential for converting this waste into valuable products through sustainable processes. One such process is carbonisation, which involves the thermal decomposition of organic material in the absence of oxygen, resulting in the production of charcoal. This process not only reduces waste in a sustainable way but also creates an eco-friendly byproduct with various industrial applications.

Recognizing this potential, our company has developed the Sanjeevak Carbonisation Systems (SCS), a cutting-edge technology specifically designed to convert biomass waste from nut processing units and other agro industries into eco-friendly charcoal. This technology is engineered to efficiently process a wide range of agro biomass, transforming it into high-quality charcoal.

The introduction of the Sanjeevak carbonisation system marks a significant advancement in the waste management industry in India. By providing a practical solution for the conversion of agro biomass waste into a valuable product, this technology addresses the dual challenge of waste disposal and resource recovery. The eco-friendly charcoal produced by SCS not only helps in reducing the environmental impact of biomass waste but also contributes to the circular economy by creating a marketable byproduct.

Strategically, the Sanjeevak Carbonisation System aligns with **ORSL's** broader objectives of promoting sustainable waste management solutions in India. As the demand for innovative and eco-friendly technologies continues to grow, the Sanjeevak system positions our company at the forefront of the industry, enabling us to meet the evolving needs of our clients while contributing to a more sustainable future.

Internal Control Systems and their adequacy

The Company has adequate internal control systems in place commensurate with its size and nature of business which ensures orderly and efficient conduct

of its business, safeguarding its assets, prevention and detection of frauds and error and timely tax and regulatory compliances.

To ensure transparency and good corporate governance, the Company has established policies aligned with applicable Securities and Exchange Board of India regulations covering key areas like related party transactions, materiality of information/events, nomination and remuneration of directors and KMPs, whistle blower, practices and procedures for fair disclosure of unpublished price sensitive information, code of ethics for board of directors and senior management, etc. These policies provide a framework for managing these matters and strengthen our internal controls.

Additionally, the statutory auditors after testing the existing internal financial controls, have confirmed that these controls were operating effectively during the year.

The Company, in compliance with the applicable regulations of Securities and Exchange Board of India, has approved policies on matters such as related party transactions, materiality of information/events, nomination and remuneration of directors and KMPs, whistle blower, practices and procedures for fair disclosure of unpublished price sensitive information, code of ethics for board of directors and senior management, etc. which provide assistance to the management to deal with such matters supporting internal controls.

The Audit Committee and the Board are of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating effectively, and no material weakness exists during the year.

Financial performance with respect to operational performance

Standalone Financial Performance

Particulars	INR in Lakhs	
	FY2024	FY2023
Revenue from Operations	1,812.84	1,304.94
Other Income	29.03	58.97
Total income	1,841.87	1,363.91
EBITDA	518.23	725.91
PAT	314.56	472.12

Standalone income grew by 35.04% from Rs. 1,304.94 lakhs in FY 2023 to Rs. 1,812.84 in FY 2024. However, EBITDA declined by 28.61% from Rs. 725.91 lakhs in FY 2023 to Rs. 518.23 mainly due to increase in cost of material consumed and construction expenses.

Consolidated Financial Performance

(INR in Lakhs)

Particulars	FY2024	FY2023
Revenue from Operations	2,748.73	2,471.93
Other Income	30.29	62.18
Total Income	2,779.02	2,534.10
EBITDA	1,063.52	1,149.45
PAT	776.90	365.38

Consolidated income grew by 9.66% from Rs. 2,534.10 lakhs in FY 2023 to Rs. 2,779.02 in FY 2024. Profit after tax (PAT) grew by 112.63% from Rs. 365.38 lakhs in FY 2023 to Rs. 776.90 lakhs in FY 2024.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

Our company takes great pride in our employees at all levels, recognizing them as our most valuable assets. We attribute our growth and success to the dedication and efforts of our people. To support our team in achieving the company's goals, we provide comprehensive training,

environmental conservation.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios

Particulars	Basis	As at March 31, 2024	As at March 31, 2023	Variance %	Comments
Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivables	0.76	0.69	10.20%	NA
Inventory turnover ratio	<u>Cost of Goods Sold</u> Average Inventory	688.77	NA	0.00%	NA
Interest Service Coverage Ratio	<u>Earning Before Interest and Tax</u> Interest on Debt Expense during the period*	6.55	5.44	20.47%	NA
Current ratio	<u>Current Assets</u> Current Liabilities	2.73	1.86	47.17%	The ratio has improved due to increase in current assets & decrease in current liabilities in current year as compared to last year.
Debt-Equity Ratio	<u>Total Debt</u> Shareholder's Equity	0.19	0.60	-67.68%	The ratio has improved due to decrease in total debts & increase in shareholder's equity in current year as compared to last year.

empowering each individual to perform at their best and reach the targets set for the company. We ensure a supportive environment that promotes a healthy work-life balance, understanding its importance for overall well-being and productivity. Additionally, we are committed to the professional development of our employees, offering opportunities for career advancement and continuous learning. We also cultivate leadership skills by providing opportunities for team members to take on leadership roles and responsibilities, fostering a culture of growth and innovation. Furthermore, we encourage our people to take additional responsibilities to enhance their learning curve.

We are deeply committed to women empowerment within our organization. We promote an inclusive and supportive environment where women are encouraged to take on leadership roles and pursue their career aspirations. By providing equal opportunities and resources, we aim to foster a culture where every woman can thrive and contribute to the company's success.

We are a dedicated team of 44 individuals, united by our mission to save and sustain the environment. Through our collective efforts, we strive to create a healthier, more sustainable world for future generations. Our commitment drives us to innovate and lead in

Particulars	Basis	As at March 31, 2024	As at March 31, 2023	Variance %	Comments
Operating profit Margin (%)	<u>EBITDA</u> Net Sales	28.59%	55.56%	-48.21%	The ratio has declined due to decrease earnings before interest, tax depreciation and amortisation in current year as compared to last year.
Net profit Margin (%)	<u>Net Profit</u> Net Sales	17%	36%	-52.04%	The ratio has declined due to decrease in profit and in increase in sales in current year as compared to last year.

**Interest on Debt Expense = Interest payable on any borrowings such as bonds, loans, line of credit during the period.*

Particulars	Basis	As at March 31, 2024	As at March 31, 2023	Variance %	Comments
Return on Net Worth	<u>Net Profit after Tax - Preference Dividend</u> Average Share- holder's Equity	2.31%	4.67%	-50.49%	The ratio has declined due to decrease in profit after tax and increase in average shareholder's funds in current year as compared to last year.

Independent Auditor's Report

To,
The Members of
Organic Recycling Systems Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Organic Recycling Systems Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended March 31, 2024, and notes to the Standalone 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 Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (the "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, 2024, its Profit and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone 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 on the Standalone Financial Statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in

forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Financial Statements, and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
 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. However, it was not possible to verify if daily backups were being taken in the absence of any evidence to that effect;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone 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, 2024, taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report;
 - g. In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - 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, as amended 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 position in its Standalone Financial Statements – Refer Note- 16 and Note- 28 to the Standalone 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.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37(5) to the Standalone Financial Statement, 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 as disclosed in the Note 37(6) to the standalone financial statement, 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. No dividend has been declared or paid during the year by the Company and hence no comment is required on compliance of Section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant

transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.144424

UDIN : 24144424BKFJNH8711

Place : Navi Mumbai

Date : May 27, 2024

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 **Organic Recycling Systems 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)	There is no immovable property held by the Company and accordingly, the requirement to report on Clause 3(i)(c) of the Order is not applicable to the Company.																																																							
	(d)	The Company has not revalued its Property, Plant and Equipment and Intangible assets during the year ended March 31, 2024.																																																							
	(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)	During the year, the inventories were physically verified by the Management. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.																																																							
	(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 provided loans, advances in the nature of loans, stood guarantee and provided security to companies or firms as follows:																																																							
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>Guarantees</th> <th>Security</th> <th>Loans</th> <th>Advances in nature of loans</th> </tr> </thead> <tbody> <tr> <td colspan="5">Aggregate amount granted/ provided during the year</td> </tr> <tr> <td>- Subsidiaries</td> <td>-</td> <td>-</td> <td>INR 372.13 Lakhs</td> <td>-</td> </tr> <tr> <td>- Joint Ventures</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>- Associates</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>- Others</td> <td>-</td> <td>-</td> <td>INR 0.30 Lakhs</td> <td>-</td> </tr> <tr> <td colspan="5">Balance outstanding as at balance sheet date in respect of above cases</td> </tr> <tr> <td>- Subsidiaries</td> <td>INR 2,844 Lakhs</td> <td>-</td> <td>INR 6,636.83 Lakhs</td> <td>-</td> </tr> <tr> <td>- Joint Ventures</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>- Associates</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>- Others</td> <td>-</td> <td>-</td> <td>INR 5.26 Lakhs</td> <td>-</td> </tr> </tbody> </table>	Particulars	Guarantees	Security	Loans	Advances in nature of loans	Aggregate amount granted/ provided during the year					- Subsidiaries	-	-	INR 372.13 Lakhs	-	- Joint Ventures	-	-	-	-	- Associates	-	-	-	-	- Others	-	-	INR 0.30 Lakhs	-	Balance outstanding as at balance sheet date in respect of above cases					- Subsidiaries	INR 2,844 Lakhs	-	INR 6,636.83 Lakhs	-	- Joint Ventures	-	-	-	-	- Associates	-	-	-	-	- Others	-	-	INR 5.26 Lakhs	-
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		- Others	-	-	INR 5.26 Lakhs	-																																																			
		(b)	The Company has not made any investments and the terms and conditions of the grant of all loans to any party are not prejudicial to the Company's interest.																																																						
(c)	In respect of loans given by the Company, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts are regular.																																																								
(d)	There are no amounts of loans granted to any parties which are overdue for more than ninety days.																																																								
(e)	There were no loans to any parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.																																																								
(f)	The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.																																																								
iv.	The Company has complied with the provisions of Section 185 of the Act in respect of the loan granted and guarantee given, to the extent applicable. The Company being established with the object of and engaged in the business of providing Infrastructural Facilities as prescribed in Section 186(11) read with Schedule VI, does not require to comply the provision of Section 186 in respect of loan given, investment made, guarantee given, or security provided in connection with loans to other bodies corporate or persons.																																																								

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 activities of the Company.																														
vii.	(a)	<p>Undisputed statutory dues including Goods and Services tax, employees' state insurance, income tax, sales-tax, service tax, the duty of custom, the duty of excise, value-added tax, and cess have generally been regularly deposited by the company with the appropriate authorities except professional tax and employees' state insurance. In the case of professional tax and employees' state insurance, there have been a few delays in payment by the Company with the appropriate authorities though the delays in deposit have not been serious.</p> <p>There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.</p>																														
	(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.																														
	(e)	<p>According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has taken funds from following persons on account of or to meet the obligations of its subsidiaries as per details below:</p> <table border="1"> <thead> <tr> <th>Nature of Fund Taken</th> <th>Name of Lender</th> <th>Amount (INR in Lakhs)</th> <th>Name of the Subsidiary</th> <th>Relation</th> <th>Nature of transaction for which funds utilised</th> </tr> </thead> <tbody> <tr> <td>Inter-corporate Deposit</td> <td>Aegis Warehousing Services Private Limited</td> <td>295.72</td> <td>Solapur Bioenergy Systems Private limited</td> <td>Subsidiary</td> <td>Business Purpose</td> </tr> <tr> <td>Inter-corporate Deposit</td> <td>Aegis Warehousing Services Private Limited</td> <td>5.29</td> <td>Meerut Bio-energy Systems Private Limited</td> <td>Subsidiary</td> <td>Business Purpose</td> </tr> <tr> <td>Inter-corporate Deposit</td> <td>Aegis Warehousing Services Private Limited</td> <td>0.62</td> <td>Pune Urban Recyclers Private Limited</td> <td>Subsidiary</td> <td>Business Purpose</td> </tr> <tr> <td>Inter-corporate Deposit</td> <td>Horizon Impex Private Limited</td> <td>70.50</td> <td>Solapur Bioenergy Systems Private limited</td> <td>Subsidiary</td> <td>Business Purpose</td> </tr> </tbody> </table>	Nature of Fund Taken	Name of Lender	Amount (INR in Lakhs)	Name of the Subsidiary	Relation	Nature of transaction for which funds utilised	Inter-corporate Deposit	Aegis Warehousing Services Private Limited	295.72	Solapur Bioenergy Systems Private limited	Subsidiary	Business Purpose	Inter-corporate Deposit	Aegis Warehousing Services Private Limited	5.29	Meerut Bio-energy Systems Private Limited	Subsidiary	Business Purpose	Inter-corporate Deposit	Aegis Warehousing Services Private Limited	0.62	Pune Urban Recyclers Private Limited	Subsidiary	Business Purpose	Inter-corporate Deposit	Horizon Impex Private Limited	70.50	Solapur Bioenergy Systems Private limited	Subsidiary	Business Purpose
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	(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, the requirement to report on Clause (ix)(f) of the Order is not applicable to the Company.
x.	(a)	In our opinion and according to the information and explanations given to us, the company has utilised the money raised by way of an Initial public offer for the purposes for which they were raised.
	(b)	The Company has not made preferential allotment of shares or private placement of shares or issued convertible debentures during the year. Accordingly, the requirement to report on Clause (x)(b) of the Order is not applicable to the Company.
xi.	(a)	No fraud by the Company or no 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 represented to us by the management, there are no whistle blower complaints received by the company during the year.
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 Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable Accounting Standards.
xiv.	(a)	In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
	(b)	The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
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)	In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). 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 Company.
	(d)	There is no Core Investment Company as a part of the Group. Accordingly, 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 and the immediately preceding financial year.
xviii.		There has been no resignation of the statutory auditors during the year and accordingly 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 34 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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)	There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
	(b)	In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.144424

UDIN : 24144424BKFJNH8711

Place: Navi Mumbai

Date : May 27, 2024

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 Organic Recycling Systems Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub – Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of Organic Recycling Systems Limited (the “Company”) as of March 31, 2024, in conjunction with our audit of the Standalone 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to these Standalone Financial Statements 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 with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to these Standalone Financial Statements, 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 of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company’s internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to Standalone Financial Statements 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements 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 controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as

at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.144424

UDIN: 24144424BKFJNH8711

Place: Navi Mumbai

Date: May 27, 2024

Standalone Balance Sheet as at March 31, 2024

(INR in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Equity and liabilities			
Shareholders' funds			
Share capital	4	785.69	535.67
Reserves and surplus	5	15,390.48	10,496.82
		16,176.17	11,032.49
Non-current liabilities			
Long-term borrowings	6	3,118.82	6,588.37
Other Long-term liabilities	7	264.00	441.75
Long-term provisions	8	41.27	32.42
		3,424.09	7,062.54
Current Liabilities			
Short-term borrowings	6	7.09	8.00
Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		513.93	718.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		177.63	-
Other current liabilities	7	501.17	668.12
Short-term provisions	8	66.19	3.05
		1,266.01	1,397.63
Total		20,866.27	19,492.66
Assets			
Non-current assets			
Property, Plant & Equipment and Intangible assets			
- Property, Plant & Equipment	10	65.32	45.54
- Intangible assets	10	8.21	0.59
- Intangible assets under development	10	852.82	653.17
Non-current investments	11	9,547.46	9,547.46
Deferred Tax Assets	12	23.44	17.32
Long-term loans and advances	13	6,645.70	6,345.71
Other non current assets	14	262.93	287.09
		17,405.88	16,896.89
Current assets			
Current Investments	11	-	-
Inventories	15	1.17	-
Trade receivables	16	2,708.57	2,063.43
Cash and Bank Balance	17	579.23	15.35
Short-term loans and advances	13	66.34	69.41
Other current assets	14	105.08	447.58
		3,460.39	2,595.77
Total		20,866.27	19,492.66
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Statement of Standalone Profit and Loss for the year ended March 31, 2024

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	18	1,812.84	1,304.94
Other income	19	29.03	58.97
Total Income (i)		1,841.87	1,363.91
Expenses			
Cost of Material consumed	20	402.75	55.58
Change in inventories of finished goods and work in progress	21	(0.91)	-
Construction Expenses	22	380.20	112.90
Employee benefits expense	23	244.84	238.44
Depreciation and amortization expense	24	15.55	25.96
Finance costs	25	76.76	128.76
Other expenses	26	294.88	229.84
Total expenses (ii)		1,414.07	791.49
Profit before exceptional and extraordinary item and tax (iii = i-ii)		427.80	572.42
Exceptional items (iv)		-	-
Profit before Extraordinary item and tax (v= iii-iv)		427.80	572.42
Extraordinary Items (vi)		-	-
Profit before Tax (vii= v-vi)		427.80	572.42
Tax Expenses (viii)			
Current tax		119.11	82.56
Deferred tax		(6.12)	17.73
Short/(Excess) provision of tax of earlier years		0.25	-
Total tax expenses		113.24	100.30
Profit for the year (ix= vii-viii)		314.56	472.12
Earnings per equity share (in INR) [nominal value of INR 10 per share (March 31, 2023 - INR 10 per share)]			
Basic	27	4.86	10.11
Diluted		4.86	10.11
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

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Managing Director

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Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Standalone Statement of Cash Flows as at March 31, 2024

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit before Tax	427.80	572.42
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	15.55	25.96
Finance cost	76.76	128.76
Interest income	(25.07)	(9.29)
Sundry balance written back	(1.41)	(48.46)
Loss/Gain on sale of property, plant and equipment	16.64	-
Bad debts and Balance written off	4.68	0.69
Provision for doubtful debts	-	-
Operating profit before working capital changes	514.94	670.08
Movement in working capital :		
Increase/ (Decrease) in Trade payables	(26.91)	(20.96)
Increase/ (Decrease) in Other liabilities	(347.90)	(1,971.28)
Increase/ (Decrease) in Provisions	9.70	3.53
Decrease/ (Increase) in Loans and advances	(311.80)	(618.58)
Decrease/ (Increase) in Inventories	(1.17)	-
Decrease/ (Increase) in Trade receivables	(645.14)	(341.30)
Decrease/ (Increase) in Other current / non current assets	406.74	(423.88)
Cash generated from/(used in) operations	(401.53)	(2,702.39)
Direct Taxes paid (net of refunds)	(40.00)	-
Net cash flow from operating activities (A)	(441.53)	(2,702.39)
Cash flow from investing activities		
Purchase of property, plant and equipments including capital advances	(56.29)	(3.32)
Purchase of intangible asset including capital advances	(8.29)	(0.24)
Sale of Property, Plant and Equipment	5.00	-
Intangible Asset Under Development	(199.65)	(222.84)
Term Deposit	(60.02)	57.71
Investment in Subsidiaries, associates and others	-	-
Interest received	42.84	21.88
Net cash used in investing activities (B)	(276.42)	(146.81)
Cash flow from financing activities		
Proceeds from Issue of Equity Shares (Net of share issue expenses)	4,829.12	-
Proceeds from Issue of Compulsory convertible Debentures	-	1,385.00
Proceeds /(Repayment) from long-term borrowings including current maturity, net	(3,470.45)	2,188.72
Redemption of Optionally convertible Preference Shares	-	(9.17)
Proceeds /(Repayment) from short-term borrowings, net	-	(592.54)
Interest paid	(76.82)	(128.33)
Net cash used in financing activities (C)	1,281.84	2,843.67

Standalone Statement of Cash Flows as at March 31, 2024

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net increase/(decrease) in cash and cash equivalents (A + B + C)	563.89	(5.53)
Cash and Cash Equivalents at the beginning of the year	15.25	20.78
Cash and cash equivalents at end of the year	579.13	15.25
Components of cash and cash equivalents		
Cash in hand	0.11	0.15
Balances with banks:		
- on current accounts	359.02	15.10
Term Deposit with bank with Original maturity less than 3 months	220.00	-
Total cash & cash equivalents (Note 17)	579.13	15.25
Summary of significant accounting policies		

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Notes to standalone financial statements as at March 31, 2024

1 Nature of Operation

Organic Recycling Systems Limited (“the Company”) is a technology development company focused on pioneering in developing solutions focused on the Municipal Solid Waste (MSW) space. The Company is involved in the Construction, Development and Maintenance of Waste-to-Energy projects, particularly in the Municipal Solid Waste sector, through various Special Purpose Vehicles (“SPVs”). Further, the company has also started monetizing its technology through entering into EPC contracts with developers of MSW projects. The Company was incorporated as a private limited company and became a Limited Company in September, 2022.

The Company operates through bidding for waste management projects and has been awarded contracts by various Municipal Corporations. Some of this contract are executed through SPV.

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 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 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.

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.

Notes to standalone financial statements as at March 31, 2024

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.

d. Statement of Cash Flow

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.

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. 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.

Technology Development:

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

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical, financial and other resources required to complete the development and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Company filed patents for 'DRYAD' Technology and 'Integrated Process for Pre-treatment and Anaerobic Digestion of Waste' (referred to as MARUT Drum and allied equipment) in June 2014 and was granted the patents on June 16, 2022, and July 10, 2023, respectively.

g. 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's & Fixtures	10 Years
Computers	3 Years
Vehicles	8 Years
Plant & Machinery	15 Years

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

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

Intangible asset internally generated in the current year is amortised on a Straight Line Method over its useful life of 10 years.

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

Notes to standalone financial statements as at March 31, 2024

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

h. Intangible Assets under Development

Intangible assets under development are stated at cost, net of accumulated impairment losses, if any. The cost comprises of salary cost and professional fees incurred in development of In-vessel composting, Activated Carbon to Mesh Membrane development for Water/Gas purification application, Bio grinder, Sanjeevak Carbonisation System & emission control device.

i. Revenue Recognition

Revenue is recognized based on the nature of activity to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue from Construction Contract

- a. For Engineering, Procurement and Construction ('EPC') and construction contracts, contract prices are either fixed or subject to price escalation clauses.
- b. Revenues are recognised on a percentage of completion method measured on the basis of stage of completion which is as per joint surveys and work certified by the customers.
- c. Profit is recognised in proportion to the value of work done (measured by the stage of completion) when the outcome of the contract can be estimated reliably. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognized immediately.
- d. Amounts due in respect of price escalation claims and/ or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

Revenue from Supply Contracts-Sale of goods

Revenue from supply contract is recognized when the substantial risk and rewards of ownership is transferred to the buyer.

Service income

Service income is recognised on the basis of completion of service method.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

j. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. All other investments are classified as long term investments. Long term investments are carried at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

k. Inventories

Inventories comprising finished goods, are carried at the lower of cost and net realisable value and work-in-progress are valued at cost.

Raw materials are valued at cost using Weighted average method. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Notes to standalone financial statements as at March 31, 2024

I. 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 to 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 recognized in full in the period in which they occur in the statement of profit and loss.

m. Borrowing Cost

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the statement of Profit and Loss in the year in which they are incurred.

n. 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 year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year 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

Notes to standalone financial statements as at March 31, 2024

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 statement for the year under report.

q. Provisions and Contingencies

A provision is recognised 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.

r. Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of

ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

s. Events occurring after the Balance Sheet date:

Events occurring after the balance sheet date are those significant events, both favourable and unfavourable, that occur between the balance sheet and the date on which the Standalone financial statements are approved by the Board of Directors. Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date. To that extent Assets and Liabilities are adjusted for events occurring after the balance sheet date which indicate that the fundamental accounting assumption of going concern is not appropriate.

t. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognised in the statement of profit and loss.

Foreign currency denominated monetary items at year end are translated at exchange rates as on the reporting date and the resulting

net gain or loss is recognised in the statement of profit and loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

4 Share capital	Number of Shares March 31, 2024	As at March 31, 2024	Number of Shares March 31, 2023	As at March 31, 2023
Authorized capital				
Equity shares of INR 10/- each	20,040,000	2,004.00	20,040,000	2,004.00
0% Optionally convertible preference shares of INR 10/- each	300,000	30.00	300,000	30.00
0% Non-cumulative redeemable preference shares of INR 10/- each	160,000	16.00	160,000	16.00
Total		2,050.00		2,050.00
Issued, subscribed and fully paid up share capital				
Equity shares of INR 10/- each	7,699,275	769.93	5,199,075	519.91
0% Optionally convertible preference shares of INR 10/- each		-	-	-
0% Non-cumulative redeemable preference shares of INR 10/- each	157,632	15.76	157,632	15.76
Total issued, subscribed and fully paid-up share capital		785.69		535.67

(A) Equity Share Capital

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	5,199,075	519.91	13,750	1.38
Add:				
(i) Bonus Shares issued during the year	-	-	4,125,000	412.50
(ii) 0% Optionally convertible Preference shares converted during the year	-	-	194,700	19.47
(iii) Compulsorily Convertible Debenture converted during the year	-	-	865,625	86.56
(iv) Shares issued on account of Initial Public offer during the year	2,500,200	250.02		
Less: Shares Bought Back during the year	-	-	-	-
Outstanding at the end of the year	7,699,275	769.93	5,199,075	519.91

Issue of Shares (Initial Public Offer)

The Company has completed the initial Public Offer (IPO) of fresh issue and allotment of 25,00,200 equity shares of INR 10 each at an issue price of INR 200 per share on September 28, 2023. The equity shares of the Company were listed on Bombay Stock Exchange (BSE) on SME Platform w.e.f. October 06, 2023. The issue comprised of fresh issue of 25,00,200 equity shares aggregating to INR 5,000.40 Lakhs.

Notes to standalone financial statements as at March 31, 2024

Utilisation of IPO proceeds

The details of utilisation of proceeds of IPO , net of estimated IPO expenses of INR 202.00 Lakhs are as follows:

(INR in Lakhs)

Particulars	Projected utilization of proceeds as per the offer document	During the period October 06, 2023 to March 31, 2024
Repayment of Debt	3,750.40	3,750.40
General Corporate Purpose	1,048.00	823.86
Total	4,798.40	4,574.26

The Unutilised amount of INR 220 Lakhs is in bank as Fixed Deposit and INR 5 Lakhs is kept with Merchant Banker as a deposit.

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 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 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.

Details of Shareholders holding more than 5% Equity Shares

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Sarang Bhand	1,567,006	20.35%	1,567,006	30.14%
Suhrud Patel	571,443	7.42%	571,443	10.99%
Harish Mehta	360,899	4.69%	360,899	6.94%
Vipul Modi	259,763	3.37%	259,763	5.00%

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.

Aggregate number of Equity shares issued as Bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- Equity shares issued as pursuant to any contract for consideration other than cash**

The Company allotted 41,25,000 equity shares as fully paid up bonus shares by capitalisation of profits transferred from Securities Premium, pursuant to the passing of an Ordinary Resolution by the Shareholder in Extra Ordinary General Meeting held in September 8, 2022 for bonus equity in the ratio of 300:1 [300 (Three Hundred) equity shares to be issued for every 1 (one) equity shares].

- Equity shares bought back**

The Company has not bought back any shares during the 5 preceding years.

Notes to standalone financial statements as at March 31, 2024

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follows:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sarang Bhand	1,567,006	20.35%	1,567,006	30.14%	-9.79%

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	
Sarang Bhand	1,567,006	30.14%	5,206	37.86%	-7.72%

(B) 0% Optionally Convertible Preference Shares

Reconciliation of the 0% optionally convertible preference shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	-	-	286,400	28.64
Add: Shares issued during the year	-	-	-	-
Less: Shares Bought Back during the year	-	-	-	-
Less: Shares redeemed during the year	-	-	(91,700)	(9.17)
Less: Shares converted into equity shares during the year	-	-	(194,700)	(19.47)
Outstanding at the end of the year	-	-	-	-

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follows:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sarang Bhand	-	-	-	-	-

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	
Sarang Bhand	-	-	37,700	13.16%	-13.16%

Notes to standalone financial statements as at March 31, 2024

(C) 0% Non-Cumulative Redeemable Preference Shares

Reconciliation of the 0% non-cumulative redeemable preference shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	157,632	15.76	157,632	15.76
Add: Shares issued during the year	-	-	-	-
Less: Shares Bought Back during the year	-	-	-	-
Outstanding at the end of the year	157,632	15.76	157,632	15.76

Terms/Rights attached to 0% non-cumulative redeemable preference shares

Preference shareholders shall be entitled to rights and privileges as are contained in the Preference Share Agreement dated September 16, 2013 and any subsequent addendums thereof subject to the Companies Act, 1956 and any subsequent re-enactments thereof.

Preference Shares are redeemable / transferable in accordance with the terms contained in the Preference Share Agreement dated September 16, 2013 and any subsequent addendums thereof. As per addendum dated September 08, 2022, the preference shares are redeemable on any date on or before March 31, 2029.

No dividend is payable on the preference shares of the Company.

Each of the shares shall be redeemed at price calculated based on annual return of 18% p.a. for the Redemption period.

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

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Manish Modi	68,916	43.72%	68,916	43.72%
Mahendra Modi	14,000	8.88%	14,000	8.88%
Rupal J Shah Trustee of J.P.S. Family Trust	12,000	7.61%	12,000	7.61%
Ami Modi	10,740	6.81%	10,740	6.81%
Milap C Shah	45,860	29.09%	45,860	29.09%

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follows:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
-	-	-	-	-	-

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	
-	-	-	-	-	-

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

5	Reserves and surplus	As at March 31, 2024	As at March 31, 2023
	Capital Redemption Reserve		
	Balance as at the beginning of the year	9.17	-
	Add: Addition on account of redemption of preference shares	-	9.17
	Closing balance at the end of the year	9.17	9.17
	Securities premium account		
	Balance as at the beginning of the year	10,947.76	10,061.83
	Add: Premium on Conversion of Compulsorily Convertible Debenture	-	1,298.44
	Add: Premium on Issue of Equity Shares*	4,750.38	-
	Less: Utilised on allotment of Bonus shares	-	(412.50)
	Less: Share issue expenses**	(171.28)	-
	Closing balance at the end of the year	15,526.86	10,947.76
	Surplus in the Statement of Profit and Loss		
	Balance as at the beginning of the year	(460.11)	(923.06)
	Add: Profit for the year	314.56	472.12
	Less: Transferred to Capital Redemption Reserve	-	(9.17)
	Closing balance at the end of the year	(145.55)	(460.11)
	Total reserves and surplus	15,390.48	10,496.82

*The Company has completed the initial Public Offer (IPO) of fresh issue and allotment of 25,00,200 equity shares of INR 10 each at an issue price of INR 200 per share on September 28, 2023. The equity shares of the Company were listed on Bombay Stock Exchange (BSE) on SME Platform w.e.f. October 06, 2023. The issue comprised of fresh issue of 25,00,200 equity shares aggregating to INR 5,000.40 Lakhs.

**The Company has incurred Share issue expenses of INR 155.83 Lakhs (P.Y. INR 15.45 Lakhs) (excluding taxes) in connection with its Initial Public Offer (IPO) of equity shares. These expenses have been adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013.

6	Borrowings	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Secured :				
	Term loans				
	From Banks	3.34	5.20	15.60	18.93
		3.34	5.20	15.60	18.93
	Unsecured :				
	From Financial Institutions	3.75	2.79	15.69	19.45
	Inter-Corporate Deposit from others	-	-	2,622.73	6,096.13
	Inter-Corporate Deposit from related party (Refer Note - 29)	-	-	443.62	444.69
	From Director (Refer Note - 29)	-	-	21.18	9.17
		3.75	2.79	3,103.22	6,569.43
	Total	7.09	8.00	3,118.82	6,588.37

Notes to standalone financial statements as at March 31, 2024

Particulars		Terms of Repayment with interest	EMI (INR in Lakhs)
(i)	Car loan from HDFC Bank is secured by hypothecation of the vehicle financed by bank.	Repayable in 84 monthly instalment commencing from March 2022 along with interest at 7.10% p.a.	0.38
	<u>From Financial Institution :</u>		
(ii)	Business loan from Bajaj Finance	Repayable in 84 monthly instalments. The first 26 instalments will only pay interest, while the remaining 58 instalments will pay both principal and interest. Principal repayment commences from May 2023 along with interest at 18% p.a.	0.58
	<u>Inter-Corporate Deposit</u>		
(a)	Aegis Warehousing Services Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028. During the FY 23-24, no interest has been charged based on the waiver letter provided by the lender.	-
(c)	La Fin Financial Services Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028, which carries interest @ 0%.	-
(e)	Sunil Equitrade Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028, which carries interest @ 0%.	-
(f)	Organic Waste (India) Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028, which carries interest @ 0%.	-
	<u>From Director</u>		
(a)	Sarang Bhand	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid after March 31, 2028, which carries interest @ 0%.	-

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

7	Other Liabilities	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Security Deposits	-	-	264.00	291.75
	Trade Advance				
	From Related Party (Refer Note 29)	-	36.65	-	-
	From Others	-	-	-	150.00
	Employee benefits payable	46.45	59.93	-	-
	Statutory dues including provident fund and tax deducted at source	118.71	219.25	-	-
	Advance from Customer	-	0.50	-	-
	Payable for expenses	293.03	296.89	-	-
	Interest Accrued but not due on Term Loan	0.36	0.43	-	-
	Other Payable	42.62	54.48	-	-
	Total	501.17	668.12	264.00	441.75

(INR in Lakhs)

8	Provisions	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Provision for employee benefits				
	Provision for gratuity (Note 30)	3.31	3.05	36.27	32.42
	Provision for Leave Encashment (Note 31)	0.83	-	5.00	-
	Provision for Income Tax (Net of Tax Deducted at Source of INR 57.06 Lakhs (P.Y. 66.44 Lakhs)	62.05	-	-	-
	Total	66.19	3.05	41.27	32.42

(INR in Lakhs)

9	Trade payables	As at March 31, 2024	As at March 31, 2023
		Total outstanding dues of micro enterprises and small enterprises (Refer ageing schedule below)	513.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	177.63	-	
Total	691.56	718.46	

Notes to standalone financial statements as at March 31, 2024

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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount due and remaining unpaid	513.93	718.46
Interest accrued and due on above and the unpaid interest	12.07	0.61
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	15.91	-
Amount of further interest remaining due and payable in succeeding years	-	-
Total	541.91	719.07

Trade Payable ageing schedule for current period:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	16.70	37.85	-	459.38	513.93
Others	177.63	-	-	-	177.63
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	194.33	37.85	-	459.38	691.56

Trade Payable ageing schedule for previous period:

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	194.33	107.67	318.40	98.06	718.46
Others	-	-	-	-	-
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	194.33	107.67	318.40	98.06	718.46

Notes to standalone financial statements as at March 31, 2024
Note - 10 - Property, Plant & Equipment and Intangible assets

(INR in Lakhs)

Particulars	Property, Plant & Equipment						Total Property, Plant & Equipment	Intangible assets		Total Intangible assets
	Furnitures & Fixtures	Computers	Vehicles	Office Equipments	Plant and Machinery			Technology Development	Software	
At April 01, 2022	51.17	9.18	51.75	15.03	-	-	127.13	60.99	3.20	64.19
Addition	1.32	1.66	-	0.35	-	-	3.32	-	0.24	0.24
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	52.49	10.84	51.75	15.37	-	-	130.44	60.99	3.44	64.43
Addition	16.64	3.69	5.40	5.30	25.25	-	56.28	7.69	0.60	8.29
Disposals	50.49	-	-	7.14	-	-	57.63	-	-	-
At March 31, 2024	18.64	14.53	57.15	13.53	25.25	-	129.09	68.68	4.04	72.72
Depreciation/Amortisation										
At April 01, 2022	24.95	7.08	22.85	10.33	-	-	65.21	54.59	2.97	57.57
Charge for the Year	6.97	1.69	9.02	2.01	-	-	19.69	6.10	0.17	6.27
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	31.92	8.77	31.87	12.34	-	-	84.90	60.69	3.14	63.83
Charge for the Year	2.87	1.40	6.60	1.89	2.10	-	14.86	0.49	0.19	0.68
Disposals	30.39	-	-	5.60	-	-	35.99	-	-	-
At March 31, 2024	4.40	10.17	38.47	8.63	2.10	-	63.77	61.18	3.33	64.51
Net Book Value										
At March 31, 2023	20.57	2.07	19.87	3.03	-	-	45.54	0.30	0.29	0.59
At March 31, 2024	14.24	4.36	18.68	4.90	23.15	-	65.32	7.50	0.71	8.21

Notes to standalone financial statements as at March 31, 2024

Note - 10 - Intangible Asset Under Development

(INR in Lakhs)

Particular	Amount
At April 1, 2022	430.33
Addition	222.84
Disposals	-
At March 31, 2023	653.17
Addition	199.65
Disposals	
At March 31, 2024	852.82
At March 31, 2023	653.17
At March 31, 2024	852.82

Intangible Assets under Development completion schedule :

(₹ in Lakhs)

Intangible Assets under Development	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 year	2-3 years	
Project in progress	199.65	222.84	229.14	201.19
				852.82

- i. The cost amounting to INR 199.65 Lakhs comprises of salary cost (P.Y. Salary expenses of INR 221.47 Lakhs and Professional fees of INR 1.37 Lakhs) incurred in the development of In-vessel composting, Activated Carbon to Mesh Membrane development for Water/Gas purification application, Bio grinder, Sanjeevak Carbonisation System & emission control device.
- ii. There are no projects under Intangible assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

Investments	Number of Shares March 31, 2024	Number of Shares March 31, 2023	Current		Non-Current	
			As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Trade Investments - Unquoted (Valued At Cost Unless Stated Otherwise)						
Investment in equity instrument						
Investment in Subsidiaries :						
Solapur Bio-energy Systems Private Limited*#	15,400,000	15,400,000	-	-	6,220.00	6,220.00
Organic Waste (India) Private Limited**#	198,504	198,504	-	-	1,082.84	1,082.84
Pune urban Recyclers Private Limited#	10,000	10,000	-	-	1.00	1.00
Meerut Bioenergy Systems Private Limited#	10,000	10,000	-	-	1.00	1.00
Investment in Associates :						
Blue Planet Kannur Waste Solutions Private Limited	2,600	2,600	-	-	0.26	0.26
Blue Planet Palakkad Waste Solutions Private Limited	2,600	2,600	-	-	0.26	0.26
Investment in Others :						
Five Elements Environment Ventures Private Limited	1,000	1,000	-	-	0.10	0.10
			-	-	7,305.46	7,305.46
Investment in Preference Shares						
Investment in Subsidiaries :						
Solapur Bio-energy Systems Private Limited*	1,930,000	1,930,000	-	-	1,930.00	1,930.00
Organic Waste (India) Private Limited	22,379	22,379	-	-	312.00	312.00
			-	-	2,242.00	2,242.00
Total			-	-	9,547.46	9,547.46

Aggregate amount of

Quoted Investments

Market value of Quoted Investments

Unquoted Investments - 9,547.46 9,547.46

* 37,00,000 (P.Y. 37,00,000) fully paid up equity shares of Solapur Bio Energy System Private Limited and 14,80,000 (P.Y. 14,80,000) Redeemable Preference shares of Solapur Bio Energy System Private Limited are pledge with Bank for term loan taken by Solapur Bio Energy System Private Limited.

** Out of the total shares issued, 85,000 are partly paid up

Out of total shareholding, 1 share is held by nominee shareholder.

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

12	Deferred Tax Assets (Net)	As at March 31, 2024	As at March 31, 2023
	Deferred tax liability		
	Disallowance of Expenditure under Section 43B	-	-
	Gross deferred tax liability (B)		-
	Deferred tax assets		
	Property, Plant and Equipment : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	12.00	8.39
	Provision for employee benefit expenses	11.43	8.93
	On unabsorbed depreciation and business loss		-
	Gross deferred tax assets (A)	23.43	17.32
	Net deferred tax Assets (A-B)	23.43	17.32
	Deferred Tax Assets to be extent recognised (refer note below)	23.44	17.32

According to the Accounting Standard AS-22, deferred tax assets should be recognised 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 realised.

(INR in Lakhs)

13	Loans and Advances	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Other Loans & Advances				
	Advance to Employees for Expenses	3.59	1.06	-	-
	Advance to vendors	26.01	26.92	-	-
	Capital Advance	-	-	2.32	-
	Loans and advance to related parties* (Refer Note 29)	-	-	6,642.09	6,336.08
	Balance with Government Authorities- (Net of Provision for Income Tax of INR Nil (P.Y. 82.56 Lakhs)	25.43	37.33	1.29	9.64
	Loan to Employees	1.03	2.39	-	-
	Prepaid expenses	10.28	1.71	-	-
	Total	66.34	69.41	6,645.70	6,345.71

(INR in Lakhs)

14	Other Assets	Current		Non-Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Security Deposits	55.00	-	14.30	16.14
	Earnest Money Deposit	-	-	115.60	113.00
	Term Deposit with bank*	50.00	-	128.06	118.04
	Tender deposits	-	-	-	15.00
	TDS Reimbursable from Bajaj Finance	0.08	0.12	-	-
	Unbilled Receivables	-	432.00	-	-

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

14	Other Assets	Current		Non-Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Interest accrued but not due on term deposits	-	0.01	4.97	24.91
	Others Assets**	-	15.45	-	-
	Total	105.08	447.58	262.93	287.09

Notes :

* The term deposits are given to various customer as a performance guarantees.

**The Company has incurred Share issue expenses of INR 155.83 Lakhs (PY INR 15.45 Lakhs) (excluding taxes) in connection with its Initial Public Offer (IPO) of equity shares. These expenses have been adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013.

(INR in Lakhs)

15	Inventories	As at	As at
		March 31, 2024	March 31, 2023
	Raw materials	0.26	-
	Work-in-progress	0.21	-
	Finished goods	0.69	-
	Total	1.17	-

(INR in Lakhs)

16	Trade receivables	As at	As at
		March 31, 2024	March 31, 2023
	Unsecured considered good	2,708.57	2,063.43
	Doubtful	74.16	74.16
	(-) Provision for doubtful debts	(74.16)	(74.16)
	Total	2,708.57	2,063.43

Trade Receivables ageing schedule for current period :

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2024
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables- considered good	1,168.87	1.27	125.84	-	-	1,295.98
Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	-	127.60	358.89	926.10	1,412.59
Disputed Trade receivables- considered doubtful	-	-	-	-	74.16	74.16
(-) Provision for doubtful debts	-	-	-	-	(74.16)	(74.16)
Total	1,168.87	1.27	253.44	358.89	926.10	2,708.57

Notes to standalone financial statements as at March 31, 2024

Trade Receivables ageing schedule for previous period :

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2023
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables-considered good	357.06	156.22	137.56	-	-	650.84
Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	138.58	556.08	539.90	178.02	1,412.59
Disputed Trade receivables-considered doubtful	-	-	-	43.78	30.39	74.16
(-) Provision for doubtful debts	-	-	-	(43.78)	(30.39)	(74.16)
Total	357.06	294.81	693.64	539.90	178.02	2,063.43

* In respect of disputed trade receivable, the company has received an order dated June 30, 2022 from Municipal Corporation of Delhi whereby it has instructed its officer to terminate the contract given to the company and recover the penalties. The Company has filed petition on June 30, 2022 with Hon'ble High Court Delhi to recover outstanding dues from Municipal Corporation of Delhi. Based on the opinion of the Company's advocate, the Company is hopeful to recover the entire amount along with claim for cost escalation.

(INR in Lakhs)

17	Cash and Bank Balance	As at March 31, 2024	As at March 31, 2023
	Cash and cash equivalents		
	Cash on Hand	0.11	0.15
	Bank Balances		
	- In current accounts	359.01	15.10
	Term Deposit with bank with Original maturity less than 3 months	220.00	-
	Total (A)	579.12	15.25
	Other Bank Balance		
	Term Deposit with bank with maturity less than 12 months	0.11	0.10
	Total (B)	0.11	0.10
	Total (A+B)	579.23	15.35

(INR in Lakhs)

18	Revenue from operations	For the year ended March 31, 2024	For the year ended March 31, 2023
	Contract revenue	453.62	1,126.66
	Revenue from Operation and Maintenance	-	33.28
	Sale of Products	857.72	-
	Sale of Service	501.50	85.00
	Other Operating Income		
	Technology License Fees	-	60.00
	Total	1,812.84	1,304.94
	Sale of Products		
	<i>Traded Goods</i>		
	Equipments	857.72	-
		857.72	-

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

19	Other income	For the year ended March 31, 2024	For the year ended March 31, 2023
	Interest Income :		
	- On Fixed Deposit	25.07	9.29
	- On Income Tax Refund	1.23	1.21
	Exchange difference (Gain)	1.32	-
	Sundry balance written back (Refer Note 38)	1.41	48.46
	Total	29.03	58.97

(INR in Lakhs)

20	Cost of material consumed	For the year ended March 31, 2024	For the year ended March 31, 2023
	Opening stock	-	-
	Add: Purchase of Material	403.01	55.58
	Less: Closing stock	0.26	-
	Cost of Material consumed	402.75	55.58
	Purchase of Traded Goods		
	Equipments	388.04	-
		388.04	-

(INR in Lakhs)

21	(Increase)/Decrease in Inventories	For the year ended March 31, 2024	For the year ended March 31, 2023
	<u>Stock in process</u>		
	Stock in process at the beginning of the year	-	-
	Less : Stock in process at the end of the year	0.21	-
		(0.21)	-
	<u>Finished Goods</u>		
	Finished goods at the beginning of the year	-	-
	Less : Finished goods at the end of the year	0.69	-
		(0.69)	-
	Total	(0.91)	-

(INR in Lakhs)

22	Construction Expenses	For the year ended March 31, 2024	For the year ended March 31, 2023
	Labour Charges/ Subcontract charges	47.08	40.41
	Other	332.36	59.85
	Repairs and maintenance..	0.75	12.64
		380.20	112.90

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

23	Employee benefits expense	For the year ended March 31, 2024	For the year ended March 31, 2023
	Salaries, wages and bonus*	210.76	211.59
	Contributions to provident and other funds	8.84	9.75
	Stipend	0.56	2.88
	Recruitment expense	0.29	-
	Gratuity	5.07	5.76
	Leave Encashment	6.77	0.12
	Staff welfare expenses	12.55	8.34
	Total	244.84	238.44

*includes Director remuneration of INR 42 Lakhs (P.Y INR 32.87 Lakhs)

(INR in Lakhs)

24	Depreciation and amortization expense	For the year ended March 31, 2024	For the year ended March 31, 2023
	Depreciation on Property, Plant & Equipment	14.87	19.69
	Amortisation of intangible assets	0.68	6.27
	Total	15.55	25.96

(INR in Lakhs)

25	Finance costs	For the year ended March 31, 2024	For the year ended March 31, 2023
	Interest on loan	74.88	79.81
	Interest on overdraft	-	47.72
	Other borrowing cost	1.88	1.23
	Total	76.76	128.76

(INR in Lakhs)

26	Other expenses	For the year ended March 31, 2024	For the year ended March 31, 2023
	Bank charges	1.22	0.38
	Rent	29.69	45.41
	Rates and taxes	7.04	19.40
	Electricity expenses	5.72	7.84
	Insurance charges	2.75	1.18
	Interest on MSME	1.19	0.61
	Business promotion expenses	8.02	3.25
	Legal and professional charges	120.15	75.89
	Listing Fees	-	1.00
	Labour Charges	3.00	-
	Loss on sale of Assets	16.64	-
	Payment to auditor (Refer details below)	7.85	2.75
	Brokerage & Commission	4.75	2.42
	Travelling and conveyance expenses	31.38	25.90
	Director Sitting Fees	1.50	1.80

Notes to standalone financial statements as at March 31, 2024

(INR in Lakhs)

26	Other expenses	For the year ended March 31, 2024	For the year ended March 31, 2023
	Internet expenses	3.48	2.43
	Lodging and Boarding expenses	16.16	9.64
	Exchange difference (Loss)	-	-
	Communication cost	3.75	2.82
	Interest and penalties	0.00	17.32
	Office expenses	13.28	5.07
	Testing charges	0.78	0.11
	Bad debts and Balance written off (Refer Note 39)	4.68	0.69
	Provision for doubtful debts	-	-
	Miscellaneous expenses	11.84	3.92
	Total	294.88	229.84
	* Payment to Auditors		
	As Auditors:		
	Audit Fees	7.50	2.50
	Certificate	0.35	0.25
	Total	7.85	2.75

27. 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:

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit for calculation of basic and diluted EPS (INR in Lakhs) (A)	314.56	472.12
Weighted average number of equity shares for calculating basic EPS, Nominal value of Shares INR 10/- each (B)	6,469,668	4,668,051
Weighted average number of equity shares for calculating diluted EPS, Nominal value of Shares INR 10/- each (C)	6,469,668	4,668,051
Basic Earning per Share (A/B)	4.86	10.11
Diluted Earning per Share (A/C)	4.86	10.11

Notes to standalone financial statements as at March 31, 2024

28. Contingent Liabilities & Commitments

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities		
Guarantees given by the Company for Term Loans taken by wholly owned subsidiary	2,844.00	2,844.00
Service tax demand as per Show Cause Notice	307.18	307.18
Performance Bank Guarantee	101.79	181.79
Income Tax Demand for FY 2019-20. The Company has filed online rectification request and its expects that the due rectification will be done by the department and no liability will arise.	-	404.28
Commitments		
There are no capital commitment as on the reporting date.	-	-

29. Related party disclosures

Names of related parties and related party relationship

Related parties under AS 18

Key Management Personnel	Sarang S. Bhand (Managing Director)
	Yashas Bhand (Director and Chief Executive Officer)
	Janaki Sarang Bhand (Director)
	Jigar Gudka (Chief Financial Officer)
	Zinal Shah (Company Secretary resigned w.e.f. November 7, 2023)
	Seema Gawas (Company Secretary w.e.f. November 8, 2023)
Independent Directors	Amit Karia
	Rakesh Mehra
Relatives of Key Management Personnel	Suhas Bhand (Relative of Director)
Subsidiaries	Solapur Bioenergy Systems Private Limited
	Organic Waste (India) Private Limited
	Pune Urban Recyclers Private Limited
	Meerut Bioenergy Systems Private Limited
Associates	Blue Planet Kannur Waste Solutions Private Limited
	Blue Planet Palakkad Waste Solutions Private Limited
Entities in which Key Management Personnel exercise significant influence	Blue Planet Biofuels Private Limited (Formerly known as "Blue Planet Yasasu Solutions Private Limited")*
	Blue Planet Yasasu Process Engineers Private Limited*
	Five Elements Environment Ventures Private Limited
	Five Elements Research Foundation

* Ceased to be a related party w.e.f. July 14, 2023

Notes to standalone financial statements as at March 31, 2024

29. Related party disclosures

i) Related Party transactions (including provisions and accruals)

(INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Sarang Bhand	Director	Director Remuneration	42.00	32.87
		Director Remuneration capitalised as Technology development	-	10.00
		Loan received	17.95	9.17
		Loan repaid	5.93	-
Yashas Bhand	Director	Director Remuneration capitalised as Technology development	24.00	18.00
Janaki Sarang Bhand	Director	Sitting Fees	0.60	1.20
Suhas Bhand	Relative of Director	Salary capitalised as Technology development	-	15.00
		Consultancy Charges	30.00	15.00
Amit Karia	Independent Director	Sitting Fees	0.40	0.10
Rakesh Mehra	Independent Director	Sitting Fees	0.50	0.50
Solapur Bioenergy Systems Private Limited	Subsidiary Company	Loan Given	366.22	665.15
		Loan received back	66.26	158.34
		Consultancy Charges	50.00	-
Organic Waste (India) Private Limited	Subsidiary Company	Loan repaid	1.07	14.01
Pune Urban Recyclers Private Limited	Subsidiary Company	Loan Given	0.62	1.08
		Loan received back	0.15	-
Meerut Bioenergy Systems Private Limited	Subsidiary Company	Loan Given	5.29	4.46
Blue Planet Biofuels Private Limited	Entities in which Key Management Personnel exercise significant influence	Purchase of material	-	55.58
Blue Planet Palakkad Waste Solutions Private Limited	Associate Company	Revenue from operation	-	1,000.00
Five Elements Environment Ventures Private Limited	Entities in which Key Management Personnel exercise significant influence	Loan Given	0.30	4.96
		Advance Given	2.32	-
Jigar Gudka	Chief Financial officer	Salary	27.28	24.53
Seema Gawas	Company Secretary	Salary	2.28	-
Zinal Shah	Company Secretary	Salary	2.47	2.13

Notes to standalone financial statements as at March 31, 2024

29. Related party disclosures

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

(INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
Sarang Bhand	Director	Director Remuneration payable	2.06	1.38
		Loan payable	21.18	9.17
Yashas Bhand	Director	Director Remuneration payable	1.83	2.10
Janaki Sarang Bhand	Director	Director Sitting Fees Payable	1.62	1.08
Suhas Bhand	Relatives of Key Management Personnel	Salary payable	-	0.28
		Consultancy Charges Payable	2.25	2.26
Amit Karia	Independent Director	Sitting Fees	0.45	0.09
Solapur Bioenergy Systems Private Limited	Subsidiary	Loan Receivable	6,368.00	6,068.04
		Investment in Equity Shares	6,220.00	6,220.00
		Consultancy Charges Payable	54.00	-
		Investment in Preference Shares	1,930.00	1,930.00
Organic Waste (India) Private Limited	Subsidiary	Loan payable	443.62	444.69
		Investment in Equity Shares	1,082.84	1,082.84
		Investment in Optionally convertible Preference Shares	312.00	312.00
Pune Urban Recyclers Private Limited	Subsidiary	Loan Receivable	229.04	228.57
		Investment in Equity Shares	1.00	1.00
Meerut Bioenergy Systems Private Limited	Subsidiary	Loan Receivable	39.79	34.50
		Investment in Equity Shares	1.00	1.00
Five Elements Environment Ventures Private Limited	Entity in which Key Management Personnel exercise significant influence	Loan receivable	5.26	4.96
		Advance Given	2.32	-
		Investment in Equity Shares	0.10	0.10
Blue Planet Biofuels Private Limited	Entity in which Key Management Personnel exercise significant influence	Trade payable	-	718.46
		Security Deposit Payable	-	191.75
		Trade Advance Payable	-	36.65
Blue Planet Palakkad Waste Solution Private Limited	Associate Company	Trade Receivable	-	225.56
		Unbilled Receivables	-	432.00
		Investment in Equity Shares	0.26	0.26
Blue Planet Kannur Waste Solution Private Limited	Associate Company	Investment in Equity Shares	0.26	0.26

Notes to standalone financial statements as at March 31, 2024

29. Related party disclosures

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

(INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
Jigar Gudka	Chief Financial officer	Salary payable	1.92	0.42
Seema Gawas	Key Management Personnel - Company Secretary	Salary payable	0.46	-
Zinal Shah	Key Management Personnel - Company Secretary	Salary payable	-	0.16

30. Gratuity (Unfunded)

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded 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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	4.67	4.14
Interest cost on benefit obligation	2.65	2.28
Expected Gain on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Loss/(Gain)	(2.25)	(0.65)
Recognised Past Service Cost - Vested	-	-
Recognised Past Service Cost - Unvested	-	-
Net benefit expense	5.07	5.76

b. Balance Sheet

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Defined Benefit Liability	39.57	35.47

c. Reconciliation of Net Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of funded defined benefit obligation (i)	39.57	35.47
Fair Value of Plan Assets(ii)	-	-
Net Benefit Liability	39.57	35.47

c (i). Reconciliation of defined benefit obligation

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined Benefit Obligation	35.47	31.94
Transfer in / (out) obligation	-	-
Current Service Cost	4.67	4.14
Interest cost on benefit obligation	2.65	2.28
Actuarial Loss / (Gain)	(2.25)	(0.65)
Past Service Cost	-	-
Benefits paid	(0.97)	(2.23)
Present Value of Defined Benefit Obligation	39.57	35.47

Notes to standalone financial statements as at March 31, 2024

30. Gratuity (Unfunded)

c (ii). Reconciliation of plan assets (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
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 (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liability	3.31	3.05
Non Current Liability	36.27	32.42
Total	39.57	35.47

e. Composition of Plan Assets (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Policy of Insurance	0.00%	0.00%
Total	0.00%	0.00%

f. Principal Assumptions for determining Gratuity Plan (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	7.31%
Rate of Salary Increase	5.00%	5.00%
Attrition rate		
For service 4 years and below	15.00% p.a.	15.00% p.a.
For service 5 years and above	5.00% p.a.	5.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Ultimate)	Indian Assured Lives Mortality 2012-14 (Ultimate)
Mortality Rate After Employment	N.A.	N.A.

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 the employment market.

31. Leave Encashment (Unfunded)

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

Notes to standalone financial statements as at March 31, 2024

31. Leave Encashment (Unfunded)

a. Statement of Profit and Loss

Net employee benefit expense recognized in the employee cost

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	5.82	-
Interest on Obligation	-	-
Net Actuarial Loss / (Gain)	-	-
Net benefit expense	-	-

b. Balance Sheet

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Defined Benefit Liability	5.82	-

c. Reconciliation of Net Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of defined benefit obligation (i)	-	-
Fair Value of Plan Assets	-	-
Net Benefit Liability	-	-

c (i). Reconciliation of defined benefit obligation

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined Benefit Obligation	-	-
Transfer in / (out) obligation	-	-
Current Service Cost	5.82	-
Interest on Obligation	-	-
Net Actuarial Loss / (Gain)	-	-
Benefits Paid	-	-
Present Value of Defined Benefit Obligation	5.82	-

d. Bifurcation of Current - Non Current Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liability	0.83	-
Non Current Liability	5.00	-
Total	5.82	-

e. Principal Assumptions for determining Leave Encashment

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	-
Salary Growth Rate	5.00%	-
Withdrawal Rates		
For service 4 years and below	15.00%	-
For service 5 years and above	5.00%	-

Notes to standalone financial statements as at March 31, 2024

31. Leave Encashment (Unfunded)

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Ultimate)	-
Leave Availment Rate	1.00%	-
Retirement Age	60 years	-

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 the employment market.

32. Earning in Foreign Currency

There were no foreign currency earnings during the year (P.Y. Nil)

33. CIF Value of Imports

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Import of goods	123.93	-
Total	123.93	-

34. Ratio Analysis

Particulars	Basis	As at March 31, 2024	As at March 31, 2023	Variance %
Current ratio	<u>Current Assets</u> Current Liabilities	2.73	1.86	47.17%
Debt-Equity Ratio	<u>Total Debt</u> Shareholder's Equity	0.19	0.60	-67.68%
Debt Service Coverage Ratio	<u>Earnings available for debt service*</u> Debt Service**	41.92	40.17	4.37%
Interest Service Coverage Ratio	<u>Earning Before Interest and Tax</u> Interest on Debt Expense during the period***	6.55	5.44	20.47%
Return on Equity Ratio	<u>Net Profit after Tax - Preference Dividend</u> Average Shareholder's Equity	2.31%	4.67%	-50.49%
Inventory turnover ratio	<u>Cost of Goods Sold</u> Average Inventory	688.77	NA	0.00%
Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivables	0.76	0.69	10.20%

Notes to standalone financial statements as at March 31, 2024

34. Ratio Analysis

Particulars	Basis	As at March 31, 2024	As at March 31, 2023	Variance %
Trade payables turnover ratio	<u>Net Credit Purchases</u> Average Trade Payables	0.57	0.08	649.67%
Net capital turnover ratio	<u>Net Sales</u> Average Working Capital	1.07	(2.48)	-143.02%
Net profit ratio	<u>Net Profit</u> Net Sales	0.17	0.36	-52.04%
Return on Capital employed	<u>Earning Before Interest and Tax</u> Capital Employed****	2.60%	3.97%	-34.41%
Return on investment	<u>Interest on Investment</u> Average Current Investments	NA	NA	-

*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.

**Debts Service = Interest + Principal Repayment

***Interest on Debt Expense = Interest payable on any borrowings such as bonds, loans, line of credit during the period.

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

Explanations for significant variation (i.e. change of 25% or more as compared to FY 2022-23) in ratios:

- (Current Ratio : The ratio has improved due to increase in currents assets & decrease in current liabilities in current year as compared to last year.
- Debt-Equity Ratio : The ratio has improved due to decrease in total debts & increase in shareholder's equity in current year as compared to last year.
- Return on Equity Ratio : The ratio has declined due to decrease in profit after tax and increase in average shareholder's funds in current year as compared to last year.
- Trade payables turnover ratio : During the year, average trade payables have decreased and net credit purchases have increased as compared to last year. In view of the above, trade payable ratio is 0.57 times in FY 2023-24 as compared to 0.08 times in FY 2022-23.
- Net capital turnover ratio : The ratio has improved due to increase in sales and average working capital in current year as compared to last year.
- Net profit ratio : The ratio has declined due to decrease in profit and in increase in sales in current year as compared to last year.
- Return on Capital employed : The ratio has declined due to decrease in earnings before interest and tax in current year as compared to last year.

35. Segment Reporting

The Company is operating in the single segment and hence provision relating to the Segment Reporting as per AS-17 "Segment Reporting" is not applicable.

Notes to standalone financial statements as at March 31, 2024

36. Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

37. Other Disclosures

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45of 1988).
2. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
3. The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
4. The Company do not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.
5. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
6. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
7. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
8. During the year, the Company is not declared a wilful defaulter by any bank or financial Institution or other lender.

38. Write Back of Liabilities

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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payable	1.41	-
Forfeiture of Trade Advance	-	-
Other Liabilities	-	48.46
Total	1.41	48.46

Notes to standalone financial statements as at March 31, 2024

39. Bad debts and sundry balance written off

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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivable	3.26	-
Advances to vendors and others	1.14	0.69
Deposits	0.29	-
Others GST	0.27	-
Total	4.97	0.69

40. Disclosure in accordance in Accounting Standard- 7 (Revised)

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract revenue recognised in an accounting period	453.62	67.53
Aggregate amount of cost incurred till date	439.99	46.46
Aggregate amount of net profit recognised till date	13.63	21.07
Advance received from customer	-	-
Amount of retentions	-	-

41. Lease

i. The Company has taken premises on non-cancellable Operating Lease. The total future minimum lease payable under this non-cancellable operating lease are as under:

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	42.35	20.75
Later than one year & not later than five years	103.66	84.71
Later than five years	-	-

During the F.Y. 2023-24, the company has recognised lease payments of INR 29.69 Lakhs in the statement of profit and loss.

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

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

44. Corporate Social Responsibility (CSR)

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) amount required to be spent by the Company during the year	6.30	NA
(b) amount of expenditure incurred on :		
(i) Construction/acquisition of any asset	-	NA
(ii) On purpose other than (i) above	-	NA
(c) shortfall at the end of the year*	6.30	-
(d) total of previous years shortfall	-	-
(e) reason for shortfall*	refer note below	NA

Notes to standalone financial statements as at March 31, 2024

*During the year 2023-2024, the Management of the Company has searched various CSR projects and out of which identified one ongoing project of construction of Old Age Home and Hostel for persons with disability in Safale, Palghar, Maharashtra and allocated an amount of INR 6.30 lakhs towards such project and transferred such amount in an "Unspent CSR Account" of the Company in two tranches of INR 1.00 Lakh and INR 5.30 Lakhs on April 29, 2024 and April 30, 2024 respectively, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules. The said amount of INR 6.30 lakhs shall be spent in compliance with provisions of Section 135(6) of the Companies Act, 2013 and rules made thereunder.

45. 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 Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Independent Auditors' Report

To,
The Members of
Organic Recycling Systems Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Organic Recycling Systems Limited** (the "Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's share of profit / loss in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended (the "Act"), in the manner so required and give a true and fair view of in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2024, their Consolidated Profit and their Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group and its associates 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 Consolidated Financial Statements under the provision 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 obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, compare with the Financial Statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated

Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective Companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatements of the Consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statements 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 ability of the Group and associates 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 Consolidated 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 Group or its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial

Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 Consolidated 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 Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a) We did not audit the Financial Statements and other financial information in respect of four subsidiaries whose Financial Statements reflect total assets of INR 9,226.11 Lakhs as at March 31, 2024, total revenues of INR 985.89 Lakhs and net cash inflows amounting to INR 235.55 Lakhs

for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements and other financial information have been audited by the other auditors, whose Financial Statements, other financial information and auditor's report have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the "Other Matter" paragraph we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated 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 of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its Subsidiary Companies and associate Companies

incorporated in India, none of the directors of the Group's companies and its associates companies incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" which is based on the auditors' reports of the Parent, subsidiary companies and associate companies incorporated in India, to whom internal financial control over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies;

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other statutory auditors of the Subsidiary companies Incorporated in India, the remuneration paid by the Parent and Subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act. Further, based on our report of associate companies incorporated in India, said associate companies being private company, section 197 of the Act related to the managerial remuneration is not applicable to such associate companies;

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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated financial position of the Group. Refer Note 17 and Note 29 to the Consolidated Financial Statements.

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, its subsidiaries, and associates incorporated in India during the year ended March 31, 2024.

iv. (a) The respective managements of the Parent and its subsidiary Companies and associate Companies which are companies incorporated in India, whose Financial Statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries 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 Parent or any of such subsidiaries and associates 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:

- whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and associates ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Parent and its subsidiary Companies and associate Companies which are companies incorporated in India, whose Financial Statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds have been received by the respective Parent or any of such subsidiaries and associates from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and associates shall:

- whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

(“Ultimate Beneficiaries”) or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary Companies, which are Companies incorporated in India whose Financial Statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors 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. No dividend has been declared or paid during the year by the Parent, its subsidiary companies, and associate companies which are companies incorporated in India and hence, no comment is required on compliance of Section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks performed by us on the Parent and its associate companies, and by the respective auditors of the subsidiaries of the Parent which are companies incorporated in India and audited under the Act, the Parent, its subsidiaries and associates, in respect of financial year commencing on April 1, 2023, have used accounting software for maintaining their books of account which has a feature of

recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and the respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (“the Order”) (“CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO report issued by the auditor of the subsidiary, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

UDIN: 24144424BKFJN11226

Place: Navi Mumbai

Date: May 27, 2024

Annexure “1” 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 Organic Recycling Systems Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the Consolidated Financial Statements of Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Organic Recycling Systems Limited (hereinafter referred to as the “Parent”), and its subsidiary companies, which are Companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control over financial reporting with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Parent and its Subsidiary Companies, which are Companies Incorporated in India, 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 Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated

Financial Statements. 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 with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, 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 of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the Subsidiary Companies which are Companies Incorporated in India, in terms of their reports referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control with reference to the Consolidated Financial Statements of the Parent and its Subsidiary Companies, which are Companies Incorporated in India.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A Company’s internal financial controls with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or

disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, 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 with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements 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 to the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its Subsidiary Companies, which are Companies Incorporated in India, have, in all material respects, an adequate internal financial control with reference to the Consolidated Financial Statements and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at

March 31, 2024, based on the criteria for Internal Financial control with reference to the Consolidated Financial Statements established by the respective Companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated financial statements, in so far as it relates to the four subsidiary Companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of the above matter.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.144424

UDIN: 24144424BKFJN11226

Place: Navi Mumbai

Date: May 27, 2024

Consolidated Balance Sheet as at March 31, 2024

(INR in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Equity and liabilities			
Shareholders' funds			
Share capital	4	785.69	535.67
Reserves and surplus	5	7,370.40	2,014.40
		8,156.09	2,550.07
Non-current liabilities			
Long-term borrowings	6	3,121.23	6,703.71
Other Long-term liabilities	7	276.00	453.75
Long-term provisions	8	62.70	48.01
		3,459.93	7,205.47
Current Liabilities			
Short-term borrowings	6	183.59	277.70
Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		533.06	733.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		233.46	118.36
Other current liabilities	7	870.51	1,041.88
Short-term provisions	8	67.74	3.94
		1,888.36	2,175.56
		13,504.38	11,931.10
Total			
Assets			
Non-current assets			
Property, Plant & Equipment and Intangible assets			
- Property, Plant & Equipment	10	5,448.43	5,928.41
- Goodwill on Consolidation	11	93.81	93.81
- Capital Work in Progress	10	407.02	13.98
- Intangible assets	10	8.46	1.09
- Intangible assets under development	10	1,280.56	1,015.29
Non-current investments	12	0.10	0.10
Deferred Tax Assets	13	959.27	730.82
Long-term loans and advances	14	10.26	16.04
Other non current assets	15	287.71	310.75
		8,495.62	8,110.29
Current assets			
Current Investments	12	-	-
Inventories	16	116.67	89.70
Trade receivables	17	3,543.10	3,128.40
Cash and Bank Balance	18	819.42	22.98
Short-term loans and advances	14	96.43	131.39
Other current assets	15	433.15	448.33
		5,008.77	3,820.81
		13,504.38	11,931.10
Total			
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Place: Navi Mumbai

Date: May 27, 2024

Place: Navi Mumbai

Date: May 27, 2024

Statement of Consolidated Profit and Loss for the year ended March 31, 2024

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Income			
Revenue from operations	19	2,748.73	2,471.93
Other income	20	30.29	62.18
Total Income (i)		2,779.02	2,534.10
Expenses			
Cost of Material consumed	21	402.75	60.20
Change in inventories of finished goods and work in progress	22	(30.48)	28.00
Construction Expenses	23	330.20	112.90
Employee benefits expense	24	366.90	359.06
Depreciation and amortization expense	25	265.68	495.82
Finance costs	26	130.03	187.95
Other expenses	27	646.13	824.50
Total expenses (ii)		2,111.22	2,068.43
Profit before exceptional and extraordinary item and tax (iii = i-ii)		667.81	465.68
Exceptional items (iv)		-	-
Profit before Extraordinary item and tax (v= iii-iv)		667.81	465.68
Extraordinary Items (vi)		-	-
Profit before Tax (vii= v-vi)		667.81	465.68
Prior Period Expenses		-	-
Profit / (Loss) before tax		667.81	465.68
Tax Expenses (viii)			
Current tax		119.11	82.56
Deferred tax		(228.45)	17.73
Short/(Excess) provision of tax of earlier years		0.25	-
Total tax expenses		(109.10)	100.30
Profit before Share of Profit / (Loss) of Associates (ix = ix-x)		776.90	365.38
Share of Profit/(Loss) in Associates (xii)		-	-
Profit for the year (before adjustment for Minority Interest) (xiii = xi-xii)		776.90	365.38
Minority Interest (xiv)		-	-
Profit for the year (xv = xiii - xiv)		776.90	365.38
Earnings per equity share (in INR) [nominal value of INR 10 per share (March 31, 2023 - INR 10 per share)]			
Basic (INR)	28	12.01	7.83
Diluted (INR)		12.01	7.83
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

Consolidated Statement of Cash Flow for the year ended March 31, 2024

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Cash flow from operating activities		
Profit before Tax	667.81	465.68
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	265.68	495.82
Finance cost	130.03	187.95
Interest income	(26.33)	(9.60)
Sundry balance written back	-	(50.71)
Bad debts and Balance written off	25.97	2.02
Provision for doubtful debts	-	-
Loss/Gain on sale of property, plant and equipment	16.64	(0.04)
Impairment of Goodwill	-	-
Share of Loss/ Profit of Associate	-	-
Operating profit before working capital changes	1,079.80	1,091.12
Movement in working capital :		
Increase/ (Decrease) in Trade payables	(85.53)	(10.43)
Increase/ (Decrease) in Other liabilities	(327.76)	(1,943.37)
Increase/ (Decrease) in Provisions	16.19	5.03
Decrease/ (Increase) in Loans and advances	25.86	9.85
Decrease/ (Increase) in Inventories	(26.97)	30.66
Decrease/ (Increase) in Trade receivables	(440.67)	(1,129.46)
Decrease/ (Increase) in Other current / non current assets	79.17	(423.88)
Cash generated from/(used in) operations	320.09	(2,370.47)
Direct Taxes paid (net of refunds)	(40.00)	-
Net cash flow from operating activities (A)	280.09	(2,370.47)
Cash flow from investing activities		
Purchase of property, plant and equipments including capital advances	(77.15)	(126.21)
Purchase of intangible asset including capital advances	(8.29)	(0.24)
Sale of Property, Plant and Equipment	5.00	0.16
Increase in Capital work in progress	(143.16)	-
Term Deposit	(57.04)	57.71
Increase in Intangible Assets under development	(265.27)	(338.74)
Investment in Associates and Others	-	-
Interest received	43.24	21.33
Net cash used in investing activities (B)	(502.67)	(385.99)
Cash flow from financing activities		
Proceeds from Issue of Equity Shares (Net of share issue expenses)	4,829.12	-
Issue of Compulsory convertible Debentures	-	1385.00
Redemption of Optionally convertible Preference Shares	-	(9.17)
Proceeds /(Repayment) from long-term borrowings including current maturity, net	(3,582.60)	2,123.52
Proceeds /(Repayment) from short-term borrowings, net	(93.99)	(560.49)

Consolidated Statement of Cash Flow for the year ended March 31, 2024

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Interest paid	(130.53)	(186.41)
Net cash used in financing activities (C)	1,022.00	2,752.45
Net increase/(decrease) in cash and cash equivalents (A + B + C)	799.43	(4.01)
Cash and Cash Equivalents at the beginning of the year	19.88	23.89
Cash and cash equivalents at end of the year	819.31	19.88
Components of cash and cash equivalents		
Cash in hand	1.41	2.73
Balances with banks:		
- on current accounts	597.90	17.15
Term Deposit with bank with Original maturity less than 3 months	220.00	-
Total cash & cash equivalents (Note 18)	819.31	19.88
Summary of significant accounting policies		

As per our report of even date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024

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

1 Nature of Operation

Organic Recycling Systems Limited and its subsidiaries, collectively referred to as (“the Group”) is involved in technology development focused on pioneering in developing solutions focused on the Municipal Solid Waste (MSW) space. The Group is established with the object of and engaged in the business of providing Infrastructural Facilities as prescribed in Section 186(11) r.w. Schedule VI of the Companies Act, 2013. The Group is mainly involved in the Construction, Development and Maintenance of Waste-to-Energy projects, particularly in the Municipal Solid Waste sector, through various Special Purpose Vehicles (“SPVs”). Organic Recycling Systems Limited is a Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on August 29, 2008. The Company was incorporated as a private limited company and became a Limited Company in September, 2022.

The Group operates through bidding for waste management projects and has been awarded contracts by various Municipal Corporations. Some of this contract are executed through SPV.

2 Basis of accounting and preparation of financial statements

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these consolidated financial statements to comply 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 consolidated 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 consolidated 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.

3 Summary of significant accounting policies

a. Presentation and disclosure

The Group has prepared the Consolidated Financial Statements along with the relevant notes 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. Principles of Consolidation

The consolidated financial statements relate to the Company, its subsidiaries and associates companies. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard-21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

The difference between the cost of investment in the Subsidiaries over the net assets at the time of acquisition of the investment in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. Investments made by the parent company in subsidiary companies subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statement.

Intragroup balances, intragroup transactions and resulting unrealised profits or losses, unless cost cannot be recovered, are

eliminated to the extent of share of the parent company in full.

In case of associate where the Company has significant influence or hold directly or indirectly through subsidiaries 20% or more of equity shares, investment in associates are accounted for using equity method in accordance with AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements', as notified accounting standard by Companies (Accounting Standards) Rules, 2021. The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates in the statement of profit and loss.

Minority Interest share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the group.

Minority Interest share of net assets of consolidated subsidiaries is identified and presented as "Minority Interest" in the Consolidated Balance Sheet.

d. Cash and Cash Equivalent

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

e. Statement of Cash Flow

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

f. 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.

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.

g. 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.

Technology Development:

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

Development expenditure is capitalised to the extent that it is expected that such asset will generate future economic benefits; adequate technical, financial and other resources required to complete the development and to use or sell the asset are available, and the expenditure attributable to the asset during its development can be measured reliably. The Holding Company filed patents for 'DRYAD' Technology and 'Integrated Process for Pre-treatment and Anaerobic Digestion of Waste' (referred to as MARUT Drum and allied equipment) in June 2014 and was granted the patents on June 16, 2022, and July 10, 2023, respectively.

Goodwill

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

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.

During the year, 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.

Intangible asset internally generated in the current year is amortised on a Straight Line Method over its useful life of 10 years.

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

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

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

i. 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, professional fees and depreciation incurred for development of In-vessel composting, Activated Carbon to Mesh Membrane development for Water/Gas purification application, Bio grinder, Sanjeevak Carbonisation System, emission control device, phosphate Rich Organic Manure (PROM) and Sugar King/Sugarcane Plus-Products, Co-digestion of Agri residue and other feedstock/ HRT Reactor / Pre-treatment of mixed biomass or waste, H2S and Moisture scrubber Technology and Biochar to Brick/tiles application.

j. Revenue Recognition

Revenue is recognized based on the nature of activity to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue from Construction Contract

- a. For Engineering, Procurement and Construction ('EPC') and construction contracts, contract prices are either fixed or subject to price escalation clauses.
- b. Revenues are recognised on a percentage of completion method measured on the basis of stage of completion which is as per joint surveys and work certified by the customers.

- c. Profit is recognised in proportion to the value of work done (measured by the stage of completion) when the outcome of the contract can be estimated reliably. When the total contract cost is estimated to exceed total revenues from the contract, the loss is recognized immediately.
- d. Amounts due in respect of price escalation claims and/ or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/or there is evidence that the customer has accepted it and are capable of being reliably measured.

Revenue from Supply Contracts-Sale of goods

Revenue from supply contract is recognized when the substantial risk and rewards of ownership is transferred to the buyer.

Service income

Service income is recognised on the basis of completion of service method.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

k. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. All other investments are classified as long term investments. Long term investments are carried at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

l. Inventories

Inventories comprising finished goods, are carried at the lower of cost and net realisable value and work-in-progress are valued at cost.

Raw materials are valued at cost using Weighted average method. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost of stores and spares is determined using the first-in, first-out (FIFO) method.

Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

m. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognised in the statement of profit and loss.

Foreign currency denominated monetary items at year end are translated at exchange rates as on the reporting date and the resulting net gain or loss is recognised in the statement of profit and loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

n. 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:

Group's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to statement of Profit and Loss. Group'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 recognized in full in the period in which they occur in the statement of profit and loss.

o. 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.

p. 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.

q. Income tax

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.

r. Impairment of Assets

At each Balance Sheet date, the group assesses as to whether there is any indication that an asset is impaired. If any such indication exists, the group 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 statement for the year under report

s. Impairment of Goodwill

Goodwill arising on acquisition represents a payment made by an acquirer in anticipation of future economic benefits. The future economic benefits may result from synergy between the

identifiable assets acquired or from assets that individually do not qualify for recognition in the financial statements. Goodwill does not generate cash flows independently from other assets or groups of assets and, therefore, the recoverable amount of goodwill as an individual asset cannot be determined. As a consequence, if there is an indication that goodwill may be impaired, recoverable amount is determined for the cash-generating unit to which goodwill belongs. This amount is then compared to the carrying amount of this cash-generating unit and any impairment loss is recognised.

t. Provisions and Contingencies

A provision is recognised 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 group 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 group 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 group does not recognize a contingent liability but discloses its existence in the financial statements.

u. Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of

ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

v. Events occurring after the Balance Sheet date:

Events occurring after the balance sheet date are those significant events, both favourable and unfavourable, that occur between the balance sheet and the date on which the Consolidated financial statements are approved by the Board of Directors. Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date. To that extent Assets and Liabilities are adjusted for events occurring after the balance sheet date which indicate that the fundamental accounting assumption of going concern is not appropriate.

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

(INR in Lakhs)

4	Share capital	Number of Shares March 31, 2024	As at March 31, 2024	Number of Shares March 31, 2023	As at March 31, 2023
	Authorized capital				
	Equity shares of INR 10/- each	20,040,000	2,004.00	20,040,000	2,004.00
	0% Optionally convertible preference shares of INR 10/- each	300,000	30.00	300,000	30.00
	0% Non-cumulative redeemable preference shares of INR10/- each	160,000	16.00	160,000	16.00
	Total		2,050.00		2,050.00
	Issued, subscribed and fully paid up share capital				
	Equity shares of INR 10/- each	7,699,275	769.93	5,199,075	519.91
	0% Optionally convertible preference shares of INR 10/- each	-	-	-	-
	0% Non-cumulative redeemable preference shares of INR 10/- each	157,632	15.76	157,632	15.76
	Total issued, subscribed and fully paid-up share capital		785.69		535.67

(A) Equity Share Capital

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	5,199,075	519.91	13,750	1.38
Add:				
(i) Bonus Shares issued during the year	-	-	4,125,000	412.50
(ii) 0% Optionally convertible Preference shares converted during the year	-	-	194,700	19.47
(iii) Compulsorily Convertible Debenture converted during the year	-	-	865,625	86.56
(iv) Shares issued on account of Initial Public offer during the year	2,500,200	250.02		
Less: Shares Bought Back during the year	-	-	-	-
Outstanding at the end of the year	7,699,275	769.93	5,199,075	519.91

Initial Public Offer

The Holding Company has completed the initial Public Offer (IPO) of fresh issue and allotment of 25,00,200 equity shares of INR 10 each at an issue price of INR 200 per share on September 28, 2023. The equity shares of the Company were listed on Bombay Stock Exchange (BSE) on SME Platform w.e.f. October 06, 2023. The issue comprised of fresh issue of 25,00,200 equity shares aggregating to INR 5,000.40 Lakhs.

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

4 Share capital

Utilisation of IPO proceeds

The details of utilisation of IPO proceeds from IPO, net of estimated IPO expenses of INR 202 Lakhs (excluding taxes) are as follows: (INR in Lakhs)

Particulars	Projected utilization of proceeds as per the offer document	As at March 31, 2024
Repayment of Debt	3,750.40	3,750.40
General Corporate Purpose	1,048.00	823.86
Total	4,798.40	4,574.26

The Unutilised amount of INR 220 Lakhs is in bank as Fixed Deposit and INR 5 Lakhs is kept with Merchant Banker as a deposit.

Terms/Rights attached to equity shares

The Holding 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 Holding 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 Holding Company, the holders of shares will be entitled to receive remaining assets of the Holding company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholders.

Details of Shareholders holding more than 5% Equity Shares

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Sarang Bhand	1,567,006	20.35%	1,567,006	30.14%
Suhrud Patel	571,443	7.42%	571,443	10.99%
Harish Mehta	360,899	4.69%	360,899	6.94%
Vipul Modi	259,763	3.37%	259,763	5.00%

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.

Aggregate number of Equity shares issued as Bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- **Equity shares issued as pursuant to any contract for consideration other than cash**
- The Holding Company allotted 41,25,000 equity shares as fully paid up bonus shares by capitalisation of profits transferred from Securities Premium, pursuant to the passing of an Ordinary Resolution by the Shareholder in Extra Ordinary General Meeting held in September 8, 2022 for bonus equity in the ratio of 300:1 [300 (Three Hundred) equity shares to be issued for every 1 (one) equity shares].

Equity shares bought back

The Holding Company had not bought back any shares during the 5 preceding years.

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

4 Share capital

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follow:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sarang Bhand	1,567,006	20.35%	1,567,006	30.14%	-9.79%

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	
Sarang Bhand	1,567,006	30.14%	5,206	37.86%	-7.72%

(B) 0% Optionally Convertible Preference Shares

Reconciliation of the 0% optionally convertible preference shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	-	-	286,400	28.64
Add: Shares issued during the year	-	-	-	-
Less: Shares Bought Back during the year	-	-	-	-
Less: Shares redeemed during the year	-	-	(91,700)	(9.17)
Less: Shares converted into equity shares during the year	-	-	(194,700)	(19.47)
Outstanding at the end of the year	-	-	-	-

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follow:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Sarang Bhand	-	-	-	-	-

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	
Sarang Bhand	-	-	37,700	13.16%	-13.16%

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

4 Share capital

(C) 0% Non-Cumulative Redeemable Preference Shares

Reconciliation of the 0% non-cumulative redeemable preference shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	INR in Lakhs	No. of Shares	INR in Lakhs
At the beginning of the year	157,632	15.76	157,632	15.76
Add: Shares issued during the year			-	-
Less: Shares Bought Back during the year			-	-
Outstanding at the end of the year	157,632	15.76	157,632	15.76

Terms/Rights attached to 0% non-cumulative redeemable preference shares

Preference shareholders shall be entitled to rights and privileges as are contained in the Preference Share Agreement dated September 16, 2013 and any subsequent addendums thereof subject to the Companies Act, 1956 and any subsequent re-enactments thereof.

Preference Shares are redeemable / transferable in accordance with the terms contained in the Preference Share Agreement dated September 16, 2013 and any subsequent addendums thereof. As per addendum dated September 08, 2022, the preference shares are redeemable on any date on or before March 31, 2029.

No dividend is payable on the preference shares of the Holding Company.

Each of the shares shall be redeemed at price calculated based on annual return of 18% p.a. for the Redemption period.

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

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Manish Modi	68,916	43.72%	68,916	43.72%
Mahendra Modi	14,000	8.88%	14,000	8.88%
Rupal J Shah Trustee of J.P.S. Family Trust	12,000	7.61%	12,000	7.61%
Ami Modi	10,740	6.81%	10,740	6.81%
Milap C Shah	45,860	29.09%	45,860	29.09%

Disclosure of Shareholding of Promoters

Disclosure of shareholding of Promoter as at March 31, 2024 is as follow:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
	-	-	-	-	-

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	
	-	-	-	-	-

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

(INR in Lakhs)

5	Reserves and surplus	As at	As at
		March 31, 2024	March 31, 2023
	Capital Redemption Reserve		
	Balance as at the beginning of the year	9.17	-
	Add: Addition on account of redemption of preference shares	-	9.17
	Balance as at the end of the year	9.17	9.17
	Securities premium account		
	Balance as at the beginning of the year	10,947.76	10,061.83
	Add: Premium on Conversion of Compulsorily Convertible Debenture	-	1,298.44
	Add: Premium on Issue of Equity Shares*	4,750.38	
	Less: Utilised on allotment of Bonus shares	-	(412.50)
	Less: Share issue expenses**	(171.28)	-
	Balance as at the end of the year	15,526.86	10,947.76
	Surplus in the Statement of Profit and Loss		
	Balance as at the beginning of the year	(8,942.53)	(9,298.75)
	Add: Profit / (Loss) for the year	776.90	365.38
	Less: Transferred to Capital Redemption Reserve	-	(9.17)
	Balance as at the end of the year	(8,165.63)	(8,942.53)
	Total reserves and surplus	7,370.40	2,014.40

*The Holding Company has completed the initial Public Offer (IPO) of fresh issue and allotment of 25,00,200 equity shares of INR 10 each at an issue price of INR 200 per share on September 28, 2023. The equity shares of the Holding Company were listed on Bombay Stock Exchange (BSE) on SME Platform w.e.f. October 06, 2023. The issue comprised of fresh issue of 25,00,200 equity shares aggregating to INR 5,000.40 Lakhs.

**The Holding Company has incurred Share issue expenses of INR 155.83 Lakhs (P.Y. INR 15.45 Lakhs) (excluding taxes) in connection with its Initial Public Offer (IPO) of equity shares. These expenses have been adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013.

(INR in Lakhs)

6	Borrowings	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Secured :				
	Term loans				
	From Banks	179.84	180.68	99.13	278.97
	Loans repayable on demand				
	From Banks.	0.00	93.94	-	-
		179.84	274.62	99.13	278.97
	Unsecured :				
	From Financial Institutions	3.75	2.79	15.69	19.45
	Banks Overdraft	-	0.29	-	-
	From Directors (Refer Note 30)	-	-	21.18	9.17
	Inter-Corporate Deposit	-	-	2,985.23	6,396.13
		3.75	3.08	3,022.10	6,424.74
	Total	183.59	277.70	3,121.23	6,703.71

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

6 Borrowings

Terms and Conditions of the Borrowings :

Nature of Security :

(i) Car loan from HDFC Bank is secured by hypothecation of the vehicle financed by bank.

(iii) Term Loan from Bank of Baroda :

Term loans are secured by :

- Hypothecation of Stock and Book Debts (Both Present and future).
- Hypothecation of Plant and Machineries 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 Mouje Solapur, Tuljapur Road, Tahsil and District Solapur admeasuring area 09 Acres.
- Cash margin on bank Gurantee limit.
- Equitable Motgage on commercial Office premises situated at office No. 2 A, 2nd floor in Building No. 3 of City Mall, Link Road, Oshiwara, Link Road Andheri West, Mumbai belonging to Vision Corporation Limited.
- Pledge of 14,80,000 Redeemable Preference Shares (INR 10 per share) of Solapur Bio Energy System Private Limited owned by Organic Recycling System Limited ("formerly known as Organic Recycling System Private Limited").
- Pledge of 37,00,000 fully paid up equity shares (INR 10 per share) of Solapur Bio Energy System Private Limited owned by Organic Recycling System Limited ("formerly known as Organic Recycling System Private Limited").

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

1. Sarang Bhand
2. Organic Recycling System Limited ("formerly known as Organic Recycling System Private Limited")
3. Vision Corporation Limited
4. Five Elements Environment Venture Private Limited

Terms of Repayment with interest

(a) Car Loan from HDFC Bank is repayable in 84 monthly instalment amounting to INR 0.38 Lakhs commencing from March 2022 along with interest at 7.10 % p.a.

(b) Term Loan from Bank of Baroda

(i) As per Original sanction letter, loan is repayable in 84 monthly instalment. As per revised Sanction letter dated October 30, 2021, the loan is repayable in 45 monthly instalment including moratorium period. Interest at BRLLR + 2.25% spread p.a. Spread to be reset linked to credit rating of the unit on completion of 24 months (including moratorium) from date of implementation of restructuring. Terms of repayment are as follow :

Financial Year	EMI (INR in Lakhs)
2021-22	7.49
2022-23	74.87
2023-24	137.41
2024-25	150.01
2025-26	47.80

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

6 Borrowings

- (ii) Term loan taken for the purpose to build up current assets for working capital requirements/to meet liquidity crunch/Cash flow mismatch. Term loan repayable in 36 monthly instalment with interest commencing from August 2020 and principal amount commencing from July 2021 along with interest at BRLLR + 1% p.a. with monthly rests. BRLLR is linked to RBI Repo rate and the same will change in line with movement of RBI repo rate. Terms of repayment are as follow :

Financial Year	EMI (INR in Lakhs)
2020-21	4.17
2021-22	29.14
2022-23	35.10
2023-24	32.65
2024-25	7.67

- (iii) Term loan taken for the purpose to build up current assets for working capital requirements/To meet liquidity crunch/Cash flow mismatch. Term loan repayable in 36 monthly instalment with interest commencing from December 2021 and principal amount commencing from December 2023 along with interest at BRLLR + 1% p.a. with monthly rests. BRLLR is linked to RBI Repo rate and the same will change in line with movement of RBI repo rate. Terms of repayment are as follow :

Financial Year	EMI (INR in Lakhs)
2021-22	0.92
2022-23	3.99
2023-24	9.15
2024-25	18.06
2025-26	16.68
2026-27	10.35

- (iv) Term loan taken for the purpose for additional funding under OTR 2.0 for purchase of Plant and Machineries (imported and indigenous). Term loan repayable in 60 monthly instalment with interest commencing from January 2022 and principal amount commencing from January 2023 along with interest at BRLLR + 2.25 % spread p.a. Spread to be reset linked to credit rating of the unit on completion of 24 months (including moratorium) from date of implementation of restructuring. Terms of repayment are as follow :

Financial Year	EMI (INR in Lakhs)
2021-22	1.22
2022-23	14.44
2023-24	35.94
2024-25	31.12

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

6 Borrowings

Particulars		Terms of Repayment with interest	EMI (INR in Lakhs)
From Financial Institution :			
(i)	Business loan from Bajaj Finance	Repayable in 84 monthly instalments. The first 26 instalments will only pay interest, while the remaining 58 instalments will pay both principal and interest. Principal repayment commences from May 2023 along with interest at 18% p.a.	0.58
Inter-Corporate Deposit			
(i)	Aegis Warehousing Services Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028. During the FY 23-24, no interest has been charged based on the waiver letter provided by the lender.	-
(ii)	La Fin Financial Services Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028, which carries interest @ 0%.	-
(iii)	Sunil Equitrade Private Limited	There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid on or before March 31, 2028, which carries interest @ 0%.	-
(iv)	DHI Advisory Services LLP (Formerly known as Hansa Villa Realty Private Limited)	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.	-
From Director			
(a)	Sarang Bhand	'There is no specific repayment schedule for this long-term loan. However, as per the agreement executed, this loan will have to be repaid after March 31, 2028, which carries interest @ 0%.	-
	Loan repayable on demand - Cash Credit from Bank of Baroda	<p>Cash Credit taken from Bank of Baroda for working capital requirement.</p> <p>Margin : 25% of Stock and 40% on book debt up to 90 days.</p> <p>Rate of Interest : 6.00% over BRLLR + plus strategic premium.</p> <p>Interest is payable with monthly rests and subject to change in credit rating of the account/Banks guidelines issued from time to time.</p> <p>Security / Document : i. Exclusive 1st charge by the way of supplementary Hypothecations of entire Stock and Book Debts of group, both present and future.</p> <p>ii. Irrevocable Power of Attorney for Books debts.</p>	-

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

6 Borrowings

Details of quartely reporting done to lender :

Name of Bank and Quarter	Particulars of Securities Provided	Amount as per Books of Accounts (INR in Lakhs)	Amount as reported in quarterly return/ statement (INR in Lakhs)	Amount of Difference (INR in Lakhs)	Reason for Material discrepancies
Bank of Baroda - June 2023	Inventory	122.40	122.40	-	
	Trade Receivable	938.83	938.83	-	
	Trade Payable	134.63	23.76	110.87	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include O&M Creditor
Bank of Baroda - September 2023	Inventory	147.17	147.17	-	
	Trade Receivable	837.00	837.00	-	
	Trade Payable	134.35	25.24	109.11	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include O&M Creditor
Bank of Baroda - December 2023	Inventory	149.64	149.64	-	
	Trade Receivable	714.81	715.47	(0.66)	The Credit Note raised later to the customer
	Trade Payable	130.46	22.13	108.33	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include O&M Creditor
Bank of Baroda - March 2024	Inventory	115.50	115.50	-	
	Trade Receivable	888.53	888.53	-	
	Trade Payable	128.97	32.68	96.29	The amount given to bank does not include trade payable more than 90 days and also submitted to bank include O&M Creditor

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

(INR in Lakhs)

7	Other Liabilities	Current		Long-term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Security Deposits	-	-	264.00	291.75
	Trade Advance				
	From Related Party (Refer Note 30)	-	36.65	-	-
	From Others	-	-	12.00	162.00
	Employee benefits payable	92.77	113.86	-	-
	Statutory dues including provident fund and tax deducted at source	210.00	261.84	-	-
	Payable for Capital Goods*	116.98	137.83	-	-
	Advance from Customer	0.06	0.63	-	-
	Payable for expenses	378.66	414.44	-	-
	Interest Accrued but not due on Term Loan	1.05	1.54	-	-
	Other Payable	70.99	75.09	-	-
	Total	870.51	1,041.88	276.00	453.75

* 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)

8	Provisions	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Provision for employee benefits				
	Provision for gratuity (Note 31)	4.38	3.94	54.47	48.01
	Provision for Leave Encashment (Note 32)	1.30	-	8.23	-
	Provision for Income Tax* (*Net of Tax Deducted at Source of INR 57.06 Lakhs (P.Y. 66.44 Lakhs)	62.05	-	-	-
	Total	67.74	3.94	62.70	48.01

(INR in Lakhs)

9	Trade payables	As at March 31, 2024	As at March 31, 2023
		Total outstanding dues of micro enterprises and small enterprises (Refer ageing schedule below)	533.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	233.46	118.36	
Total	766.52	852.05	

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

9 Trade payables

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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount due and remaining unpaid	533.06	733.69
Interest accrued and due on above and the unpaid interest	1.19	8.11
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	-	-
	534.25	741.80

Trade Payable ageing schedule as at March 31, 2024:

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	21.89	37.85	1.52	471.80	533.07
Others	151.98	0.59	11.56	69.33	233.46
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	173.88	38.44	13.08	541.13	766.52

Trade Payable ageing schedule for as at March 31, 2023:

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	197.95	107.67	318.40	109.66	733.69
Others	26.49	16.06	10.76	65.05	118.36
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	224.44	123.73	329.16	174.71	852.05

Notes to Consolidated financial statements for the year ended March 31, 2024
10 Property, Plant & Equipment and Intangible assets

(INR in Lakhs)

Particulars	Property, Plant & Equipment						Total Property, Plant & Equipment	Intangible assets		Total Intangible assets
	Furnitures & Fixtures	Computers	Building	Vehicles	Office Equipments	Plant and Machinery		Technology Development	Software	
At April 01, 2022	65.83	15.42	2,000.55	57.79	26.30	8,809.78	10,975.68	60.99	3.95	64.94
Addition	1.78	2.05	18.78	6.61	1.79	106.34	137.34	-	0.24	0.24
Disposals	-	-	-	(2.37)	-	-	(2.37)	-	-	-
At March 31, 2023	67.61	17.46	2,019.33	62.03	28.09	8,916.13	11,110.65	60.99	4.19	65.18
Addition	16.64	3.69	-	5.40	5.30	25.25	56.27	7.69	0.60	8.29
Disposals	(50.49)	-	-	-	(7.14)	-	(57.63)	-	-	-
At March 31, 2024	33.76	21.15	2,019.33	67.43	26.25	8,941.37	11,109.29	68.68	4.79	73.47
Depreciation/Amortisation										
At April 01, 2022	38.54	12.97	987.88	28.06	20.01	3,535.69	4,623.15	54.59	2.97	57.57
Charge for the period	7.09	1.85	97.91	10.51	3.17	440.79	561.34	6.10	0.42	6.52
Disposals	-	-	-	(2.25)	-	-	(2.25)	-	-	-
At March 31, 2023	45.64	14.82	1,085.79	36.32	23.18	3,976.48	5,182.24	60.69	3.39	64.08
Charge for the period	3.01	1.72	89.84	8.42	2.63	409.02	514.64	0.49	0.44	0.93
Disposals	(30.39)	-	-	-	(5.60)	-	(35.99)	-	-	-
At March 31, 2024	18.25	16.54	1,175.63	44.74	20.22	4,385.50	5,660.88	61.18	3.83	65.01
Net Book Value										
At March 31, 2023	21.97	2.64	933.54	25.71	4.91	4,939.65	5,928.41	0.30	0.79	1.09
At March 31, 2024	15.51	4.61	843.70	22.69	6.03	4,555.87	5,448.41	7.50	0.96	8.46

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

10 Intangible Asset Under Development (INR in Lakhs)

Particular	Amount
At April 01, 2022	604.52
Addition	410.77
Disposals	-
At March 31, 2023	1,015.29
Addition	265.27
Disposals	-
At March 31, 2024	1,280.56
At March 31, 2024	1,015.29
At March 31, 2024	1,280.56

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

Intangible Assets under Development	This is last years schedule				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	More than 3 years	
Project in progress	265.27	410.77	311.43	293.09	1,280.56

- The cost amounting to INR 265.27 Lakhs comprises of salary cost (P.Y. Direct Cost INR 33.35 Lakhs, Salary INR 304.02 Lakhs, Professional fees INR 1.37 Lakhs and Depreciation INR 72.03 Lakhs) have been incurred for the development of In-vessel composting, Activated Carbon to Mesh Membrane development for Water/Gas purification application, Bio grinder, Sanjeevak Carbonisation System & emission control device, phosphate Rich Organic Manure (PROM) and Sugar King/Sugarcane Plus-Products, Co-digestion of Agri residue and other feedstock/ HRT Reactor / Pre-treatment of mixed biomass or waste, H₂S and Moisture scrubber Technology and Biochar to Brick/tiles application.
- There are no projects under Intangible asset under development, whose completion is overdue or has exceeded its cost compared to its original plan.

10 Capital Work in Progress (INR in Lakhs)

Capital Work in Progress	Amount
At April 1, 2022	13.98
Addition	-
Disposals	-
At March 31, 2023	13.98
Addition	393.04
Disposals	-
At March 31, 2024	407.02
At March 31, 2023	13.98
At March 31, 2024	407.02

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

CWIP aging schedule

(INR in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	13.98	13.98
Project in progress	393.04	-	-	-	393.04

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

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

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	-	-	-	13.98	13.98

(INR in Lakhs)

11	Goodwill on Consolidation	As at March 31, 2024	As at March 31, 2023
	Goodwill on Consolidation	93.81	93.81
	Less : Impairment of Goodwill	-	-
		93.81	93.81

(INR in Lakhs)

12	Non Current Investment	Number of Shares March 31, 2024	Number of Shares March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Trade Investments - Unquoted (Valued At Cost Unless Stated Otherwise)				
	Investment in Associates :				
	Blue Planet Kannur Waste Solutions Private Limited	2,600	2,600	-	-
	Add/(Less): Group's Share of Profits / (Losses)			-	-
	Blue Planet Palakkad Waste Solutions Private Limited	2,600	2,600	-	-
	Add/(Less): Group's Share of Profits / (Losses)			-	-
	Investment in Others :				
	Five Elements Environment Ventures Private Limited	1,000	1,000	0.10	0.10
	Total			0.10	0.10
	Aggregate amount of				
	Quoted Investments			-	-
	Market value of Quoted Investments			-	-
	Unquoted Investments			0.10	0.10

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

(INR in Lakhs)

13	Deferred Tax Assets (Net)	As at March 31, 2024	As at March 31, 2023
	Deferred tax liability		
	Property, Plant and Equipment : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	961.10	1,055.93
	Gross deferred tax liability (B)	961.10	1,055.93
	Deferred tax assets		
	On account of disallowance of TDS under Section 40(a)	-	2.74
	Provision for employee benefit expenses	17.21	13.21
	On unabsorbed depreciation and business loss	3,117.41	3,297.10
	Gross deferred tax assets (A)	3,146.62	3,321.44
	Net deferred tax Assets (A-B)	2,185.53	2,265.51
	Deferred Tax Assets to be extent recognised (refer note below)	959.27	730.82

According to the Accounting Standard AS-22, deferred tax assets should be recognised 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 realised.

(INR in Lakhs)

14	Loans and Advances	Short term		Long term	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Other Loans & Advances				
	Advance to Employees for Expenses	7.93	5.64	-	-
	Advance to vendors	34.04	53.89	-	-
	Capital Advance	-	-	2.32	0.05
	Loans to Related parties (Refer Note 30)	-	-	5.26	4.96
	Balance with Government Authorities- (Net of Provision for Income Tax of INR 82.56 Lakhs (P.Y. Nil)	36.37	61.24	2.67	11.03
	Loan to Employees	2.40	4.04	-	-
	Prepaid expenses	15.70	6.58	-	-
	Total	96.43	131.39	10.26	16.04

(INR in Lakhs)

15	Other Assets	Current		Non-Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Security Deposits	76.27	-	33.34	35.68
	Earnest Money Deposit	-	-	115.60	113.00
	Term Deposit with bank*	50.00	-	128.06	118.04
	Tender deposits	-	-	-	15.00
	Margin Money for Bank Gurantee- for MPCB	-	-	2.25	2.25

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

(INR in Lakhs)

15	Other Assets	Current		Non-Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	TDS Reimbursible from Bajaj Finance	0.08	0.12	-	-
	Unbilled Receivables	306.80	432.00	-	-
	Interest accrued but not due on term deposits	-	0.76	8.46	26.78
	Others Assets**	-	15.45	-	-
	Total	433.15	448.33	287.71	310.75

Notes :

* The term deposits are given to various customer as a performance guarantees.

**The Holding Company has incurred Share issue expenses of INR 155.83 Lakhs (PY INR 15.45 Lakhs) (excluding taxes) in connection with its Initial Public Offer (IPO) of equity shares. These expenses have been adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013.

(INR in Lakhs)

16	Inventories	As at	As at
		March 31, 2024	March 31, 2023
	Work in progress	66.25	51.60
	Finished goods	31.50	15.66
	Stores & spares	18.66	22.44
	Raw materials	0.26	-
	Total	116.67	89.70

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

(INR in Lakhs)	
Trade receivables	As at March 31, 2024
Unsecured considered good (Refer ageing schedule below)	3,543.10
Doubtful	74.16
(-) Provision for doubtful debts	(74.16)
Total	3,543.10
	As at March 31, 2023
	3,128.40
	74.16
	(74.16)
	3,128.40

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Trade Receivables ageing schedule as at March 31, 2024:							(₹ in Lakhs)
Particulars	Outstanding for following periods from due date of payments						As at March 31, 2024
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	more than 3 years		
Undisputed Trade receivables- considered good	1,668.95	5.32	455.42	-	0.82	-	2,130.51
Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	-	127.60	358.89	926.10	-	1,412.60
Disputed Trade receivables- considered doubtful	-	-	-	-	74.16	-	74.16
(-) Provision for doubtful debts	-	-	-	-	(74.16)	-	(74.16)
Total	1,668.95	5.32	583.02	358.89	926.92	926.92	3,543.10

Trade Receivables ageing schedule as at March 31, 2023:							(₹ in Lakhs)
Particulars	Outstanding for following periods from due date of payments						As at March 31, 2023
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	more than 3 years		
Undisputed Trade receivables- considered good	1,417.82	158.90	137.56	0.82	0.73	-	1,715.81
Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	138.58	556.08	539.90	178.02	-	1,412.58
Disputed Trade receivables- considered doubtful	-	-	-	43.78	30.39	-	74.16
(-) Provision for doubtful debts	-	-	-	(43.78)	(30.39)	-	(74.16)
Total	1,417.82	297.48	693.64	540.71	178.75	178.75	3,128.40

* In respect of disputed trade receivable, the holding company has received an order dated June 30, 2022 from Municipal Corporation of Delhi whereby it has instructed its officer to terminate the contract given to the company and recover the penalties. The holding Company has filed petition on June 30, 2022 with Hon'ble High Court of Delhi to recover outstanding dues from Municipal Corporation of Delhi. Based on the opinion of the Holding Company's advocate, the Group is hopeful to recover the entire amount along with claim for cost escalation.

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

(INR in Lakhs)

18	Cash and Bank Balance	As at March 31, 2024	As at March 31, 2023
	Cash and cash equivalents		
	Cash on Hand	1.41	2.73
	Bank Balances		
	- In current accounts	597.90	17.15
	Term Deposit with bank with Original maturity less than 3 months	220.00	-
	(A)	819.31	19.88
	Other Bank Balance		
	Term Deposit with bank with maturity less than 12 months	0.11	3.10
	(B)	0.11	3.10
	Total (A+B)	819.42	22.98

(INR in Lakhs)

19	Revenue from operations	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Contract revenue	453.62	1,126.66
	Revenue from Operation and Maintenance	-	33.28
	Sale of Service	1,001.50	335.00
	Sale of Products	1,288.18	362.56
	Other Operating Income		
	Sale of Scrap	5.43	14.43
	Technology License Fees	-	600.00
	Total	2,748.73	2,471.93
	Details of Sale of Products		
	Compost	417.31	340.93
	Electricity	13.16	21.62
	<i>Traded Goods</i>		
	Equipments	857.72	-
	Total	1,288.18	362.56

(INR in Lakhs)

20	Other income	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Interest Income :		
	- On Fixed Deposit	26.33	9.60
	- On Income Tax Refund	1.23	1.21
	- On Others	-	0.61
	Profit on Sale of Property, Plant and Equipment	-	0.04
	Sundry balance written back (Refer Note 38)	1.41	50.71
	Exchange Difference Gain	1.32	-
	Other income	-	-
	Total	30.29	62.18

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

(INR in Lakhs)			
21	Cost of Material consumed	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Opening stock	-	-
	Add: Purchase of Material	403.01	60.20
	Less: Closing stock	0.26	-
	Cost of Material consumed	402.75	60.20
	Purchase of Traded Goods		
	Equipments	388.04	-
		388.04	-

(INR in Lakhs)			
22	(Increase)/Decrease in Inventories	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	<u>Stock in process</u>		
	Stock in process at the beginning of the year	51.60	85.60
	Less : Stock in process at the end of the year	66.25	51.60
		(14.65)	34.00
	<u>Finished Goods</u>		
	Finished goods at the beginning of the year	15.66	9.66
	Less : Finished goods at the end of the year	31.50	15.66
		(15.83)	(6.00)
	Total	(30.48)	28.00

(INR in Lakhs)			
23	Construction Expenses	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Labour Charges/ Subcontract charges	47.08	40.41
	Repairs and maintenance..	0.75	12.64
	Other	282.36	59.85
	Total	330.20	112.90

(INR in Lakhs)			
24	Employee benefits expense	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Salaries, wages and bonus*	303.21	301.69
	Contributions to provident and other funds	28.26	27.73
	Stipend	0.56	2.88
	Recruitment expense	0.29	-
	Gratuity	10.02	8.66
	Leave Encashment	10.56	0.12
	Staff welfare expenses	14.01	17.99
	Total	366.90	359.06

*includes Director remuneration of INR 42 Lakhs (P.Y INR 32.87 Lakhs)

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

(INR in Lakhs)

25	Depreciation and amortization expense	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Depreciation on Property, Plant & Equipment	264.76	489.31
	Amortisation of intangible assets	0.93	6.52
	Total	265.68	495.82

(INR in Lakhs)

26	Finance costs	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Interest on loan	113.59	129.20
	Interest on overdraft	-	47.72
	Interest on cash credit	5.04	9.80
	Other borrowing cost	11.40	1.23
	Total	130.03	187.95

(INR in Lakhs)

27	Other expenses	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Direct Expenses		
	Labour Charges/ Subcontract charges	39.28	61.14
	Packing and Forwarding Charges	2.44	14.42
	Power and Fuel	81.62	135.01
	Plant and Machinery - Hiring Charges	59.84	128.34
	Transportation Charges	0.68	1.78
	Loading and Unloading Charges	0.23	1.04
	Testing and Laboratory Expenses	0.98	1.55
	Other Direct Cost	14.91	9.71
	Total	199.98	352.98
	Bank Charges	3.27	1.10
	Rent	32.31	48.76
	Rates and taxes	17.40	52.28
	Electricity expenses	5.72	7.84
	Insurance charges	9.05	8.64
	Interest on MSME	12.07	8.11
	Business promotion expenses	8.02	3.25
	Legal and professional charges	158.84	129.16
	Listing Fees	-	1.00
	Labour Charges	3.00	-
	Loss on sale of Assets	16.64	-
	Payment to auditor (Refer details below)	12.65	6.55
	Travelling and conveyance expenses	37.12	33.91
	Internet expenses	3.48	2.43
	Lodging and Boarding expenses	18.96	14.81
	Communication cost	3.75	2.82
	Interest and penalties	4.48	28.54

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

(INR in Lakhs)

27	Other expenses	For the year ended March 31, 2024	For the Year Ended March 31, 2023
	Office expenses	21.41	19.12
	Testing charges	0.78	0.11
	Carriage Outward	2.40	27.01
	Selling & Distribution	0.45	2.57
	Repairs & Maintenance		
	-Building	0.06	7.31
	-Plant and Machinery	1.41	8.17
	Consumption of Stores and spares	25.55	39.01
	Donation	0.12	0.38
	Brokerage & Commission	5.19	2.53
	Bad debts and Balance written off (Refer Note 39)	25.97	2.02
	Telephone Expense	0.65	0.92
	Miscellaneous expenses	13.66	5.21
	Postage & Courier Expenses	0.01	-
	Director Sitting Fees	1.50	1.80
	ROC Fees	0.26	6.15
	Total	446.16	471.52
		646.13	824.50
	* Payment to Auditors		
	As Auditors:		
	Audit Fees	12.30	6.30
	Certificate	0.35	0.25
	Tax matters	-	-
	Total	12.65	6.55

28. 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:

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Net profit for calculation of basic and diluted EPS (INR in Lakhs) (A)	776.90	365.38
Weighted average number of equity shares for calculating basic EPS, Nominal value of Shares INR 10 each (B)	6,469,668	4,668,051
Weighted average number of equity shares for calculating diluted EPS, Nominal value of Shares INR 10 each (C)	6,469,668	4,668,051
Basic Earning per Share (A/B)	12.01	7.83
Diluted Earning per Share (A/C)	12.01	7.83

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

29. Contingent Liabilities & Commitments

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities		
Guarantees given by the Company for Term Loans taken by wholly owned subsidiary	2,844.00	2,844.00
Service tax demand as per Show Cause Notice	307.18	307.18
Performance Bank Guarantee	101.79	181.79
Income Tax Demand for FY 2019-20. The Company has filed online rectification request and its expects that the due rectification will be done by the department and no liability will arise.	-	404.28
Bank of Baroda's Right to Recompense on restructure term loan - The rights to recompense may be excersied by Bank of Baroda from the second anniversary date of the implementation of restructured package, if it is revived and surplus cash is generated after meeting the repayment obligation under the restructure package.	49.10	49.10
Income Tax demand for FY 2014-15. The appeal has been filed and management expects that no liability will arise	406.23	411.68
Bank Guarantee - Bank Gurantee is given by Bank of Baroda in favour of Maharashtra Pollution Control Board	10.00	10.00
Income Tax demand for FY 2017-18. The appeal has been filed and management expects that no liability will arise	2.10	2.10
TDS Default	0.01	0.24
Commitments		
Capital Commitments	-	124.62

30. Related party disclosures

Names of related parties and related party relationship

Related parties under AS 18

Key Management Personnel	Sarang S. Bhand (Managing Director)
	Yashas Bhand (Director and Chief Executive Officer)
	Janaki Sarang Bhand (Director)
	Jigar Gudka (Chief Financial Officer)
	Zinal Shah (Company Secretary resigned w.e.f. November 7, 2023)
	Seema Gawas (Company Secretary w.e.f. November 8, 2023)
Independent Directors	Amit Karia
	Rakesh Mehra
Relatives of Key Management Personnel	Suhas Bhand (Relative of Director)
Associates	Blue Planet Kannur Waste Solutions Private Limited
	Blue Planet Palakkad Waste Solutions Private Limited

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

30. Related party disclosures

Entities in which Key Management Personnel exercise significant influence	Blue Planet Biofuels Private Limited (Formerly known as "Blue Planet Yasasu Solutions Private Limited")*
	Blue Planet Yasasu Process Engineers Private Limited*
	Five Elements Environment Ventures Private Limited
	Five Elements Research Foundation

* Ceased to be a related party w.e.f. July 14, 2023

i) Related Party transactions (including provisions and accruals) (INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Sarang Bhand	Director	Director Remuneration	42.00	32.87
		Director Remuneration capitalised as Technology development	-	10.00
		Consultancy Charges	46.67	23.33
		Loan received	17.95	9.17
		Loan repaid	5.93	-
Yashas Bhand	Director	Director Remuneration capitalised as Technology development	24.00	18.00
Janaki Sarang Bhand	Director	Director Sitting Fees	0.60	1.20
Suhas Bhand	Relative of Director	Salary capitalised as Technology development	-	15.00
		Consultancy Charges	30.00	15.00
Amit Karia	Independent Director	Sitting Fees	0.40	0.10
Rakesh Mehra	Independent Director	Sitting Fees	0.50	0.50
Blue Planet Biofuels Private Limited	Entities in which Key Management Personnel exercise significant influence	Purchase of material	-	55.58
Blue Planet Palakkad Waste Solutions Private Limited	Associate Company	Revenue from operation	-	1,000.00

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

30. Related party disclosures

i) Related Party transactions (including provisions and accruals)

(INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Five Elements Environment Ventures Private Limited	Entities in which Key Management Personnel exercise significant influence	Loan Given	0.30	4.96
		Advance given	2.32	-
Jigar Gudka	Chief Financial Officer	Salary	27.28	24.53
Seema Gawas	Company Secretary	Salary	2.28	-
Zinal Shah	Company Secretary	Salary	2.47	2.13

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

(INR in Lakhs)

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
Sarang Bhand	Director	Director Remuneration payable	2.06	1.38
		Advance for Expenses Receivable		3.50
		Consultancy Charges payable	6.56	3.05
		Loan payable	21.18	9.17
Yashas Bhand	Director	Director Remuneration payable	1.83	2.10
Janaki Sarang Bhand	Director	Director Sitting Fees	1.62	1.08
Suhas Bhand	Relatives of Key Management Personnel	Salary payable	-	0.28
		Consultancy Charges payable	2.25	2.26
Amit Karia	Independent Director	Sitting Fees	0.45	0.09
Five Elements Environment Ventures Private Limited	Entity in which Key Management Personnel exercise significant influence	Loan Receivable	5.26	4.96
		Advance given	2.32	-
		Investment in Equity Shares	0.10	0.10

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

30. Related party disclosures

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

Name of Related Party	Relationship	Nature of Transaction	As at March 31, 2024	As at March 31, 2023
Blue Planet Biofuels Private Limited	Entity in which Key Management Personnel exercise significant influence	Trade payable	-	718.46
		Security Deposit Payable	-	191.75
		Trade Advance Payable	-	36.65
Blue Planet Palakkad Waste Solutions Private Limited	Associate Company	Trade Receivable	-	225.56
		Unbilled Receivables	-	432.00
		Investment in Equity Shares	0.26	0.26
Blue Planet Kannur Waste Solution Private Limited	Associate Company	Investment in Equity Shares	0.26	0.26
Jigar Gudka	Key Management Personnel - Chief Financial Officer	Salary payable	1.92	0.42
Seema Gawas	Key Management Personnel - Company Secretary	Salary payable	0.46	-
Zinal Shah	Key Management Personnel - Company Secretary	Salary payable	-	0.16

31. Gratuity(Unfunded)

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded 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

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	7.45	6.65
Interest cost on benefit obligation	3.93	3.38
Expected Gain on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Loss / (Gain)	(1.36)	(1.38)

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

31. Gratuity(Unfunded)

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Recognised Past Service Cost - Vested	-	-
Recognised Past Service Cost - Unvested	-	-
Net benefit expense	10.02	8.66

b. Balance Sheet

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Defined Benefit Liability	58.85	51.95

c. Reconciliation of Net Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of funded defined benefit obligation (i)	58.85	51.95
Fair Value of Plan Assets(ii)	-	-
Net Benefit Liability	58.85	51.95

c. (i). Reconciliation of defined benefit obligation

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined Benefit Obligation	51.95	46.92
Transfer in / (out) obligation	-	-
Current Service Cost	7.45	6.65
Interest cost on benefit obligation	3.93	3.38
Actuarial Loss / (Gain)	(1.36)	(1.38)
Past Service Cost	-	-
Benefits paid	(3.11)	(3.62)
Present Value of Defined Benefit Obligation	58.85	51.95

c. (ii). Reconciliation of plan assets

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
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	-	-

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

31. Gratuity(Unfunded)

d. Bifurcation of Current - Non Current Liability (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liability	4.38	3.94
Non Current Liability	54.47	48.01
Total	58.85	51.95

e. Composition of Plan Assets (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Policy of Insurance	0.00%	0.00%
Total	0.00%	0.00%

f. Principal Assumptions for determining Gratuity Plan (INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	7.31%
Rate of Salary Increase	5.00%	5.00%
<u>Attrition rate</u>		
For service 4 years and below	15.00% p.a.	15.00% p.a.
For service 5 years and above	5.00% p.a.	5.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Ultimate)	Indian Assured Lives Mortality 2012-14 (Ultimate)
Mortality Rate After Employment	N.A.	N.A.

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 the employment market.

32. Leave Encashment (Unfunded)

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

a. Statement of Profit and Loss (INR in Lakhs)

Net employee benefit expense recognized in the employee cost		
Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	9.52	-
Interest on Obligation	-	-
Net Actuarial Loss / (Gain)	-	-
Net benefit expense	-	-

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

32 Leave Encashment (Unfunded)

b. Balance Sheet

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Defined Benefit Liability	9.52	-

c. Reconciliation of Net Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of defined benefit obligation (i)	9.52	-
Fair Value of Plan Assets	-	-
Net Benefit Liability	9.52	-

c (i) . Reconciliation of defined benefit obligation

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined Benefit Obligation	-	-
Transfer in / (out) obligation	-	-
Current Service Cost	9.52	-
Interest on Obligation	-	-
Net Actuarial Loss / (Gain)	-	-
Benefits Paid	-	-
Present Value of Defined Benefit Obligation	9.52	-

d. Bifurcation of Current - Non Current Liability

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liability	1.30	-
Non Current Liability	8.23	-
Total	9.52	-

e. Principal Assumptions for determining Leave Encashment

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	-
Salary Growth Rate	5.00%	-
Withdrawal Rates		-
Mortality	IALM (2012-14) Ultimate	-
Leave Availment Rate	1.00%	-
Retirement Age	60 years	-

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

33. Foreign Currency Transactions

a) Earnings in Foreign Currency

There were no foreign currency earnings during the year (P.Y. Nil)

b) CIF Value of Imports

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Import of goods	123.93	-
Total	123.93	-

c) Outflow in Foreign Currency

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Staff Training Expenses*		0.01
Total	-	0.01

* The payment was made by a director on behalf of the Subsidiary Company.

34. Segment Reporting

The Group is operating in the single segment and hence provision relating to the Segment Reporting as per AS-17 "Segment Reporting" is not applicable.

35. Disclosure relating to entities considered in the Consolidation Financial Statements :

Subsidiaries Considered for Consolidation:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest	
		March 31, 2024	March 31, 2023
Solapur Bioenergy Systems Private Limited	India	100%	100%
Organic Waste India Private Limited	India	100%	100%
Pune Urban Recyclers Private Limited	India	100%	100%
Meerut Bioenergy Systems Private Limited	India	100%	100%

Associates Considered for Consolidation:

Name of Associates	Country of Incorporation	Proportion of ownership interest	
		March 31, 2024	March 31, 2023
Blue Planet Palakkad Waste Solutions Private Limited	India	26%	26%
Blue Planet Kannur Waste Solutions Private Limited	India	26%	26%

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

35. Disclosure relating to entities considered in the Consolidation Financial Statements :

Additional information as required by para 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity in the Group	Net Assets i.e Total Asset minus Total Liabilities		Share of Profit / (Loss)	
	As % of consolidated net assets	INR in Lakhs	As % of consolidated Profit/Loss	(INR in Lakhs)
Parent Company				
Organic Recycling Systems Limited				
Balance as at March 31, 2024	198.33%	16,176.17	40.49%	314.56
Balance as at March 31, 2023	432.63%	11,032.49	129.21%	472.12
Subsidiaries (Indian)				
Solapur Bioenergy Systems Private Limited				
Balance as at March 31, 2024	-84.54%	(6,894.76)	60.38%	469.09
Balance as at March 31, 2023	-288.77%	(7,363.85)	-24.90%	(90.97)
Organic Waste India Private Limited				
Balance as at March 31, 2024	-10.55%	(860.86)	-0.09%	(0.71)
Balance as at March 31, 2023	-33.73%	(860.15)	-2.64%	(9.63)
Pune Urban Recyclers Private Limited				
Balance as at March 31, 2024	-2.90%	(236.22)	-0.09%	(0.67)
Balance as at March 31, 2023	-9.24%	(235.55)	-0.38%	(1.38)
Meerut Bioenergy Systems Private Limited				
Balance as at March 31, 2024	-0.34%	(27.72)	-0.69%	(5.37)
Balance as at March 31, 2023	-0.88%	(22.35)	-1.30%	(4.77)
Associates (Indian)				
Blue Planet Palakkad Waste Solutions Private Limited				
Balance as at March 31, 2024	0.00%	(0.26)	0.00%	-
Balance as at March 31, 2023	-0.01%	(0.26)	0.00%	-
Blue Planet Kannur Waste Solutions Private Limited				
Balance as at March 31, 2024	0.00%	(0.26)	0.00%	-
Balance as at March 31, 2023	-0.01%	(0.26)	0.00%	-
Balance as at March 31, 2024	100.00%	8,156.09	100.00%	776.90
Balance as at March 31, 2023	100.00%	2,550.07	100.00%	365.38

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

35. Disclosure relating to entities considered in the Consolidation Financial Statements :

Information on Subsidiary Companies

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) in Form AOC-1

(INR in Lakhs)

Name of Subsidiary	Solapur Bioenergy Systems Private Limited	Organic Waste India Private Limited	Pune Urban Recyclers Private Limited	Meerut Bioenergy Systems Private Limited
a) Date of acquisition / incorporation of subsidiary	May 12, 2005	June 24, 1997	January 28, 2005	August 21, 2017
b) Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
c) Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
d) Share capital	1,733.00	17.84	1.00	1.00
e) Reserves & surplus	(477.76)	422.33	(236.22)	(27.72)
f) Total assets	8,755.86	455.54	0.04	14.66
g) Total Liabilities	7,500.61	15.38	235.26	41.38
h) Investments	-	-	-	-
i) Turnover	985.89	-	-	-
j) Profit/(Loss) Before Taxation	246.76	(0.71)	(0.67)	(5.37)
k) Provision For Tax (Including Deferred Tax)	(222.33)	-	-	-
l) Profit/(Loss) After Taxation	469.09	(0.71)	(0.67)	(5.37)
m) Proposed Dividend	-	-	-	-
n) % of Shareholding	100.00%	100.00%	100.00%	100.00%

Notes:

Meerut Bio-energy Systems Private Limited, Organic Waste (India) Private Limited and Pune Urban Recyclers Private Limited have not commenced its operations.

The Company has not liquidated or sold any subsidiary, during the year under review.

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

35. Disclosure relating to entities considered in the Consolidation Financial Statements :

Information on Associates

(Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies)

(INR in Lakhs)

Name of Associate	Blue Planet Palakkad Waste Solutions Private Limited	Blue Planet Kannur Waste Solutions Private Limited
i) Latest audited Balance Sheet Date	March 31, 2024	March 31, 2024
ii) Date of association / acquisition of Associate	February 17, 2020	February 17, 2020
ii) Share of Associate held by Company at the year end		
a) Number	2,600	2,600
b) Amount of Investment in Associate	26,000	26,000
c) Extent of Holding %	26%	26%
iii) Description of how there is significant influence	Associate	Associate
iv) Reason why Associate is not consolidated	refer note 3(c)	refer note 3(c)
v) Networth attributable to Shareholding as per latest audited Balance Sheet	(13.80)	(69.70)
vi) Profit / (Loss) for the year		
a) Considered in Consolidation	-	-
b) Not Considered in Consolidation*	(291.99)	(20.80)

The Company does not have any Joint Venture Company as on March 31, 2024.

Notes:

Blue Planet Palakkad Waste Solutions Private Limited and Blue Planet Kannur Waste Solutions Private Limited have not commenced its operations.

The Company has not liquidated or sold any Associates and/or Joint Venture, during the year under review.

*The amount has not been considered in consolidation since the loss exceeds the amount invested in the associates.

36. Audit Trail

The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

37. Other Disclosures

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Group does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The Group do not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.

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

37. Other Disclosures

- (e) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (f) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) 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 by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (g) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (h) During the year, the Group is not declared a wilful defaulter by any bank or financial Institution or other lender.
- (i) If there is any item which is not applicable to the company in respect of certain specific requirements inserted by Amendment to Schedule-III -Division-I, no specific mention is made in the consolidated financial statements.

38. Write Back of Liabilities

The group has written back following balances because they are outstanding since long period and not payable :
(INR in Lakhs)

Particular	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Trade Payable	1.41	2.25
Forfeiture of Trade Advance	-	-
Other Liabilities	-	48.46
Statutory dues because of of PT Registration cancelled	-	-
Borrowing - Director	-	-
Total	1.41	50.71

39. Sundry Balance and Bad Debts written off

The group has written off following balances because they are outstanding since long period and not recoverable :
(INR in Lakhs)

Particular	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Advance to vendors and others	22.13	2.02
Trade Receivable	3.26	-
Security Deposits	0.29	-
TDS Receivable	-	-
Others GST	0.28	-
Total	25.96	2.02

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

40. Disclosure in accordance in Accounting Standard- 7 (Revised)

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
Contract revenue recognised in an accounting period	453.62	67.53
Aggregate amount of cost incurred till date	439.99	46.46
Aggregate amount of net profit recognised till date	13.63	21.07
Advance received from customer	-	-
Amount of retentions	-	-

41. Key Performance Indicators

Particulars	Basis	As at March 31, 2024	As at March 31, 2023
Revenue from Operations (Rs. In Lakhs)		2,748.73	2,471.93
EBITDA (Rs. In Lakhs)		1,063.52	1,149.45
a) EBITDA Margin (%)	<u>Earnings Before Interest, Taxes, Depreciation, and Amortization</u> Revenue from operations	38.69%	46.50%
PAT		776.90	365.38
b) PAT Margin (%)	<u>Profit After Tax</u> Revenue from operations	28.26%	14.78%
c) RoE (%)	<u>Net Profit after Tax - Preference Dividend</u> Average Shareholder's Equity	14.51%	21.76%
d) RoCE (%)	<u>Earnings Before Interest, Taxes, Depreciation, and Amortization</u> Revenue from operations	10.13%	13.06%

Notes:

- 1) "EBITDA" and "EBITDA margin" are Non-GAAP financial measures. EBITDA refers to our restated profit for the year/period, as adjusted to exclude (i) depreciation and amortization expenses, (ii) finance costs and (iii) total tax expenses. EBITDA Margin refers to the percentage margin derived by dividing EBITDA by revenue from operations.
- 2) "RoE" means return on equity, which represents Profit after tax during the relevant year / period divided by Average Equity. Average equity is calculated as average of opening and closing balance of total equity for the year / period.
- 3) "RoCE" means return on capital employed, which represents EBIT (Earnings before Interest and Tax) during the relevant year/period as a percentage of capital employed. Capital employed is the total of all types of capital, other equity, total borrowings, total lease liabilities and deferred tax liabilities (net) less deferred tax assets (net) as of the end of the relevant year/period.

42. Lease

- i. The Group has taken premises on non-cancellable Operating Lease. The total future minimum lease payable under this non-cancellable operating lease are as under:

(INR in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	42.93	25.20
Later than one year & not later than five years	103.66	88.91
Later than five years	-	-

During the F.Y. 2023-24, the Group has recognised lease payments of INR 32.31 Lakhs in the statement of profit and loss.

43. In the opinion of the Board, the provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.
44. In the opinion of the Board, all assets other than property, plant and equipment and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

45. Corporate Social Responsibility

(INR in Lakhs)

Particulars	For the year ended March 31, 2024	For the Year Ended March 31, 2023
(a) amount required to be spent by the Holding Company during the year	6.30	NA
(b) amount of expenditure incurred on :		
(i) Construction/acquisition of any asset	-	NA
(ii) On purpose other than (i) above	-	NA
(c) shortfall at the end of the year*	6.30	-
(d) total of previous years shortfall	-	-
(e) reason for shortfall*	refer note below	NA

*During the year 2023-2024, the Management of the Holding Company has searched various CSR projects and out of which identified one ongoing project of construction of Old Age Home and Hostel for persons with disability in Safale, Palghar, Maharashtra and allocated an amount of INR 6.30 lakhs towards such project and transferred such amount in an "Unspent CSR Account" of the Holding Company in two tranches of INR 1.00 Lakh and INR 5.30 Lakhs on April 29, 2024 and April 30, 2024 respectively, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules. The said amount of INR 6.30 lakhs shall be spent in compliance with provisions of Section 135(6) of the Companies Act, 2013 and rules made thereunder.

46. 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 Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 104184W/W100075

Pritesh Bhagat

Designated Partner

Membership No.: 144424

Place: Navi Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors

Organic Recycling Systems Limited

Sarang Bhand

Managing Director

DIN : 01633419

Jigar Gudka

Chief Financial Officer

Place: Navi Mumbai

Date: May 27, 2024

Yashas Bhand

Whole-time Director and CEO

DIN : 07118419

Seema Gawas

Company Secretary

Place: Navi Mumbai

Date: May 27, 2024



Registered Office

Organic Recycling Systems Limited
1003, 10th Floor, The Affaires, Plot No 9, Sector No 17,
Sanpada, Navi Mumbai, Thane - 400705

Tel.: 022 41702222

Website: <https://organicrecycling.co.in/>

Email: cs@organicrecycling.co.in